

Charity No. 1150776 (England and Wales)

THE HONOURABLE THE IRISH SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021

Irwin Donaghey Stockman LLP
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THE HONOURABLE THE IRISH SOCIETY

CHARITY INFORMATION

Charity registration number	1150776
Registered office	PO Box 270 Guildhall LONDON EC2P 2EJ
Auditor	Irwin Donaghey Stockman LLP 23/25 Queen Street COLERAINE Co Londonderry BT52 1BG
Bankers	Danske Bank Corporate Banking Centre PO Box 183 BELFAST BT1 6JS
Investment managers	Baring Fund Managers Ltd 20 Old Bailey LONDON EC4M 7BF Cazenove Capital Management 1 London Wall Place LONDON EC2Y 5AU
Solicitors	Elliott Duffy Garrett Royston House 34 Upper Queen Street BELFAST BT1 6FD

List of Trustees 2020-21

Governor:	Alderman Sir Andrew Charles Parmley, (to 04/03/2021) MusM Hon FGS The Rt Hon. The Lord Mayor, Alderman William Anthony Bowater Russell (from 04/03/2021)
Deputy Governor:	Peter Gerard Dunphy, Deputy (to 04/03/2021) Wendy Hyde, Deputy (from 04/03/2021)
Aldermen:	Nicholas Stephen Leland Lyons Gregory Jones, QC
Commoners:	John David Absalom, Deputy Simon D'Olier Duckworth, OBE, DL Sheriff Christopher Michael Hayward Vivienne Littlechild, MBE, JP Charles Edward Lord, OBE, JP, Deputy (from 04/03/2021) Hugh Fenton Morris, Deputy James Henry George Pollard, Deputy Richard David Regan, OBE, Deputy (to 04/03/2021) Ian Christopher Norman Seaton, MBE Jeremy Lewis Simons, OBE Philip Woodhouse, Deputy
Society's Representative (Northern Ireland) & Secretary:	Edward Montgomery, MBE DL
Assistant Secretary:	Candya L Farmer

THE HONOURABLE THE IRISH SOCIETY

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 APRIL 2021

The Trustees are pleased to present their annual report and financial statements for the year ended 30 April 2021.

The accounts have been prepared in accordance with the accounting policies set out in Note 1 to the accounts, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)".

WHO ARE WE?

Established through Royal Charters granted by King James I in 1613 and King Charles II in 1662, The Honourable The Irish Society has since then maintained interests and managed its ownership of land, buildings and rivers for the benefit of the community of County Londonderry and adjoining areas. A modernising Supplemental Charter was granted to the Irish Society on 20 December 2012. The Society is registered as a charity with the Charity Commission for England and Wales - Registration number 1150776.

OBJECTIVES

From its early association with the Plantation of Ulster, the Irish Society has evolved into a self-funding, cross-community charitable organisation; a succession of Governors and Deputy Governors have been committed to ensuring that the Society continues to make a positive impact by remaining contemporary, credible and relevant in everything that it does; and its trustees have agreed a Mission Statement to work in partnership "for the economic and social benefit of Northern Ireland".

The Society's objects are defined in the 2012 Supplemental Charter as follows: The promotion of any exclusively charitable purpose for the benefit of the community of the County of Londonderry and neighbouring areas including those within the following descriptions:

- the advancement of education;
- the advancement of citizenship or community development;
- the advancement of the arts, culture, heritage or science;
- the advancement of amateur sport;
- the advancement of environmental protection or improvement; and/or
- the relief of those in need by reason of youth, age, ill-health, disability, financial hardship or other disadvantage.

ACTIVITIES, ACHIEVEMENTS & PERFORMANCE

Usually committed to maintaining a presence on the ground in Northern Ireland, trustees were unable to undertake any formal visits during the Coronavirus pandemic, throughout the year in question. This prevented direct engagement with grant recipients; the education sector; other prominent people from the local community and its civic leadership, but – like many organisations – staff and trustees mastered the art of virtual meetings and adjusted working practices to ensure business continued as close to normal as possible. In response to changing circumstances throughout the year:

- The Secretary worked almost entirely from home, while his PA kept the Coleraine office open by working there in isolation. When Guildhall in London closed, the Assistant Secretary arranged for all post to be re-directed to Cutts House and established a home-based working pattern.
- A review of any income that might be affected by the pandemic was completed in April 2020 to ensure that, as a responsible landlord, the Society could offer full or partial rent 'holidays' to leaseholders of commercial property when businesses were forced to close. However, the trustees were also keen to maintain almost the same level of charitable activities and grant giving to the local community that had been originally budgeted for.
- Fisheries staff were able to continue working more or less as normal from mid-May 2020 as angling was able to re-open after only a short lockdown period and much of their work is necessarily outdoors.
- The Society's Court and its various sub-committees rapidly started to work remotely by video link and succeeded in maintaining the usual level of management and oversight of the Society's activities in Northern Ireland.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

- The Local Advisory Committee held meetings via video link and continued to oversee the administration of the Society's small grants programme and 91 one-off community grants totalling **£96,364** were made (2020: £93,290). The average grant size was **£1,060** (2020: £865).
- In addition, the Irish Society continued giving its usual financial support to five primary schools; numerous secondary schools - including those benefitting from the IT/Support Fund (see below) and a contribution to the annual Business Education Partnership Careers Convention; one special needs school and Ulster University, totalling **£23,567**.
- Due to the effect of Covid-19 limiting community project activity, a lower number of larger grants to good causes was made totalling **£25,233** - including £5,000 to Ashes to Gold, an armed services mental health charity in Coleraine.
- Annual funding of **£40,000** was granted to Co-operation Ireland to support the NI National Citizen Service programme in the North West. In 2020-21 the Coronavirus pandemic prevented the normal running of this government-backed programme, which seeks to develop life skills in young people aged 15-17 and promote social cohesion; social mobility; and civic engagement. But, having worked closely with delivery body Co-operation Ireland on this major charitable youth initiative, the Society re-channelled resources (including contributions from the **City of London Corporation** and two of the Livery Companies, **The Mercers** and **The Drapers**) to fund a youth leadership and development project run by Co-operation Ireland and St Columb's Park House youth workers, which engaged with over 40 young people in Londonderry and Coleraine. Personal development, social projects and engagement with their communities were central themes.
- The Society assisted Mansion House Scholarship trustees in the City of London in appointing a student from Northern Ireland for the first time to one of their prestigious scholarships. Megan Edwards, a 24 year old law student from Strabane, was awarded a full scholarship worth £10,000 which has helped her complete her legal studies at Northumbria University prior to seeking further experience at a Chambers in London later in 2021.
- In March 2021, the Local Advisory Committee supported the Society's proposal to 'ring fence' **£32,987** for local secondary schools to help fund their delivery of remote learning (eg, the purchase of tablets and i-pads for pupils who were home schooling) or towards counselling for pupils returning to the classroom. Funds from the underspent larger grants budget and **£16,100** from the LAC budget were switched to achieve this. Seventeen out of 38 schools in the North West were able to apply and benefit from this support, which came at a timely moment in the spring of 2021.
- Also in March 2021 the Society's fishery management team staged a virtual Festival of Game Fishing – taking advantage of the pandemic situation to adapt the usual bi-annual local conference attended by 100 anglers to reach a worldwide audience of over 600 and broadcasting over an eight hour period with a series of presentations, Q&A sessions, demonstrations, and discussions to promote fishing opportunities on the Lower Bann and its tributaries.
- The event also provided an opportunity to launch the Irish Society's new website and its fishing tourism agency partner, Cressabelle.

Grants

Applications for **small grants** to local 'not-for-profit' organisations can be made through a simple process – by e-mail, post or via the Society's website (www.honourableirishsociety.org.uk). All applications are scrutinised by a Local Advisory Committee (LAC) which has existed since 1974 and is comprised of cross-party elected representatives drawn from three local authorities in County Londonderry established in April 2015: Causeway Coast & Glens Borough Council; Derry City & Strabane District Council; and Mid Ulster District Council. Grants are equally available to both main sections of Northern Ireland's divided community, Roman Catholic and Protestant, on a wholly impartial basis – which reflects the broad makeup of the community in which the Society works. Indeed, many of the grants made go to groups in which Catholics and Protestants work together in harmony promoting peace and reconciliation.

THE HONOURABLE THE IRISH SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

The Society has been able to achieve a much greater charitable impact in Northern Ireland in recent years, thanks to the active support of City Livery Companies and the City of London Corporation. The trustees again acknowledge with much gratitude donations from:

- **The Mercers' Company** – a final year donation of **£6,500** towards the NI National Citizen Service programme.
- **The Drapers' Company** - an annual donation to the Society's small grants programme of **£20,000** per annum, plus a further **£10,000** for the NI National Citizen Service.
- **The Clothworkers' Foundation** – a continuing donation of **£20,000** to the Northern Ireland Fund, enabling the Society to reach out to other parts of NI beyond the North West.
- **The City of London Corporation** - again boosting the Society's general grant-making ability by **£25,000** - offsetting reduced income from capital tied up in a potential property development site in Coleraine. In 2020-21 this largely enabled the secondary schools support fund to be created, as mentioned above.

Schools & Education Support

Primary Schools (Ballougy, Culmore, D H Christie Memorial, The Irish Society's and Millburn): Although all have been in the state controlled sector for many years, the Society's trustees continue to maintain a special link and level of financial support for five primary schools in County Londonderry that were originally founded by the Irish Society for both Protestant and Catholic children between the ages of 4 and 11. As in previous years, the Society contributed to annual prize-giving for pupils completing their primary education. And a donation was also made to each school at Christmas time towards festivities. Despite it being a difficult year for schools with many enforced closure periods, the Society worked with the teachers and parents to support virtual/alternative events and activities, even though visits by the trustees were not possible. Across the five schools, over 1,300 children benefit every year from the Society's support.

Due to the pandemic, the Irish Society was this year unable to fund Hatchery in the Classroom – an environmental project for primary schools along the Lower Bann corridor. The **£8,000** usually earmarked for this was switched to the support fund for secondary schools mentioned above.

Secondary Schools: During the year, the Irish Society partnered with Enterprise Causeway to deliver a Careers Convention in March 2021 with **£5,000**, enabling the event to take place to the benefit of well over 1,000 children from schools all over the North West. Without the Society's funding, this event, which moved online this year due to the pandemic, would not have happened.

The Society also continued to support the Star Programme linking **Lisneal College** and **St Mary's College** in Londonderry. Again due to the pandemic, this year the sum of **£5,000** was used by both to purchase IT equipment and specialist art therapy to enable deprived children to continue home learning and prepare for a return to school in the spring of 2021. No visit by the trustees was possible, but both Colleges have made clear how useful this financial support is to them.

The Society's annual support for **Sandelford School** in Coleraine, which caters for children from ages 3 to 19 with a wide range of special needs, was doubled this year to **£5,000** and used towards the completion of a new outdoor play area for the children. Again, no trustee visit was possible due to pandemic restrictions, but the head teacher has confirmed how significant the Society's continuing support is for the School.

Lower Bann River Environmental & Fisheries Management

The Society continued to manage the 38 mile long Lower Bann river and its fisheries this year. The voluntary sub-committee (Bann Division) maintained its overwatch of the fishing and environmental protection operations, as it has done for many years.

One full-time and three part-time members of staff were employed during the year to perform river bailiffing, management and protection duties for the Society - which involves regular patrolling of the river and its tributaries to enforce the government's Catch & Release policy and prevent / deter general poaching, pollution and predation of the fisheries. This expenditure of over **£100,000** per annum is necessary given the extent and importance of the Lower Bann fisheries to the whole NI economy and environment and as a resource for recreation, tourism and education.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

The income from fishing again rose in 2020-21 due to hard work by the staff in promoting the opportunities and an excellent run of salmon in the main river (over 19,000 fish were counted, making it by some margin the best in the history of the modern counting system on the Lower Bann). Game fishing in Northern Ireland was able to commence from mid-May 2020 more or less as normal, despite the otherwise strict lockdown regulations, subject to suitable precautions and risk assessments. Ironically, the pandemic acted as a positive driver, as local participation in fishing increased, undoubtedly due to the curtailment of other leisure activities and the ban on international travel. The absence of tourist anglers was thus more than offset by local newcomers to the sport.

A number of river bed leases and licences were renewed during the year, and two new ones added, which will help give more diversification to Bann income into the future.

A very dry start to the season gave some concern for salmon smolt survival, but later on the usual wetter summer weather ensured plenty of good fishing, with just over 600 salmon caught and released on the premier Carnroe beat.

In contrast, all coarse fishing competitions were suspended for the duration and none of the usual Bann events were able to take place in the autumn.

As noted earlier, the year concluded with a virtual Festival of Game Fishing on 12th March, which proved hugely successful and drew considerable interest from GB and further afield, hopefully laying the ground for increased tourist fishing once more normal times return. The Festival was only possible due to the hard work of a steering group comprised of Irish Society trustees, local fishing experts and other technical and professional helpers, most of whom gave freely of their time to help make the event a success. The trustees would particularly like to thank The Fishmongers Company for their key sponsorship and other assistance.

Commercial Property estate

A summary of activity in the Society's commercial property portfolio during the year is as follows:

- Work commenced in June 2020 on an outline planning application for the smaller of the two development sites at Castleroe, near Coleraine. The aim is to generate funds by marketing and selling the smaller site with outline planning permission for over 30 residential apartments, in order to facilitate preliminary infrastructure development on the larger site for a mixed-use development. The trustees appointed local architects, G M Design, to carry out this work, which was largely complete by the end of April 2021. The market for residential property in Coleraine remains strong.
- Sadly, due to the pandemic, a number of the Society's smaller retail tenants were forced by government rules for non-essential businesses to close for much of the period, and it was decided to offer them a full rent 'holiday', and in another case a 50% rent reduction. All of these tenants have since re-commenced trading, since the end of April 2021, but there has obviously been a detrimental impact on rental income from this - thankfully a modest one. The Society's key tenant Primark in Londonderry was badly affected by the enforced closure, but remained in touch with the Secretary throughout the period and continued to pay its rent in full.
- The refurbishment of Victoria Hall at Culmore was almost fully completed during the year, subject to some final issues such as the finishing of the lift and tarmacking of the exterior car park. This has successfully transformed a previously derelict building into a much-needed facility for the local community and much credit is due to Culmore Community Partnership, the Society's tenant, for gathering a fund of almost £500,000 together to achieve this. The Society's contribution was just over **£60,000**.
- Negotiations on re-leasing a trout farm in Co. Tyrone continued throughout the year. While the former sub-tenant has been on site and trading since November, various difficulties with the outgoing tenant over statutory consents, dilapidations and disputes over equipment ownership have delayed the final agreement and signing of the lease.
- The Coleraine fast food shop has been re-let during the year and fully refurbished by the new tenant to a much higher standard than previously. The tenant commenced trading in the spring of 2021.
- A full quinquennial valuation of all the Society's commercial and non-commercial properties in Northern Ireland was undertaken by O'Connor Kennedy Turtle in spring 2021 and completed by the year end. While some town centre valuations have dropped since 2016, this has been offset by an increase in value of the development sites at Castleroe, especially the former Spanboard site.
- Several gun clubs have renewed their shooting rights licences and periodic uplifts to some of the commercial wind farm licences have occurred.

THE HONOURABLE THE IRISH SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

STRUCTURE, MANAGEMENT & GOVERNANCE

The Society is administered by a Court of 15 trustees, which meets at least four times a year. All are Aldermen or Common Councillors of the City of London Corporation and elected onto the Court of the Irish Society by fellow members of the Court of Aldermen and Common Council. Trustees for the period covered by the Report & Financial Statements are listed under Charity Information. The Society requires all trustees to commit to a written Code of Conduct governing their behaviour; all new trustees are given an introduction to the work of the Society and provided with copies of recent accounts and minutes of meetings; and are encouraged to participate in at least one formal visit to Northern Ireland as early as possible following appointment, to see the operations of the Society and the difference its grants make to the community. The Charity's Secretary is based in Coleraine, Northern Ireland, and the Assistant Secretary at Guildhall in London.

The trustees confirm that they are aware of the Guidance promulgated by the Charity Commission under the Charities Act 2011 in relation to Public Benefit, recognise their obligation to have regard thereto and – from the feedback received from grant recipients – are confident that their activities are delivering Public Benefit.

The Irish Society's Court has appointed a Finance Committee (chaired by the Deputy Governor) to consider and monitor its financial position and recommend the approval of the annual financial statements to its Court members. Committee members during the accounting year were as follows: Peter Dunphy (Chairman to 14/04/2021 and Deputy Chairman thereafter); Wendy Hyde (Deputy Chairman to 14/04/2021 and Chairman thereafter); Henry Pollard, Deputy; Simon Duckworth, OBE, DL; Nicholas Lyons; Ian Seaton, MBE; and Philip Woodhouse. Nick Bensted-Smith, JP has also been co-opted to the Finance Committee for investment matters.

KEY MANAGEMENT PERSONNEL REMUNERATION

The board of trustees and the Secretary are the key management personnel in charge of directing, controlling, running and operating the Society on a day to day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of reimbursed expenses and related party transactions are usually disclosed in the notes to the accounts (see page 24), but there were none in 2020-21.

Trustees are required to disclose all relevant interests; register them with the Secretary; and, in accordance with the Society's policy, withdraw from discussion / decisions where a potential conflict of interest arises. The Assistant Secretary maintains a Register using information drawn from the City of London Corporation's declarations of interest.

The Secretary's salary is reviewed annually and, like that of other staff, normally increased in accordance with average earnings. The remuneration is also benchmarked with grant-making charities of a similar size and activity to ensure that the level set is fair and not out of line with that generally paid for similar roles.

THE HONOURABLE THE IRISH SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

RISK MANAGEMENT

Trustees are mindful of the Society's Policy on Risk and elements of the Risk Register are reviewed at every Court meeting on a rolling basis to ensure that all relevant risks are given due consideration and the Register is updated in its entirety over a 12 month period. Full recognition has been paid to the effect of the Covid-19 pandemic and the measures to protect the staff and business of the charity that were outlined last year (including much use of home-working, holding remote meetings and reducing all but essential travel and visit expenditures) continued throughout this period too. Overall, the trustees consider that the assets of the Society will continue to be well diversified. The commitments that the Society has to honour by law are not significant.

FINANCIAL REVIEW

It is the policy of the trustees to generate sufficient income to pay for the Society's charitable purposes and management each year, while maintaining the overall value of the Society's assets, so that it may continue to achieve its charitable objectives into the future. The trustees aim to spend increased resources each year on charitable activities based on budgeted income and expenditure, while at the same time maintaining sufficient reserves to meet any unexpected capital requirements.

The Society has a number of mainly commercial properties and property interests in Northern Ireland which it uses to generate income for grant-giving purposes in support of its activities. The property portfolio was professionally revalued in early 2021 with a total restated value of £3.8m (up from £3.2m in 2016).

The Society also has an investment portfolio managed on a discretionary basis by external fund managers – Barings Asset Management Limited and Cazenove Capital Management. There are no restrictions on the investments that the Society can make. The portfolios are monitored against industry benchmarks and a specific target. While the trustees consider the managers' performance to be satisfactory overall, in April 2021 Barings announced the closure of the investment fund used by the Society, necessitating a review which will be carried out in the ensuing year.

The Society's cash investments are deposited in the charities pooled fund operated by the City of London Corporation and managed externally on its behalf.

At 30 April 2021 free reserves amounted to £12,105,405 (2020: £10,547,342) - see Balance Sheet at page 15.

REVIEW OF CHARITABLE ACTIVITIES IN THE YEAR

Net Incoming Resources in the year to 30 April 2021 were **£1,588,063** (2020: -£557,259). The increase was mainly due to more favourable investment conditions in the summer of 2020 as international markets bounced back from the initial shock of the Coronavirus pandemic; the 5-yearly commercial property portfolio revaluation also contributed to the higher figure.

Charitable expenditure amounted to £572,104 (2020: £580,810). Taking into account other unrealised gains/losses of £1,539,852 (2020: -£603,579) as set out on page 25, this left an overall surplus for the year of £1,684,644 (2020: deficit of £557,259).

THE HONOURABLE THE IRISH SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

PLANS FOR FUTURE PERIODS

During the period, the Society has continued to keep tight control of its administration and other costs. As a result, despite the effects of the pandemic, the trustees were again able to allocate increased funds to the charitable budget during the year, and it is hoped this trend will continue into the future, based on the following strategies:

- The trustees believe that the Irish Society could achieve more if greater funds were available generally, and they continue to work with the London Livery Companies – particularly those with historic connections in County Londonderry. The longer term intention is to expand the number of Livery Companies engaged – not just with the purpose of increasing funding ability but by harnessing their networks and expertise.
- The Society will also seek to develop connections with philanthropic individuals and organisations, including the Northern Irish diaspora that may consider the Society as a charitable vehicle for making donations into the Province for specific projects such as the NI National Citizen Service.
- Trustees will also continue to work with partner organisations such as Co-operation Ireland, Cavell Nurses Trust and Community Foundation NI where their objectives align with the Irish Society's strategy. They will also explore what other organisations might be engaged to further the Society's aims.

During the coming year, the trustees will be carrying out an exercise to appoint a new investment manager in place of Barings, as mentioned above. They will take the opportunity to review their overall investment policy at the same time, to ensure that a sustainable level of income is generated from the investments whilst maintaining their real value into the future.

The Society has a long term aim of restructuring / developing its property portfolio where possible to produce an increased income, especially by bringing the Castleroe sites to fruition. Resources will continue to be spent on managing the fishery assets and protecting the environment of the Lower Bann River and its tributaries in order to enable greater public use and enjoyment, while generating a surplus of income over expenditure - especially by developing external angling tourism, which has to date been very modest in NI. A tourist agent, Cressabelle, has been appointed and launched during the year and it is hoped will lead in due course to increased levels of tourist bookings for fishing and accommodation in the area.

STATEMENT OF THE COURT'S RESPONSIBILITIES

The Court is responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and Relevant Financial Reporting Framework. The Court is required to prepare financial statements for each year, which give a true and fair view of the state of affairs of the Society and of the incoming resources and application of resources of the Society for that period. In preparing those financial statements, the Court is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Court is responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the Society and to enable them to ensure that the financial statements comply with the Charities Act 2011 and the applicable Charities (Accounts and Reports) Regulations. It is also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Court is responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

THE HONOURABLE THE IRISH SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

The Trustees' report was approved by the Court.



Alderman Sir Andrew Charles Parmley, MusM Hon FGS
Acting Governor

Dated: 21 July 2021

THE HONOURABLE THE IRISH SOCIETY

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE HONOURABLE THE IRISH SOCIETY

Opinion

We have audited the financial statements of The Honourable The Irish Society (the 'Society') for the year ended 30 April 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 April 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Society's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE HONOURABLE THE IRISH SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE HONOURABLE THE IRISH SOCIETY

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of the Court's Responsibilities, the court is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

THE HONOURABLE THE IRISH SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE HONOURABLE THE IRISH SOCIETY



Mr Ian H Donaghey MBE (Senior Statutory Auditor)
for and on behalf of Irwin Donaghey Stockman LLP

Statutory Auditor
23/25 Queen Street
COLERAINE
Co Londonderry
BT52 1BG

21 July 2021

Irwin Donaghey Stockman LLP is eligible for appointment as auditor of the Society by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

THE HONOURABLE THE IRISH SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
<u>Income and endowments from:</u>					
Donations and grants	3	25,000	70,000	95,000	82,500
Other trading activities	4	284,578	-	284,578	281,854
Investment income	5	270,275	-	270,275	297,598
Other income	6	4,375	-	4,375	3,270
Total income		584,228	70,000	654,228	665,222
<u>Expenditure on:</u>					
Managing funds	7	33,913	-	33,913	38,092
Charitable activities	8	532,104	40,000	572,104	580,810
Total resources expended		566,017	40,000	606,017	618,902
Trading surplus/(deficit)		18,211	30,000	48,211	46,320
Net unrealised gains/(losses) on investments	13	1,539,852	-	1,539,852	(603,579)
Net incoming/(outgoing) resources		1,558,063	30,000	1,588,063	(557,259)
<u>Other recognised gains and losses</u>					
Revaluation of tangible fixed assets		96,581	-	96,581	-
Net movement in funds		1,654,644	30,000	1,684,644	(557,259)
Fund balances at 1 May 2020		10,625,682	127,000	10,752,682	11,309,941
Fund balances at 30 April 2021		12,280,326	157,000	12,437,326	10,752,682

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE HONOURABLE THE IRISH SOCIETY

BALANCE SHEET

AS AT 30 APRIL 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	14		724,501		644,384
Investment properties	15		3,802,000		3,256,506
Investments	16		7,653,074		6,683,410
			<u>12,179,575</u>		<u>10,584,300</u>
Current assets					
Debtors	18	168,679		154,208	
Cash at bank and in hand		316,372		164,538	
		<u>485,051</u>		<u>318,746</u>	
Creditors: amounts falling due within one year	19	(227,300)		(150,364)	
Net current assets			<u>257,751</u>		<u>168,382</u>
Total assets less current liabilities			<u>12,437,326</u>		<u>10,752,682</u>
Income funds					
Restricted funds			157,000		127,000
<u>Unrestricted funds</u>					
General unrestricted funds		12,105,405		10,547,342	
Revaluation reserve		<u>174,921</u>		<u>78,340</u>	
			<u>12,280,326</u>		<u>10,625,682</u>
			<u>12,437,326</u>		<u>10,752,682</u>

The financial statements were approved by the Trustees on 21 July 2021



Trustee

THE HONOURABLE THE IRISH SOCIETY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2021

	Notes	£	2021 £	£	2020 £
Cash flows from operating activities					
Cash absorbed by operations	24		(106,391)		(311,836)
Investing activities					
Purchase of tangible fixed assets		(2,832)		(23,338)	
Proceeds on disposal of tangible fixed assets		-		833	
Purchase of investment property		-		(38,645)	
Schroders fees deducted at source		(9,219)		(9,249)	
Interest received		270,275		297,598	
Net cash generated from investing activities			258,224		227,199
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			151,833		(84,637)
Cash and cash equivalents at beginning of year			164,538		249,175
Cash and cash equivalents at end of year			316,372		164,538

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

Charity information

The Honourable The Irish Society is a public benefit entity as defined by FRS102.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Society is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Society. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

In making this assessment the Trustees have considered the ongoing impact of the Covid-19 pandemic on the Society's cash flows and liquidity.

With respect to the next reporting period, the most significant areas of uncertainty that affect the carrying value of assets held by the Society are the levels of investment return and the performance of investment markets (see the Risk Management and Financial Review sections of the Trustees' report for more information).

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in notes 3 and 8 to the financial statements.

1.4 Incoming resources

All income is recognised once:

- the charity has entitlement to the income;
- it is probable that the income will be received; and
- the amount of income receivable can be measured reliably.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Society to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

The costs of generating funds consists solely of investment management fees.

Costs of charitable activities include grants made, governance costs and an apportionment of support costs as shown in Note 4.

Support costs have been allocated between governance costs and other support costs. Support costs include office and staff costs and have been allocated to the activity cost category or on a basis consistent with the use of resources – e.g. staff costs by the time spent, and other costs by their usage.

Governance costs comprise all costs involving the public accountability of the Society and its compliance with regulation and good practice. Governance costs include the governance arrangements which relate to the general running of the charity as opposed to the direct management functions in generating funds, service delivery, project work and grant making. These costs include such items as external legal advice, Trustees' expenses are associated with visits to Northern Ireland.

The allocation of support and governance costs is analysed in Note 4.

1.6 Tangible fixed assets

The Society's properties were valued in the current financial year by O'Connor Kennedy Turtle, Chartered Surveyors, providing a market value as at 30 April 2021, in line with the Society's intentions of carrying out a formal valuation of its properties every five years in accordance with FRS 102.

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	Straight line over 50 years
Motor vehicles and boats	25% straight line
Furniture and office equipment	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Other properties occupied by the Society are not treated as investment properties. These are depreciated on a straight line basis over fifty years. They are similarly valued at least once in every five years and included in the above report.

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year. No depreciation is provided on investment properties, in accordance with accounting standards. The majority of the investment properties which are generating rental income are valued by reference to yield. Those which are not generating rental income have been valued at the Trustees' best estimates.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

The Society does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Society is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

1.9 Impairment of fixed assets

At each reporting end date, the Society reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The Society has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Society's balance sheet when the Society becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Society's contractual obligations expire or are discharged or cancelled.

1.12 Taxation

The Society is not liable to tax on capital gains, rent, investment income and certain other income.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Society is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

2 Critical accounting estimates and judgements

In the application of the Society's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

Valuation of investment properties

Investment properties are revalued as at 30 April 2021. It is the Society's policy to obtain external valuations every 5 years.

3 Donations and grants

	Unrestricted funds	Restricted funds	Total	Total
	2021 £	2021 £	2021 £	2020 £
Donations and grants	25,000	70,000	95,000	82,500
For the year ended 30 April 2020	<u>25,000</u>	<u>57,500</u>		<u>82,500</u>
Donations and gifts				
Livery company - Drapers	-	20,000	20,000	20,000
Livery company - Clothworkers	-	20,000	20,000	10,000
City of London	25,000	-	25,000	25,000
Drapers to NCS	-	10,000	10,000	10,000
Mercers to NCS	-	6,500	6,500	6,500
City of London to NCS	-	11,000	11,000	11,000
Other	-	2,500	2,500	-
	<u>25,000</u>	<u>70,000</u>	<u>95,000</u>	<u>82,500</u>

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

4 Other trading activities

	Unrestricted funds	Total
	2021 £	2020 £
Commercial property rent	122,962	131,318
Fishing, coarse, game and sporting	161,616	150,536
Other trading activities	284,578	281,854

5 Investment income

	Unrestricted funds	Total
	2021 £	2020 £
Dividends - equities	270,275	297,598

6 Other income

	Unrestricted funds	Total
	2021 £	2020 £
Net gain on disposal of tangible fixed assets	-	833
Other income	4,375	2,437
	4,375	3,270

7 Managing funds

	Unrestricted funds	Total
	2021 £	2020 £
Investment management fees	33,913	38,092
	33,913	38,092

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

8 Charitable activities

	Education	Community	Environmental	Total	Total
	Development	Protection &	Improvement	2021	2020
	£	£	£	£	£
Grant funding of activities (see note 9)	125,942	64,856	11,250	202,048	237,650
Share of support costs (see note 10)	65,396	65,394	196,181	326,971	289,677
Share of governance costs (see note 10)	8,616	8,617	25,850	43,083	53,481
	<u>199,954</u>	<u>138,867</u>	<u>233,281</u>	<u>572,104</u>	<u>580,810</u>
Analysis by fund					
Unrestricted funds	181,406	118,167	232,531	532,104	
Restricted funds	18,550	20,700	750	40,000	
	<u>199,956</u>	<u>138,867</u>	<u>233,281</u>	<u>572,104</u>	
For the year ended 30 April 2020					
Unrestricted funds	183,919	122,573	235,194		541,686
Restricted funds	16,768	20,656	1,700		39,124
	<u>200,687</u>	<u>143,229</u>	<u>236,894</u>		<u>580,810</u>

9 Grants payable

	Education	Community	Environmental	Total	Total
	Development	Protection &	Improvement	2021	2020
	£	£	£	£	£
Grants to institutions:					
Advisory Committee	26,941	26,223	2,700	55,864	54,166
Clothworkers	10,650	9,350	-	20,000	20,000
Drapers	7,550	11,350	750	19,650	19,124
London budget	40,454	17,433	7,800	65,687	108,428
To NCS	40,000	-	-	40,000	34,435
	<u>125,592</u>	<u>64,356</u>	<u>11,250</u>	<u>201,198</u>	<u>236,150</u>
Grants to individuals	350	500	-	850	1,500
	<u>125,942</u>	<u>64,856</u>	<u>11,250</u>	<u>202,048</u>	<u>237,650</u>

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

9 Grants payable

(Continued)

The Society makes grants for assistance in line with its aims of promoting the welfare of County Londonderry and adjoining areas in Northern Ireland. Grants are made on a cross-community basis to local organisations and individuals for deserving causes and to local primary, secondary and tertiary educational establishments. Details of some of the London grants that the Society paid out during the year can be seen in the Trustees' Report (pages 3-9). Full details of all Advisory Committee, Drapers' and Clothworkers' grants can be found on the Society's website. Grants payable are payments made in furtherance of the charitable objectives of the Society.

10 Support costs

	Support costs	Governance costs	2021	2020
	£	£	£	£
Staff costs	182,138	36,363	218,501	221,320
Depreciation	19,295	-	19,295	18,169
Rent, rates, insurance & utilities	17,679	-	17,679	18,215
Repairs & maintenance	5,064	-	5,064	19,482
Advertising, PR, & printing	750	-	750	587
Telephone	1,998	-	1,998	1,954
Computer & website costs	5,909	-	5,909	750
Motor & travel	12,275	-	12,275	16,064
Legal & professional (NI property)	77,048	-	77,048	24,534
Audit & accountancy	1,884	-	1,884	1,814
General (office sundries, stationery, subscriptions)	2,931	-	2,931	4,516
Audit fees	-	2,400	2,400	2,400
Accountancy	-	1,600	1,600	1,600
Trustee & executive expenses	-	-	-	9,137
Legal fees (non-property)	-	2,720	2,720	2,619
	<u>326,971</u>	<u>43,083</u>	<u>370,054</u>	<u>343,161</u>
Analysed between				
Charitable activities	<u>326,971</u>	<u>43,083</u>	<u>370,054</u>	<u>343,161</u>

Governance costs includes payments to the auditors of £2,400 (2020- £2,400) for audit fees, and additional accounts preparation work of £1,600 (2020- £1,600).

11 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Society during the year.

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

12 Employees

Number of employees

The average monthly number of full time equivalent employees during the year was:

	2021 Number	2020 Number
Direct charitable activities	4	4
Administration	2	2
	<u>6</u>	<u>6</u>

Employment costs

	2021 £	2020 £
Wages and salaries	169,562	169,791
Social security costs	17,113	17,230
Other pension costs	31,826	34,299
	<u>218,501</u>	<u>221,320</u>

No member of the Court received any remuneration.

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2021 Number	2020 Number
£60,001-£70,000	<u>1</u>	<u>1</u>

13 Net gains/(losses) on investments

	Unrestricted funds	Total
	2021 £	2020 £
Net unrealised gains/(losses) on investments	994,358	(603,579)
Revaluation of investment properties	545,494	-
	<u>1,539,852</u>	<u>(603,579)</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

14 Tangible fixed assets

	Leasehold land and buildings £	Motor vehicles and boats £	Furniture and office equipment £	Total £
Cost or valuation				
At 1 May 2020	683,420	49,959	20,681	754,060
Additions	-	2,832	-	2,832
Revaluation	96,581	-	-	96,581
At 30 April 2021	780,001	52,791	20,681	853,473
Depreciation and impairment				
At 1 May 2020	54,168	38,357	17,152	109,677
Depreciation charged in the year	15,600	2,600	1,095	19,295
At 30 April 2021	69,768	40,957	18,247	128,972
Carrying amount				
At 30 April 2021	710,233	11,834	2,434	724,501
At 30 April 2020	629,252	11,602	3,530	644,384

Land and buildings with a carrying amount of £780,000 were revalued at 30 April 2021 by O'Connor Kennedy Turtle, independent valuers not connected with the Society on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

The revaluation surplus is disclosed at the bottom of the Statement of Financial Activities.

The Society owns paintings, silver and other fixed assets in Northern Ireland, which are included at a £Nil book value but were valued in June 2011 by Danny Kinahan Fine Art & Antiques at £272,630. The Society also owns some silver items, five badges of office, a 17th Century (copy) Royal Charter and a modern Charter, all normally held in London and together valued at £100,000. No further valuations have been obtained since June 2011.

15 Investment property

	2021 £
Fair value	
At 1 May 2020	3,256,506
Net gains or losses through fair value adjustments	545,494
At 30 April 2021	3,802,000

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

15 Investment property

(Continued)

Investment property comprises a number of different commercial properties. The fair value of the investment properties has been arrived at on the basis of a valuation carried out at 30 April 2021 by O'Connor Kennedy Turtle Chartered Surveyors, who are not connected with the Society. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties. It is the accounting policy of the company to obtain independent valuations for investment properties every five years.

16 Fixed asset investments

	Listed investments	Other investments	Cash held by investment manager	Total
	£	£		£
Cost or valuation				
At 1 May 2020	6,660,622	2	22,786	6,683,410
Investment gains - unrealised	994,358	-	-	994,358
Barings investment management costs	(24,694)	-	-	(24,694)
At 30 April 2021	7,630,286	2	22,786	7,653,074
Carrying amount				
At 30 April 2021	7,630,286	2	22,786	7,653,074
At 30 April 2020	6,660,622	2	22,786	6,683,410

17 Financial instruments

	2021 £	2020 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	7,630,286	6,660,622

18 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	120,235	111,291
Other debtors	44,234	38,397
Prepayments and accrued income	4,210	4,520
	168,679	154,208

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2021

19 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	24,639	17,634
Trade creditors	21,162	1,759
Other creditors	156,737	110,298
Accruals and deferred income	24,762	20,673
	<u>227,300</u>	<u>150,364</u>

20 Retirement benefit schemes

The Society operates a Pension Scheme providing benefits based on final pensionable pay for all of its employees.

The assets of the Scheme are held separately from those of the Society in the City of London Corporation Pension Fund.

The Scheme is a funded, defined benefit scheme. However it is also classified as a multi-employer scheme under FRS 102. Although the employer's contributions are affected by a surplus or deficit in the scheme, the employer is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis.

As a result, the Scheme is accounted for as if it were a defined contribution scheme, as required by FRS 102. The employer's contributions made to the Scheme in the period were £31,826 (2020: £34,299), with an employer's contribution rate of 17.5% of pensionable pay. Employee's contributions were between 5.5% and 12.5% of pensionable pay.

Valuation date	31 March 2019	31 March 2016
Value of assets (smoothed)	£1,062,901,000	£796,301,000
Value of liabilities	£1,175,715,000	£945,576,000
Funding level of accrued benefits	90%	84%
Investment return on future contributions per annum	9.8%	5.7%
Investment return on accumulated assets per annum	9.8%	5.7%
Pension increases per annum	2.6%	2.4%
Rate of price inflation	2.6%	2.4%

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2021

21 Analysis of net assets between funds

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £
Fund balances at 30 April 2021 are represented by:						
Tangible assets	724,501	-	724,501	644,384	-	644,384
Investment properties	3,802,000	-	3,802,000	3,256,506	-	3,256,506
Investments	7,653,074	-	7,653,074	6,683,410	-	6,683,410
Current assets/ (liabilities)	257,751	-	257,751	41,382	127,000	168,382
	<u>12,437,326</u>	<u>-</u>	<u>12,437,326</u>	<u>10,625,682</u>	<u>127,000</u>	<u>10,752,682</u>

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

22 Operating lease commitments

At the reporting end date the Society had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	550	550
	<u>550</u>	<u>550</u>

This refers to the monthly Licence to Occupy arrangement with the City of London Corporation in respect of the Society's office at Guildhall, London.

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	80,972	80,078
	<u>80,972</u>	<u>80,078</u>

The Society considers its key management personnel to comprise the Trustees and the Society's Secretary & Representative (Northern Ireland).

One of the Irish Society trustees is Chairman (not remunerated) of the Advisory Board of Barings' Targeted Return Fund, one of the investment vehicles used by the Society up until the year end.

No guarantees have been given or received.

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

(Continued)

24 Cash generated from operations	2021 £	2020 £
Surplus/(deficit) for the year	1,588,063	(557,259)
Adjustments for:		
Investment income recognised in statement of financial activities	(236,362)	(259,506)
Gain on disposal of tangible fixed assets	-	(833)
Fair value gains and losses on investment properties	(545,494)	-
Fair value gains and losses on investments	(994,358)	603,579
Depreciation and impairment of tangible fixed assets	19,295	18,169
Movements in working capital:		
(Increase) in debtors	(14,471)	(28,812)
Increase/(decrease) in creditors	76,936	(87,174)
Cash absorbed by operations	(106,391)	(311,836)



The Honourable Irish Society

Our Mission Statement:

'To work in partnership for the economic and social benefit of Northern Ireland'

For more information about how to join us in helping communities in Northern Ireland, contact us at:

office@irishsociety.co.uk

or visit our website at:

www.honourableirishsociety.org.uk/