# Belfast Library and Society for Promoting Knowledge (Linen Hall Library)

Northern Ireland · Charity number 104564

## Details

| | |
|---|---|
| **Known as** | Linen Hall Library |
| **Status** | Received |
| **Registered** | 2016-04-22 |
| **Register** | View on the Charity Commission for Northern Ireland register |

## Contact

| | |
|---|---|
| **Address** | Linen Hall Library<br>17 Donegall Square North<br>Belfast<br>Bt1 5GB<br>BT1 5GB |
| **Phone** | 028 9032 1707 |
| **Email** | info@linenhall.com |
| **Website** | www.linenhall.com |

## Activities

**Purposes:** And whereas the Society was originally established for the collection of an extensive library, philosophical apparatus, and such productions of nature and art as tend to improve the mind, and to excite a spirit of general inquiry, and has acquired a valuable collection of books and other things, which have hitherto been preserved in the buildings and premises aforesaid; and the Society has, by the means aforesaid and otherwise, promoted education in Belfast and its neighbourhood; and the present object of the Society is to promote knowledge by the maintenance of a library, and by such other means as the Society shall from time to time deem it advisable to adopt.

**What the charity does:** The advancement of education,The advancement of the arts, culture, heritage or science

**How the charity works:** Arts,Cultural,Education/training,General charitable purposes,Heritage/historical,Volunteer development

**Who the charity helps:** Children (5-13 year olds),General public,Interface communities,Language community,Men,Mental health,Older people,Sexual orientation,Specific areas of deprivation,Voluntary and community sector,Volunteers,Women,Youth (14-25 year olds)

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## Finances

| Period end | Income | Expenditure | Assets | Employees |
|---|---|---|---|---|
| 2025-12-31 | £1,181,234 | £1,286,598 | £336,524 | 19 |
| 2024-12-31 | £1,628,077 | £1,464,987 | £317,287 | 20 |

## Trustees

| Name | Role | Appointed |
|---|---|---|
| Dr Eddie Rooney | | |
| Dr Frank Ferguson | | |
| Dr Gavin Adams | | |
| Dr Simon Bridge | | |
| Mr Jim Fitzsimons | | |
| Mr John Cubitt | | |
| Mrs Lisa Mcelroy | | |
| Ms Maria Mcgilly | | |
| Ms Olwen Dawe | | |

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**Belfast Library and Society for Promoting Knowledge (Linen Hall Library)**

Northern Ireland - Charity number 104564

# Accounts

Registered no: NIC104564

# Belfast Library and Society for Promoting Knowledge (The Linen Hall)
# Annual report
# for the year ended 31 December 2024

# The Linen Hall

## Annual report for the year ended 31 December 2024


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# The Linen Hall

## Reference and administrative details

| | | |
|---|---|---|
| **Governors** | | |
| **President:** | Dr P McGarry, DL, FRCPsych | (8/8) |
| **Vice-President:** | Prof M Ó Mainnín, BA, MA, PhD | (2/8) |
| **Honorary Secretary:** | Dr S Bridge, MA, MSc, PhD (to June 2024) | (6/8) |
| **Honorary Treasurer:** | Mr C McCleane (to June 2024) | (1/4) |
| | Dr S Bridge, MA, MSc, PhD (from June 2024) | (6/8) |
| | Dr F Ferguson, BA, MA, PhD | (2/8) |
| | Mr J Fitzsimons, MA(TCD), MSc(QUB) | (6/8) |
| | Ms Lyn Hagan, LLB, DBA, FCA, CTA (from June 2024) | (2/4) |
| | Sir Ian Huddleston (from March 2024) | (5/7) |
| | Prof B Kelly, MA, MD, FRCS, FRCR, FFRRCSI | (1/8) |
| | Ms Cathy Law, MA Hons, PgDip (from June to September 2024) | (1/2) |
| | Mr G Lucy, BA Hons, PGCE (to June 2024) | (2/4) |
| | Mr J McCartney, MSc (to September 2024) | (3/6) |
| | Mr S McKee, BA | (6/8) |
| | Mr J McVey, OBE, MBA, MSc | (6/8) |
| | Ms B Napier, LLB | (4/8) |
| | Ms S Stevenson, ACR | (4/8) |
| | *[figure in brackets indicates attendance at Governors' meetings]* | |

| | |
|---|---|
| **Principal office** | 17 Donegall Square North<br>Belfast<br>BT1 5GB |
| **Charity number** | NIC104564 |
| **Solicitors** | Cleaver Fulton Rankin<br>50 Bedford Street<br>Belfast<br>BT2 7FW |
| **Bankers** | Danske Bank Limited<br>Donegall Square West<br>Belfast<br>BT1 6JS |
| **Independent auditors** | Finegan Gibson Ltd<br>Causeway Tower<br>9 James Street South<br>Belfast<br>BT2 8DN |

# The Linen Hall

## Governors' report for the year ended 31 December 2024

The Library, which operates under the name of The Linen Hall, is legally known as the Belfast Library and Society for Promoting Knowledge.

The Board of Governors, who are also the trustees of the Library, submit their annual report and the audited financial statements for the year ended 31 December 2024. The Governors have prepared the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, effective 1 January 2015).

**Reference and administration information**

Details of the registered office, governors, independent advisers and other relevant information are given on page 2.

**Structure, governance and management**

**Governors**
The Governors are responsible for setting the Library's forward strategy and oversight of its business.

**Governing document**
The Library was founded in 1788 and is governed by its Constitution enacted in 1891 under the Educational Endowments (Ireland) Act, 1885 and as subsequently amended.

In 2016, the Library was formally registered as a charity by the new Charity Commission for Northern Ireland.

The Constitution is available on the Library website at www.linenhall.com.

**Appointment of Governors**
There is a maximum of fifteen Governors of the Linen Hall Library who are elected by triennial rotation at the Annual General Meeting and by the subscribing members of the Library. A Governor shall not be eligible for re-election after having served two successive terms of three years, until the lapse of a period of two years. The officers of the Society are also elected annually at the Governors' meeting immediately after the Annual General Meeting.

**Recruitment of Governors**
The Governors annually review the skills required by the Board and available to them and, when appropriate, use their powers of co-option to fill gaps.

**Governor induction and training**
New Governors undertake an induction visit to the Library and are supplied with all key Library documentation. The Library has arrangements in place to provide training for all its Governors on an annual basis.

**Risk management**
The Library has established a risk register which is reviewed by the Governors on a quarterly basis.

Risks arising from the relative weakness of the Library's financial position are being addressed in the context of the ongoing business planning process.

The Governors will continue to review the financial risks that the Library faces and believe that increasing the free reserves to £256,992 will provide sufficient resources in the event of adverse conditions (see Reserves policy on page 5).

The Governors take the responsibility of monitoring financial risk management. The organisation is not significantly exposed to price or credit risk. The organisation has a bank overdraft and the Governors continually review this debt to ensure interest charges are minimised as far as possible.

## Governors' report for the year ended 31 December 2024 (continued)

**Structure, governance and management (continued)**

**Management**
Responsibility for the day to day running of the Library lies with the Director and the Management Team. The Director is responsible for ensuring that planned services are delivered, that key performance indicators are met, and that agreed procedures are operative.

**Related parties**
The Library was previously Lead Partner in The National Collection of Northern Ireland Publications (NIPR). The one part-time employee of NIPR based at the Linen Hall was employed and paid for by NIPR.

**Objectives and activities**

**Constitution and mission**
The Library's Constitution at paragraph 11, and as amended in 2006, describes the 'Trusts of the Endowment' as follows:

The Endowments and all other property of or belonging to the Governors, or available for the purposes of this Scheme, shall be held by them upon trust for the promotion of knowledge in Northern Ireland and for the benefit of international scholarship, by the maintenance of a Library, and by such other means as the Society may from time to time deem it advisable to adopt.

The Library's mission statement is as follows:
The Linen Hall Library will advance knowledge and understanding, both locally and internationally, by developing, preserving and interpreting its collections, with unique strengths in Irish and Local Studies, and widening access to an historic library and cultural centre.

**Objectives in 2024**

The Library aimed to:

- Develop the Linen Hall Library's standing on an international stage
- Protect and develop new and existing Collections
- Improve interpretation of the Collections
- Widen access to an historic library and cultural centre
- Contribute to cultural development in the UK and Ireland
- Improve the financial sustainability of the Library

## Governors' report for the year ended 31 December 2024 (continued)

**Achievements and performance**
The Linen Hall continued to face funding challenges in 2024, having suffered a cut in 2023 of one third of its core funding from the Department for Communities, which coincided with a period of rising costs, particularly the cost of energy to keep the building open to the public and irreplaceable archives in the conditions necessary for their conservation. The experience of recent years has shown that there is a need for a reliable source of additional core funding of around £336,000 per annum, if the Linen Hall is to be financially sustainable. The charity's budget for 2024 included income of £130,000 from fundraising, the main event being a planned fundraising dinner which did not take place due to circumstances beyond the Linen Hall's control. There were also no legacies received in 2024 until December, and the budgeted income of £100,000 was not achieved. The Department for Communities was applied to and granted additional funding early in the year, and £330,000 of Intervention Funding in the last quarter of 2024, to shore up the Linen Hall's finances, and Belfast City Council contributed an additional £20,000.

Nevertheless, the Linen Hall's programme of cultural events, exhibitions, classes, book clubs and writing competitions has gone from strength to strength, and work continued on several funded projects which had begun in 2023, alongside successful applications for further projects, some carrying on into 2025, all of which served to enhance the Linen Hall's contribution to society and to support its financial sustainability. Notably, the "Linen Hall 2 – A Museum of Contemporary History in NI Scoping Study" project was substantially completed in 2024, funded by a grant of up to £245,480 from National Lottery Heritage Fund.

Other funded projects in 2024 included "'We are the Future' Student Activism in Northern Ireland since 1947" and "60 Years of Civil Rights", two Department of Foreign Affairs; Reconciliation Fund projects, and "Poetry Jukebox - McAdam's Lexicon", funded by British Council NI and Arts Council NI. National Lottery Heritage Fund continued to fund a Museum Engagement Officer post at the Linen Hall. Northern Ireland Community Relations Council provided core funding to support a "We are the Future": Youth Activism project. Ulster-Scots Agency funding allowed work to continue in conserving and making accessible the Gibson Collection of Ulster Scots material, as well as supporting the Ulster-Scots Writing Competition. The Foyle Foundation and the Department for Communities provided grants for Environmental Efficiency work.

The Linen Hall Library Endowment Fund remains open to donations and all income generated is being used to enhance the Library and its Collections, helping to ensure their future sustainability.

**Financial review**

**Results**

The statement of financial activities for the year is set out on page 12.

The Library made a surplus of £163,090 in the year (2023: deficit of £422,872), before the impact of the actuarial gain and restriction of asset on the defined benefit pension scheme, a loss on revaluation of the Library building, and a gain on revaluation of investments. The Library had net current liabilities of £150,478 at the year-end (2023: £304,799).

**Principal funding sources**
The Library's key funders in 2024 were the Department for Communities which provided grants of £660,007 (2023: £212,675) and the National Lottery Heritage Fund £210,617 (2023: £93,565).

**Reserves policy**
The long-term objective of the Governors over a three to five-year period is to achieve a level of unrestricted funds not invested in tangible or fixed assets (the free reserves) equivalent to three months' expenditure on the core activities of the Library. At the end of 2024 this figure would have been £256,992 (2023: £277,939), however the net current liabilities position set out in Note 25 to the accounts "Analysis of net assets between funds" fell short of the Governors' target. Details of the actions being taken in response and the Governors' assessment of Going Concern is contained within Note 27 to the accounts.

**Taxation**
The Library is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Library's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

## Governors' report for the year ended 31 December 2024 (continued)

**Financial review (continued)**

**Borrowings**
The Library relies on an overdraft facility with Danske Bank. This facility was reviewed in 2024 and sufficient facilities to meet projected cash flow requirements were approved. At the year end the Library had net liabilities of £39,989 at Danske Bank (2023: £175,342); this was inclusive of £60,385 (2023: £60,385) of funds (including gift aid and interest) held for the Michael McLaverty Trust (see page 5) and a balance on its overdraft of £100,616 (2023: £235,969).

**Endowment funds**
The Library administers the Michael McLaverty award and holds £60,385 in respect of this trust. This is an endowment, the income from which is available to the Library only for the specific purpose of running the biennial Michael McLaverty Short Story Award.

In 2013, the Library launched its Catalyst Endowment Fund, under which every £1 raised by the Library was matched by a £1 grant from the Heritage Lottery Fund's Catalyst endowment programme, over a four-year period. Funds raised under this programme are invested for a period of 25 years, and the income used to further the Library's mission. The balance held in this fund at the year-end was £245,445 (2023: £237,352).

The New Linen Hall Library Endowment Fund was set up in 2018 to provide an income for the preservation and conservation of the collections held within the Linen Hall Library. The balance held in this fund at 31st December 2024 was £106,687 (2023: £77,360).

**Pension scheme**
The Library operates a defined benefit scheme through NILGOSC. Prior to 2006 the Library's share of this scheme could not be identified by NILGOSC and, in keeping with other such multi-employer schemes, the Library treated its pension cost as if it were a defined contribution (rather than a defined benefit) scheme in accordance with accounting standards.

In late 2006 NILGOSC separated each of the employer scheme details and, as a result, the Library complies with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, and incorporates the year end surplus or deficit on the scheme in its balance sheet and the movement on the scheme within the Statement of Financial Activities. At 31 December 2024 the scheme showed a surplus of £2,540,578, an improvement on the £1,561,578 surplus in the previous year, however this pension asset is no longer reflected in the Library's balance sheet, on the advice of the scheme actuary.

**Plans for the future**

A Strategic Plan to enhance the Linen Hall's sustainability for the future was written, approved and initiated in Autumn 2024. The Linen Hall continues to pursue opportunities for partnership working and collaboration whilst retaining its heritage values and charitable mission.

The Library aims to:

- Develop the Linen Hall Library's standing on an international stage
- Protect and develop new and existing Collections
- Improve interpretation of the Collections
- Widen access to an historic library and cultural centre
- Contribute to cultural development in the UK and Ireland
- Improve the financial sustainability of the Library

## Governors' report for the year ended 31 December 2024 (continued)

**Statement of Governors' responsibilities**

The Governors are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, effective 1 January 2015).

The law applicable to charities requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in FRS 102;
- 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 the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act (Northern Ireland) 1964 and under the Charities (NI) Order 1987 and in accordance with the Educational Endowments Act 1885. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement of disclosure of information to auditors**

So far as each of the Governors in office at the date of approval of these financial statements is aware:

- there is no relevant audit information of which the Library's auditors are unaware; and
- they have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that the Library's auditors are aware of that information.

**Independent auditors**

A motion to reappoint the auditors will be proposed at the AGM.

By order of the Board

SN Bridge

**Dr S. Bridge**
**Honorary Treasurer**

Date: 14th May 2025

# The Linen Hall

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2024

### Opinion

We have audited the financial statements of The Linen Hall Library (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, 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 FRS 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 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act (Northern Ireland) 2022.

### 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 charity 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

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 27 to the financial statements concerning the charity's ability to continue as a going concern. The charity suffered significant cuts to funding during 2023, however, additional support was received in 2024 to mitigate the loss, however the charity still reported a net current liabilities position of £150,478 as at 31 December 2024. These conditions, along with the other matters explained in note 27 to the financial statements, indicate the existence of a material uncertainty, which may cast significant doubt about the charity's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the charity was unable to continue as a going concern.

### 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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2024

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.
We have nothing to report in respect of the following matters in relation to which the Charities Act (Northern Ireland) 2022 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are 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 trustees 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 charity'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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether management were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether management have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- the matters discussed among the audit engagement team including significant component audit teams and relevant internal specialists, including tax and valuations specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2024

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks in operation, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included ongoing compliance with the UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental for their ability to operate or to avoid a material penalty.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

# The Linen Hall

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2024

**Use of our report**

This report is made solely to the charity's members, as a body, in accordance with section 65 of the Charities Act (Northern Ireland) 2008. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



CONOR DOLAN FCA
(Senior Statutory Auditor)
For and on behalf of
FINEGAN GIBSON LTD
Chartered Accountants & Statutory Auditors
Causeway Tower
9 James Street South
Belfast
BT2 8DN

Date: 14th May 2025

# The Linen Hall

## Statement of financial activities for the year ended 31 December 2024

| | Note | Endowment Funds 2024 £ | Unrestricted Funds 2024 £ | Restricted Funds 2024 £ | **Total Funds 2024 £** | Endowment Funds 2023 £ | Unrestricted Funds 2023 £ | Restricted Funds 2023 £ | **Total Funds 2023 £** |
|---|---|---|---|---|---|---|---|---|---|
| **Income and endowments from** | | | | | | | | | |
| Donations and legacies | 2 | 25,000 | 862,496 | 416,478 | **1,303,974** | 1,764 | 453,826 | 221,289 | **676,879** |
| Rental income | | - | 131,076 | - | **131,076** | - | 120,533 | - | **120,533** |
| Income from investments | 3 | - | 81,203 | 2,724 | **83,927** | - | 73,018 | 1,414 | **74,432** |
| **Income from charitable activities** | | | | | | | | | |
| Other trading activities | 4 | - | 109,100 | - | **109,100** | - | 134,704 | - | **134,704** |
| **Other income** | | - | - | - | - | - | - | - | - |
| **Total income** | | 25,000 | 1,183,875 | 419,202 | **1,628,077** | 1,764 | 782,081 | 222,703 | **1,006,548** |
| **Expenditure on** | | | | | | | | | |
| Rental expenses | | - | 2,000 | - | **2,000** | - | 2,000 | - | **2,000** |
| Expenditure on raising funds | 5 | - | 63,260 | - | **63,260** | - | 67,785 | - | **67,785** |
| | | - | 65,260 | - | **65,260** | - | 69,785 | - | **69,785** |
| **Expenditure on charitable activities** | | | | | | | | | |
| Projects and events | 6 | - | - | 437,018 | **437,018** | - | - | 317,663 | **317,663** |
| Library operating costs | 7 | - | 962,709 | - | **962,709** | - | 1,041,972 | - | **1,041,972** |
| | | - | 962,709 | 437,018 | **1,399,727** | - | 1,041,972 | 317,663 | **1,359,635** |
| **Total expenditure** | | - | 1,027,969 | 437,018 | **1,464,987** | - | 1,111,757 | 317,663 | **1,429,420** |
| **Net (expenditure)/income** | 10 | 25,000 | 155,906 | (17,816) | **163,090** | 1,764 | (329,676) | (94,960) | **(422,872)** |
| **Transfers between funds** | 11 | - | 5,362 | (5,362) | **-** | - | (3,151) | 3,151 | - |
| **Net (expenditure)/income before recognised gains and losses** | | 25,000 | 161,268 | (23,178) | **163,090** | 1,764 | (332,827) | (91,809) | **(422,872)** |
| Net gains on investments | 12 | 12,420 | - | - | **12,420** | 14,442 | - | - | **14,442** |
| Loss on revaluation of fixed assets | 13 | - | (592,000) | - | **(592,000)** | - | | - | - |
| Actuarial gains on defined benefit pension scheme | 32 | - | 918,000 | - | **918,000** | - | 212,000 | - | **212,000** |
| Adjustment for restriction on pension asset recognised | 32 | - | (2,540,578) | - | **(2,540,578)** | - | - | - | - |
| **Net movement in funds** | | 37,420 | (2,053,310) | (23,178) | **(2,039,068)** | 16,206 | (120,827) | (91,809) | **(196,430)** |
| **Fund balance brought forward** | | 375,197 | 7,785,619 | 275,508 | **8,436,324** | 358,991 | 7,906,446 | 367,317 | **8,632,754** |
| **Total funds carried forward** | | 412,617 | 5,732,309 | 252,330 | **6,397,256** | 375,197 | 7,785,619 | 275,508 | **8,436,324** |

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

# The Linen Hall

## Statement of financial position as at 31 December 2024

| | Notes | 2024<br>£ | 2023<br>£ |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 13 | **3,437,848** | **4,107,079** |
| Heritage assets | 14 | **2,759,850** | **2,759,850** |
| Investments | 15 | **350,036** | **312,616** |
| | | **6,547,734** | **7,179,545** |
| **Current assets** | | | |
| Stocks | 16 | **11,031** | **15,049** |
| Debtors | 17 | **92,740** | **61,851** |
| Cash at bank and in hand | | **63,038** | **63,259** |
| | | **166,809** | **140,159** |
| **Creditors: amounts falling due within one year** | 18 | **(317,287)** | **(444,958)** |
| **Net current (liabilities)/assets** | | **(150,478)** | **(304,799)** |
| **Creditors: amounts falling due after one year** | 20 | **-** | **-** |
| **Net assets excluding pension asset** | | **6,397,256** | **6,874,746** |
| **Pension asset** | 32 | **-** | **1,561,578** |
| **Net assets including pension asset** | | **6,397,256** | **8,436,324** |
| **Funds** | | | |
| **Unrestricted funds:** | | | |
| - General fund | 22 | **(711,703)** | **749,607** |
| - Revaluation fund | 22 | **6,444,012** | **7,036,012** |
| | | **5,732,309** | **7,785,619** |
| **Restricted funds** | 23 | **252,330** | **275,508** |
| **Endowment funds** | 24 | **412,617** | **375,197** |
| Total funds | 25 | **6,397,256** | **8,436,324** |

The financial statements on pages 12 to 36 were approved by the Board on 14th May 2025 and were signed on its behalf by:

Dr S Bridge
**Honorary Treasurer**

Dr P McGarry
**President**

# The Linen Hall

## Statement of cash flows for the year ended 31 December 2024

| | Notes | 2024 £ | 2023 £ |
|---|---|---|---|
| **Cash flows from operating activities** | 30 | **177,215** | (273,579) |
| **Cash flows from investing activities** | | | |
| Interest income | | 2,724 | 1,422 |
| Other finance returns (note 3) | | 72,000 | 64,000 |
| Dividend income | | 9,203 | 9,010 |
| Purchase of tangible fixed assets | | (76,041) | (1,755) |
| Purchase of investments | | (25,000) | (35,100) |
| **Cash generated by/(used in) investing activities** | | **(17,114)** | 37,577 |
| **Cash flows from financing activities** | | | |
| Interest and fees paid | | (24,969) | (18,577) |
| **Cash used in financing activities** | | **(24,969)** | (18,577) |
| **Increase/(Decrease) in cash and cash equivalents in the year** | | **135,132** | (254,579) |
| **Cash and cash equivalents at the beginning of the year** | 31 | **(172,710)** | 81,869 |
| **Total cash and cash equivalents at the end of the year** | 31 | **(37,578)** | (172,710) |

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2024

### 1 Accounting policies

**Statement of compliance**
These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act (Northern Ireland) 2008.
The charity meets the definition of a public benefit entity under FRS 102.

**Judgements and key sources of estimation uncertainty**
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Incoming resources**
All incoming resources are included in the statement of financial activities when the Library is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**Voluntary income**

**Legacies**
Legacies are recognised when received or when their amount is capable of measurement.

**Donations**
Donations are included in full when received.

**Grants**
Revenue grants are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.

Grants for the purpose of capital expenditure are credited to restricted incoming resources when receivable and transferred to unrestricted funds on purchase of asset.

**Activities for generating funds**

**Voluntary income**
Annual subscriptions are included as voluntary income and are accounted for on an accruals basis.

**Other income**
Other income is included in full in the Statement of Financial Activities when received.

**Investment income**
Investment income is accounted for when received.

**Fundraising income**
Fundraising income is accounted for when received.

**Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

**Library operating costs**
Library operating costs are those incurred in connection with administration of the Library and compliance with constitutional and statutory requirement

## 1 Accounting policies (continued)

**Irrecoverable VAT**
Any irrecoverable VAT is charged to the statement of financial activities or capitalised as part of the cost of the related asset, where appropriate.

**Pensions**
The Library operates a defined benefit scheme through the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) for specific employees. The assets of the scheme are held separately from those of the Library.

The Library has adopted FRS 102 in these financial statements. Pension scheme assets are measured using market value. Pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term to the liability. The increase in the present value of the liabilities of the Library's defined benefit pension scheme arising from employee service in the period is charged to operating profit. The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities arising from the passage of time are included in other finance costs. Actuarial gains and losses are recognised in the statement of financial activities.

**Tangible assets**

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated so as to write off the cost, or valuation, of tangible fixed assets, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned. The principal annual rates used are as follows:

| | | % |
|---|---|---|
| Buildings | - | 2 |
| Leasehold improvements | - | 10 |
| Fixtures & fittings | - | 15 |
| Computer equipment | - | 33 |

When circumstances dictate, an impairment review is carried out. Land and buildings are revalued on a regular basis by a suitably qualified individual. The Library ensures that a full valuation is undertaken every five years. The resulting revaluation gains or losses are recognised in the statement of financial activities and result in a movement on revaluation reserves to the extent that they result in gains or offset previous gains. If the revaluation results in a loss greater than previously recognised revaluation gains, the excess loss will be charged to the statement of financial activities.

**Heritage assets**

The heritage assets are held by the Library in support of the primary objective of the charity to promote knowledge in Northern Ireland and for the benefit of international scholarship. Heritage assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Library's policy on other fixed assets. The heritage assets held by the charity consist of various collections of books and periodicals covering a wide range of topics relating largely to Irish history including some documents over three hundred years old. The collections are carried at a current valuation. The collections are deemed to have indeterminate lives and a high residual value and therefore depreciation has not been charged. The carrying amounts of the assets are reviewed when there is evidence of impairment and any impairment is recognised in accordance with the Library's general policy on impairment.

**Stocks**
Stocks are stated at the lower of cost and net realisable value.

## 1 Accounting policies (continued)

**Fund accounting**
The Library has various types of funds for which it is responsible, and which require separate disclosure. A definition of the various types of funds is as follows:

**Unrestricted funds**
Funds which are expendable at the discretion of the Library, in furtherance of the purpose of the Library. In addition to expenditure on activities, such funds may be held in order to finance capital investment and working capital.

**Restricted funds**
Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of overheads and support costs.

**Endowment funds**
Permanent endowment funds are restricted funds where a donor has specified that only income arising from the donation can be used by the Library. This income is restricted for the particular purpose specified by the donor.

**Going Concern**

The financial statements have been prepared on a going concern basis. The Governors have considered their position on this and have provided further information at Note 27 to these financial statements.

**Financial instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.
Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.
Debt instruments are subsequently measured at amortised cost.
Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.
Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.
Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.
Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.
For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.
Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

## Notes to the financial statements for the year ended 31 December 2024

### 2 Donations and legacies

| | Endowment | Unrestricted | Restricted | **2024** | 2023 |
|---|---|---|---|---|---|
| | £ | £ | £ | **£** | £ |
| Donations | 5,000 | 6,575 | - | **11,575** | 19,876 |
| Legacies | 20,000 | 26,606 | - | **46,606** | 75,653 |
| Members' subscriptions (see below) | - | 146,325 | - | **146,325** | 140,561 |
| Grants (see below) | - | 682,990 | 416,478 | **1,099,468** | 440,789 |
| | 25,000 | 862,496 | 416,478 | **1,303,974** | 676,879 |

| **Members' subscriptions** | **2024** | 2023 |
|---|---|---|
| | **£** | £ |
| Members' subscriptions | **131,017** | 126,308 |
| Income tax reclaimable on subscriptions | **15,308** | 14,253 |
| | **146,325** | 140,561 |

| **Grants** | Endowment | Unrestricted | Restricted | **2024** | 2023 |
|---|---|---|---|---|---|
| | £ | £ | £ | **£** | £ |
| Arts Council of NI | - | - | 24,987 | **24,987** | 17,213 |
| National Lottery Heritage Fund | - | - | 210,617 | **210,617** | 93,565 |
| Dormant Funds Account | - | - | - | **-** | 100 |
| Belfast City Council | - | 53,000 | - | **53,000** | 36,425 |
| Department for Communities | - | 627,000 | 33,007 | **660,007** | 212,675 |
| Community Relations Council | - | - | 49,663 | **49,663** | - |
| DoFA; Reconciliation Fund | - | - | 27,571 | **27,571** | 28,391 |
| The Foyle Foundation | - | - | 50,000 | **50,000** | - |
| Ulster Scots Agency | - | - | 10,000 | **10,000** | 30,000 |
| Foras Na Gaeilge | - | - | - | **-** | 13,000 |
| British Council | - | - | 10,150 | **10,150** | - |
| Idlewild Trust | - | - | - | **-** | 4,440 |
| Enkalon Foundation | - | - | - | **-** | 1,000 |
| NI Museums Council | | - | 483 | **483** | 1,980 |
| NIPR | | 2,990 | - | **2,990** | 2,000 |
| | - | 682,990 | 416,478 | **1,099,468** | 440,789 |

In accordance with recommended practice, income received in advance is not deferred, but recognised in the period in which it is received.

### 3 Income from investments

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Dividends receivable | **9,203** | 9,010 |
| Other finance returns (see below) | **72,000** | 64,000 |
| Interest receivable | **2,724** | 1,422 |
| | **83,927** | 74,432 |

**Other finance returns**

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Expected return on pension scheme | **279,000** | 277,000 |
| Interest on pension scheme liabilities | **(207,000)** | (213,000) |
| **Net returns** | **72,000** | 64,000 |

### 4 Other trading activities

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| **Sale of books** | | |
| Charity book shop | **36,184** | 25,939 |
| **Sales of services** | | |
| Coffee shop | **19,010** | 35,791 |
| Photocopying and fax | **329** | 1,102 |
| Postage | **15** | 15 |
| Cultural programming | **18,748** | 18,279 |
| Royalties | **1,545** | 1,138 |
| Facility fees | **9,373** | 12,595 |
| Fundraising events | **-** | 8,280 |
| Friends of the Linen Hall | **2,000** | - |
| | **51,020** | 77,200 |
| **Sale of products** | | |
| Books, prints and pamphlets | **5,388** | 8,037 |
| Other products | **3,742** | 3,873 |
| Gift shop items | **12,766** | 19,655 |
| | **21,896** | 31,565 |
| **Total** | **109,100** | 134,704 |

## Notes to the financial statements for the year ended 31 December 2024

| 5 Expenditure on raising funds | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Merchandising costs (see below) | **7,475** | 14,564 |
| Book fund (see below) | **22,093** | 16,881 |
| Charity book shop | **33,692** | 35,072 |
| Fundraising costs | **-** | 1,268 |
| | **63,260** | 67,785 |

| **Merchandising costs** | 2024 £ | 2023 £ |
|---|---|---|
| Prints, books and pamphlets | **-** | 1,442 |
| Coffee shop purchases | **170** | 1,612 |
| Gift shop expenditure | **7,305** | 11,510 |
| | **7,475** | 14,564 |

| **Book fund** | 2024 £ | 2023 £ |
|---|---|---|
| Irish | **8,886** | 9,186 |
| Reference | **5,000** | - |
| General | **8,207** | 7,695 |
| | **22,093** | 16,881 |

| 6 Projects and events | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Cultural Programming (includes salary costs of £17,387 (2023: £8,694)) | **24,394** | 11,945 |
| extraORDINARYwomen | **216** | - |
| National Lottery Heritage Fund – Origins & Legacies: The Belfast/Good Friday Agreement (includes salary costs of £Nil (2023: £35,107)) | **-** | 86,571 |
| National Lottery Heritage Fund - Heritage Recovery | **2,030** | 2,030 |
| National Lottery Heritage Fund – CRESI Museum Engagement (includes salary costs of £37,500 (2023: £35,686)) | **37,500** | 35,686 |
| National Lottery Heritage Fund – Linen Hall 2 Scoping Study (includes salary costs of £61,726 (2023: £Nil)) | **170,391** | - |
| British Council NI – Poetry Jukebox – McAdam's Lexicon (includes salary costs of £4,614 (2023: £Nil)) | **10,150** | - |
| Arts Council NI – Poetry Jukebox – McAdam's Lexicon | **9,893** | - |
| Arts Council NI – The Linen Hall: Belfast's Home of Poetry | **-** | 8,827 |
| Department for Communities - Museum Collections | **7,143** | 7,143 |
| Department for Communities - Irish Children's Collection | **480** | 480 |
| Department for Communities – Linen Hall Re-branding | **-** | 2,373 |
| Department for Communities – Upgrade Wifi and Cabling | **-** | 5,277 |
| Department for Communities – Ulster-Scots Digitisation (includes salary costs of £Nil (2023 £15,610)) | **-** | 41,624 |
| Department for Communities – Fragments of Scotch Poetry (includes salary costs of £8,000 (2023 £Nil)) | **8,000** | - |
| Department of Foreign Affairs; Reconciliation Fund projects (includes salary costs of £24,446 (2023: £12,438)) | **38,877** | 34,014 |
| Community Relations Council (includes salary costs of £28,022 (2023: £Nil)) | **37,247** | - |
| Dormant Accounts Fund – Linen Hall Digital Platform | **33,333** | 33,333 |
| The Foyle Foundation/Department for Communities – Environmental Efficiency | **11,406** | - |
| Foras na Gaeilge (includes salary costs of £8,200 (2023: £12,200)) | **15,324** | 13,498 |
| Repairs and Renewals | **5,998** | 9,507 |
| Ulster-Scots Agency – Burns in Ulster (includes salary costs of £6,334 (2023: £18,000)) | **8,583** | 19,920 |
| Ulster-Scots Agency – Ulster-Scots Writing Competition (includes salary costs of £1,415 (2023: £330)) | **5,034** | 6,705 |
| Idlewild Trust | **4,440** | - |
| Enkalon Foundation | **620** | - |
| NI Museums Council (includes salary costs of £520 (2023: £Nil)) | **1,287** | 1,220 |
| McLaverty Short Story Award | **4,672** | (2,490) |
| | **437,018** | 317,663 |

Project and events costs include £198,164 (2023: £138,065) of staff costs.

## 7 Library operating costs

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| **Charitable operations** | | |
| Information technology | **61,994** | 44,752 |
| Training | **2,154** | 3,947 |
| Advertising & PR | **7,420** | 3,343 |
| Support costs (Note 8) | **212,698** | 206,545 |
| Travel & subsistence | **663** | 940 |
| Conservation | **121** | 2,142 |
| | **285,050** | 261,669 |
| **Establishment** | | |
| Rent and rates | **24,100** | 23,136 |
| Insurance | **22,188** | 24,775 |
| Light and heat | **50,069** | 53,604 |
| Repairs and maintenance | **60,679** | 53,770 |
| | **157,036** | 155,285 |
| **Depreciation** | | |
| Building | **87,600** | 87,600 |
| Fixtures and fittings | **411** | 617 |
| Computer equipment | **4,871** | 5,674 |
| | **92,882** | 93,891 |
| **Staff costs (note 9 – Library: Charitable operations)** | **427,741** | 531,127 |
| **Total** | **962,709** | 1,041,972 |

## Notes to the financial statements for the year ended 31 December 2024

### 8 Support costs

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| **Administration** | | |
| Stationery | **1,336** | 2,052 |
| Printing | **5,364** | 9,070 |
| Photocopying | **6,657** | 3,987 |
| Postage | **2,346** | 2,373 |
| Telephone, fax and internet | **7,762** | 9,471 |
| Information technology | **24,217** | 22,387 |
| Miscellaneous | **1,181** | 974 |
| | **48,863** | 50,314 |
| **Governance** | | |
| Audit and related fees | **8,657** | 6,951 |
| Legal & professional fees | **18,635** | 17,828 |
| | **27,292** | 24,779 |
| **Financial expenses** | | |
| Bank charges | **2,170** | 1,965 |
| Bank interest | **18,803** | 11,433 |
| Visa paypoint fees | **3,422** | 3,676 |
| Other Interest | **574** | 1,503 |
| | **24,969** | 18,577 |
| **Staff costs (note 9 – Library: Support)** | **111,574** | 112,875 |
| **Total** | **212,698** | 206,545 |

## Notes to the financial statements for the year ended 31 December 2024

### 9 Staff costs

| | Unrestricted £ | Restricted £ | **Total 2024 £** | Total 2023 £ |
|---|---|---|---|---|
| Salaries | 434,125 | 157,232 | **591,357** | 628,410 |
| Social security costs | 36,993 | 15,138 | **52,131** | 54,834 |
| Pension costs | 95,931 | 25,794 | **121,725** | 127,641 |
| | 567,049 | 198,164 | **765,213** | 810,885 |

**Analysis of staff costs**

| | **2024 £** | 2023 £ |
|---|---|---|
| Projects | **198,164** | 138,065 |
| Library: | | |
| - Charitable operations | **427,741** | 531,127 |
| - Charity bookshop | **27,734** | 28,818 |
| - Support | **111,574** | 112,875 |
| | **765,213** | 810,885 |

The average number of employees, calculated on a full-time equivalent basis, analysed by function was:

| | **2024 Number** | 2023 Number |
|---|---|---|
| Projects | **2** | 4 |
| Charitable operations | **12** | 12 |
| Charity bookshop | **1** | 1 |
| Support | **2** | 2 |
| | **17** | 19 |

No employee had employee benefits (excluding employer pension costs) in excess of £90,000 (2023: £80,000).

Governors are not remunerated for services to the Library (2023: £Nil), and there were no Governors' expenses incurred (2023: £Nil).

The key management personnel of the Library comprise the Governors, the Director, the Librarian and the Finance Manager. The total employee benefits of the key management personnel of the Library were £233,719 (2023: £231,746).

Indemnity insurance for Governors' liability has been purchased by the Library at a cost of £2,380 (2023: £2,289).

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2024

### 10 Net income/(expenditure)

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| **Net income/(expenditure) is stated after charging:** | | |
| Depreciation on owned assets | **153,272** | 146,384 |
| Auditors' remuneration: | | |
| - audit services | **7,224** | 7,026 |
| - non-audit services | **130** | 124 |
| Other operating lease rentals | **-** | - |

### 11 Transfers between funds

| | Endowment Funds | Unrestricted Funds | Restricted Funds |
|---|---|---|---|
| | £ | £ | £ |
| Projects | - | - | **(5,362)** |
| General Fund | - | **5,362** | - |
| | - | **5,362** | **(5,362)** |

The transfer from restricted to unrestricted funds represents net underspending on funded projects.

### 12 Net (losses)/gains on investments

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Catalyst Endowment Fund | 8,093 | 13,018 |
| New Linen Hall Library Endowment Fund Endowment funds | 4,327 | 1,424 |
| | **12,420** | 14,442 |

## Notes to the financial statements for the year ended 31 December 2024

### 13 Tangible fixed assets

| | Land & Building £ | Leasehold Improvements £ | Fixtures & fittings £ | Computer equipment £ | Total £ |
|---|---|---|---|---|---|
| **Cost or valuation** | | | | | |
| At 1 January 2024 | 4,380,000 | 14,840 | 323,735 | 401,224 | 5,119,799 |
| Revaluation | (1,030,000) | - | - | - | (1,030,000) |
| Additions | - | - | 76,041 | - | 76,041 |
| **At 31 December 2024** | **3,350,000** | **14,840** | **399,776** | **401,224** | **4,165,840** |
| **Accumulated depreciation** | | | | | |
| At 1 January 2024 | 350,400 | 14,840 | 285,045 | 362,435 | 1,012,720 |
| Charge for the year | 87,600 | - | 27,467 | 38,205 | 153,272 |
| Revaluation adjustment | (438,000) | - | - | - | (438,000) |
| **At 31 December 2024** | **-** | **14,840** | **312,512** | **400,640** | **727,992** |
| **Net book amount** | | | | | |
| **At 31 December 2024** | **3,350,000** | **-** | **87,264** | **584** | **3,437,848** |
| At 31 December 2023 | 4,029,600 | - | 38,690 | 38,789 | 4,107,079 |

The Library's freehold and long leasehold properties were revalued at 31 December 2024 on the basis of open market value and open market rental value for existing use, by McConnell Chartered Surveyors and the revaluation adjustments of £1,030,000 to cost and £438,000 to accumulated depreciation together resulted in a loss on revaluation of £592,000. The valuations were undertaken in accordance with the Appraisal and Valuation Manual of the Royal Institute of Chartered Surveyors in the United Kingdom. The net book value of freehold and long leasehold properties at 31 December 2024 based on historical cost, had there been no revaluations, would have been £2,225,600 (2023: £2,311,200). Fixed assets totalling £76,041 were purchased in the year.

| | Land & building £ | Leasehold improvement £ | Office Equipment £ | Computer Equipment £ | Total £ |
|---|---|---|---|---|---|
| **Cost or valuation at 31 December 2024 is represented by** | | | | | |
| Cost | - | 14,840 | 399,776 | 401,224 | 815,840 |
| Valuation | 3,350,000 | - | - | - | 3,350,000 |
| | **3,350,000** | **14,840** | **399,776** | **401,224** | **4,165,840** |

No deferred tax has been provided for since the Library is a charity and therefore not subject to corporation tax.

### 14 Heritage assets

| | 2024 £ | 2023 £ |
|---|---|---|
| **Books and Periodicals at 31 December** | **2,759,850** | 2,759,850 |

The books and periodicals were valued as at 31 December 2020 by de Burca Rare Books, Antiquarian Booksellers.

## Notes to the financial statements for the year ended 31 December 2024

### 15 Investments

| Cost or valuation | Cash or cash equivalents £ | Listed Investments £ | Total £ |
|---|---|---|---|
| At 1 January 2024 | 8,273 | 304,343 | **312,616** |
| Capital introduced | 25,000 | - | **25,000** |
| Purchase of investments | (30,292) | 31,330 | **1,038** |
| Charges net of equalisation | (1,038) | - | **(1,038)** |
| Fair value movements | - | 12,420 | **12,420** |
| **At 31 December 2024** | **1,943** | **348,093** | **350,036** |

All investments shown above are held at valuation.

### 16 Stocks

| | 2024 £ | 2023 £ |
|---|---|---|
| Goods for resale | **11,031** | 15,049 |

### 17 Debtors

| | 2024 £ | 2023 £ |
|---|---|---|
| Trade debtors | **15,328** | 12,122 |
| Other debtors | **23,524** | 7,067 |
| Prepayments and accrued income | **53,888** | 42,662 |
| | **92,740** | 61,851 |

### 18 Creditors: amounts falling due within one year

| | 2024 £ | 2023 £ |
|---|---|---|
| Bank overdraft | **100,616** | 235,969 |
| Trade creditors | **70,184** | 76,139 |
| Other creditors and accruals | **27,168** | 37,373 |
| Deferred income (Note 19) | **99,807** | 70,611 |
| Taxation and social security | **19,512** | 24,866 |
| | **317,287** | 444,958 |

## Notes to the financial statements for the year ended 31 December 2024

### 19 Deferred income

| | £ |
|---|---|
| At 1 January 2024 | 70,611 |
| Amount released to income | (70,611) |
| Amount deferred in year | 99,807 |
| **At 31 December 2024** | **99,807** |

Deferred income comprises rental income, membership subscriptions and grants received in advance.

### 20 Creditors: amounts falling due after one year

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Obligations under finance leases | - | - |

### 21 Contingencies

A contingent liability exists to repay grants and funds received should certain conditions not be fulfilled by the charity. In the opinion of the Governors, the terms of the letters of offer have been, or will be, complied with and no liability is expected.

### 22 Unrestricted funds

| | General Fund £ | Revaluation Fund £ | Total £ |
|---|---|---|---|
| Balance at 1 January 2024 | 749,607 | 7,036,012 | 7,785,619 |
| Net incoming resources for the year | 155,906 | - | 155,906 |
| Transfer from restricted funds | 5,362 | - | 5,362 |
| Loss on revaluation of fixed assets | - | (592,000) | (592,000) |
| Actuarial gains on defined benefit pension scheme | 918,000 | - | 918,000 |
| Adjustment for restriction on pension asset recognised | (2,540,578) | - | (2,540,578) |
| **Balance at 31 December 2024** | **(711,703)** | **6,444,012** | **5,732,309** |

Unrestricted general funds include an asset of £Nil (2023: £1,561,578) in respect of pension scheme assets/liabilities of the pension fund.

## Notes to the financial statements for the year ended 31 December 2024

### 23 Restricted funds

| | Balance at 1 January 2024 £ | Incoming Resources £ | Project Expenditure £ | Transfers (Note 11) £ | **Balance at 31 December 2024 £** |
|---|---|---|---|---|---|
| Cultural Programming | - | 17,387 | (24,394) | 7,007 | - |
| McLaverty Short Story Award | **13,419** | 2,724 | (4,672) | - | **11,471** |
| extraORDINARYwomen | **25,198** | - | (216) | - | **24,982** |
| NLHF – Linen Hall 2 Scoping Study | **15,431** | 205,501 | (170,391) | - | **50,541** |
| NLHF–CRESI Museum Engagement | **38,387** | - | (37,500) | - | **887** |
| NLHF – Origins & Legacies: The Belfast/Good Friday Agreement | **(5,097)** | 5,116 | - | (19) | - |
| NLHF – Heritage Recovery | **7,586** | - | (2,030) | - | **5,556** |
| DfC - Museum Collections | **28,136** | - | (7,143) | - | **20,993** |
| DfC – Irish Children's Collection | **5,426** | - | (480) | - | **4,946** |
| DfC – Linen Hall Re-branding | **1,827** | - | - | - | **1,827** |
| DfC – Ulster-Scots Digitisation | **871** | - | - | - | **871** |
| DfC – Fragments of Scotch Poetry | - | 8,007 | (8,000) | (7) | - |
| DfC Charities Fund – Covid-19 | **9,261** | - | - | (9,261) | - |
| The Foyle Foundation/DFC Environmental Efficiency | - | 75,000 | (11,406) | - | **63,594** |
| Foras na Gaeilge | **17,004** | - | (15,324) | - | **1,680** |
| Repairs and Renewals | **18,341** | - | (5,998) | 775 | **13,118** |
| Ulster-Scots Agency – partnership project continuing from year to year | **7,752** | - | (8,583) | - | **(831)** |
| Ulster-Scots Agency- Writing Competition | **17,826** | 10,000 | (5,034) | - | **22,792** |
| Ulster-Scots Agency- Conservation | **274** | - | - | - | **274** |
| Dormant Accounts Fund – Linen Hall Digital Platform | **33,333** | - | (33,333) | | - |
| NIO Shared History Fund | **616** | - | - | (616) | - |
| Enlightenment Festival | **5,230** | - | - | (5,230) | - |
| Department of Foreign Affairs; Reconciliation Fund projects | **28,092** | 27,571 | (38,877) | 447 | **17,233** |
| Community Relations Council | - | 49,663 | (37,247) | - | **12,416** |
| British Council NI – Poetry Jukebox – McAdam's Lexicon | - | 10,150 | (10,150) | - | - |
| Arts Council NI – Poetry Jukebox – McAdam's Lexicon - £400 balance of funding due from Arts Council NI | - | 7,600 | (9,893) | 1,893 | **(400)** |
| NI Museums Council | **760** | 483 | (1,287) | 44 | - |
| Defibrillator and Training | **395** | - | - | (395) | - |
| Idlewild Trust | **4,440** | - | (4,440) | - | - |
| Enkalon Foundation | **1,000** | - | (620) | - | **380** |
| | **275,508** | 419,202 | (437,018) | **(5,362)** | **252,330** |

### 23 Restricted funds (continued)

**Arts Council NI - Cultural Programming** - Using the Library's historical position as a cultural leader in Northern Ireland to showcase and nurture the artistic and cultural life of all in the community

**McLaverty Short Story Award** - Biennial award to foster and encourage the art of the short story in Ireland

**extraORDINARYwomen** – Digitisation, collection enhancement, outreach and oral history project, exploring the evolution of women's lives in Northern Ireland since 1965

**NLHF – Linen Hall 2** – a scoping study into Linen Hall expansion
**NLHF – Covid Recovery Employment and Skills Initiative for Heritage** – Museum Engagement
**NLHF – Origins & Legacies: The Belfast/Good Friday Agreement** project
**NLHF - Covid-19 Heritage Recovery Fund** – core support and preparation for re-opening

**Department for Communities - Museum Collections** - enhanced collection care and conservation
**Department for Communities - Irish Children's Collection** – to establish an Irish children's library
**Department for Communities – Linen Hall Library Re-branding** – consultancy costs
**Department for Communities – Ulster-Scots Digitisation** – to digitise part of Ulster-Scots collection
**Department for Communities- Fragments of Scotch Poetry** – digital collection catalogued and made publicly accessible

**The Foyle Foundation/Department for Communities** – Environmental Efficiency measures including replacement of gas boilers and pipework

**Foras na Gaeilge** – conservation of the Linen Hall Library's Irish Language collections

**Repairs and Renewals** – Capital items for the upkeep of the Linen Hall's historic building

**Ulster Scots Agency - Burns in Ulster** – Conservation of the Library's Gibson Collection
**Ulster Scots Agency** – Ulster Scots Writing Competition and Conservation and Storage project

**Dormant Accounts Fund** – Building a new Linen Hall Library digital platform

**Department of Foreign Affairs; Reconciliation Fund** – Student Activism and Civil Rights projects

**Community Relations Council** – "We are the Future": Youth Activism project

**Arts Council NI** – Poetry Jukebox – McAdam's Lexicon project

**British Council NI** - Poetry Jukebox – McAdam's Lexicon project

**NI Museums Council** – A Belfast Fairytale: A storytelling and crafting session

**Idlewild Trust** - Conservation of the Art Scrapbooks of the Misses Gage of Rathlin Island

**Enkalon Foundation** – Cataloguing and Conservation

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2024

### 24 Endowment funds

| | Balance at 1January 2024 £ | Income £ | (Losses)/gains on investments £ | **Balance at 31 December 2024 £** |
|---|---|---|---|---|
| McLaverty Trust | 60,385 | - | - | **60,385** |
| Catalyst Endowment Fund | 237,352 | - | 8,093 | **245,445** |
| Linen Hall Library Endowment Fund | 77,360 | 25,000 | 4,327 | **106,687** |
| Linen Hall Library Fund | 100 | - | - | **100** |
| | 375,197 | 25,000 | 12,420 | **412,617** |

### 25 Analysis of net assets between funds

| | **Endowment Funds £** | **Unrestricted Funds £** | **Restricted Funds £** | **Total Funds £** |
|---|---|---|---|---|
| **Fund balances at 31 December 2024 are represented by:** | | | | |
| Tangible fixed assets | - | 3,350,584 | 87,264 | **3,437,848** |
| Heritage assets | - | 2,759,850 | - | **2,759,850** |
| Investments | 350,036 | - | - | **350,036** |
| Net current assets/(liabilities) | 62,581 | (378,125) | 165,066 | **(150,478)** |
| Long term liabilities | - | - | - | **-** |
| Pension asset | - | - | - | **-** |
| **Total net assets at 31 December 2024** | 412,617 | 5,732,309 | 252,330 | **6,397,256** |

### 26 Financial commitments

At 31 December the Library had annual commitments under non-cancellable operating leases expiring as follows:

| | **Office equipment** | |
|---|---|---|
| | **2024** | 2023 |
| | **£** | £ |
| In less than one year | **9,566** | 9,566 |
| In more than one year, but not more than 5 years | **11,347** | 20,912 |
| | **20,913** | 30,478 |

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2024

### 27 Going Concern

The Linen Hall continued to face funding challenges in 2024, having suffered a cut in 2023 of one third of its core funding from the Department for Communities, which coincided with a period of rising costs. A Strategy Committee had been established to identify new means of income generation, to include:

1. Investigation of potential new core funders to put in place guaranteed income streams moving forward.
2. Review of membership model.
3. Identification of new projects.
4. Ongoing international partnerships and applications.
5. Feasibility study being undertaken with regards to Linen Hall 2, for which funding had already been received from Heritage Fund NI.

Whilst good progress was made in 2024 on all these fronts, the experience of recent years has shown that there is a need for a reliable source of additional core funding of around £336,000 per annum, if the Linen Hall is to be financially sustainable. The charity's budget for 2024 included income of £130,000 from fundraising, the main event being a planned fundraising dinner which did not take place due to circumstances beyond the Linen Hall's control. There were also no legacies received in 2024 until December, and the budgeted income of £100,000 was not achieved. The Department for Communities was applied to and granted additional funding early in the year, and £330,000 of Intervention Funding in the last quarter of 2024, to shore up the Linen Hall's finances, and Belfast City Council contributed an additional £20,000.

The Strategy Committee has been exploring strategic partnerships with short, medium and long-term options and goals. The following areas have also been actioned and developed:

1. Exploration of funding for fundraiser
2. Investigation of trusts and foundations
3. Memberships – individual and corporate
4. Collaborations/Partnerships
5. Income generation from US Institutions

At 31st December 2024, the charity had net current liabilities £150,478, an improved position compared to net current liabilities of £304,799 at the end of 2023, but still falling short of the Governors' objective of achieving a level of unrestricted funds equivalent to three months' expenditure on the core activities of the Linen Hall. As a result of these matters, the trustees believe there remains a material uncertainty in relation to the going concern basis adopted in the preparation of the financial statements.

The Governors have carefully considered and reviewed budget and cash flow forecasts to 31st December 2025, and the actions listed above, to help them assess the appropriateness of adopting the going concern basis of accounting in the preparation of these financial statements. They have determined that the actions being taken are reasonable and sufficient to support the budget and cash flow forecasts and have therefore prepared these financial statements on a going concern basis.

### 28 Related parties

The Library was Lead Partner in The National Collection of Northern Ireland Publications (NIPR). The one part-time employee of NIPR based at the Linen Hall was employed and paid for by NIPR. The Library received £2,990 (2023: £2,000) from NIPR as its contribution to the cost of running the integrated library system, offsite storage and material processing.

### 29 Post-balance sheet events

There have been no events occurring after 31 December 2024 which require disclosure.

## Notes to the financial statements for the year ended 31 December 2024

### 30 Reconciliation of net movement in funds to net cash flow from operating activities

| | 2024 £ | 2023 £ |
|---|---|---|
| Net movement in funds | (2,039,068) | (196,430) |
| Add back depreciation charge | 153,272 | 146,384 |
| Add back loss on revaluation of fixed assets | 592,000 | - |
| Add (gain)/loss on investments | (12,420) | (14,442) |
| Deduct investment income shown in investing activities | (83,927) | (74,432) |
| Add back interest paid shown in financing activities | 24,969 | 18,577 |
| Decrease in stock | 4,018 | 1,318 |
| (Increase)/decrease in debtors | (30,889) | 52,693 |
| Increase in creditors falling due within one year | 7,682 | 60,753 |
| Decrease in creditors falling due after one year | - | - |
| Decrease/(Increase) in pension asset | 1,561,578 | (268,000) |
| **Net cash provided by operating activities** | **177,215** | (273,579) |

### 31 Cash and cash equivalents at 31 December

| | 2024 £ | 2023 £ |
|---|---|---|
| Term deposit at Danske Bank | 60,626 | 60,626 |
| Petty cash | 17 | 17 |
| Divided Society current account at Danske Bank | 1 | 1 |
| Cash account at Evelyn Partners | 2,394 | 2,615 |
| Bank balance/(overdraft) at Danske Bank | (100,616) | (235,969) |
| **Total cash and cash equivalents** | **(37,578)** | **(172,710)** |

## Notes to the financial statements for the year ended 31 December 2024

### 32 Pension commitments

The Library operates a defined benefit scheme with assets held in separate trustee administered funds.

An actuarial valuation of the defined benefit pension scheme using the projected unit basis was carried out at 31 December 2024 by Aon Solutions UK Limited.

**Defined benefit scheme**

The amounts recognised in the statement of financial position are as follows:

| | 2024 | 2023 |
|---|---|---|
| | £'000 | £'000 |
| Defined benefit obligation | (4,226) | (4,664) |
| Fair value of plan assets | 6,766 | 6,225 |
| Net defined benefit asset | 2,540 | 1,561 |
| Restriction on asset recognised | (2,540) | - |
| **Net amount recognised at year end** | - | 1,561 |

**The amounts recognised in comprehensive income are:**
The current and past service costs, settlements and curtailments, together with the net interest expenses for the year are included in profit or loss. Re-measurements of the net defined benefit liability are included in other comprehensive income.

| | 2024 | 2023 |
|---|---|---|
| **Service cost:** | £'000 | £'000 |
| Current service cost (net of employee contributions) | 119 | 125 |
| Administration expenses | 3 | 3 |
| Net interest (credit)/expense | (72) | (64) |
| **Charge recognised in profit or loss** | 50 | 64 |

| | | |
|---|---|---|
| **Re-measurements of the net liability:** | | |
| Return on scheme assets (excluding amount included in net interest expense) | (301) | (66) |
| Actuarial gains | (617) | (146) |
| Adjustment for restriction on asset recognised | 2,540 | - |
| **Charge/(credit) recorded in other comprehensive income** | 1,622 | (212) |
| **Total defined benefit cost/(credit)** | 1,672 | (148) |

### 32 Pension commitments (continued)

**The principal actuarial assumptions used were:**

| | **2024** | 2023 |
|---|---|---|
| Liability discount rate | **5.50%** | 4.50% |
| Inflation assumption – CPI | **2.60%** | 2.40% |
| Rate of increase in salaries | **4.10%** | 3.90% |
| Revaluation of deferred pensions: CPI | **2.60%** | 2.40% |
| Increases in pensions for payment | **2.60%** | 2.40% |
| Proportion of employees commuting pension for cash | **75.00%** | 75.00% |

**The mortality assumptions used were:**

| | **31 December 2024** | 31 December 2023 |
|---|---|---|
| Average expected future life at age 65 for | | |
| Male currently aged 65 | **21.5** | 21.7 |
| Female currently aged 65 | **24.4** | 24.5 |
| Male currently aged 45 | **22.1** | 22.6 |
| Female currently aged 45 | **25.2** | 25.5 |

**Reconciliation of scheme assets and liabilities**

| | **Assets £'000** | **Liabilities £'000** | **Total £'000** |
|---|---|---|---|
| At start of period | 6,225 | (4,664) | **1,561** |
| Benefits paid | (189) | 189 | **-** |
| Administration expenses | - | (3) | **(3)** |
| Current service cost | - | (119) | **(119)** |
| Contributions from the employer | 111 | - | **111** |
| Contributions from employees | 39 | (39) | **-** |
| Interest income/(expense) | 279 | (207) | **72** |
| Return on assets (excluding amount included in net interest expense) | 301 | - | **301** |
| Actuarial gains | - | 617 | **617** |
| | **6,766** | **(4,226)** | **2,540** |

## 32 Pension commitments (continued)

**The return on plan assets was:**

| | 2024 | 2023 |
|---|---|---|
| | £'000 | £'000 |
| Interest income | **279** | 277 |
| Return on plan assets (excluding amount included in net interest expense) | **301** | 66 |
| **Total return on plan assets** | **580** | 343 |

**The major categories of scheme assets are as follows:**

| | 2024 | 2023 |
|---|---|---|
| | £'000 | £'000 |
| Equities and Alternatives | **2,794** | 2,720 |
| Property | **643** | 604 |
| Gilts | **1,008** | 1,083 |
| Multi Asset Credit | **880** | 828 |
| Cash | **778** | 349 |
| Fixed Interest Bonds | **264** | 261 |
| Other | **399** | 380 |
| | **6,766** | 6,225 |

**Belfast Library and Society for Promoting Knowledge (Linen Hall Library)**

Northern Ireland - Charity number 104564

# Accounts

Registered no: NIC104564

# Belfast Library and Society for Promoting Knowledge (The Linen Hall)
# Annual report
# for the year ended 31 December 2023

# The Linen Hall

## Annual report for the year ended 31 December 2023


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# The Linen Hall

## Reference and administrative details

| | | |
|---|---|---|
| **Governors** | | |
| **President:** | Dr P McGarry, DL, FRCPsych (from May 2023) | (8/8) |
| | Dr E Hughes, BA, MA, PHD (to May 2023) | (3/3) |
| **Vice-President:** | Prof M Ó Mainnín, BA, MA, PhD (from May 2023) | (4/8) |
| | Ms L Maltman, BSc, MSc (to May 2023) | (1/3) |
| **Honorary Secretary:** | Dr S Bridge, MA, MSc, PhD (from May 2023) | (7/8) |
| | Ms K Blair, LLB, LLM, LARTPI (to May 2023) | (3/3) |
| **Honorary Treasurer:** | Mr C McCleane | (6/8) |
| | Mr G Dorrian (from September 2023) | (1/3) |
| | Dr F Ferguson, BA, MA, PhD (from May 2023) | (4/5) |
| | Mr J Fitzsimons, MA(TCD), MSc(QUB) (from May 2023) | (2/5) |
| | Prof B Kelly, MA, MD, FRCS, FRCR, FFRRCSI (from May 2023) | (2/5) |
| | Mr G Lucy, BA Hons, PGCE | (8/8) |
| | Ms S McCartan, BA Hons, ACIfA, FSA (London) (to May 2023) | (0/3) |
| | Mr J McCartney, MSc | (4/8) |
| | Mr S McKee, BA | (8/8) |
| | Mr J McVey, OBE, MBA, MSc | (7/8) |
| | Ms B Napier, LLB (from September 2023) | (2/3) |
| | Prof O Purdue, BA, MA, PHD (to May 2023) | (1/3) |
| | Ms S Stevenson, ACR | (4/8) |
| | *[figure in brackets indicates attendance at Governors' meetings]* | |

| | |
|---|---|
| **Principal office** | 17 Donegall Square North<br>Belfast<br>BT1 5GB |
| **Charity number** | NIC104564 |
| **Solicitors** | Cleaver Fulton Rankin<br>50 Bedford Street<br>Belfast<br>BT2 7FW |
| **Bankers** | Danske Bank Limited<br>Donegall Square West<br>Belfast<br>BT1 6JS |
| **Independent auditors** | Finegan Gibson Ltd<br>Causeway Tower<br>9 James Street South<br>Belfast<br>BT2 8DN |

# The Linen Hall

## Governors' report for the year ended 31 December 2023

The Library, which operates under the name of The Linen Hall, is legally known as the Belfast Library and Society for Promoting Knowledge.

The Board of Governors, who are also the trustees of the Library, submit their annual report and the audited financial statements for the year ended 31 December 2023. The Governors have prepared the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, effective 1 January 2015).

**Reference and administration information**

Details of the registered office, governors, independent advisers and other relevant information are given on page 2.

**Structure, governance and management**

**Governors**
The Governors are responsible for setting the Library's forward strategy and oversight of its business.

**Governing document**
The Library was founded in 1788 and is governed by its Constitution enacted in 1891 under the Educational Endowments (Ireland) Act, 1885 and as subsequently amended.

In 2016, the Library was formally registered as a charity by the new Charity Commission for Northern Ireland.

The Constitution is available on the Library website at www.linenhall.com.

**Appointment of Governors**
There is a maximum of fifteen Governors of the Linen Hall Library who are elected by triennial rotation at the Annual General Meeting and by the subscribing members of the Library. A Governor shall not be eligible for re-election after having served two successive terms of three years, until the lapse of a period of two years. The officers of the Society are also elected annually at the Governors' meeting immediately after the Annual General Meeting.

**Recruitment of Governors**
The Governors annually review the skills required by the Board and available to them and, when appropriate, use their powers of co-option to fill gaps.

**Governor induction and training**
New Governors undertake an induction visit to the Library and are supplied with all key Library documentation. The Library has arrangements in place to provide training for all its Governors on an annual basis.

**Risk management**
The Library has established a risk register which is reviewed by the Governors on a quarterly basis.

Risks arising from the relative weakness of the Library's financial position are being addressed in the context of the ongoing business planning process.

The Governors will continue to review the financial risks that the Library faces and believe that increasing the free reserves to £261,939 will provide sufficient resources in the event of adverse conditions (see Reserves policy on page 5).

The Governors take the responsibility of monitoring financial risk management. The organisation is not significantly exposed to price or credit risk. The organisation has a bank overdraft and the Governors continually review this debt to ensure interest charges are minimised as far as possible.

## Governors' report for the year ended 31 December 2023 (continued)

**Structure, governance and management (continued)**

**Management**
Responsibility for the day to day running of the Library lies with the Director and the Management Team. The Director is responsible for ensuring that planned services are delivered, that key performance indicators are met, and that agreed procedures are operative.

**Related parties**
The Library is Lead Partner in The National Collection of Northern Ireland Publications (NIPR). The one part-time employee of NIPR based at the Linen Hall is employed and paid for by NIPR.

**Objectives and activities**

**Constitution and mission**
The Library's Constitution at paragraph 11, and as amended in 2006, describes the 'Trusts of the Endowment' as follows:

The Endowments and all other property of or belonging to the Governors, or available for the purposes of this Scheme, shall be held by them upon trust for the promotion of knowledge in Northern Ireland and for the benefit of international scholarship, by the maintenance of a Library, and by such other means as the Society may from time to time deem it advisable to adopt.

The Library's mission statement is as follows:
The Linen Hall Library will advance knowledge and understanding, both locally and internationally, by developing, preserving and interpreting its collections, with unique strengths in Irish and Local Studies, and widening access to an historic library and cultural centre.

**Objectives in 2023**

The Library aimed to:

- Develop the Linen Hall Library's standing on an international stage
- Protect and develop new and existing Collections
- Improve interpretation of the Collections
- Widen access to an historic library and cultural centre
- Contribute to cultural development in the UK and Ireland
- Improve the financial sustainability of the Library

## Governors' report for the year ended 31 December 2023 (continued)

**Structure, governance and management (continued)**

**Achievements and performance**

The Linen Hall faced severe funding challenges in 2023 with a cut of one third of its core funding from the Department for Communities, coinciding with a period of rising costs, particularly the cost of energy to keep the building open to the public and irreplaceable archives in the conditions necessary for their conservation. Nevertheless, the programme of cultural events, exhibitions, classes, book clubs and writing competitions was stronger and better attended than ever, and work continued on several funded projects which had begun in 2022, alongside successful applications for further projects, some carrying on into 2024, all of which served to enhance the Linen Hall's contribution to society and to support its financial sustainability. Notably in December 2023, National Lottery Heritage Fund awarded a grant of up to £245,480 to fund Linen Hall 2 – A Museum of Contemporary History in NI Scoping Study.

National Lottery Heritage Fund provided a grant for a major project "Origins & Legacies: The Belfast/Good Friday Agreement", which took place in 2023 to mark its 25th anniversary. Through an exhibition, a series of events and an oral history project, The Linen Hall reflected on the processes which led to the accord, the competing sides of the referendum campaign, and its impact. Other funded projects in 2023 included "Borders and Boundaries", a Department of Foreign Affairs; Reconciliation Fund project exploring the meanings and realities of borders and boundaries in Northern Ireland throughout the last century, and "The Linen Hall: Belfast's Home of Poetry", celebrating the great poets of the past while pushing the boundaries by hosting new voices and themes and funded by Arts Council NI. The Department for Communities provided a grant to help digitise the Linen Hall's Ulster-Scots collection, and National Lottery Heritage Fund continued to fund a Museum Engagement Officer post at the Linen Hall. Foras na Gaeilge carried on supporting conservation and cataloguing of the Library's Irish Language collection, and Ulster-Scots Agency funding allowed work to continue in conserving and making accessible the Gibson Collection of Ulster Scots material, as well as supporting the Ulster-Scots Writing Competition.

The Linen Hall Library Endowment Fund remains open to donations and all income generated is being used to enhance the Library and its Collections, helping to ensure their future sustainability.

**Financial review**

**Results**
In common with many other charities, the Library faces challenging economic times, and continuing efforts are being made to increase revenue and to control costs. The Library has worked successfully with funders and bankers to deal with the deficit going forward. The statement of financial activities for the year is set out on page 12.

The Library incurred a deficit of £422,872 in the year (2022: £515,747), before the impact of the actuarial gain on the defined benefit pension scheme and a gain on revaluation of investments. The Library had net current liabilities of £304,799 at the year-end (2022: net current assets of £64,544).

**Principal funding sources**
The Library's key funders in 2023 were the Department for Communities which provided grants of £212,675 (2022: £308,500) and the National Lottery Heritage Fund £93,565 (2022: £156,571).

**Reserves policy**
The long-term objective of the Governors over a three to five-year period is to achieve a level of unrestricted funds not invested in tangible or fixed assets (the free reserves) equivalent to three months' expenditure on the core activities of the Library. At the end of 2023 this figure would have been £261,939 (2022: £305,395), however the net current liabilities position set out in Note 25 to the accounts "Analysis of net assets between funds" fell short of the Governors' target. Details of the actions being taken in response and the Governors' assessment of Going Concern is contained within Note 27 to the accounts.

**Taxation**
The Library is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Library's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

## Governors' report for the year ended 31 December 2023 (continued)

**Financial review (continued)**

**Borrowings**
The Library relies on an overdraft facility with Danske Bank. This facility was reviewed in 2023 and sufficient facilities to meet projected cash flow requirements were approved. At the year end the Library had net liabilities of £175,342 at Danske Bank (2022: net assets of £81,069); this was inclusive of £60,385 (2022: £60,385) of funds (including gift aid and interest) held for the Michael McLaverty Trust (see page 5) and a balance on its overdraft of £235,969 (2022: credit balance of £20,432).

**Endowment funds**
The Library administers the Michael McLaverty award and holds £60,385 in respect of this trust. This is an endowment, the income from which is available to the Library only for the specific purpose of running the biennial Michael McLaverty Short Story Award.

In 2013, the Library launched its Catalyst Endowment Fund, under which every £1 raised by the Library was matched by a £1 grant from the Heritage Lottery Fund's Catalyst endowment programme, over a four-year period. Funds raised under this programme are invested for a period of 25 years, and the income used to further the Library's mission. The balance held in this fund at the year-end was £237,352 (2022: £224,334).

The New Linen Hall Library Endowment Fund was set up in 2018 to provide an income for the preservation and conservation of the collections held within the Linen Hall Library. The balance held in this fund at 31st December 2023 was £77,360 (2022: £74,172).

**Pension scheme**
The Library operates a defined benefit scheme through NILGOSC. Prior to 2006 the Library's share of this scheme could not be identified by NILGOSC and, in keeping with other such multi-employer schemes, the Library treated its pension cost as if it were a defined contribution (rather than a defined benefit) scheme in accordance with accounting standards.

In late 2006 NILGOSC separated each of the employer scheme details and, as a result, the Library complies with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, and incorporates the year end surplus or deficit on the scheme in its balance sheet and the movement on the scheme within the Statement of Financial Activities. At 31 December 2023 the scheme showed a surplus of £1,561,578, an improvement on the £1,293,578 surplus in the previous year; this change arose from changes in assumptions used by the scheme actuary.

**Plans for the future**

A Business Plan for 2024 was approved by the Governors in December 2023. The Linen Hall continues to diversify its income and modernise its approach whilst retaining its heritage values and charitable mission. In the next few years new strategies will be developed to enhance the Linen Hall's sustainability for the future.

The Library aims to:

- Develop the Linen Hall Library's standing on an international stage
- Protect and develop new and existing Collections
- Improve interpretation of the Collections
- Widen access to an historic library and cultural centre
- Contribute to cultural development in the UK and Ireland
- Improve the financial sustainability of the Library

## Governors' report for the year ended 31 December 2023 (continued)

**Statement of Governors' responsibilities**

The Governors are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, effective 1 January 2015).

The law applicable to charities requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in FRS 102;
- 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 the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act (Northern Ireland) 1964 and under the Charities (NI) Order 1987 and in accordance with the Educational Endowments Act 1885. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement of disclosure of information to auditors**

So far as each of the Governors in office at the date of approval of these financial statements is aware:

- there is no relevant audit information of which the Library's auditors are unaware; and
- they have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that the Library's auditors are aware of that information.

**Independent auditors**

A motion to reappoint the auditors will be proposed at the AGM.

By order of the Board

**Mr C. McCleane**
**Honorary Treasurer**

Date: 13th May 2024

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2023

### Opinion

We have audited the financial statements of The Linen Hall Library (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, 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 FRS 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 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act (Northern Ireland) 2022.

### 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 charity 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

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 27 to the financial statements concerning the charity's ability to continue as a going concern. The charity suffered significant cuts to funding during the year and reported a net current liabilities position of £304,799 as at 31 December 2023. These conditions, along with the other matters explained in note 27 to the financial statements, indicate the existence of a material uncertainty, which may cast significant doubt about the charity's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the charity was unable to continue as a going concern.

### 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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Linen Hall

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2023

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.
We have nothing to report in respect of the following matters in relation to which the Charities Act (Northern Ireland) 2022 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are 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 trustees 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 charity'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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether management were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether management have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- the matters discussed among the audit engagement team including significant component audit teams and relevant internal specialists, including tax and valuations specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2023

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks in operation, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included ongoing compliance with the UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental for their ability to operate or to avoid a material penalty.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

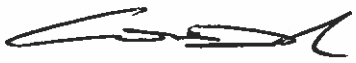
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

# The Linen Hall

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2023

**Use of our report**

This report is made solely to the charity's members, as a body, in accordance with section 65 of the Charities Act (Northern Ireland) 2008. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



CONOR DOLAN FCA
(Senior Statutory Auditor)
For and on behalf of
FINEGAN GIBSON LTD
Chartered Accountants & Statutory Auditors
Causeway Tower
9 James Street South
Belfast
BT2 8DN

Date: 13th May 2024

# The Linen Hall

## Statement of financial activities for the year ended 31 December 2023

| | Notes | Endow-ment Funds 2023 £ | Unrestricted Funds 2023 £ | Restricted Funds 2023 £ | Total Funds 2023 £ | Endow-ment Funds 2022 £ | Unrestricted Funds 2022 £ | Restricted Funds 2022 £ | Total Funds 2022 £ |
|---|---|---|---|---|---|---|---|---|---|
| **Income and endowments from** | | | | | | | | | |
| Donations and legacies | 2 | 1,764 | 453,826 | 221,289 | **676,879** | 34,520 | 460,011 | 294,126 | **788,657** |
| Rental income | | - | 120,533 | - | **120,533** | - | 101,989 | - | **101,989** |
| Income from investments | 3 | - | 73,018 | 1,414 | **74,432** | - | 8,767 | 91 | **8,858** |
| **Income from charitable activities** | | | | | | | | | |
| Other trading activities | 4 | - | 134,704 | - | **134,704** | - | 128,180 | - | **128,180** |
| **Other income** | | - | - | - | **-** | - | - | - | **-** |
| **Total income** | | 1,764 | 782,081 | 222,703 | **1,006,548** | 34,520 | 698,947 | 294,217 | **1,027,684** |
| **Expenditure on** | | | | | | | | | |
| Rental expenses | | - | 2,000 | - | **2,000** | - | 2,300 | - | **2,300** |
| Expenditure on raising funds | 5 | - | 67,785 | - | **67,785** | - | 58,721 | - | **58,721** |
| | | - | 69,785 | - | **69,785** | - | 61,021 | - | **61,021** |
| **Expenditure on charitable activities** | | | | | | | | | |
| Projects and events | 6 | - | - | 317,663 | **317,663** | - | - | 321,853 | **321,853** |
| Library operating costs | 7 | - | 1,041,972 | - | **1,041,972** | - | 1,160,557 | - | **1,160,557** |
| | | - | 1,041,972 | 317,663 | **1,359,635** | - | 1,160,557 | 321,853 | **1,482,410** |
| **Total expenditure** | | - | 1,111,757 | 317,663 | **1,429,420** | - | 1,221,578 | 321,853 | **1,543,431** |
| **Net (expenditure)/income** | 10 | 1,764 | (329,676) | (94,960) | **(422,872)** | 34,520 | (522,631) | (27,636) | **(515,747)** |
| **Transfers between funds** | 11 | - | (3,151) | 3,151 | **-** | - | (4,438) | 4,438 | **-** |
| **Net (expenditure)/income before recognised gains and losses** | | 1,764 | (332,827) | (91,809) | **(422,872)** | 34,520 | (527,069) | (23,198) | **(515,747)** |
| Net gains/(losses) on investments | 12 | 14,442 | - | - | **14,442** | (36,604) | - | - | **(36,604)** |
| Gain on revaluation of fixed assets | 14 | - | | - | **-** | - | | - | **-** |
| Actuarial gains on defined benefit pension scheme | 32 | - | 212,000 | - | **212,000** | - | 1,818,000 | - | **1,818,000** |
| **Net movement in funds** | | 16,206 | (120,827) | (91,809) | **(196,430)** | (2,084) | 1,290,931 | (23,198) | **1,265,649** |
| **Fund balance brought forward** | | 358,991 | 7,906,446 | 367,317 | **8,632,754** | 361,075 | 6,615,515 | 390,515 | **7,367,105** |
| **Total funds carried forward** | | 375,197 | 7,785,619 | 275,508 | **8,436,324** | 358,991 | 7,906,446 | 367,317 | **8,632,754** |

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

# The Linen Hall

## Statement of financial position as at 31 December 2023

| | Notes | 2023<br>£ | 2022<br>£ |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 13 | **4,107,079** | **4,251,708** |
| Heritage assets | 14 | **2,759,850** | **2,759,850** |
| Investments | 15 | **312,616** | **263,074** |
| | | **7,179,545** | **7,274,632** |
| **Current assets** | | | |
| Stocks | 16 | **15,049** | **16,367** |
| Debtors | 17 | **61,851** | **114,544** |
| Cash at bank and in hand | | **63,259** | **81,869** |
| | | **140,159** | **212,780** |
| **Creditors: amounts falling due within one year** | 18 | **(444,958)** | **(148,236)** |
| **Net current (liabilities)/assets** | | **(304,799)** | **64,544** |
| **Creditors: amounts falling due after one year** | 20 | **-** | **-** |
| **Net assets excluding pension asset** | | **6,874,746** | **7,339,176** |
| **Pension asset** | 32 | **1,561,578** | **1,293,578** |
| **Net assets including pension asset** | | **8,436,324** | **8,632,754** |
| **Funds** | | | |
| **Unrestricted funds:** | | | |
| - General fund | 22 | **749,607** | **870,434** |
| - Revaluation fund | 22 | **7,036,012** | **7,036,012** |
| | | **7,785,619** | **7,906,446** |
| **Restricted funds** | 23 | **275,508** | **367,317** |
| **Endowment funds** | 24 | **375,197** | **358,991** |
| Total funds | 25 | **8,436,324** | **8,632,754** |

The financial statements on pages 12 to 36 were approved by the Board on 13th May 2024 and were signed on its behalf by:

Mr C McCleane
**Honorary Treasurer**

Dr P McGarry
**President**

# The Linen Hall

## Statement of cash flows for the year ended 31 December 2023

| | Notes | 2023<br>£ | 2022<br>£ |
|---|---|---|---|
| **Cash flows from operating activities** | 30 | **(273,579)** | **(96,159)** |
| **Cash flows from investing activities** | | | |
| Interest income | | 1,422 | 450 |
| Other finance returns (note 8) | | 64,000 | - |
| Dividend income | | 9,010 | 8,408 |
| Purchase of tangible fixed assets | | (1,755) | (112,861) |
| Purchase of investments | | (35,100) | - |
| **Cash generated by/(used in) investing activities** | | **37,577** | **(104,003)** |
| **Cash flows from financing activities** | | | |
| Interest and fees paid | | (18,577) | (12,897) |
| **Cash used in financing activities** | | **(18,577)** | **(12,897)** |
| **Decrease in cash and cash equivalents in the year** | | **(254,579)** | **(213,059)** |
| **Cash and cash equivalents at the beginning of the year** | 31 | **81,869** | **294,928** |
| **Total cash and cash equivalents at the end of the year** | 31 | **(172,710)** | **81,869** |

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2023

### 1 Accounting policies

**Statement of compliance**
These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act (Northern Ireland) 2008.
The charity meets the definition of a public benefit entity under FRS 102.

**Judgements and key sources of estimation uncertainty**
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Incoming resources**
All incoming resources are included in the statement of financial activities when the Library is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**Voluntary income**

**Legacies**
Legacies are recognised when received or when their amount is capable of measurement.

**Donations**
Donations are included in full when received.

**Grants**
Revenue grants are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.

Grants for the purpose of capital expenditure are credited to restricted incoming resources when receivable and transferred to unrestricted funds on purchase of asset.

**Activities for generating funds**

**Voluntary income**
Annual subscriptions are included as voluntary income and are accounted for on an accruals basis.

**Other income**
Other income is included in full in the Statement of Financial Activities when received.

**Investment income**
Investment income is accounted for when received.

**Fundraising income**
Fundraising income is accounted for when received.

**Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

**Library operating costs**
Library operating costs are those incurred in connection with administration of the Library and compliance with constitutional and statutory requirement

## 1 Accounting policies (continued)

**Irrecoverable VAT**
Any irrecoverable VAT is charged to the statement of financial activities or capitalised as part of the cost of the related asset, where appropriate.

**Pensions**
The Library operates a defined benefit scheme through the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) for specific employees. The assets of the scheme are held separately from those of the Library.

The Library has adopted FRS 102 in these financial statements. Pension scheme assets are measured using market value. Pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term to the liability. The increase in the present value of the liabilities of the Library's defined benefit pension scheme arising from employee service in the period is charged to operating profit. The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities arising from the passage of time are included in other finance costs. Actuarial gains and losses are recognised in the statement of financial activities.

**Tangible assets**

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated so as to write off the cost, or valuation, of tangible fixed assets, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned. The principal annual rates used are as follows:

| | | % |
|---|---|---|
| Buildings | - | 2 |
| Leasehold improvements | - | 10 |
| Fixtures & fittings | - | 15 |
| Computer equipment | - | 33 |

When circumstances dictate, an impairment review is carried out. Land and buildings are revalued on a regular basis by a suitably qualified individual. The Library ensures that a full valuation is undertaken every five years. The resulting revaluation gains or losses are recognised in the statement of financial activities and result in a movement on revaluation reserves to the extent that they result in gains or offset previous gains. If the revaluation results in a loss greater than previously recognised revaluation gains, the excess loss will be charged to the statement of financial activities.

**Heritage assets**

The heritage assets are held by the Library in support of the primary objective of the charity to promote knowledge in Northern Ireland and for the benefit of international scholarship. Heritage assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Library's policy on other fixed assets. The heritage assets held by the charity consist of various collections of books and periodicals covering a wide range of topics relating largely to Irish history including some documents over three hundred years old. The collections are carried at a current valuation. The collections are deemed to have indeterminate lives and a high residual value and therefore depreciation has not been charged. The carrying amounts of the assets are reviewed when there is evidence of impairment and any impairment is recognised in accordance with the Library's general policy on impairment.

**Stocks**
Stocks are stated at the lower of cost and net realisable value.

### 1 Accounting policies (continued)

**Fund accounting**
The Library has various types of funds for which it is responsible, and which require separate disclosure. A definition of the various types of funds is as follows:

**Unrestricted funds**
Funds which are expendable at the discretion of the Library, in furtherance of the purpose of the Library. In addition to expenditure on activities, such funds may be held in order to finance capital investment and working capital.

**Restricted funds**
Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of overheads and support costs.

**Endowment funds**
Permanent endowment funds are restricted funds where a donor has specified that only income arising from the donation can be used by the Library. This income is restricted for the particular purpose specified by the donor.

**Going Concern**

The financial statements have been prepared on a going concern basis. The Governors have considered their position on this and have provided further information at Note 27 to these financial statements.

**Financial instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.
Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.
Debt instruments are subsequently measured at amortised cost.
Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.
Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.
Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.
Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.
For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.
Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2023

### 2 Donations and legacies

| | Endowment | Unrestricted | Restricted | **2023** | 2022 |
|---|---|---|---|---|---|
| | £ | £ | £ | **£** | £ |
| Donations and legacies | 1,764 | 93,765 | - | **95,529** | 56,126 |
| Members' subscriptions (see below) | - | 140,561 | - | **140,561** | 130,621 |
| Grants (see below) | - | 219,500 | 221,289 | **440,789** | 601,910 |
| | 1,764 | 453,826 | 221,289 | **676,879** | 788,657 |

| **Members' subscriptions** | **2023** | 2022 |
|---|---|---|
| | **£** | £ |
| Members' subscriptions | **126,308** | 116,440 |
| Income tax reclaimable on subscriptions | **14,253** | 14,181 |
| | **140,561** | 130,621 |

| **Grants** | Endowment | Unrestricted | Restricted | **2023** | 2022 |
|---|---|---|---|---|---|
| | £ | £ | £ | **£** | £ |
| Arts Council of NI | - | - | 17,213 | **17,213** | 14,343 |
| National Lottery Heritage Fund | - | - | 93,565 | **93,565** | 156,571 |
| Dormant Funds Account | - | - | 100 | **100** | - |
| Belfast City Council | - | 33,000 | 3,425 | **36,425** | 34,406 |
| Department for Communities | - | 184,500 | 28,175 | **212,675** | 308,500 |
| SEUPB | - | - | - | **-** | (177) |
| DoFA; Reconciliation Fund | - | - | 28,391 | **28,391** | 33,715 |
| Ulster Scots Agency | - | - | 30,000 | **30,000** | 32,312 |
| Foras Na Gaeilge | - | - | 13,000 | **13,000** | 10,000 |
| Pilgrim Trust | - | - | - | **-** | 10,000 |
| Idlewild Trust | - | - | 4,440 | **4,440** | - |
| Enkalon Foundation | - | - | 1,000 | **1,000** | - |
| NI Museums Council | | - | 1,980 | **1,980** | 240 |
| NIPR | | 2,000 | - | **2,000** | 2,000 |
| | - | 219,500 | 221,289 | **440,789** | 601,910 |

In accordance with recommended practice, income received in advance is not deferred, but recognised in the period in which it is received.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2023

### 3 Income from investments

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Dividends receivable | **9,010** | 8,408 |
| Other finance returns (note 8) | **64,000** | - |
| Interest receivable | **1,422** | 450 |
| | **74,432** | 8,858 |

### 4 Other trading activities

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Sale of books** | | |
| Library books and publications | **25,939** | 48,046 |
| **Sales of services** | | |
| Coffee shop | **35,791** | 35,618 |
| Photocopying and fax | **1,102** | 313 |
| Telephone & Internet | **-** | - |
| Postage | **15** | - |
| Cultural programming | **18,279** | 4,989 |
| Royalties | **1,138** | 4,027 |
| Facility fees | **12,595** | 7,913 |
| Fundraising events | **8,280** | - |
| | **77,200** | 52,860 |
| **Sale of products** | | |
| Books, prints and pamphlets | **8,037** | 5,104 |
| Other products | **3,873** | 1,960 |
| Gift shop items | **19,655** | 20,210 |
| | **31,565** | 27,274 |
| **Total** | **134,704** | 128,180 |

## Notes to the financial statements for the year ended 31 December 2023

| 5 Expenditure on raising funds | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Merchandising costs (see below) | **14,564** | 8,976 |
| Book fund (see below) | **16,881** | 16,494 |
| Charity shop | **35,072** | 33,251 |
| Fundraising costs | **1,268** | |
| | **67,785** | 58,721 |

| **Merchandising costs** | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Prints, books and pamphlets | **1,442** | - |
| Coffee shop purchases | **1,612** | 1,769 |
| Gift shop expenditure | **11,510** | 7,207 |
| | **14,564** | 8,976 |

| **Book fund** | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Irish | **9,186** | 9,840 |
| General | **7,695** | 6,654 |
| | **16,881** | 16,494 |

## Notes to the financial statements for the year ended 31 December 2023

| 6 Projects and events | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Cultural Programming (includes salary costs of £8,694 (2022: £Nil)) | **11,945** | 2,571 |
| extraORDINARYwomen (includes salary costs of £Nil (2022: £14,448)) | **-** | 41,330 |
| National Lottery Heritage Fund – Origins & Legacies: The Belfast/Good Friday Agreement (includes salary costs of £35,107 (2022: £Nil)) | **86,571** | - |
| National Lottery Heritage Fund - Heritage Recovery | **2,030** | 3,260 |
| National Lottery Heritage Fund – CRESI Museum Engagement (includes salary costs of £35,686 (2022: £17,754)) | **35,686** | 17,754 |
| Arts Council NI – Jimmy Ellis | **-** | 2,832 |
| Arts Council NI – The Linen Hall: Belfast's Home of Poetry (includes salary costs of £Nil (2022: £2,989)) | **8,827** | 8,086 |
| Department for Communities - Museum Collections | **7,143** | 7,143 |
| Department for Communities - Irish Children's Collection | **480** | 758 |
| Department for Communities – Linen Hall Re-branding | **2,373** | 10,800 |
| Department for Communities – Replace Guttering | **-** | 25,543 |
| Department for Communities – Upgrade Wifi and Cabling | **5,277** | - |
| Department for Communities – Ulster-Scots Digitisation (includes salary costs of £15,610 (2022: £3,180)) | **41,624** | 3,180 |
| Department of Foreign Affairs; Reconciliation Fund (includes salary costs of £12,438 (2022: £22,141)) | **34,014** | 37,933 |
| Dormant Accounts Fund – Linen Hall Digital Platform | **33,333** | 33,334 |
| Shared History Fund (includes salary costs of £Nil (2022: £4,834)) | **-** | 14,043 |
| Foras na Gaeilge (includes salary costs of £12,200 (2022: £Nil)) | **13,498** | 5,179 |
| Health, Safety and Governance | **-** | 2,468 |
| Repairs and Renewals | **9,507** | 10,992 |
| Enlightenment Festival 2022 (includes salary costs of £Nil (2022: £2,322)) | **-** | 50,789 |
| Pilgrim Trust – Art Unlocked (includes salary costs of £Nil (2022: £10,000)) | **-** | 10,000 |
| Belfast City Council – Access and Inclusion | **-** | 3,620 |
| Ulster-Scots Agency – Burns in Ulster (includes salary costs of £18,000 (2022: £18,000)) | **19,920** | 21,668 |
| Ulster-Scots Agency – Ulster-Scots Writing Competition (includes salary costs of £330 (2022: £1,000)) | **6,705** | 3,285 |
| Ulster-Scots Agency – Cataloguing project (includes salary costs of £Nil (2022: £4,650)) | **-** | 4,650 |
| Defibrillator and training | **-** | 159 |
| NI Museums Council | **1,220** | 378 |
| McLaverty Short Story Award | **(2,490)** | 98 |
| | **317,663** | 321,853 |

Project and events costs include £138,065 (2022: £101,318) of staff costs.

## Notes to the financial statements for the year ended 31 December 2023

### 7 Library operating costs

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Charitable operations** | | |
| Information technology | **46,864** | 50,288 |
| Training | **3,947** | 1,770 |
| Advertising & PR | **3,343** | 4,462 |
| Support costs (Note 8) | **204,433** | 195,594 |
| Travel & subsistence | **940** | 1,152 |
| Conservation | **2,142** | 1,131 |
| | **261,669** | 254,397 |
| **Establishment** | | |
| Rent and rates | **23,136** | 21,211 |
| Insurance | **24,775** | 22,844 |
| Light and heat | **53,604** | 34,768 |
| Repairs and maintenance | **53,770** | 45,938 |
| | **155,285** | 124,761 |
| **Depreciation** | | |
| Building | **87,600** | 87,600 |
| Fixtures and fittings | **617** | 617 |
| Computer equipment | **5,674** | 19,133 |
| | **93,891** | 107,350 |
| **Staff costs (note 9)** | **531,127** | 674,049 |
| **Total** | **1,041,972** | 1,160,557 |

## Notes to the financial statements for the year ended 31 December 2023

### 8 Support costs

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Administration** | | |
| Stationery | **2,052** | 3,953 |
| Printing | **9,070** | 7,334 |
| Photocopying | **3,987** | 3,280 |
| Postage | **2,373** | 1,348 |
| Telephone, fax and internet | **9,471** | 9,052 |
| Information technology | **20,275** | 18,878 |
| Miscellaneous | **974** | 1,511 |
| | **48,202** | 45,356 |
| **Governance** | | |
| Audit and related fees | **6,951** | 6,718 |
| Legal & professional fees | **17,828** | 20,030 |
| | **24,779** | 26,748 |
| **Financial expenses** | | |
| Bank charges | **1,965** | 1,676 |
| Bank interest | **11,433** | 399 |
| Visa paypoint fees | **3,676** | 1,220 |
| Other Interest | **1,503** | 3,602 |
| Other finance costs (see below) | **-** | 6,000 |
| | **18,577** | 12,897 |
| **Staff costs (note 9)** | **112,875** | 110,593 |
| **Total** | **204,433** | 195,594 |

**Other finance returns/(costs)**

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Expected return on pension scheme | **277,000** | 136,000 |
| Interest on pension scheme liabilities | **(213,000)** | (142,000) |
| **Net returns/(costs)** | **64,000** | (6,000) |

## Notes to the financial statements for the year ended 31 December 2023

### 9 Staff costs

| | Unrestricted £ | Restricted £ | Total 2023 £ | Total 2022 £ |
|---|---|---|---|---|
| Salaries | 519,679 | 108,731 | **628,410** | 559,902 |
| Social security costs | 44,481 | 10,353 | **54,834** | 47,904 |
| Pension costs | 108,660 | 18,981 | **127,641** | 305,076 |
| | 672,820 | 138,065 | **810,885** | 912,882 |

**Analysis of staff costs**

| | 2023 £ | 2022 £ |
|---|---|---|
| Projects | **138,065** | 101,318 |
| Library: | | |
| - Charitable operations | **531,127** | 674,049 |
| - Charity bookshop | **28,818** | 26,922 |
| - Support | **112,875** | 110,593 |
| | **810,885** | 912,882 |

The average number of employees, calculated on a full-time equivalent basis, analysed by function was:

| | 2023 Number | 2022 Number |
|---|---|---|
| Projects | **4** | 3 |
| Charitable operations | **12** | 13 |
| Charity bookshop | **1** | 1 |
| Support | **2** | 2 |
| | **19** | 19 |

No employee had employee benefits (excluding employer pension costs) in excess of £80,000 (2022: £60,000).

Governors are not remunerated for services to the Library (2022: £Nil), and there were no Governors' expenses incurred (2022: £Nil).

The key management personnel of the Library comprise the Governors, the Director, the Librarian and the Finance Manager. The total employee benefits of the key management personnel of the Library were £231,746 (2022: £202,330).

Indemnity insurance for Governors' liability has been purchased by the Library at a cost of £2,289 (2022: £1,780).

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2023

### 10 Net income/(expenditure)

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Net income/(expenditure) is stated after charging:** | | |
| Depreciation on owned assets | **146,384** | **164,232** |
| Auditors' remuneration: | | |
| - audit services | **7,026** | **6,124** |
| - non-audit services | **405** | **405** |
| Other operating lease rentals | **-** | **-** |

### 11 Transfers between funds

| | Endowment Funds | Unrestricted Funds | Restricted Funds |
|---|---|---|---|
| | £ | £ | £ |
| Projects | - | - | **3,151** |
| General Fund | - | **(3,151)** | - |
| | - | **(3,151)** | **3,151** |

The transfer from unrestricted to restricted funds represents net overspending on funded projects.

### 12 Net (losses)/gains on investments

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Catalyst Endowment Fund | 13,018 | (31,168) |
| New Linen Hall Library Endowment Fund Endowment funds | 1,424 | (5,436) |
| | **14,442** | (36,604) |

## Notes to the financial statements for the year ended 31 December 2023

### 13 Tangible fixed assets

| | Land & building £ | Leasehold Improvements £ | Fixtures & fittings £ | Computer equipment £ | Total £ |
|---|---|---|---|---|---|
| **Cost or valuation** | | | | | |
| At 1 January 2023 | 4,380,000 | 14,840 | 323,735 | 399,469 | 5,118,044 |
| Additions | - | - | - | 1,755 | 1,755 |
| **At 31 December 2023** | **4,380,000** | **14,840** | **323,735** | **401,224** | **5,119,799** |
| **Accumulated depreciation** | | | | | |
| At 1 January 2023 | 262,800 | 14,840 | 265,268 | 323,428 | 866,336 |
| Charge for the year | 87,600 | - | 19,777 | 39,007 | 146,384 |
| **At 31 December 2023** | **350,400** | **14,840** | **285,045** | **362,435** | **1,012,720** |
| **Net book amount** | | | | | |
| **At 31 December 2023** | **4,029,600** | **-** | **38,690** | **38,789** | **4,107,079** |
| At 31 December 2022 | 4,117,200 | - | 58,467 | 76,041 | 4,251,708 |

The Library's freehold and long leasehold properties were revalued at 31 December 2019 on the basis of open market value and open market rental value for existing use, by McConnell Chartered Surveyors and the revaluation adjustments of £480,000 to cost and £390,000 to accumulated depreciation together resulted in a gain on revaluation of £870,000. The valuations were undertaken in accordance with the Appraisal and Valuation Manual of the Royal Institute of Chartered Surveyors in the United Kingdom. The net book value of freehold and long leasehold properties at 31 December 2023 based on historical cost, had there been no revaluations, would have been £2,311,200 (2022: £2,396,800).

Fixed assets totalling £1,755 were purchased in the year.

| | Land & building £ | Leasehold improvement £ | Office Equipment £ | Computer Equipment £ | Total £ |
|---|---|---|---|---|---|
| **Cost or valuation at 31 December 2023 is represented by** | | | | | |
| Cost | - | 14,840 | 323,735 | 401,224 | 739,799 |
| Valuation | 4,380,000 | - | - | - | 4,380,000 |
| | **4,380,000** | **14,840** | **323,735** | **401,224** | **5,119,799** |

No deferred tax has been provided for since the Library is a charity and therefore not subject to corporation tax.

### 14 Heritage assets

| | 2023 £ | 2022 £ |
|---|---|---|
| **Books and Periodicals at 31 December** | **2,759,850** | 2,759,850 |

The books and periodicals were valued as at 31 December 2020 by de Burca Rare Books, Antiquarian Booksellers.

## Notes to the financial statements for the year ended 31 December 2023

### 15 Investments

| Cost or valuation | Cash or cash equivalents £ | Listed Investments £ | Total £ |
|---|---|---|---|
| At 1 January 2023 | 1,367 | 261,707 | **263,074** |
| Capital introduced | 35,100 | - | **35,100** |
| Purchase of investments | (27,531) | 28,194 | **663** |
| Charges net of equalisation | (663) | - | **(663)** |
| Fair value movements | - | 14,442 | **14,442** |
| **At 31 December 2023** | **8,273** | **304,343** | **312,616** |

All investments shown above are held at valuation.

### 16 Stocks

| | 2023 £ | 2022 £ |
|---|---|---|
| Goods for resale | **15,049** | 16,367 |

### 17 Debtors

| | 2023 £ | 2022 £ |
|---|---|---|
| Trade debtors | **12,122** | 4,617 |
| Other debtors | **7,067** | 5,596 |
| Prepayments and accrued income | **42,662** | 104,331 |
| | **61,851** | 114,544 |

Included in Prepayments and accrued income is an amount of £Nil (2022: £15,436) relating to accrued grants receivable.

### 18 Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|---|---|---|
| Bank overdraft | **235,969** | - |
| Trade creditors | **76,139** | 40,853 |
| Other creditors and accruals | **37,373** | 25,568 |
| Deferred income (Note 19) | **70,611** | 59,661 |
| Taxation and social security | **24,866** | 22,154 |
| | **444,958** | 148,236 |

## Notes to the financial statements for the year ended 31 December 2023

### 19 Deferred income

| | £ |
|---|---|
| At 1 January 2023 | 59,661 |
| Amount released to income | (59,661) |
| Amount deferred in year | 70,611 |
| **At 31 December 2023** | **70,611** |

Deferred income comprises rental income and membership subscriptions received in advance.

### 20 Creditors: amounts falling due after one year

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Obligations under finance leases | - | - |

### 21 Contingencies

A contingent liability exists to repay grants and funds received should certain conditions not be fulfilled by the charity. In the opinion of the Governors, the terms of the letters of offer have been, or will be, complied with and no liability is expected.

### 22 Unrestricted funds

| | General Fund £ | Revaluation Fund £ | Total £ |
|---|---|---|---|
| Balance at 1 January 2023 | 870,434 | 7,036,012 | 7,906,446 |
| Net outgoing resources for the year | (329,676) | - | (329,676) |
| Transfer to restricted funds | (3,151) | - | (3,151) |
| Actuarial gains on defined benefit scheme | 212,000 | - | 212,000 |
| **Balance at 31 December 2023** | **749,607** | **7,036,012** | **7,785,619** |

Unrestricted general funds include an asset of £1,561,578 (2022: £1,293,578) in respect of pension scheme assets/liabilities of the pension fund.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2023

### 23 Restricted funds

| | Balance at 1 January 2023 £ | Incoming Resources £ | Project Expenditure £ | Transfers (Note 11) £ | **Balance at 31 December 2023 £** |
|---|---|---|---|---|---|
| Cultural Programming | - | 8,694 | (11,945) | 3,251 | **-** |
| McLaverty Trust | 9,515 | 1,414 | 2,490 | - | **13,419** |
| extraORDINARYwomen | 25,198 | - | - | - | **25,198** |
| NLHF – Linen Hall 2 | - | 15,431 | - | - | **15,431** |
| NLHF–CRESI Museum Engagement | 32,150 | 41,923 | (35,686) | - | **38,387** |
| NLHF – Origins & Legacies: The Belfast/Good Friday Agreement | 45,263 | 36,211 | (86,571) | - | **(5,097)** |
| NLHF – Heritage Recovery | 9,616 | - | (2,030) | - | **7,586** |
| DfC - Museum Collections | 35,279 | - | (7,143) | - | **28,136** |
| DfC – Irish Children's Collection | 5,906 | - | (480) | - | **5,426** |
| DfC – Linen Hall Re-branding | 4,200 | - | (2,373) | - | **1,827** |
| DfC – Upgrade Wifi and Cabling | - | 5,000 | (5,277) | 277 | **-** |
| DfC – Ulster-Scots Digitisation | 19,320 | 23,175 | (41,624) | - | **871** |
| DfC Charities Fund – Covid-19 | 9,261 | - | - | - | **9,261** |
| Foras na Gaeilge | 17,502 | 13,000 | (13,498) | - | **17,004** |
| Repairs and Renewals | 27,848 | - | (9,507) | - | **18,341** |
| Arts Council NI – Jimmy Ellis | (300) | - | - | 300 | **-** |
| Arts Council NI – The Linen Hall: Belfast's Home of Poetry | 608 | 8,519 | (8,827) | (300) | **-** |
| Belfast City Council-Access Inclusion | (3,425) | 3,425 | - | - | **-** |
| Ulster-Scots Agency- Burns in Ulster | 7,672 | 20,000 | (19,920) | - | **7,752** |
| Ulster-Scots Agency- Writing Comp. | 14,531 | 10,000 | (6,705) | - | **17,826** |
| Ulster-Scots Agency- Conservation | 274 | - | - | - | **274** |
| Dormant Accounts Fund – Digital Platform | 66,566 | 100 | (33,333) | | **33,333** |
| NIO Shared History Fund | 616 | - | - | - | **616** |
| Enlightenment Festival | 5,230 | - | - | - | **5,230** |
| Department of Foreign Affairs; Reconciliation Fund | 34,092 | 28,391 | (34,014) | (377) | **28,092** |
| NI Museums Council | - | 1,980 | (1,220) | - | **760** |
| Defibrillator and Training | 395 | - | - | - | **395** |
| Idlewild Trust | - | 4,440 | - | - | **4,440** |
| Enkalon Foundation | - | 1,000 | - | - | **1,000** |
| | 367,317 | 222,703 | (317,663) | **3,151** | **275,508** |

### 23 Restricted funds (continued)

**Arts Council NI - Cultural Programming** - Using the Library's historical position as a cultural leader in Northern Ireland to showcase and nurture the artistic and cultural life of all in the community

**McLaverty Trust** - Biennial award to foster and encourage the art of the short story in Ireland

**extraORDINARYwomen** – Digitisation, collection enhancement, outreach and oral history project, exploring the evolution of women's lives in Northern Ireland since 1965

**NLHF – Linen Hall 2 –** a scoping study into Linen Hall expansion
**NLHF – Covid Recovery Employment and Skills Initiative for Heritage** – Museum Engagement
**NLHF – Origins & Legacies: The Belfast/Good Friday Agreement** project
**NLHF - Covid-19 Heritage Recovery Fund –** core support and preparation for re-opening

**Department for Communities - Museum Collections -** enhanced collection care and conservation
**Department for Communities - Irish Children's Collection –** to establish an Irish children's library
**Department for Communities – Linen Hall Library Re-branding –** consultancy costs
**Department for Communities – Upgrade Wifi and Cabling** – upgrade Wifi provision
**Department for Communities – Ulster-Scots Digitisation** – to digitise part of Ulster-Scots collection

**Foras na Gaeilge** – conservation of the Linen Hall Library's Irish Language collections

**Repairs and Renewals** – Capital items for the upkeep of the Linen Hall's historic building

**Arts Council NI** – The Linen Hall: Belfast's Home of Poetry project

**Belfast City Council Access and Inclusion** – Hearing loop system

**Ulster Scots Agency - Burns in Ulster** – Conservation of the Library's Gibson Collection
**Ulster Scots Agency** – Ulster Scots Writing Competition and Conservation and Storage project

**Dormant Accounts Fund –** Building a new Linen Hall Library digital platform

**NIO Shared History Fund -** Perspectives on Partition and the Foundation of Northern Ireland -1921-2021

**Enlightenment Festival** – wide-ranging programme of performances, art installations, talks and debates

**Department of Foreign Affairs; Reconciliation Fund –** Borders and Boundaries project and Student Activism project

**NI Museums Council** – Science Festival

**Defibrillator and Training –** Provision of defibrillator in the Library city and training of staff in its use

**Idlewild Trust** - Conservation of the Art Scrapbooks of the Misses Gage of Rathlin Island

**Enkalon Foundation** – Cataloguing and Conservation

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2023

### 24 Endowment funds

| | Balance at 1January 2023 £ | Income £ | (Losses)/gains on investments £ | **Balance at 31 December 2023 £** |
|---|---|---|---|---|
| McLaverty Trust | 60,385 | - | - | **60,385** |
| Catalyst Endowment Fund | 224,334 | - | 13,018 | **237,352** |
| Linen Hall Library Endowment Fund | 74,172 | 1,764 | 1,424 | **77,360** |
| Linen Hall Library Fund | 100 | - | - | **100** |
| | 358,991 | 1,764 | 14,442 | **375,197** |

### 25 Analysis of net assets between funds

| | **Endowment Funds £** | **Unrestricted Funds £** | **Restricted Funds £** | **Total Funds £** |
|---|---|---|---|---|
| **Fund balances at 31 December 2023 are represented by:** | | | | |
| Tangible fixed assets | - | 4,035,464 | 71,615 | **4,107,079** |
| Heritage assets | - | 2,759,850 | - | **2,759,850** |
| Investments | 312,616 | - | - | **312,616** |
| Net current assets/(liabilities) | 62,581 | (571,273) | 203,893 | **(304,799)** |
| Long term liabilities | - | - | - | **-** |
| Pension asset | - | 1,561,578 | - | **1,561,578** |
| **Total net assets at 31 December 2023** | 375,197 | 7,785,619 | 275,508 | **8,436,324** |

### 26 Financial commitments

At 31 December the Library had annual commitments under non-cancellable operating leases expiring as follows:

| | **Office equipment** | |
|---|---|---|
| | **2023** | 2022 |
| | **£** | £ |
| In less than one year | **9,566** | 6,323 |
| In more than one year, but not more than 5 years | **20,912** | 10,569 |
| | **30,478** | 16,892 |

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2023

### 27 Going Concern

The Linen Hall faced severe funding challenges in 2023, suffering a cut of one third of its core funding from the Department for Communities which coincided with a period of rising costs, particularly the cost of energy to keep the building open to the public and irreplaceable archives in the conditions necessary for their conservation. At 31st December 2023, the charity had net current liabilities of £304,799, a position falling short of the Governors' objective of achieving a level of unrestricted funds equivalent to three months' expenditure on the core activities of the Linen Hall. As a result of these matters, the trustees believe there is a material uncertainty in relation to the going concern basis adopted in the preparation of the financial statements.

A Strategy Committee has been established to identify new means of income generation, to include:

1. Investigation of potential new core funders to put in place guaranteed income streams moving forward.
2. Review of membership model.
3. Identification of new projects
4. Ongoing international partnerships and applications.
5. Feasibility study being undertaken with regards to Linen Hall 2, for which funding has already been received from Heritage Fund NI. This will help promote resilience and sustainability.

The Governors have carefully considered and reviewed budget and cash flow forecasts to 31st December 2025, and the actions listed above, to help them assess the appropriateness of adopting the going concern basis of accounting in the preparation of these financial statements. They have determined that the actions being taken are reasonable and sufficient to support the budget and cash flow forecasts and have therefore prepared these financial statements on a going concern basis.

### 28 Related parties

The Library was Lead Partner in The National Collection of Northern Ireland Publications (NIPR). The one part-time employee of NIPR based at the Linen Hall was employed and paid for by NIPR. The Library received £2,000 (2022: £2,000) from NIPR as its contribution to the cost of running the integrated library system, offsite storage and material processing.

### 29 Post-balance sheet events

There have been no events occurring after 31 December 2023 which require disclosure.

## Notes to the financial statements for the year ended 31 December 2023

### 30 Reconciliation of net movement in funds to net cash flow from operating activities

| | 2023 £ | 2022 £ |
|---|---|---|
| Net movement in funds | (196,430) | 1,265,649 |
| Add back depreciation charge | 146,384 | 164,232 |
| Less gain on revaluation of fixed assets | - | - |
| Add (gain)/loss on investments | (14,442) | 36,604 |
| Deduct investment income shown in investing activities | (74,432) | (8,858) |
| Add back interest paid shown in financing activities | 18,577 | 12,897 |
| Decrease in stock | 1,318 | 863 |
| Decrease in debtors | 52,693 | 103,055 |
| Increase/(decrease) in creditors falling due within one year | 60,753 | (52,800) |
| Decrease in creditors falling due after one year | - | (801) |
| Increase in pension asset | (268,000) | (1,617,000) |
| **Net cash provided by operating activities** | **(273,579)** | (96,159) |

### 31 Cash and cash equivalents at 31 December

| | 2023 £ | 2022 £ |
|---|---|---|
| Term deposit at Danske Bank | 60,626 | 60,626 |
| Petty cash | 17 | 17 |
| Divided Society current account at Danske Bank | 1 | 11 |
| Cash account at Cunningham Coates | 2,615 | 783 |
| Bank balance/(overdraft) at Danske Bank | (235,969) | 20,432 |
| **Total cash and cash equivalents** | **(172,710)** | 81,869 |

## Notes to the financial statements for the year ended 31 December 2023

### 32 Pension commitments

The Library operates a defined benefit scheme with assets held in separate trustee administered funds.

An actuarial valuation of the defined benefit pension scheme using the projected unit basis was carried out at 31 December 2023 by Aon Solutions UK Limited.

**Defined benefit scheme**

The amounts recognised in the statement of financial position are as follows:

| | 2023 | 2022 |
|---|---|---|
| | £'000 | £'000 |
| Defined benefit obligation | **(4,664)** | (4,603) |
| Fair value of plan assets | **6,225** | 5,896 |
| Net defined benefit asset | **1,561** | 1,293 |
| **Net amount recognised at year end** | **1,561** | 1,293 |

**The amounts recognised in comprehensive income are:**
The current and past service costs, settlements and curtailments, together with the net interest expenses for the year are included in profit or loss. Re-measurements of the net defined benefit liability are included in other comprehensive income.

| | 2023 | 2022 |
|---|---|---|
| **Service cost:** | £'000 | £'000 |
| Current service cost (net of employee contributions) | **125** | 304 |
| Administration expenses | **3** | 3 |
| Net interest (credit)/expense | **(64)** | 6 |
| **Charge recognised in profit or loss** | **64** | 313 |

| | | |
|---|---|---|
| **Re-measurements of the net liability:** | | |
| Return on scheme assets (excluding amount included in net interest expense) | **(66)** | 1,057 |
| Actuarial gains | **(146)** | (2,875) |
| **Credit recorded in other comprehensive income** | **(212)** | (1,818) |
| **Total defined benefit credit** | **(148)** | (1,505) |

### 32 Pension commitments (continued)

**The principal actuarial assumptions used were:**

| | **2023** | 2022 |
|---|---|---|
| Liability discount rate | **4.50%** | 4.70% |
| Inflation assumption – CPI | **2.40%** | 2.60% |
| Rate of increase in salaries | **3.90%** | 4.10% |
| Revaluation of deferred pensions: CPI | **2.40%** | 2.60% |
| Increases in pensions for payment | **2.40%** | 2.60% |
| Proportion of employees commuting pension for cash | **75.00%** | 75.00% |

**The mortality assumptions used were:**

| | **31 December 2023** | 31 December 2022 |
|---|---|---|
| Average expected future life at age 65 for | | |
| Male currently aged 65 | **21.7** | 21.8 |
| Female currently aged 65 | **24.5** | 25.0 |
| Male currently aged 45 | **22.6** | 23.2 |
| Female currently aged 45 | **25.5** | 26.4 |

**Reconciliation of scheme assets and liabilities**

| | **Assets £'000** | **Liabilities £'000** | **Total £'000** |
|---|---|---|---|
| At start of period | 5,896 | (4,603) | **1,293** |
| Benefits paid | (176) | 176 | **-** |
| Administration expenses | - | (3) | **(3)** |
| Current service cost | - | (125) | **(125)** |
| Contributions from the employer | 120 | - | **120** |
| Contributions from employees | 42 | (42) | **-** |
| Interest income/(expense) | 277 | (213) | **64** |
| Return on assets (excluding amount included in net interest expense) | 66 | - | **66** |
| Actuarial gains | - | 146 | **146** |
| | **6,225** | **(4,664)** | **1,561** |

## Notes to the financial statements for the year ended 31 December 2023

### 32 Pension commitments (continued)

**The return on plan assets was:**

| | **2023** | 2022 |
|---|---|---|
| | **£'000** | £'000 |
| Interest income | **277** | 136 |
| Return on plan assets (excluding amount included in net interest expense) | **66** | (1,057) |
| **Total return on plan assets** | **343** | (921) |

**The major categories of scheme assets are as follows:**

| | **2023** | 2022 |
|---|---|---|
| | **£'000** | £'000 |
| Equities and Alternatives | **2,720** | 2,359 |
| Property | **604** | 660 |
| Gilts | **1,083** | 1,215 |
| Multi Asset Credit | **828** | 784 |
| Cash | **349** | 383 |
| Fixed Interest Bonds | **261** | 177 |
| Other | **380** | 318 |
| | **6,225** | 5,896 |

**Belfast Library and Society for Promoting Knowledge (Linen Hall Library)**

Northern Ireland - Charity number 104564

# Annual report

Registered no: NIC104564

# Belfast Library and Society for Promoting Knowledge (The Linen Hall)
# Annual report
# for the year ended 31 December 2023

# The Linen Hall

## Annual report for the year ended 31 December 2023


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# The Linen Hall

## Reference and administrative details

| | | |
|---|---|---|
| **Governors** | | |
| **President:** | Dr P McGarry, DL, FRCPsych (from May 2023) | (8/8) |
| | Dr E Hughes, BA, MA, PHD (to May 2023) | (3/3) |
| **Vice-President:** | Prof M Ó Mainnín, BA, MA, PhD (from May 2023) | (4/8) |
| | Ms L Maltman, BSc, MSc (to May 2023) | (1/3) |
| **Honorary Secretary:** | Dr S Bridge, MA, MSc, PhD (from May 2023) | (7/8) |
| | Ms K Blair, LLB, LLM, LARTPI (to May 2023) | (3/3) |
| **Honorary Treasurer:** | Mr C McCleane | (6/8) |
| | Mr G Dorrian (from September 2023) | (1/3) |
| | Dr F Ferguson, BA, MA, PhD (from May 2023) | (4/5) |
| | Mr J Fitzsimons, MA(TCD), MSc(QUB) (from May 2023) | (2/5) |
| | Prof B Kelly, MA, MD, FRCS, FRCR, FFRRCSI (from May 2023) | (2/5) |
| | Mr G Lucy, BA Hons, PGCE | (8/8) |
| | Ms S McCartan, BA Hons, ACIfA, FSA (London) (to May 2023) | (0/3) |
| | Mr J McCartney, MSc | (4/8) |
| | Mr S McKee, BA | (8/8) |
| | Mr J McVey, OBE, MBA, MSc | (7/8) |
| | Ms B Napier, LLB (from September 2023) | (2/3) |
| | Prof O Purdue, BA, MA, PHD (to May 2023) | (1/3) |
| | Ms S Stevenson, ACR | (4/8) |
| | *[figure in brackets indicates attendance at Governors' meetings]* | |

| | |
|---|---|
| **Principal office** | 17 Donegall Square North<br>Belfast<br>BT1 5GB |
| **Charity number** | NIC104564 |
| **Solicitors** | Cleaver Fulton Rankin<br>50 Bedford Street<br>Belfast<br>BT2 7FW |
| **Bankers** | Danske Bank Limited<br>Donegall Square West<br>Belfast<br>BT1 6JS |
| **Independent auditors** | Finegan Gibson Ltd<br>Causeway Tower<br>9 James Street South<br>Belfast<br>BT2 8DN |

# The Linen Hall

## Governors' report for the year ended 31 December 2023

The Library, which operates under the name of The Linen Hall, is legally known as the Belfast Library and Society for Promoting Knowledge.

The Board of Governors, who are also the trustees of the Library, submit their annual report and the audited financial statements for the year ended 31 December 2023. The Governors have prepared the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, effective 1 January 2015).

**Reference and administration information**

Details of the registered office, governors, independent advisers and other relevant information are given on page 2.

**Structure, governance and management**

**Governors**
The Governors are responsible for setting the Library's forward strategy and oversight of its business.

**Governing document**
The Library was founded in 1788 and is governed by its Constitution enacted in 1891 under the Educational Endowments (Ireland) Act, 1885 and as subsequently amended.

In 2016, the Library was formally registered as a charity by the new Charity Commission for Northern Ireland.

The Constitution is available on the Library website at www.linenhall.com.

**Appointment of Governors**
There is a maximum of fifteen Governors of the Linen Hall Library who are elected by triennial rotation at the Annual General Meeting and by the subscribing members of the Library. A Governor shall not be eligible for re-election after having served two successive terms of three years, until the lapse of a period of two years. The officers of the Society are also elected annually at the Governors' meeting immediately after the Annual General Meeting.

**Recruitment of Governors**
The Governors annually review the skills required by the Board and available to them and, when appropriate, use their powers of co-option to fill gaps.

**Governor induction and training**
New Governors undertake an induction visit to the Library and are supplied with all key Library documentation. The Library has arrangements in place to provide training for all its Governors on an annual basis.

**Risk management**
The Library has established a risk register which is reviewed by the Governors on a quarterly basis.

Risks arising from the relative weakness of the Library's financial position are being addressed in the context of the ongoing business planning process.

The Governors will continue to review the financial risks that the Library faces and believe that increasing the free reserves to £261,939 will provide sufficient resources in the event of adverse conditions (see Reserves policy on page 5).

The Governors take the responsibility of monitoring financial risk management. The organisation is not significantly exposed to price or credit risk. The organisation has a bank overdraft and the Governors continually review this debt to ensure interest charges are minimised as far as possible.

## Governors' report for the year ended 31 December 2023 (continued)

**Structure, governance and management (continued)**

**Management**
Responsibility for the day to day running of the Library lies with the Director and the Management Team. The Director is responsible for ensuring that planned services are delivered, that key performance indicators are met, and that agreed procedures are operative.

**Related parties**
The Library is Lead Partner in The National Collection of Northern Ireland Publications (NIPR). The one part-time employee of NIPR based at the Linen Hall is employed and paid for by NIPR.

**Objectives and activities**

**Constitution and mission**
The Library's Constitution at paragraph 11, and as amended in 2006, describes the 'Trusts of the Endowment' as follows:

The Endowments and all other property of or belonging to the Governors, or available for the purposes of this Scheme, shall be held by them upon trust for the promotion of knowledge in Northern Ireland and for the benefit of international scholarship, by the maintenance of a Library, and by such other means as the Society may from time to time deem it advisable to adopt.

The Library's mission statement is as follows:
The Linen Hall Library will advance knowledge and understanding, both locally and internationally, by developing, preserving and interpreting its collections, with unique strengths in Irish and Local Studies, and widening access to an historic library and cultural centre.

**Objectives in 2023**

The Library aimed to:

- Develop the Linen Hall Library's standing on an international stage
- Protect and develop new and existing Collections
- Improve interpretation of the Collections
- Widen access to an historic library and cultural centre
- Contribute to cultural development in the UK and Ireland
- Improve the financial sustainability of the Library

## Governors' report for the year ended 31 December 2023 (continued)

**Structure, governance and management (continued)**

**Achievements and performance**

The Linen Hall faced severe funding challenges in 2023 with a cut of one third of its core funding from the Department for Communities, coinciding with a period of rising costs, particularly the cost of energy to keep the building open to the public and irreplaceable archives in the conditions necessary for their conservation. Nevertheless, the programme of cultural events, exhibitions, classes, book clubs and writing competitions was stronger and better attended than ever, and work continued on several funded projects which had begun in 2022, alongside successful applications for further projects, some carrying on into 2024, all of which served to enhance the Linen Hall's contribution to society and to support its financial sustainability. Notably in December 2023, National Lottery Heritage Fund awarded a grant of up to £245,480 to fund Linen Hall 2 – A Museum of Contemporary History in NI Scoping Study.

National Lottery Heritage Fund provided a grant for a major project "Origins & Legacies: The Belfast/Good Friday Agreement", which took place in 2023 to mark its 25th anniversary. Through an exhibition, a series of events and an oral history project, The Linen Hall reflected on the processes which led to the accord, the competing sides of the referendum campaign, and its impact. Other funded projects in 2023 included "Borders and Boundaries", a Department of Foreign Affairs; Reconciliation Fund project exploring the meanings and realities of borders and boundaries in Northern Ireland throughout the last century, and "The Linen Hall: Belfast's Home of Poetry", celebrating the great poets of the past while pushing the boundaries by hosting new voices and themes and funded by Arts Council NI. The Department for Communities provided a grant to help digitise the Linen Hall's Ulster-Scots collection, and National Lottery Heritage Fund continued to fund a Museum Engagement Officer post at the Linen Hall. Foras na Gaeilge carried on supporting conservation and cataloguing of the Library's Irish Language collection, and Ulster-Scots Agency funding allowed work to continue in conserving and making accessible the Gibson Collection of Ulster Scots material, as well as supporting the Ulster-Scots Writing Competition.

The Linen Hall Library Endowment Fund remains open to donations and all income generated is being used to enhance the Library and its Collections, helping to ensure their future sustainability.

**Financial review**

**Results**
In common with many other charities, the Library faces challenging economic times, and continuing efforts are being made to increase revenue and to control costs. The Library has worked successfully with funders and bankers to deal with the deficit going forward. The statement of financial activities for the year is set out on page 12.

The Library incurred a deficit of £422,872 in the year (2022: £515,747), before the impact of the actuarial gain on the defined benefit pension scheme and a gain on revaluation of investments. The Library had net current liabilities of £304,799 at the year-end (2022: net current assets of £64,544).

**Principal funding sources**
The Library's key funders in 2023 were the Department for Communities which provided grants of £212,675 (2022: £308,500) and the National Lottery Heritage Fund £93,565 (2022: £156,571).

**Reserves policy**
The long-term objective of the Governors over a three to five-year period is to achieve a level of unrestricted funds not invested in tangible or fixed assets (the free reserves) equivalent to three months' expenditure on the core activities of the Library. At the end of 2023 this figure would have been £261,939 (2022: £305,395), however the net current liabilities position set out in Note 25 to the accounts "Analysis of net assets between funds" fell short of the Governors' target. Details of the actions being taken in response and the Governors' assessment of Going Concern is contained within Note 27 to the accounts.

**Taxation**
The Library is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Library's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

## Governors' report for the year ended 31 December 2023 (continued)

**Financial review (continued)**

**Borrowings**
The Library relies on an overdraft facility with Danske Bank. This facility was reviewed in 2023 and sufficient facilities to meet projected cash flow requirements were approved. At the year end the Library had net liabilities of £175,342 at Danske Bank (2022: net assets of £81,069); this was inclusive of £60,385 (2022: £60,385) of funds (including gift aid and interest) held for the Michael McLaverty Trust (see page 5) and a balance on its overdraft of £235,969 (2022: credit balance of £20,432).

**Endowment funds**
The Library administers the Michael McLaverty award and holds £60,385 in respect of this trust. This is an endowment, the income from which is available to the Library only for the specific purpose of running the biennial Michael McLaverty Short Story Award.

In 2013, the Library launched its Catalyst Endowment Fund, under which every £1 raised by the Library was matched by a £1 grant from the Heritage Lottery Fund's Catalyst endowment programme, over a four-year period. Funds raised under this programme are invested for a period of 25 years, and the income used to further the Library's mission. The balance held in this fund at the year-end was £237,352 (2022: £224,334).

The New Linen Hall Library Endowment Fund was set up in 2018 to provide an income for the preservation and conservation of the collections held within the Linen Hall Library. The balance held in this fund at 31st December 2023 was £77,360 (2022: £74,172).

**Pension scheme**
The Library operates a defined benefit scheme through NILGOSC. Prior to 2006 the Library's share of this scheme could not be identified by NILGOSC and, in keeping with other such multi-employer schemes, the Library treated its pension cost as if it were a defined contribution (rather than a defined benefit) scheme in accordance with accounting standards.

In late 2006 NILGOSC separated each of the employer scheme details and, as a result, the Library complies with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, and incorporates the year end surplus or deficit on the scheme in its balance sheet and the movement on the scheme within the Statement of Financial Activities. At 31 December 2023 the scheme showed a surplus of £1,561,578, an improvement on the £1,293,578 surplus in the previous year; this change arose from changes in assumptions used by the scheme actuary.

**Plans for the future**

A Business Plan for 2024 was approved by the Governors in December 2023. The Linen Hall continues to diversify its income and modernise its approach whilst retaining its heritage values and charitable mission. In the next few years new strategies will be developed to enhance the Linen Hall's sustainability for the future.

The Library aims to:

- Develop the Linen Hall Library's standing on an international stage
- Protect and develop new and existing Collections
- Improve interpretation of the Collections
- Widen access to an historic library and cultural centre
- Contribute to cultural development in the UK and Ireland
- Improve the financial sustainability of the Library

## Governors' report for the year ended 31 December 2023 (continued)

**Statement of Governors' responsibilities**

The Governors are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, effective 1 January 2015).

The law applicable to charities requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in FRS 102;
- 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 the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act (Northern Ireland) 1964 and under the Charities (NI) Order 1987 and in accordance with the Educational Endowments Act 1885. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement of disclosure of information to auditors**

So far as each of the Governors in office at the date of approval of these financial statements is aware:

- there is no relevant audit information of which the Library's auditors are unaware; and
- they have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that the Library's auditors are aware of that information.

**Independent auditors**

A motion to reappoint the auditors will be proposed at the AGM.

By order of the Board

**Mr C. McCleane**
**Honorary Treasurer**

Date: 13th May 2024

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2023

### Opinion

We have audited the financial statements of The Linen Hall Library (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, 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 FRS 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 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act (Northern Ireland) 2022.

### 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 charity 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

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 27 to the financial statements concerning the charity's ability to continue as a going concern. The charity suffered significant cuts to funding during the year and reported a net current liabilities position of £304,799 as at 31 December 2023. These conditions, along with the other matters explained in note 27 to the financial statements, indicate the existence of a material uncertainty, which may cast significant doubt about the charity's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the charity was unable to continue as a going concern.

### 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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Linen Hall

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2023

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.
We have nothing to report in respect of the following matters in relation to which the Charities Act (Northern Ireland) 2022 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are 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 trustees 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 charity'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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether management were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether management have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- the matters discussed among the audit engagement team including significant component audit teams and relevant internal specialists, including tax and valuations specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2023

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks in operation, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included ongoing compliance with the UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental for their ability to operate or to avoid a material penalty.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

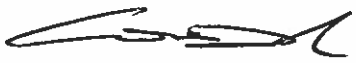
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

# The Linen Hall

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2023

**Use of our report**

This report is made solely to the charity's members, as a body, in accordance with section 65 of the Charities Act (Northern Ireland) 2008. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



CONOR DOLAN FCA
(Senior Statutory Auditor)
For and on behalf of
FINEGAN GIBSON LTD
Chartered Accountants & Statutory Auditors
Causeway Tower
9 James Street South
Belfast
BT2 8DN

Date: 13th May 2024

# The Linen Hall

## Statement of financial activities for the year ended 31 December 2023

| | Notes | Endow-ment Funds 2023 £ | Unrestricted Funds 2023 £ | Restricted Funds 2023 £ | Total Funds 2023 £ | Endow-ment Funds 2022 £ | Unrestricted Funds 2022 £ | Restricted Funds 2022 £ | Total Funds 2022 £ |
|---|---|---|---|---|---|---|---|---|---|
| **Income and endowments from** | | | | | | | | | |
| Donations and legacies | 2 | 1,764 | 453,826 | 221,289 | **676,879** | 34,520 | 460,011 | 294,126 | **788,657** |
| Rental income | | - | 120,533 | - | **120,533** | - | 101,989 | - | **101,989** |
| Income from investments | 3 | - | 73,018 | 1,414 | **74,432** | - | 8,767 | 91 | **8,858** |
| **Income from charitable activities** | | | | | | | | | |
| Other trading activities | 4 | - | 134,704 | - | **134,704** | - | 128,180 | - | **128,180** |
| **Other income** | | - | - | - | **-** | - | - | - | **-** |
| **Total income** | | 1,764 | 782,081 | 222,703 | **1,006,548** | 34,520 | 698,947 | 294,217 | **1,027,684** |
| **Expenditure on** | | | | | | | | | |
| Rental expenses | | - | 2,000 | - | **2,000** | - | 2,300 | - | **2,300** |
| Expenditure on raising funds | 5 | - | 67,785 | - | **67,785** | - | 58,721 | - | **58,721** |
| | | - | 69,785 | - | **69,785** | - | 61,021 | - | **61,021** |
| **Expenditure on charitable activities** | | | | | | | | | |
| Projects and events | 6 | - | - | 317,663 | **317,663** | - | - | 321,853 | **321,853** |
| Library operating costs | 7 | - | 1,041,972 | - | **1,041,972** | - | 1,160,557 | - | **1,160,557** |
| | | - | 1,041,972 | 317,663 | **1,359,635** | - | 1,160,557 | 321,853 | **1,482,410** |
| **Total expenditure** | | - | 1,111,757 | 317,663 | **1,429,420** | - | 1,221,578 | 321,853 | **1,543,431** |
| **Net (expenditure)/income** | 10 | 1,764 | (329,676) | (94,960) | **(422,872)** | 34,520 | (522,631) | (27,636) | **(515,747)** |
| **Transfers between funds** | 11 | - | (3,151) | 3,151 | **-** | - | (4,438) | 4,438 | **-** |
| **Net (expenditure)/income before recognised gains and losses** | | 1,764 | (332,827) | (91,809) | **(422,872)** | 34,520 | (527,069) | (23,198) | **(515,747)** |
| Net gains/(losses) on investments | 12 | 14,442 | - | - | **14,442** | (36,604) | - | - | **(36,604)** |
| Gain on revaluation of fixed assets | 14 | - | | - | **-** | - | | - | **-** |
| Actuarial gains on defined benefit pension scheme | 32 | - | 212,000 | - | **212,000** | - | 1,818,000 | - | **1,818,000** |
| **Net movement in funds** | | 16,206 | (120,827) | (91,809) | **(196,430)** | (2,084) | 1,290,931 | (23,198) | **1,265,649** |
| **Fund balance brought forward** | | 358,991 | 7,906,446 | 367,317 | **8,632,754** | 361,075 | 6,615,515 | 390,515 | **7,367,105** |
| **Total funds carried forward** | | 375,197 | 7,785,619 | 275,508 | **8,436,324** | 358,991 | 7,906,446 | 367,317 | **8,632,754** |

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

# The Linen Hall

## Statement of financial position as at 31 December 2023

| | Notes | 2023<br>£ | 2022<br>£ |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 13 | **4,107,079** | **4,251,708** |
| Heritage assets | 14 | **2,759,850** | **2,759,850** |
| Investments | 15 | **312,616** | **263,074** |
| | | **7,179,545** | **7,274,632** |
| **Current assets** | | | |
| Stocks | 16 | **15,049** | **16,367** |
| Debtors | 17 | **61,851** | **114,544** |
| Cash at bank and in hand | | **63,259** | **81,869** |
| | | **140,159** | **212,780** |
| **Creditors: amounts falling due within one year** | 18 | **(444,958)** | **(148,236)** |
| **Net current (liabilities)/assets** | | **(304,799)** | **64,544** |
| **Creditors: amounts falling due after one year** | 20 | **-** | **-** |
| **Net assets excluding pension asset** | | **6,874,746** | **7,339,176** |
| **Pension asset** | 32 | **1,561,578** | **1,293,578** |
| **Net assets including pension asset** | | **8,436,324** | **8,632,754** |
| **Funds** | | | |
| **Unrestricted funds:** | | | |
| - General fund | 22 | **749,607** | **870,434** |
| - Revaluation fund | 22 | **7,036,012** | **7,036,012** |
| | | **7,785,619** | **7,906,446** |
| **Restricted funds** | 23 | **275,508** | **367,317** |
| **Endowment funds** | 24 | **375,197** | **358,991** |
| Total funds | 25 | **8,436,324** | **8,632,754** |

The financial statements on pages 12 to 36 were approved by the Board on 13th May 2024 and were signed on its behalf by:

Mr C McCleane
**Honorary Treasurer**

Dr P McGarry
**President**

# The Linen Hall

## Statement of cash flows for the year ended 31 December 2023

| | Notes | 2023<br>£ | 2022<br>£ |
|---|---|---|---|
| **Cash flows from operating activities** | 30 | **(273,579)** | **(96,159)** |
| **Cash flows from investing activities** | | | |
| Interest income | | 1,422 | 450 |
| Other finance returns (note 8) | | 64,000 | - |
| Dividend income | | 9,010 | 8,408 |
| Purchase of tangible fixed assets | | (1,755) | (112,861) |
| Purchase of investments | | (35,100) | - |
| **Cash generated by/(used in) investing activities** | | **37,577** | **(104,003)** |
| **Cash flows from financing activities** | | | |
| Interest and fees paid | | (18,577) | (12,897) |
| **Cash used in financing activities** | | **(18,577)** | **(12,897)** |
| **Decrease in cash and cash equivalents in the year** | | **(254,579)** | **(213,059)** |
| **Cash and cash equivalents at the beginning of the year** | 31 | **81,869** | **294,928** |
| **Total cash and cash equivalents at the end of the year** | 31 | **(172,710)** | **81,869** |

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2023

### 1 Accounting policies

**Statement of compliance**
These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act (Northern Ireland) 2008.
The charity meets the definition of a public benefit entity under FRS 102.

**Judgements and key sources of estimation uncertainty**
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Incoming resources**
All incoming resources are included in the statement of financial activities when the Library is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**Voluntary income**

**Legacies**
Legacies are recognised when received or when their amount is capable of measurement.

**Donations**
Donations are included in full when received.

**Grants**
Revenue grants are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.

Grants for the purpose of capital expenditure are credited to restricted incoming resources when receivable and transferred to unrestricted funds on purchase of asset.

**Activities for generating funds**

**Voluntary income**
Annual subscriptions are included as voluntary income and are accounted for on an accruals basis.

**Other income**
Other income is included in full in the Statement of Financial Activities when received.

**Investment income**
Investment income is accounted for when received.

**Fundraising income**
Fundraising income is accounted for when received.

**Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

**Library operating costs**
Library operating costs are those incurred in connection with administration of the Library and compliance with constitutional and statutory requirement

## 1 Accounting policies (continued)

**Irrecoverable VAT**
Any irrecoverable VAT is charged to the statement of financial activities or capitalised as part of the cost of the related asset, where appropriate.

**Pensions**
The Library operates a defined benefit scheme through the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) for specific employees. The assets of the scheme are held separately from those of the Library.

The Library has adopted FRS 102 in these financial statements. Pension scheme assets are measured using market value. Pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term to the liability. The increase in the present value of the liabilities of the Library's defined benefit pension scheme arising from employee service in the period is charged to operating profit. The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities arising from the passage of time are included in other finance costs. Actuarial gains and losses are recognised in the statement of financial activities.

**Tangible assets**

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated so as to write off the cost, or valuation, of tangible fixed assets, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned. The principal annual rates used are as follows:

| | | % |
|---|---|---|
| Buildings | - | 2 |
| Leasehold improvements | - | 10 |
| Fixtures & fittings | - | 15 |
| Computer equipment | - | 33 |

When circumstances dictate, an impairment review is carried out. Land and buildings are revalued on a regular basis by a suitably qualified individual. The Library ensures that a full valuation is undertaken every five years. The resulting revaluation gains or losses are recognised in the statement of financial activities and result in a movement on revaluation reserves to the extent that they result in gains or offset previous gains. If the revaluation results in a loss greater than previously recognised revaluation gains, the excess loss will be charged to the statement of financial activities.

**Heritage assets**

The heritage assets are held by the Library in support of the primary objective of the charity to promote knowledge in Northern Ireland and for the benefit of international scholarship. Heritage assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Library's policy on other fixed assets. The heritage assets held by the charity consist of various collections of books and periodicals covering a wide range of topics relating largely to Irish history including some documents over three hundred years old. The collections are carried at a current valuation. The collections are deemed to have indeterminate lives and a high residual value and therefore depreciation has not been charged. The carrying amounts of the assets are reviewed when there is evidence of impairment and any impairment is recognised in accordance with the Library's general policy on impairment.

**Stocks**
Stocks are stated at the lower of cost and net realisable value.

### 1 Accounting policies (continued)

**Fund accounting**
The Library has various types of funds for which it is responsible, and which require separate disclosure. A definition of the various types of funds is as follows:

**Unrestricted funds**
Funds which are expendable at the discretion of the Library, in furtherance of the purpose of the Library. In addition to expenditure on activities, such funds may be held in order to finance capital investment and working capital.

**Restricted funds**
Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of overheads and support costs.

**Endowment funds**
Permanent endowment funds are restricted funds where a donor has specified that only income arising from the donation can be used by the Library. This income is restricted for the particular purpose specified by the donor.

**Going Concern**

The financial statements have been prepared on a going concern basis. The Governors have considered their position on this and have provided further information at Note 27 to these financial statements.

**Financial instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.
Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.
Debt instruments are subsequently measured at amortised cost.
Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.
Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.
Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.
Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.
For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.
Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2023

### 2 Donations and legacies

| | Endowment | Unrestricted | Restricted | **2023** | 2022 |
|---|---|---|---|---|---|
| | £ | £ | £ | **£** | £ |
| Donations and legacies | 1,764 | 93,765 | - | **95,529** | 56,126 |
| Members' subscriptions (see below) | - | 140,561 | - | **140,561** | 130,621 |
| Grants (see below) | - | 219,500 | 221,289 | **440,789** | 601,910 |
| | 1,764 | 453,826 | 221,289 | **676,879** | 788,657 |

| **Members' subscriptions** | **2023** | 2022 |
|---|---|---|
| | **£** | £ |
| Members' subscriptions | **126,308** | 116,440 |
| Income tax reclaimable on subscriptions | **14,253** | 14,181 |
| | **140,561** | 130,621 |

| **Grants** | Endowment | Unrestricted | Restricted | **2023** | 2022 |
|---|---|---|---|---|---|
| | £ | £ | £ | **£** | £ |
| Arts Council of NI | - | - | 17,213 | **17,213** | 14,343 |
| National Lottery Heritage Fund | - | - | 93,565 | **93,565** | 156,571 |
| Dormant Funds Account | - | - | 100 | **100** | - |
| Belfast City Council | - | 33,000 | 3,425 | **36,425** | 34,406 |
| Department for Communities | - | 184,500 | 28,175 | **212,675** | 308,500 |
| SEUPB | - | - | - | **-** | (177) |
| DoFA; Reconciliation Fund | - | - | 28,391 | **28,391** | 33,715 |
| Ulster Scots Agency | - | - | 30,000 | **30,000** | 32,312 |
| Foras Na Gaeilge | - | - | 13,000 | **13,000** | 10,000 |
| Pilgrim Trust | - | - | - | **-** | 10,000 |
| Idlewild Trust | - | - | 4,440 | **4,440** | - |
| Enkalon Foundation | - | - | 1,000 | **1,000** | - |
| NI Museums Council | | - | 1,980 | **1,980** | 240 |
| NIPR | | 2,000 | - | **2,000** | 2,000 |
| | - | 219,500 | 221,289 | **440,789** | 601,910 |

In accordance with recommended practice, income received in advance is not deferred, but recognised in the period in which it is received.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2023

### 3 Income from investments

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Dividends receivable | **9,010** | 8,408 |
| Other finance returns (note 8) | **64,000** | - |
| Interest receivable | **1,422** | 450 |
| | **74,432** | 8,858 |

### 4 Other trading activities

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Sale of books** | | |
| Library books and publications | **25,939** | 48,046 |
| **Sales of services** | | |
| Coffee shop | **35,791** | 35,618 |
| Photocopying and fax | **1,102** | 313 |
| Telephone & Internet | **-** | - |
| Postage | **15** | - |
| Cultural programming | **18,279** | 4,989 |
| Royalties | **1,138** | 4,027 |
| Facility fees | **12,595** | 7,913 |
| Fundraising events | **8,280** | - |
| | **77,200** | 52,860 |
| **Sale of products** | | |
| Books, prints and pamphlets | **8,037** | 5,104 |
| Other products | **3,873** | 1,960 |
| Gift shop items | **19,655** | 20,210 |
| | **31,565** | 27,274 |
| **Total** | **134,704** | 128,180 |

## Notes to the financial statements for the year ended 31 December 2023

| 5 Expenditure on raising funds | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Merchandising costs (see below) | **14,564** | 8,976 |
| Book fund (see below) | **16,881** | 16,494 |
| Charity shop | **35,072** | 33,251 |
| Fundraising costs | **1,268** | |
| | **67,785** | 58,721 |

| **Merchandising costs** | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Prints, books and pamphlets | **1,442** | - |
| Coffee shop purchases | **1,612** | 1,769 |
| Gift shop expenditure | **11,510** | 7,207 |
| | **14,564** | 8,976 |

| **Book fund** | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Irish | **9,186** | 9,840 |
| General | **7,695** | 6,654 |
| | **16,881** | 16,494 |

## Notes to the financial statements for the year ended 31 December 2023

| 6 Projects and events | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Cultural Programming (includes salary costs of £8,694 (2022: £Nil)) | **11,945** | 2,571 |
| extraORDINARYwomen (includes salary costs of £Nil (2022: £14,448)) | **-** | 41,330 |
| National Lottery Heritage Fund – Origins & Legacies: The Belfast/Good Friday Agreement (includes salary costs of £35,107 (2022: £Nil)) | **86,571** | - |
| National Lottery Heritage Fund - Heritage Recovery | **2,030** | 3,260 |
| National Lottery Heritage Fund – CRESI Museum Engagement (includes salary costs of £35,686 (2022: £17,754)) | **35,686** | 17,754 |
| Arts Council NI – Jimmy Ellis | **-** | 2,832 |
| Arts Council NI – The Linen Hall: Belfast's Home of Poetry (includes salary costs of £Nil (2022: £2,989)) | **8,827** | 8,086 |
| Department for Communities - Museum Collections | **7,143** | 7,143 |
| Department for Communities - Irish Children's Collection | **480** | 758 |
| Department for Communities – Linen Hall Re-branding | **2,373** | 10,800 |
| Department for Communities – Replace Guttering | **-** | 25,543 |
| Department for Communities – Upgrade Wifi and Cabling | **5,277** | - |
| Department for Communities – Ulster-Scots Digitisation (includes salary costs of £15,610 (2022: £3,180)) | **41,624** | 3,180 |
| Department of Foreign Affairs; Reconciliation Fund (includes salary costs of £12,438 (2022: £22,141)) | **34,014** | 37,933 |
| Dormant Accounts Fund – Linen Hall Digital Platform | **33,333** | 33,334 |
| Shared History Fund (includes salary costs of £Nil (2022: £4,834)) | **-** | 14,043 |
| Foras na Gaeilge (includes salary costs of £12,200 (2022: £Nil)) | **13,498** | 5,179 |
| Health, Safety and Governance | **-** | 2,468 |
| Repairs and Renewals | **9,507** | 10,992 |
| Enlightenment Festival 2022 (includes salary costs of £Nil (2022: £2,322)) | **-** | 50,789 |
| Pilgrim Trust – Art Unlocked (includes salary costs of £Nil (2022: £10,000)) | **-** | 10,000 |
| Belfast City Council – Access and Inclusion | **-** | 3,620 |
| Ulster-Scots Agency – Burns in Ulster (includes salary costs of £18,000 (2022: £18,000)) | **19,920** | 21,668 |
| Ulster-Scots Agency – Ulster-Scots Writing Competition (includes salary costs of £330 (2022: £1,000)) | **6,705** | 3,285 |
| Ulster-Scots Agency – Cataloguing project (includes salary costs of £Nil (2022: £4,650)) | **-** | 4,650 |
| Defibrillator and training | **-** | 159 |
| NI Museums Council | **1,220** | 378 |
| McLaverty Short Story Award | **(2,490)** | 98 |
| | **317,663** | 321,853 |

Project and events costs include £138,065 (2022: £101,318) of staff costs.

## Notes to the financial statements for the year ended 31 December 2023

### 7 Library operating costs

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Charitable operations** | | |
| Information technology | **46,864** | 50,288 |
| Training | **3,947** | 1,770 |
| Advertising & PR | **3,343** | 4,462 |
| Support costs (Note 8) | **204,433** | 195,594 |
| Travel & subsistence | **940** | 1,152 |
| Conservation | **2,142** | 1,131 |
| | **261,669** | 254,397 |
| **Establishment** | | |
| Rent and rates | **23,136** | 21,211 |
| Insurance | **24,775** | 22,844 |
| Light and heat | **53,604** | 34,768 |
| Repairs and maintenance | **53,770** | 45,938 |
| | **155,285** | 124,761 |
| **Depreciation** | | |
| Building | **87,600** | 87,600 |
| Fixtures and fittings | **617** | 617 |
| Computer equipment | **5,674** | 19,133 |
| | **93,891** | 107,350 |
| **Staff costs (note 9)** | **531,127** | 674,049 |
| **Total** | **1,041,972** | 1,160,557 |

## Notes to the financial statements for the year ended 31 December 2023

### 8 Support costs

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Administration** | | |
| Stationery | **2,052** | 3,953 |
| Printing | **9,070** | 7,334 |
| Photocopying | **3,987** | 3,280 |
| Postage | **2,373** | 1,348 |
| Telephone, fax and internet | **9,471** | 9,052 |
| Information technology | **20,275** | 18,878 |
| Miscellaneous | **974** | 1,511 |
| | **48,202** | 45,356 |
| **Governance** | | |
| Audit and related fees | **6,951** | 6,718 |
| Legal & professional fees | **17,828** | 20,030 |
| | **24,779** | 26,748 |
| **Financial expenses** | | |
| Bank charges | **1,965** | 1,676 |
| Bank interest | **11,433** | 399 |
| Visa paypoint fees | **3,676** | 1,220 |
| Other Interest | **1,503** | 3,602 |
| Other finance costs (see below) | **-** | 6,000 |
| | **18,577** | 12,897 |
| **Staff costs (note 9)** | **112,875** | 110,593 |
| **Total** | **204,433** | 195,594 |

**Other finance returns/(costs)**

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Expected return on pension scheme | **277,000** | 136,000 |
| Interest on pension scheme liabilities | **(213,000)** | (142,000) |
| **Net returns/(costs)** | **64,000** | (6,000) |

## Notes to the financial statements for the year ended 31 December 2023

### 9 Staff costs

| | Unrestricted £ | Restricted £ | Total 2023 £ | Total 2022 £ |
|---|---|---|---|---|
| Salaries | 519,679 | 108,731 | **628,410** | 559,902 |
| Social security costs | 44,481 | 10,353 | **54,834** | 47,904 |
| Pension costs | 108,660 | 18,981 | **127,641** | 305,076 |
| | 672,820 | 138,065 | **810,885** | 912,882 |

**Analysis of staff costs**

| | 2023 £ | 2022 £ |
|---|---|---|
| Projects | **138,065** | 101,318 |
| Library: | | |
| - Charitable operations | **531,127** | 674,049 |
| - Charity bookshop | **28,818** | 26,922 |
| - Support | **112,875** | 110,593 |
| | **810,885** | 912,882 |

The average number of employees, calculated on a full-time equivalent basis, analysed by function was:

| | 2023 Number | 2022 Number |
|---|---|---|
| Projects | **4** | 3 |
| Charitable operations | **12** | 13 |
| Charity bookshop | **1** | 1 |
| Support | **2** | 2 |
| | **19** | 19 |

No employee had employee benefits (excluding employer pension costs) in excess of £80,000 (2022: £60,000).

Governors are not remunerated for services to the Library (2022: £Nil), and there were no Governors' expenses incurred (2022: £Nil).

The key management personnel of the Library comprise the Governors, the Director, the Librarian and the Finance Manager. The total employee benefits of the key management personnel of the Library were £231,746 (2022: £202,330).

Indemnity insurance for Governors' liability has been purchased by the Library at a cost of £2,289 (2022: £1,780).

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2023

### 10 Net income/(expenditure)

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Net income/(expenditure) is stated after charging:** | | |
| Depreciation on owned assets | **146,384** | **164,232** |
| Auditors' remuneration: | | |
| - audit services | **7,026** | **6,124** |
| - non-audit services | **405** | **405** |
| Other operating lease rentals | **-** | **-** |

### 11 Transfers between funds

| | Endowment Funds | Unrestricted Funds | Restricted Funds |
|---|---|---|---|
| | £ | £ | £ |
| Projects | - | - | **3,151** |
| General Fund | - | **(3,151)** | - |
| | - | **(3,151)** | **3,151** |

The transfer from unrestricted to restricted funds represents net overspending on funded projects.

### 12 Net (losses)/gains on investments

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Catalyst Endowment Fund | 13,018 | (31,168) |
| New Linen Hall Library Endowment Fund Endowment funds | 1,424 | (5,436) |
| | **14,442** | (36,604) |

## Notes to the financial statements for the year ended 31 December 2023

### 13 Tangible fixed assets

| | Land & building £ | Leasehold Improvements £ | Fixtures & fittings £ | Computer equipment £ | Total £ |
|---|---|---|---|---|---|
| **Cost or valuation** | | | | | |
| At 1 January 2023 | 4,380,000 | 14,840 | 323,735 | 399,469 | 5,118,044 |
| Additions | - | - | - | 1,755 | 1,755 |
| **At 31 December 2023** | **4,380,000** | **14,840** | **323,735** | **401,224** | **5,119,799** |
| **Accumulated depreciation** | | | | | |
| At 1 January 2023 | 262,800 | 14,840 | 265,268 | 323,428 | 866,336 |
| Charge for the year | 87,600 | - | 19,777 | 39,007 | 146,384 |
| **At 31 December 2023** | **350,400** | **14,840** | **285,045** | **362,435** | **1,012,720** |
| **Net book amount** | | | | | |
| **At 31 December 2023** | **4,029,600** | **-** | **38,690** | **38,789** | **4,107,079** |
| At 31 December 2022 | 4,117,200 | - | 58,467 | 76,041 | 4,251,708 |

The Library's freehold and long leasehold properties were revalued at 31 December 2019 on the basis of open market value and open market rental value for existing use, by McConnell Chartered Surveyors and the revaluation adjustments of £480,000 to cost and £390,000 to accumulated depreciation together resulted in a gain on revaluation of £870,000. The valuations were undertaken in accordance with the Appraisal and Valuation Manual of the Royal Institute of Chartered Surveyors in the United Kingdom. The net book value of freehold and long leasehold properties at 31 December 2023 based on historical cost, had there been no revaluations, would have been £2,311,200 (2022: £2,396,800).

Fixed assets totalling £1,755 were purchased in the year.

| | Land & building £ | Leasehold improvement £ | Office Equipment £ | Computer Equipment £ | Total £ |
|---|---|---|---|---|---|
| **Cost or valuation at 31 December 2023 is represented by** | | | | | |
| Cost | - | 14,840 | 323,735 | 401,224 | 739,799 |
| Valuation | 4,380,000 | - | - | - | 4,380,000 |
| | **4,380,000** | **14,840** | **323,735** | **401,224** | **5,119,799** |

No deferred tax has been provided for since the Library is a charity and therefore not subject to corporation tax.

### 14 Heritage assets

| | 2023 £ | 2022 £ |
|---|---|---|
| **Books and Periodicals at 31 December** | **2,759,850** | 2,759,850 |

The books and periodicals were valued as at 31 December 2020 by de Burca Rare Books, Antiquarian Booksellers.

## Notes to the financial statements for the year ended 31 December 2023

### 15 Investments

| Cost or valuation | Cash or cash equivalents £ | Listed Investments £ | Total £ |
|---|---|---|---|
| At 1 January 2023 | 1,367 | 261,707 | **263,074** |
| Capital introduced | 35,100 | - | **35,100** |
| Purchase of investments | (27,531) | 28,194 | **663** |
| Charges net of equalisation | (663) | - | **(663)** |
| Fair value movements | - | 14,442 | **14,442** |
| **At 31 December 2023** | **8,273** | **304,343** | **312,616** |

All investments shown above are held at valuation.

### 16 Stocks

| | 2023 £ | 2022 £ |
|---|---|---|
| Goods for resale | **15,049** | 16,367 |

### 17 Debtors

| | 2023 £ | 2022 £ |
|---|---|---|
| Trade debtors | **12,122** | 4,617 |
| Other debtors | **7,067** | 5,596 |
| Prepayments and accrued income | **42,662** | 104,331 |
| | **61,851** | 114,544 |

Included in Prepayments and accrued income is an amount of £Nil (2022: £15,436) relating to accrued grants receivable.

### 18 Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|---|---|---|
| Bank overdraft | **235,969** | - |
| Trade creditors | **76,139** | 40,853 |
| Other creditors and accruals | **37,373** | 25,568 |
| Deferred income (Note 19) | **70,611** | 59,661 |
| Taxation and social security | **24,866** | 22,154 |
| | **444,958** | 148,236 |

## Notes to the financial statements for the year ended 31 December 2023

### 19 Deferred income

| | £ |
|---|---|
| At 1 January 2023 | 59,661 |
| Amount released to income | (59,661) |
| Amount deferred in year | 70,611 |
| **At 31 December 2023** | **70,611** |

Deferred income comprises rental income and membership subscriptions received in advance.

### 20 Creditors: amounts falling due after one year

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Obligations under finance leases | - | - |

### 21 Contingencies

A contingent liability exists to repay grants and funds received should certain conditions not be fulfilled by the charity. In the opinion of the Governors, the terms of the letters of offer have been, or will be, complied with and no liability is expected.

### 22 Unrestricted funds

| | General Fund £ | Revaluation Fund £ | Total £ |
|---|---|---|---|
| Balance at 1 January 2023 | 870,434 | 7,036,012 | 7,906,446 |
| Net outgoing resources for the year | (329,676) | - | (329,676) |
| Transfer to restricted funds | (3,151) | - | (3,151) |
| Actuarial gains on defined benefit scheme | 212,000 | - | 212,000 |
| **Balance at 31 December 2023** | **749,607** | **7,036,012** | **7,785,619** |

Unrestricted general funds include an asset of £1,561,578 (2022: £1,293,578) in respect of pension scheme assets/liabilities of the pension fund.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2023

### 23 Restricted funds

| | Balance at 1 January 2023 £ | Incoming Resources £ | Project Expenditure £ | Transfers (Note 11) £ | **Balance at 31 December 2023 £** |
|---|---|---|---|---|---|
| Cultural Programming | - | 8,694 | (11,945) | 3,251 | **-** |
| McLaverty Trust | 9,515 | 1,414 | 2,490 | - | **13,419** |
| extraORDINARYwomen | 25,198 | - | - | - | **25,198** |
| NLHF – Linen Hall 2 | - | 15,431 | - | - | **15,431** |
| NLHF–CRESI Museum Engagement | 32,150 | 41,923 | (35,686) | - | **38,387** |
| NLHF – Origins & Legacies: The Belfast/Good Friday Agreement | 45,263 | 36,211 | (86,571) | - | **(5,097)** |
| NLHF – Heritage Recovery | 9,616 | - | (2,030) | - | **7,586** |
| DfC - Museum Collections | 35,279 | - | (7,143) | - | **28,136** |
| DfC – Irish Children's Collection | 5,906 | - | (480) | - | **5,426** |
| DfC – Linen Hall Re-branding | 4,200 | - | (2,373) | - | **1,827** |
| DfC – Upgrade Wifi and Cabling | - | 5,000 | (5,277) | 277 | **-** |
| DfC – Ulster-Scots Digitisation | 19,320 | 23,175 | (41,624) | - | **871** |
| DfC Charities Fund – Covid-19 | 9,261 | - | - | - | **9,261** |
| Foras na Gaeilge | 17,502 | 13,000 | (13,498) | - | **17,004** |
| Repairs and Renewals | 27,848 | - | (9,507) | - | **18,341** |
| Arts Council NI – Jimmy Ellis | (300) | - | - | 300 | **-** |
| Arts Council NI – The Linen Hall: Belfast's Home of Poetry | 608 | 8,519 | (8,827) | (300) | **-** |
| Belfast City Council-Access Inclusion | (3,425) | 3,425 | - | - | **-** |
| Ulster-Scots Agency- Burns in Ulster | 7,672 | 20,000 | (19,920) | - | **7,752** |
| Ulster-Scots Agency- Writing Comp. | 14,531 | 10,000 | (6,705) | - | **17,826** |
| Ulster-Scots Agency- Conservation | 274 | - | - | - | **274** |
| Dormant Accounts Fund – Digital Platform | 66,566 | 100 | (33,333) | | **33,333** |
| NIO Shared History Fund | 616 | - | - | - | **616** |
| Enlightenment Festival | 5,230 | - | - | - | **5,230** |
| Department of Foreign Affairs; Reconciliation Fund | 34,092 | 28,391 | (34,014) | (377) | **28,092** |
| NI Museums Council | - | 1,980 | (1,220) | - | **760** |
| Defibrillator and Training | 395 | - | - | - | **395** |
| Idlewild Trust | - | 4,440 | - | - | **4,440** |
| Enkalon Foundation | - | 1,000 | - | - | **1,000** |
| | 367,317 | 222,703 | (317,663) | **3,151** | **275,508** |

### 23 Restricted funds (continued)

**Arts Council NI - Cultural Programming** - Using the Library's historical position as a cultural leader in Northern Ireland to showcase and nurture the artistic and cultural life of all in the community

**McLaverty Trust** - Biennial award to foster and encourage the art of the short story in Ireland

**extraORDINARYwomen** – Digitisation, collection enhancement, outreach and oral history project, exploring the evolution of women's lives in Northern Ireland since 1965

**NLHF – Linen Hall 2 –** a scoping study into Linen Hall expansion
**NLHF – Covid Recovery Employment and Skills Initiative for Heritage** – Museum Engagement
**NLHF – Origins & Legacies: The Belfast/Good Friday Agreement** project
**NLHF - Covid-19 Heritage Recovery Fund –** core support and preparation for re-opening

**Department for Communities - Museum Collections -** enhanced collection care and conservation
**Department for Communities - Irish Children's Collection –** to establish an Irish children's library
**Department for Communities – Linen Hall Library Re-branding –** consultancy costs
**Department for Communities – Upgrade Wifi and Cabling** – upgrade Wifi provision
**Department for Communities – Ulster-Scots Digitisation** – to digitise part of Ulster-Scots collection

**Foras na Gaeilge** – conservation of the Linen Hall Library's Irish Language collections

**Repairs and Renewals** – Capital items for the upkeep of the Linen Hall's historic building

**Arts Council NI** – The Linen Hall: Belfast's Home of Poetry project

**Belfast City Council Access and Inclusion** – Hearing loop system

**Ulster Scots Agency - Burns in Ulster** – Conservation of the Library's Gibson Collection
**Ulster Scots Agency** – Ulster Scots Writing Competition and Conservation and Storage project

**Dormant Accounts Fund –** Building a new Linen Hall Library digital platform

**NIO Shared History Fund -** Perspectives on Partition and the Foundation of Northern Ireland -1921-2021

**Enlightenment Festival** – wide-ranging programme of performances, art installations, talks and debates

**Department of Foreign Affairs; Reconciliation Fund –** Borders and Boundaries project and Student Activism project

**NI Museums Council** – Science Festival

**Defibrillator and Training –** Provision of defibrillator in the Library city and training of staff in its use

**Idlewild Trust** - Conservation of the Art Scrapbooks of the Misses Gage of Rathlin Island

**Enkalon Foundation** – Cataloguing and Conservation

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2023

### 24 Endowment funds

| | Balance at 1January 2023 £ | Income £ | (Losses)/gains on investments £ | **Balance at 31 December 2023 £** |
|---|---|---|---|---|
| McLaverty Trust | 60,385 | - | - | **60,385** |
| Catalyst Endowment Fund | 224,334 | - | 13,018 | **237,352** |
| Linen Hall Library Endowment Fund | 74,172 | 1,764 | 1,424 | **77,360** |
| Linen Hall Library Fund | 100 | - | - | **100** |
| | 358,991 | 1,764 | 14,442 | **375,197** |

### 25 Analysis of net assets between funds

| | **Endowment Funds £** | **Unrestricted Funds £** | **Restricted Funds £** | **Total Funds £** |
|---|---|---|---|---|
| **Fund balances at 31 December 2023 are represented by:** | | | | |
| Tangible fixed assets | - | 4,035,464 | 71,615 | **4,107,079** |
| Heritage assets | - | 2,759,850 | - | **2,759,850** |
| Investments | 312,616 | - | - | **312,616** |
| Net current assets/(liabilities) | 62,581 | (571,273) | 203,893 | **(304,799)** |
| Long term liabilities | - | - | - | **-** |
| Pension asset | - | 1,561,578 | - | **1,561,578** |
| **Total net assets at 31 December 2023** | 375,197 | 7,785,619 | 275,508 | **8,436,324** |

### 26 Financial commitments

At 31 December the Library had annual commitments under non-cancellable operating leases expiring as follows:

| | **Office equipment** | |
|---|---|---|
| | **2023** | 2022 |
| | **£** | £ |
| In less than one year | **9,566** | 6,323 |
| In more than one year, but not more than 5 years | **20,912** | 10,569 |
| | **30,478** | 16,892 |

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2023

### 27 Going Concern

The Linen Hall faced severe funding challenges in 2023, suffering a cut of one third of its core funding from the Department for Communities which coincided with a period of rising costs, particularly the cost of energy to keep the building open to the public and irreplaceable archives in the conditions necessary for their conservation. At 31st December 2023, the charity had net current liabilities of £304,799, a position falling short of the Governors' objective of achieving a level of unrestricted funds equivalent to three months' expenditure on the core activities of the Linen Hall. As a result of these matters, the trustees believe there is a material uncertainty in relation to the going concern basis adopted in the preparation of the financial statements.

A Strategy Committee has been established to identify new means of income generation, to include:

1. Investigation of potential new core funders to put in place guaranteed income streams moving forward.
2. Review of membership model.
3. Identification of new projects
4. Ongoing international partnerships and applications.
5. Feasibility study being undertaken with regards to Linen Hall 2, for which funding has already been received from Heritage Fund NI. This will help promote resilience and sustainability.

The Governors have carefully considered and reviewed budget and cash flow forecasts to 31st December 2025, and the actions listed above, to help them assess the appropriateness of adopting the going concern basis of accounting in the preparation of these financial statements. They have determined that the actions being taken are reasonable and sufficient to support the budget and cash flow forecasts and have therefore prepared these financial statements on a going concern basis.

### 28 Related parties

The Library was Lead Partner in The National Collection of Northern Ireland Publications (NIPR). The one part-time employee of NIPR based at the Linen Hall was employed and paid for by NIPR. The Library received £2,000 (2022: £2,000) from NIPR as its contribution to the cost of running the integrated library system, offsite storage and material processing.

### 29 Post-balance sheet events

There have been no events occurring after 31 December 2023 which require disclosure.

## Notes to the financial statements for the year ended 31 December 2023

### 30 Reconciliation of net movement in funds to net cash flow from operating activities

| | 2023 £ | 2022 £ |
|---|---|---|
| Net movement in funds | (196,430) | 1,265,649 |
| Add back depreciation charge | 146,384 | 164,232 |
| Less gain on revaluation of fixed assets | - | - |
| Add (gain)/loss on investments | (14,442) | 36,604 |
| Deduct investment income shown in investing activities | (74,432) | (8,858) |
| Add back interest paid shown in financing activities | 18,577 | 12,897 |
| Decrease in stock | 1,318 | 863 |
| Decrease in debtors | 52,693 | 103,055 |
| Increase/(decrease) in creditors falling due within one year | 60,753 | (52,800) |
| Decrease in creditors falling due after one year | - | (801) |
| Increase in pension asset | (268,000) | (1,617,000) |
| **Net cash provided by operating activities** | **(273,579)** | (96,159) |

### 31 Cash and cash equivalents at 31 December

| | 2023 £ | 2022 £ |
|---|---|---|
| Term deposit at Danske Bank | 60,626 | 60,626 |
| Petty cash | 17 | 17 |
| Divided Society current account at Danske Bank | 1 | 11 |
| Cash account at Cunningham Coates | 2,615 | 783 |
| Bank balance/(overdraft) at Danske Bank | (235,969) | 20,432 |
| **Total cash and cash equivalents** | **(172,710)** | 81,869 |

## Notes to the financial statements for the year ended 31 December 2023

### 32 Pension commitments

The Library operates a defined benefit scheme with assets held in separate trustee administered funds.

An actuarial valuation of the defined benefit pension scheme using the projected unit basis was carried out at 31 December 2023 by Aon Solutions UK Limited.

**Defined benefit scheme**

The amounts recognised in the statement of financial position are as follows:

| | 2023 | 2022 |
|---|---|---|
| | £'000 | £'000 |
| Defined benefit obligation | **(4,664)** | (4,603) |
| Fair value of plan assets | **6,225** | 5,896 |
| Net defined benefit asset | **1,561** | 1,293 |
| **Net amount recognised at year end** | **1,561** | 1,293 |

**The amounts recognised in comprehensive income are:**
The current and past service costs, settlements and curtailments, together with the net interest expenses for the year are included in profit or loss. Re-measurements of the net defined benefit liability are included in other comprehensive income.

| | 2023 | 2022 |
|---|---|---|
| **Service cost:** | £'000 | £'000 |
| Current service cost (net of employee contributions) | **125** | 304 |
| Administration expenses | **3** | 3 |
| Net interest (credit)/expense | **(64)** | 6 |
| **Charge recognised in profit or loss** | **64** | 313 |

| | | |
|---|---|---|
| **Re-measurements of the net liability:** | | |
| Return on scheme assets (excluding amount included in net interest expense) | **(66)** | 1,057 |
| Actuarial gains | **(146)** | (2,875) |
| **Credit recorded in other comprehensive income** | **(212)** | (1,818) |
| **Total defined benefit credit** | **(148)** | (1,505) |

### 32 Pension commitments (continued)

**The principal actuarial assumptions used were:**

| | **2023** | 2022 |
|---|---|---|
| Liability discount rate | **4.50%** | 4.70% |
| Inflation assumption – CPI | **2.40%** | 2.60% |
| Rate of increase in salaries | **3.90%** | 4.10% |
| Revaluation of deferred pensions: CPI | **2.40%** | 2.60% |
| Increases in pensions for payment | **2.40%** | 2.60% |
| Proportion of employees commuting pension for cash | **75.00%** | 75.00% |

**The mortality assumptions used were:**

| | **31 December 2023** | 31 December 2022 |
|---|---|---|
| Average expected future life at age 65 for | | |
| Male currently aged 65 | **21.7** | 21.8 |
| Female currently aged 65 | **24.5** | 25.0 |
| Male currently aged 45 | **22.6** | 23.2 |
| Female currently aged 45 | **25.5** | 26.4 |

**Reconciliation of scheme assets and liabilities**

| | **Assets £'000** | **Liabilities £'000** | **Total £'000** |
|---|---|---|---|
| At start of period | 5,896 | (4,603) | **1,293** |
| Benefits paid | (176) | 176 | **-** |
| Administration expenses | - | (3) | **(3)** |
| Current service cost | - | (125) | **(125)** |
| Contributions from the employer | 120 | - | **120** |
| Contributions from employees | 42 | (42) | **-** |
| Interest income/(expense) | 277 | (213) | **64** |
| Return on assets (excluding amount included in net interest expense) | 66 | - | **66** |
| Actuarial gains | - | 146 | **146** |
| | **6,225** | **(4,664)** | **1,561** |

## Notes to the financial statements for the year ended 31 December 2023

### 32 Pension commitments (continued)

**The return on plan assets was:**

| | **2023** | 2022 |
|---|---|---|
| | **£'000** | £'000 |
| Interest income | **277** | 136 |
| Return on plan assets (excluding amount included in net interest expense) | **66** | (1,057) |
| **Total return on plan assets** | **343** | (921) |

**The major categories of scheme assets are as follows:**

| | **2023** | 2022 |
|---|---|---|
| | **£'000** | £'000 |
| Equities and Alternatives | **2,720** | 2,359 |
| Property | **604** | 660 |
| Gilts | **1,083** | 1,215 |
| Multi Asset Credit | **828** | 784 |
| Cash | **349** | 383 |
| Fixed Interest Bonds | **261** | 177 |
| Other | **380** | 318 |
| | **6,225** | 5,896 |

**Belfast Library and Society for Promoting Knowledge (Linen Hall Library)**

Northern Ireland - Charity number 104564

# Annual return

Registered no: NIC104564

# Belfast Library and Society for Promoting Knowledge (The Linen Hall)
# Annual report
# for the year ended 31 December 2023

# The Linen Hall

## Annual report for the year ended 31 December 2023


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# The Linen Hall

## Reference and administrative details

| | | |
|---|---|---|
| **Governors** | | |
| **President:** | Dr P McGarry, DL, FRCPsych (from May 2023) | (8/8) |
| | Dr E Hughes, BA, MA, PHD (to May 2023) | (3/3) |
| **Vice-President:** | Prof M Ó Mainnín, BA, MA, PhD (from May 2023) | (4/8) |
| | Ms L Maltman, BSc, MSc (to May 2023) | (1/3) |
| **Honorary Secretary:** | Dr S Bridge, MA, MSc, PhD (from May 2023) | (7/8) |
| | Ms K Blair, LLB, LLM, LARTPI (to May 2023) | (3/3) |
| **Honorary Treasurer:** | Mr C McCleane | (6/8) |
| | Mr G Dorrian (from September 2023) | (1/3) |
| | Dr F Ferguson, BA, MA, PhD (from May 2023) | (4/5) |
| | Mr J Fitzsimons, MA(TCD), MSc(QUB) (from May 2023) | (2/5) |
| | Prof B Kelly, MA, MD, FRCS, FRCR, FFRRCSI (from May 2023) | (2/5) |
| | Mr G Lucy, BA Hons, PGCE | (8/8) |
| | Ms S McCartan, BA Hons, ACIfA, FSA (London) (to May 2023) | (0/3) |
| | Mr J McCartney, MSc | (4/8) |
| | Mr S McKee, BA | (8/8) |
| | Mr J McVey, OBE, MBA, MSc | (7/8) |
| | Ms B Napier, LLB (from September 2023) | (2/3) |
| | Prof O Purdue, BA, MA, PHD (to May 2023) | (1/3) |
| | Ms S Stevenson, ACR | (4/8) |
| | *[figure in brackets indicates attendance at Governors' meetings]* | |

| | |
|---|---|
| **Principal office** | 17 Donegall Square North<br>Belfast<br>BT1 5GB |
| **Charity number** | NIC104564 |
| **Solicitors** | Cleaver Fulton Rankin<br>50 Bedford Street<br>Belfast<br>BT2 7FW |
| **Bankers** | Danske Bank Limited<br>Donegall Square West<br>Belfast<br>BT1 6JS |
| **Independent auditors** | Finegan Gibson Ltd<br>Causeway Tower<br>9 James Street South<br>Belfast<br>BT2 8DN |

# The Linen Hall

## Governors' report for the year ended 31 December 2023

The Library, which operates under the name of The Linen Hall, is legally known as the Belfast Library and Society for Promoting Knowledge.

The Board of Governors, who are also the trustees of the Library, submit their annual report and the audited financial statements for the year ended 31 December 2023. The Governors have prepared the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, effective 1 January 2015).

**Reference and administration information**

Details of the registered office, governors, independent advisers and other relevant information are given on page 2.

**Structure, governance and management**

**Governors**
The Governors are responsible for setting the Library's forward strategy and oversight of its business.

**Governing document**
The Library was founded in 1788 and is governed by its Constitution enacted in 1891 under the Educational Endowments (Ireland) Act, 1885 and as subsequently amended.

In 2016, the Library was formally registered as a charity by the new Charity Commission for Northern Ireland.

The Constitution is available on the Library website at www.linenhall.com.

**Appointment of Governors**
There is a maximum of fifteen Governors of the Linen Hall Library who are elected by triennial rotation at the Annual General Meeting and by the subscribing members of the Library. A Governor shall not be eligible for re-election after having served two successive terms of three years, until the lapse of a period of two years. The officers of the Society are also elected annually at the Governors' meeting immediately after the Annual General Meeting.

**Recruitment of Governors**
The Governors annually review the skills required by the Board and available to them and, when appropriate, use their powers of co-option to fill gaps.

**Governor induction and training**
New Governors undertake an induction visit to the Library and are supplied with all key Library documentation. The Library has arrangements in place to provide training for all its Governors on an annual basis.

**Risk management**
The Library has established a risk register which is reviewed by the Governors on a quarterly basis.

Risks arising from the relative weakness of the Library's financial position are being addressed in the context of the ongoing business planning process.

The Governors will continue to review the financial risks that the Library faces and believe that increasing the free reserves to £261,939 will provide sufficient resources in the event of adverse conditions (see Reserves policy on page 5).

The Governors take the responsibility of monitoring financial risk management. The organisation is not significantly exposed to price or credit risk. The organisation has a bank overdraft and the Governors continually review this debt to ensure interest charges are minimised as far as possible.

## Governors' report for the year ended 31 December 2023 (continued)

**Structure, governance and management (continued)**

**Management**
Responsibility for the day to day running of the Library lies with the Director and the Management Team. The Director is responsible for ensuring that planned services are delivered, that key performance indicators are met, and that agreed procedures are operative.

**Related parties**
The Library is Lead Partner in The National Collection of Northern Ireland Publications (NIPR). The one part-time employee of NIPR based at the Linen Hall is employed and paid for by NIPR.

**Objectives and activities**

**Constitution and mission**
The Library's Constitution at paragraph 11, and as amended in 2006, describes the 'Trusts of the Endowment' as follows:

The Endowments and all other property of or belonging to the Governors, or available for the purposes of this Scheme, shall be held by them upon trust for the promotion of knowledge in Northern Ireland and for the benefit of international scholarship, by the maintenance of a Library, and by such other means as the Society may from time to time deem it advisable to adopt.

The Library's mission statement is as follows:
The Linen Hall Library will advance knowledge and understanding, both locally and internationally, by developing, preserving and interpreting its collections, with unique strengths in Irish and Local Studies, and widening access to an historic library and cultural centre.

**Objectives in 2023**

The Library aimed to:

- Develop the Linen Hall Library's standing on an international stage
- Protect and develop new and existing Collections
- Improve interpretation of the Collections
- Widen access to an historic library and cultural centre
- Contribute to cultural development in the UK and Ireland
- Improve the financial sustainability of the Library

## Governors' report for the year ended 31 December 2023 (continued)

**Structure, governance and management (continued)**

**Achievements and performance**

The Linen Hall faced severe funding challenges in 2023 with a cut of one third of its core funding from the Department for Communities, coinciding with a period of rising costs, particularly the cost of energy to keep the building open to the public and irreplaceable archives in the conditions necessary for their conservation. Nevertheless, the programme of cultural events, exhibitions, classes, book clubs and writing competitions was stronger and better attended than ever, and work continued on several funded projects which had begun in 2022, alongside successful applications for further projects, some carrying on into 2024, all of which served to enhance the Linen Hall's contribution to society and to support its financial sustainability. Notably in December 2023, National Lottery Heritage Fund awarded a grant of up to £245,480 to fund Linen Hall 2 – A Museum of Contemporary History in NI Scoping Study.

National Lottery Heritage Fund provided a grant for a major project "Origins & Legacies: The Belfast/Good Friday Agreement", which took place in 2023 to mark its 25th anniversary. Through an exhibition, a series of events and an oral history project, The Linen Hall reflected on the processes which led to the accord, the competing sides of the referendum campaign, and its impact. Other funded projects in 2023 included "Borders and Boundaries", a Department of Foreign Affairs; Reconciliation Fund project exploring the meanings and realities of borders and boundaries in Northern Ireland throughout the last century, and "The Linen Hall: Belfast's Home of Poetry", celebrating the great poets of the past while pushing the boundaries by hosting new voices and themes and funded by Arts Council NI. The Department for Communities provided a grant to help digitise the Linen Hall's Ulster-Scots collection, and National Lottery Heritage Fund continued to fund a Museum Engagement Officer post at the Linen Hall. Foras na Gaeilge carried on supporting conservation and cataloguing of the Library's Irish Language collection, and Ulster-Scots Agency funding allowed work to continue in conserving and making accessible the Gibson Collection of Ulster Scots material, as well as supporting the Ulster-Scots Writing Competition.

The Linen Hall Library Endowment Fund remains open to donations and all income generated is being used to enhance the Library and its Collections, helping to ensure their future sustainability.

**Financial review**

**Results**
In common with many other charities, the Library faces challenging economic times, and continuing efforts are being made to increase revenue and to control costs. The Library has worked successfully with funders and bankers to deal with the deficit going forward. The statement of financial activities for the year is set out on page 12.

The Library incurred a deficit of £422,872 in the year (2022: £515,747), before the impact of the actuarial gain on the defined benefit pension scheme and a gain on revaluation of investments. The Library had net current liabilities of £304,799 at the year-end (2022: net current assets of £64,544).

**Principal funding sources**
The Library's key funders in 2023 were the Department for Communities which provided grants of £212,675 (2022: £308,500) and the National Lottery Heritage Fund £93,565 (2022: £156,571).

**Reserves policy**
The long-term objective of the Governors over a three to five-year period is to achieve a level of unrestricted funds not invested in tangible or fixed assets (the free reserves) equivalent to three months' expenditure on the core activities of the Library. At the end of 2023 this figure would have been £261,939 (2022: £305,395), however the net current liabilities position set out in Note 25 to the accounts "Analysis of net assets between funds" fell short of the Governors' target. Details of the actions being taken in response and the Governors' assessment of Going Concern is contained within Note 27 to the accounts.

**Taxation**
The Library is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Library's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

## Governors' report for the year ended 31 December 2023 (continued)

**Financial review (continued)**

**Borrowings**
The Library relies on an overdraft facility with Danske Bank. This facility was reviewed in 2023 and sufficient facilities to meet projected cash flow requirements were approved. At the year end the Library had net liabilities of £175,342 at Danske Bank (2022: net assets of £81,069); this was inclusive of £60,385 (2022: £60,385) of funds (including gift aid and interest) held for the Michael McLaverty Trust (see page 5) and a balance on its overdraft of £235,969 (2022: credit balance of £20,432).

**Endowment funds**
The Library administers the Michael McLaverty award and holds £60,385 in respect of this trust. This is an endowment, the income from which is available to the Library only for the specific purpose of running the biennial Michael McLaverty Short Story Award.

In 2013, the Library launched its Catalyst Endowment Fund, under which every £1 raised by the Library was matched by a £1 grant from the Heritage Lottery Fund's Catalyst endowment programme, over a four-year period. Funds raised under this programme are invested for a period of 25 years, and the income used to further the Library's mission. The balance held in this fund at the year-end was £237,352 (2022: £224,334).

The New Linen Hall Library Endowment Fund was set up in 2018 to provide an income for the preservation and conservation of the collections held within the Linen Hall Library. The balance held in this fund at 31st December 2023 was £77,360 (2022: £74,172).

**Pension scheme**
The Library operates a defined benefit scheme through NILGOSC. Prior to 2006 the Library's share of this scheme could not be identified by NILGOSC and, in keeping with other such multi-employer schemes, the Library treated its pension cost as if it were a defined contribution (rather than a defined benefit) scheme in accordance with accounting standards.

In late 2006 NILGOSC separated each of the employer scheme details and, as a result, the Library complies with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, and incorporates the year end surplus or deficit on the scheme in its balance sheet and the movement on the scheme within the Statement of Financial Activities. At 31 December 2023 the scheme showed a surplus of £1,561,578, an improvement on the £1,293,578 surplus in the previous year; this change arose from changes in assumptions used by the scheme actuary.

**Plans for the future**

A Business Plan for 2024 was approved by the Governors in December 2023. The Linen Hall continues to diversify its income and modernise its approach whilst retaining its heritage values and charitable mission. In the next few years new strategies will be developed to enhance the Linen Hall's sustainability for the future.

The Library aims to:

- Develop the Linen Hall Library's standing on an international stage
- Protect and develop new and existing Collections
- Improve interpretation of the Collections
- Widen access to an historic library and cultural centre
- Contribute to cultural development in the UK and Ireland
- Improve the financial sustainability of the Library

## Governors' report for the year ended 31 December 2023 (continued)

**Statement of Governors' responsibilities**

The Governors are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, effective 1 January 2015).

The law applicable to charities requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in FRS 102;
- 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 the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act (Northern Ireland) 1964 and under the Charities (NI) Order 1987 and in accordance with the Educational Endowments Act 1885. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement of disclosure of information to auditors**

So far as each of the Governors in office at the date of approval of these financial statements is aware:

- there is no relevant audit information of which the Library's auditors are unaware; and
- they have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that the Library's auditors are aware of that information.

**Independent auditors**

A motion to reappoint the auditors will be proposed at the AGM.

By order of the Board

**Mr C. McCleane**
**Honorary Treasurer**

Date: 13th May 2024

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2023

### Opinion

We have audited the financial statements of The Linen Hall Library (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, 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 FRS 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 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act (Northern Ireland) 2022.

### 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 charity 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

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 27 to the financial statements concerning the charity's ability to continue as a going concern. The charity suffered significant cuts to funding during the year and reported a net current liabilities position of £304,799 as at 31 December 2023. These conditions, along with the other matters explained in note 27 to the financial statements, indicate the existence of a material uncertainty, which may cast significant doubt about the charity's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the charity was unable to continue as a going concern.

### 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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Linen Hall

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2023

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.
We have nothing to report in respect of the following matters in relation to which the Charities Act (Northern Ireland) 2022 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are 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 trustees 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 charity'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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether management were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether management have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- the matters discussed among the audit engagement team including significant component audit teams and relevant internal specialists, including tax and valuations specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2023

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks in operation, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included ongoing compliance with the UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental for their ability to operate or to avoid a material penalty.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

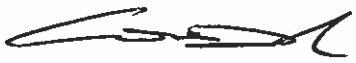
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

# The Linen Hall

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2023

**Use of our report**

This report is made solely to the charity's members, as a body, in accordance with section 65 of the Charities Act (Northern Ireland) 2008. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



CONOR DOLAN FCA
(Senior Statutory Auditor)
For and on behalf of
FINEGAN GIBSON LTD
Chartered Accountants & Statutory Auditors
Causeway Tower
9 James Street South
Belfast
BT2 8DN

Date: 13th May 2024

# The Linen Hall

## Statement of financial activities for the year ended 31 December 2023

| | Notes | Endow-ment Funds 2023 £ | Unrestricted Funds 2023 £ | Restricted Funds 2023 £ | Total Funds 2023 £ | Endow-ment Funds 2022 £ | Unrestricted Funds 2022 £ | Restricted Funds 2022 £ | Total Funds 2022 £ |
|---|---|---|---|---|---|---|---|---|---|
| **Income and endowments from** | | | | | | | | | |
| Donations and legacies | 2 | 1,764 | 453,826 | 221,289 | **676,879** | 34,520 | 460,011 | 294,126 | **788,657** |
| Rental income | | - | 120,533 | - | **120,533** | - | 101,989 | - | **101,989** |
| Income from investments | 3 | - | 73,018 | 1,414 | **74,432** | - | 8,767 | 91 | **8,858** |
| **Income from charitable activities** | | | | | | | | | |
| Other trading activities | 4 | - | 134,704 | - | **134,704** | - | 128,180 | - | **128,180** |
| **Other income** | | - | - | - | **-** | - | - | - | **-** |
| **Total income** | | 1,764 | 782,081 | 222,703 | **1,006,548** | 34,520 | 698,947 | 294,217 | **1,027,684** |
| **Expenditure on** | | | | | | | | | |
| Rental expenses | | - | 2,000 | - | **2,000** | - | 2,300 | - | **2,300** |
| Expenditure on raising funds | 5 | - | 67,785 | - | **67,785** | - | 58,721 | - | **58,721** |
| | | - | 69,785 | - | **69,785** | - | 61,021 | - | **61,021** |
| **Expenditure on charitable activities** | | | | | | | | | |
| Projects and events | 6 | - | - | 317,663 | **317,663** | - | - | 321,853 | **321,853** |
| Library operating costs | 7 | - | 1,041,972 | - | **1,041,972** | - | 1,160,557 | - | **1,160,557** |
| | | - | 1,041,972 | 317,663 | **1,359,635** | - | 1,160,557 | 321,853 | **1,482,410** |
| **Total expenditure** | | - | 1,111,757 | 317,663 | **1,429,420** | - | 1,221,578 | 321,853 | **1,543,431** |
| **Net (expenditure)/income** | 10 | 1,764 | (329,676) | (94,960) | **(422,872)** | 34,520 | (522,631) | (27,636) | **(515,747)** |
| **Transfers between funds** | 11 | - | (3,151) | 3,151 | **-** | - | (4,438) | 4,438 | **-** |
| **Net (expenditure)/income before recognised gains and losses** | | 1,764 | (332,827) | (91,809) | **(422,872)** | 34,520 | (527,069) | (23,198) | **(515,747)** |
| Net gains/(losses) on investments | 12 | 14,442 | - | - | **14,442** | (36,604) | - | - | **(36,604)** |
| Gain on revaluation of fixed assets | 14 | - | | - | **-** | - | | - | **-** |
| Actuarial gains on defined benefit pension scheme | 32 | - | 212,000 | - | **212,000** | - | 1,818,000 | - | **1,818,000** |
| **Net movement in funds** | | 16,206 | (120,827) | (91,809) | **(196,430)** | (2,084) | 1,290,931 | (23,198) | **1,265,649** |
| **Fund balance brought forward** | | 358,991 | 7,906,446 | 367,317 | **8,632,754** | 361,075 | 6,615,515 | 390,515 | **7,367,105** |
| **Total funds carried forward** | | 375,197 | 7,785,619 | 275,508 | **8,436,324** | 358,991 | 7,906,446 | 367,317 | **8,632,754** |

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

# The Linen Hall

## Statement of financial position as at 31 December 2023

| | Notes | 2023<br>£ | 2022<br>£ |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 13 | **4,107,079** | **4,251,708** |
| Heritage assets | 14 | **2,759,850** | **2,759,850** |
| Investments | 15 | **312,616** | **263,074** |
| | | **7,179,545** | **7,274,632** |
| **Current assets** | | | |
| Stocks | 16 | **15,049** | **16,367** |
| Debtors | 17 | **61,851** | **114,544** |
| Cash at bank and in hand | | **63,259** | **81,869** |
| | | **140,159** | **212,780** |
| **Creditors: amounts falling due within one year** | 18 | **(444,958)** | **(148,236)** |
| **Net current (liabilities)/assets** | | **(304,799)** | **64,544** |
| **Creditors: amounts falling due after one year** | 20 | **-** | **-** |
| **Net assets excluding pension asset** | | **6,874,746** | **7,339,176** |
| **Pension asset** | 32 | **1,561,578** | **1,293,578** |
| **Net assets including pension asset** | | **8,436,324** | **8,632,754** |
| **Funds** | | | |
| **Unrestricted funds:** | | | |
| - General fund | 22 | **749,607** | **870,434** |
| - Revaluation fund | 22 | **7,036,012** | **7,036,012** |
| | | **7,785,619** | **7,906,446** |
| **Restricted funds** | 23 | **275,508** | **367,317** |
| **Endowment funds** | 24 | **375,197** | **358,991** |
| Total funds | 25 | **8,436,324** | **8,632,754** |

The financial statements on pages 12 to 36 were approved by the Board on 13th May 2024 and were signed on its behalf by:

Mr C McCleane
**Honorary Treasurer**

Dr P McGarry
**President**

# The Linen Hall

## Statement of cash flows for the year ended 31 December 2023

| | Notes | 2023<br>£ | 2022<br>£ |
|---|---|---|---|
| **Cash flows from operating activities** | 30 | **(273,579)** | **(96,159)** |
| **Cash flows from investing activities** | | | |
| Interest income | | 1,422 | 450 |
| Other finance returns (note 8) | | 64,000 | - |
| Dividend income | | 9,010 | 8,408 |
| Purchase of tangible fixed assets | | (1,755) | (112,861) |
| Purchase of investments | | (35,100) | - |
| **Cash generated by/(used in) investing activities** | | **37,577** | **(104,003)** |
| **Cash flows from financing activities** | | | |
| Interest and fees paid | | (18,577) | (12,897) |
| **Cash used in financing activities** | | **(18,577)** | **(12,897)** |
| **Decrease in cash and cash equivalents in the year** | | **(254,579)** | **(213,059)** |
| **Cash and cash equivalents at the beginning of the year** | 31 | **81,869** | **294,928** |
| **Total cash and cash equivalents at the end of the year** | 31 | **(172,710)** | **81,869** |

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2023

### 1 Accounting policies

**Statement of compliance**
These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act (Northern Ireland) 2008.
The charity meets the definition of a public benefit entity under FRS 102.

**Judgements and key sources of estimation uncertainty**
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Incoming resources**
All incoming resources are included in the statement of financial activities when the Library is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**Voluntary income**

**Legacies**
Legacies are recognised when received or when their amount is capable of measurement.

**Donations**
Donations are included in full when received.

**Grants**
Revenue grants are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.

Grants for the purpose of capital expenditure are credited to restricted incoming resources when receivable and transferred to unrestricted funds on purchase of asset.

**Activities for generating funds**

**Voluntary income**
Annual subscriptions are included as voluntary income and are accounted for on an accruals basis.

**Other income**
Other income is included in full in the Statement of Financial Activities when received.

**Investment income**
Investment income is accounted for when received.

**Fundraising income**
Fundraising income is accounted for when received.

**Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

**Library operating costs**
Library operating costs are those incurred in connection with administration of the Library and compliance with constitutional and statutory requirement

## 1 Accounting policies (continued)

**Irrecoverable VAT**
Any irrecoverable VAT is charged to the statement of financial activities or capitalised as part of the cost of the related asset, where appropriate.

**Pensions**
The Library operates a defined benefit scheme through the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) for specific employees. The assets of the scheme are held separately from those of the Library.

The Library has adopted FRS 102 in these financial statements. Pension scheme assets are measured using market value. Pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term to the liability. The increase in the present value of the liabilities of the Library's defined benefit pension scheme arising from employee service in the period is charged to operating profit. The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities arising from the passage of time are included in other finance costs. Actuarial gains and losses are recognised in the statement of financial activities.

**Tangible assets**

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated so as to write off the cost, or valuation, of tangible fixed assets, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned. The principal annual rates used are as follows:

| | | % |
|---|---|---|
| Buildings | - | 2 |
| Leasehold improvements | - | 10 |
| Fixtures & fittings | - | 15 |
| Computer equipment | - | 33 |

When circumstances dictate, an impairment review is carried out. Land and buildings are revalued on a regular basis by a suitably qualified individual. The Library ensures that a full valuation is undertaken every five years. The resulting revaluation gains or losses are recognised in the statement of financial activities and result in a movement on revaluation reserves to the extent that they result in gains or offset previous gains. If the revaluation results in a loss greater than previously recognised revaluation gains, the excess loss will be charged to the statement of financial activities.

**Heritage assets**

The heritage assets are held by the Library in support of the primary objective of the charity to promote knowledge in Northern Ireland and for the benefit of international scholarship. Heritage assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Library's policy on other fixed assets. The heritage assets held by the charity consist of various collections of books and periodicals covering a wide range of topics relating largely to Irish history including some documents over three hundred years old. The collections are carried at a current valuation. The collections are deemed to have indeterminate lives and a high residual value and therefore depreciation has not been charged. The carrying amounts of the assets are reviewed when there is evidence of impairment and any impairment is recognised in accordance with the Library's general policy on impairment.

**Stocks**
Stocks are stated at the lower of cost and net realisable value.

### 1 Accounting policies (continued)

**Fund accounting**
The Library has various types of funds for which it is responsible, and which require separate disclosure. A definition of the various types of funds is as follows:

**Unrestricted funds**
Funds which are expendable at the discretion of the Library, in furtherance of the purpose of the Library. In addition to expenditure on activities, such funds may be held in order to finance capital investment and working capital.

**Restricted funds**
Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of overheads and support costs.

**Endowment funds**
Permanent endowment funds are restricted funds where a donor has specified that only income arising from the donation can be used by the Library. This income is restricted for the particular purpose specified by the donor.

**Going Concern**

The financial statements have been prepared on a going concern basis. The Governors have considered their position on this and have provided further information at Note 27 to these financial statements.

**Financial instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.
Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.
Debt instruments are subsequently measured at amortised cost.
Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.
Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.
Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.
Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.
For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.
Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2023

### 2 Donations and legacies

| | Endowment | Unrestricted | Restricted | **2023** | 2022 |
|---|---|---|---|---|---|
| | £ | £ | £ | **£** | £ |
| Donations and legacies | 1,764 | 93,765 | - | **95,529** | 56,126 |
| Members' subscriptions (see below) | - | 140,561 | - | **140,561** | 130,621 |
| Grants (see below) | - | 219,500 | 221,289 | **440,789** | 601,910 |
| | 1,764 | 453,826 | 221,289 | **676,879** | 788,657 |

| **Members' subscriptions** | **2023** | 2022 |
|---|---|---|
| | **£** | £ |
| Members' subscriptions | **126,308** | 116,440 |
| Income tax reclaimable on subscriptions | **14,253** | 14,181 |
| | **140,561** | 130,621 |

| **Grants** | Endowment | Unrestricted | Restricted | **2023** | 2022 |
|---|---|---|---|---|---|
| | £ | £ | £ | **£** | £ |
| Arts Council of NI | - | - | 17,213 | **17,213** | 14,343 |
| National Lottery Heritage Fund | - | - | 93,565 | **93,565** | 156,571 |
| Dormant Funds Account | - | - | 100 | **100** | - |
| Belfast City Council | - | 33,000 | 3,425 | **36,425** | 34,406 |
| Department for Communities | - | 184,500 | 28,175 | **212,675** | 308,500 |
| SEUPB | - | - | - | **-** | (177) |
| DoFA; Reconciliation Fund | - | - | 28,391 | **28,391** | 33,715 |
| Ulster Scots Agency | - | - | 30,000 | **30,000** | 32,312 |
| Foras Na Gaeilge | - | - | 13,000 | **13,000** | 10,000 |
| Pilgrim Trust | - | - | - | **-** | 10,000 |
| Idlewild Trust | - | - | 4,440 | **4,440** | - |
| Enkalon Foundation | - | - | 1,000 | **1,000** | - |
| NI Museums Council | | - | 1,980 | **1,980** | 240 |
| NIPR | | 2,000 | - | **2,000** | 2,000 |
| | - | 219,500 | 221,289 | **440,789** | 601,910 |

In accordance with recommended practice, income received in advance is not deferred, but recognised in the period in which it is received.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2023

### 3 Income from investments

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Dividends receivable | **9,010** | 8,408 |
| Other finance returns (note 8) | **64,000** | - |
| Interest receivable | **1,422** | 450 |
| | **74,432** | 8,858 |

### 4 Other trading activities

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Sale of books** | | |
| Library books and publications | **25,939** | 48,046 |
| **Sales of services** | | |
| Coffee shop | **35,791** | 35,618 |
| Photocopying and fax | **1,102** | 313 |
| Telephone & Internet | **-** | - |
| Postage | **15** | - |
| Cultural programming | **18,279** | 4,989 |
| Royalties | **1,138** | 4,027 |
| Facility fees | **12,595** | 7,913 |
| Fundraising events | **8,280** | - |
| | **77,200** | 52,860 |
| **Sale of products** | | |
| Books, prints and pamphlets | **8,037** | 5,104 |
| Other products | **3,873** | 1,960 |
| Gift shop items | **19,655** | 20,210 |
| | **31,565** | 27,274 |
| **Total** | **134,704** | 128,180 |

## Notes to the financial statements for the year ended 31 December 2023

| 5 Expenditure on raising funds | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Merchandising costs (see below) | **14,564** | 8,976 |
| Book fund (see below) | **16,881** | 16,494 |
| Charity shop | **35,072** | 33,251 |
| Fundraising costs | **1,268** | |
| | **67,785** | 58,721 |

| **Merchandising costs** | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Prints, books and pamphlets | **1,442** | - |
| Coffee shop purchases | **1,612** | 1,769 |
| Gift shop expenditure | **11,510** | 7,207 |
| | **14,564** | 8,976 |

| **Book fund** | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Irish | **9,186** | 9,840 |
| General | **7,695** | 6,654 |
| | **16,881** | 16,494 |

## Notes to the financial statements for the year ended 31 December 2023

| 6 Projects and events | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Cultural Programming (includes salary costs of £8,694 (2022: £Nil)) | **11,945** | 2,571 |
| extraORDINARYwomen (includes salary costs of £Nil (2022: £14,448)) | **-** | 41,330 |
| National Lottery Heritage Fund – Origins & Legacies: The Belfast/Good Friday Agreement (includes salary costs of £35,107 (2022: £Nil)) | **86,571** | - |
| National Lottery Heritage Fund - Heritage Recovery | **2,030** | 3,260 |
| National Lottery Heritage Fund – CRESI Museum Engagement (includes salary costs of £35,686 (2022: £17,754)) | **35,686** | 17,754 |
| Arts Council NI – Jimmy Ellis | **-** | 2,832 |
| Arts Council NI – The Linen Hall: Belfast's Home of Poetry (includes salary costs of £Nil (2022: £2,989)) | **8,827** | 8,086 |
| Department for Communities - Museum Collections | **7,143** | 7,143 |
| Department for Communities - Irish Children's Collection | **480** | 758 |
| Department for Communities – Linen Hall Re-branding | **2,373** | 10,800 |
| Department for Communities – Replace Guttering | **-** | 25,543 |
| Department for Communities – Upgrade Wifi and Cabling | **5,277** | - |
| Department for Communities – Ulster-Scots Digitisation (includes salary costs of £15,610 (2022: £3,180)) | **41,624** | 3,180 |
| Department of Foreign Affairs; Reconciliation Fund (includes salary costs of £12,438 (2022: £22,141)) | **34,014** | 37,933 |
| Dormant Accounts Fund – Linen Hall Digital Platform | **33,333** | 33,334 |
| Shared History Fund (includes salary costs of £Nil (2022: £4,834)) | **-** | 14,043 |
| Foras na Gaeilge (includes salary costs of £12,200 (2022: £Nil)) | **13,498** | 5,179 |
| Health, Safety and Governance | **-** | 2,468 |
| Repairs and Renewals | **9,507** | 10,992 |
| Enlightenment Festival 2022 (includes salary costs of £Nil (2022: £2,322)) | **-** | 50,789 |
| Pilgrim Trust – Art Unlocked (includes salary costs of £Nil (2022: £10,000)) | **-** | 10,000 |
| Belfast City Council – Access and Inclusion | **-** | 3,620 |
| Ulster-Scots Agency – Burns in Ulster (includes salary costs of £18,000 (2022: £18,000)) | **19,920** | 21,668 |
| Ulster-Scots Agency – Ulster-Scots Writing Competition (includes salary costs of £330 (2022: £1,000)) | **6,705** | 3,285 |
| Ulster-Scots Agency – Cataloguing project (includes salary costs of £Nil (2022: £4,650)) | **-** | 4,650 |
| Defibrillator and training | **-** | 159 |
| NI Museums Council | **1,220** | 378 |
| McLaverty Short Story Award | **(2,490)** | 98 |
| | **317,663** | 321,853 |

Project and events costs include £138,065 (2022: £101,318) of staff costs.

## Notes to the financial statements for the year ended 31 December 2023

### 7 Library operating costs

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Charitable operations** | | |
| Information technology | **46,864** | 50,288 |
| Training | **3,947** | 1,770 |
| Advertising & PR | **3,343** | 4,462 |
| Support costs (Note 8) | **204,433** | 195,594 |
| Travel & subsistence | **940** | 1,152 |
| Conservation | **2,142** | 1,131 |
| | **261,669** | 254,397 |
| **Establishment** | | |
| Rent and rates | **23,136** | 21,211 |
| Insurance | **24,775** | 22,844 |
| Light and heat | **53,604** | 34,768 |
| Repairs and maintenance | **53,770** | 45,938 |
| | **155,285** | 124,761 |
| **Depreciation** | | |
| Building | **87,600** | 87,600 |
| Fixtures and fittings | **617** | 617 |
| Computer equipment | **5,674** | 19,133 |
| | **93,891** | 107,350 |
| **Staff costs (note 9)** | **531,127** | 674,049 |
| **Total** | **1,041,972** | 1,160,557 |

## Notes to the financial statements for the year ended 31 December 2023

### 8 Support costs

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Administration** | | |
| Stationery | **2,052** | 3,953 |
| Printing | **9,070** | 7,334 |
| Photocopying | **3,987** | 3,280 |
| Postage | **2,373** | 1,348 |
| Telephone, fax and internet | **9,471** | 9,052 |
| Information technology | **20,275** | 18,878 |
| Miscellaneous | **974** | 1,511 |
| | **48,202** | 45,356 |
| **Governance** | | |
| Audit and related fees | **6,951** | 6,718 |
| Legal & professional fees | **17,828** | 20,030 |
| | **24,779** | 26,748 |
| **Financial expenses** | | |
| Bank charges | **1,965** | 1,676 |
| Bank interest | **11,433** | 399 |
| Visa paypoint fees | **3,676** | 1,220 |
| Other Interest | **1,503** | 3,602 |
| Other finance costs (see below) | **-** | 6,000 |
| | **18,577** | 12,897 |
| **Staff costs (note 9)** | **112,875** | 110,593 |
| **Total** | **204,433** | 195,594 |

**Other finance returns/(costs)**

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Expected return on pension scheme | **277,000** | 136,000 |
| Interest on pension scheme liabilities | **(213,000)** | (142,000) |
| **Net returns/(costs)** | **64,000** | (6,000) |

## Notes to the financial statements for the year ended 31 December 2023

### 9 Staff costs

| | Unrestricted £ | Restricted £ | Total 2023 £ | Total 2022 £ |
|---|---|---|---|---|
| Salaries | 519,679 | 108,731 | **628,410** | 559,902 |
| Social security costs | 44,481 | 10,353 | **54,834** | 47,904 |
| Pension costs | 108,660 | 18,981 | **127,641** | 305,076 |
| | 672,820 | 138,065 | **810,885** | 912,882 |

**Analysis of staff costs**

| | 2023 £ | 2022 £ |
|---|---|---|
| Projects | **138,065** | 101,318 |
| Library: | | |
| - Charitable operations | **531,127** | 674,049 |
| - Charity bookshop | **28,818** | 26,922 |
| - Support | **112,875** | 110,593 |
| | **810,885** | 912,882 |

The average number of employees, calculated on a full-time equivalent basis, analysed by function was:

| | 2023 Number | 2022 Number |
|---|---|---|
| Projects | **4** | 3 |
| Charitable operations | **12** | 13 |
| Charity bookshop | **1** | 1 |
| Support | **2** | 2 |
| | **19** | 19 |

No employee had employee benefits (excluding employer pension costs) in excess of £80,000 (2022: £60,000).

Governors are not remunerated for services to the Library (2022: £Nil), and there were no Governors' expenses incurred (2022: £Nil).

The key management personnel of the Library comprise the Governors, the Director, the Librarian and the Finance Manager. The total employee benefits of the key management personnel of the Library were £231,746 (2022: £202,330).

Indemnity insurance for Governors' liability has been purchased by the Library at a cost of £2,289 (2022: £1,780).

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2023

### 10 Net income/(expenditure)

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Net income/(expenditure) is stated after charging:** | | |
| Depreciation on owned assets | **146,384** | **164,232** |
| Auditors' remuneration: | | |
| - audit services | **7,026** | **6,124** |
| - non-audit services | **405** | **405** |
| Other operating lease rentals | **-** | **-** |

### 11 Transfers between funds

| | Endowment Funds | Unrestricted Funds | Restricted Funds |
|---|---|---|---|
| | £ | £ | £ |
| Projects | - | - | **3,151** |
| General Fund | - | **(3,151)** | - |
| | - | **(3,151)** | **3,151** |

The transfer from unrestricted to restricted funds represents net overspending on funded projects.

### 12 Net (losses)/gains on investments

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Catalyst Endowment Fund | 13,018 | (31,168) |
| New Linen Hall Library Endowment Fund Endowment funds | 1,424 | (5,436) |
| | **14,442** | (36,604) |

## Notes to the financial statements for the year ended 31 December 2023

### 13 Tangible fixed assets

| | Land & building £ | Leasehold Improvements £ | Fixtures & fittings £ | Computer equipment £ | Total £ |
|---|---|---|---|---|---|
| **Cost or valuation** | | | | | |
| At 1 January 2023 | 4,380,000 | 14,840 | 323,735 | 399,469 | 5,118,044 |
| Additions | - | - | - | 1,755 | 1,755 |
| **At 31 December 2023** | **4,380,000** | **14,840** | **323,735** | **401,224** | **5,119,799** |
| **Accumulated depreciation** | | | | | |
| At 1 January 2023 | 262,800 | 14,840 | 265,268 | 323,428 | 866,336 |
| Charge for the year | 87,600 | - | 19,777 | 39,007 | 146,384 |
| **At 31 December 2023** | **350,400** | **14,840** | **285,045** | **362,435** | **1,012,720** |
| **Net book amount** | | | | | |
| **At 31 December 2023** | **4,029,600** | **-** | **38,690** | **38,789** | **4,107,079** |
| At 31 December 2022 | 4,117,200 | - | 58,467 | 76,041 | 4,251,708 |

The Library's freehold and long leasehold properties were revalued at 31 December 2019 on the basis of open market value and open market rental value for existing use, by McConnell Chartered Surveyors and the revaluation adjustments of £480,000 to cost and £390,000 to accumulated depreciation together resulted in a gain on revaluation of £870,000. The valuations were undertaken in accordance with the Appraisal and Valuation Manual of the Royal Institute of Chartered Surveyors in the United Kingdom. The net book value of freehold and long leasehold properties at 31 December 2023 based on historical cost, had there been no revaluations, would have been £2,311,200 (2022: £2,396,800).

Fixed assets totalling £1,755 were purchased in the year.

| | Land & building £ | Leasehold improvement £ | Office Equipment £ | Computer Equipment £ | Total £ |
|---|---|---|---|---|---|
| **Cost or valuation at 31 December 2023 is represented by** | | | | | |
| Cost | - | 14,840 | 323,735 | 401,224 | 739,799 |
| Valuation | 4,380,000 | - | - | - | 4,380,000 |
| | **4,380,000** | **14,840** | **323,735** | **401,224** | **5,119,799** |

No deferred tax has been provided for since the Library is a charity and therefore not subject to corporation tax.

### 14 Heritage assets

| | 2023 £ | 2022 £ |
|---|---|---|
| **Books and Periodicals at 31 December** | **2,759,850** | 2,759,850 |

The books and periodicals were valued as at 31 December 2020 by de Burca Rare Books, Antiquarian Booksellers.

## Notes to the financial statements for the year ended 31 December 2023

### 15 Investments

| Cost or valuation | Cash or cash equivalents £ | Listed Investments £ | Total £ |
|---|---|---|---|
| At 1 January 2023 | 1,367 | 261,707 | **263,074** |
| Capital introduced | 35,100 | - | **35,100** |
| Purchase of investments | (27,531) | 28,194 | **663** |
| Charges net of equalisation | (663) | - | **(663)** |
| Fair value movements | - | 14,442 | **14,442** |
| **At 31 December 2023** | **8,273** | **304,343** | **312,616** |

All investments shown above are held at valuation.

### 16 Stocks

| | 2023 £ | 2022 £ |
|---|---|---|
| Goods for resale | **15,049** | 16,367 |

### 17 Debtors

| | 2023 £ | 2022 £ |
|---|---|---|
| Trade debtors | **12,122** | 4,617 |
| Other debtors | **7,067** | 5,596 |
| Prepayments and accrued income | **42,662** | 104,331 |
| | **61,851** | 114,544 |

Included in Prepayments and accrued income is an amount of £Nil (2022: £15,436) relating to accrued grants receivable.

### 18 Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|---|---|---|
| Bank overdraft | **235,969** | - |
| Trade creditors | **76,139** | 40,853 |
| Other creditors and accruals | **37,373** | 25,568 |
| Deferred income (Note 19) | **70,611** | 59,661 |
| Taxation and social security | **24,866** | 22,154 |
| | **444,958** | 148,236 |

## Notes to the financial statements for the year ended 31 December 2023

### 19 Deferred income

| | £ |
|---|---|
| At 1 January 2023 | 59,661 |
| Amount released to income | (59,661) |
| Amount deferred in year | 70,611 |
| **At 31 December 2023** | **70,611** |

Deferred income comprises rental income and membership subscriptions received in advance.

### 20 Creditors: amounts falling due after one year

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Obligations under finance leases | - | - |

### 21 Contingencies

A contingent liability exists to repay grants and funds received should certain conditions not be fulfilled by the charity. In the opinion of the Governors, the terms of the letters of offer have been, or will be, complied with and no liability is expected.

### 22 Unrestricted funds

| | General Fund £ | Revaluation Fund £ | Total £ |
|---|---|---|---|
| Balance at 1 January 2023 | 870,434 | 7,036,012 | 7,906,446 |
| Net outgoing resources for the year | (329,676) | - | (329,676) |
| Transfer to restricted funds | (3,151) | - | (3,151) |
| Actuarial gains on defined benefit scheme | 212,000 | - | 212,000 |
| **Balance at 31 December 2023** | **749,607** | **7,036,012** | **7,785,619** |

Unrestricted general funds include an asset of £1,561,578 (2022: £1,293,578) in respect of pension scheme assets/liabilities of the pension fund.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2023

### 23 Restricted funds

| | Balance at 1 January 2023 £ | Incoming Resources £ | Project Expenditure £ | Transfers (Note 11) £ | **Balance at 31 December 2023 £** |
|---|---|---|---|---|---|
| Cultural Programming | - | 8,694 | (11,945) | 3,251 | **-** |
| McLaverty Trust | 9,515 | 1,414 | 2,490 | - | **13,419** |
| extraORDINARYwomen | 25,198 | - | - | - | **25,198** |
| NLHF – Linen Hall 2 | - | 15,431 | - | - | **15,431** |
| NLHF–CRESI Museum Engagement | 32,150 | 41,923 | (35,686) | - | **38,387** |
| NLHF – Origins & Legacies: The Belfast/Good Friday Agreement | 45,263 | 36,211 | (86,571) | - | **(5,097)** |
| NLHF – Heritage Recovery | 9,616 | - | (2,030) | - | **7,586** |
| DfC - Museum Collections | 35,279 | - | (7,143) | - | **28,136** |
| DfC – Irish Children's Collection | 5,906 | - | (480) | - | **5,426** |
| DfC – Linen Hall Re-branding | 4,200 | - | (2,373) | - | **1,827** |
| DfC – Upgrade Wifi and Cabling | - | 5,000 | (5,277) | 277 | **-** |
| DfC – Ulster-Scots Digitisation | 19,320 | 23,175 | (41,624) | - | **871** |
| DfC Charities Fund – Covid-19 | 9,261 | - | - | - | **9,261** |
| Foras na Gaeilge | 17,502 | 13,000 | (13,498) | - | **17,004** |
| Repairs and Renewals | 27,848 | - | (9,507) | - | **18,341** |
| Arts Council NI – Jimmy Ellis | (300) | - | - | 300 | **-** |
| Arts Council NI – The Linen Hall: Belfast's Home of Poetry | 608 | 8,519 | (8,827) | (300) | **-** |
| Belfast City Council-Access Inclusion | (3,425) | 3,425 | - | - | **-** |
| Ulster-Scots Agency- Burns in Ulster | 7,672 | 20,000 | (19,920) | - | **7,752** |
| Ulster-Scots Agency- Writing Comp. | 14,531 | 10,000 | (6,705) | - | **17,826** |
| Ulster-Scots Agency- Conservation | 274 | - | - | - | **274** |
| Dormant Accounts Fund – Digital Platform | 66,566 | 100 | (33,333) | | **33,333** |
| NIO Shared History Fund | 616 | - | - | - | **616** |
| Enlightenment Festival | 5,230 | - | - | - | **5,230** |
| Department of Foreign Affairs; Reconciliation Fund | 34,092 | 28,391 | (34,014) | (377) | **28,092** |
| NI Museums Council | - | 1,980 | (1,220) | - | **760** |
| Defibrillator and Training | 395 | - | - | - | **395** |
| Idlewild Trust | - | 4,440 | - | - | **4,440** |
| Enkalon Foundation | - | 1,000 | - | - | **1,000** |
| | 367,317 | 222,703 | (317,663) | **3,151** | **275,508** |

### 23 Restricted funds (continued)

**Arts Council NI - Cultural Programming** - Using the Library's historical position as a cultural leader in Northern Ireland to showcase and nurture the artistic and cultural life of all in the community

**McLaverty Trust** - Biennial award to foster and encourage the art of the short story in Ireland

**extraORDINARYwomen** – Digitisation, collection enhancement, outreach and oral history project, exploring the evolution of women's lives in Northern Ireland since 1965

**NLHF – Linen Hall 2 –** a scoping study into Linen Hall expansion
**NLHF – Covid Recovery Employment and Skills Initiative for Heritage** – Museum Engagement
**NLHF – Origins & Legacies: The Belfast/Good Friday Agreement** project
**NLHF - Covid-19 Heritage Recovery Fund –** core support and preparation for re-opening

**Department for Communities - Museum Collections -** enhanced collection care and conservation
**Department for Communities - Irish Children's Collection –** to establish an Irish children's library
**Department for Communities – Linen Hall Library Re-branding –** consultancy costs
**Department for Communities – Upgrade Wifi and Cabling** – upgrade Wifi provision
**Department for Communities – Ulster-Scots Digitisation** – to digitise part of Ulster-Scots collection

**Foras na Gaeilge** – conservation of the Linen Hall Library's Irish Language collections

**Repairs and Renewals** – Capital items for the upkeep of the Linen Hall's historic building

**Arts Council NI** – The Linen Hall: Belfast's Home of Poetry project

**Belfast City Council Access and Inclusion** – Hearing loop system

**Ulster Scots Agency - Burns in Ulster** – Conservation of the Library's Gibson Collection
**Ulster Scots Agency** – Ulster Scots Writing Competition and Conservation and Storage project

**Dormant Accounts Fund –** Building a new Linen Hall Library digital platform

**NIO Shared History Fund -** Perspectives on Partition and the Foundation of Northern Ireland -1921-2021

**Enlightenment Festival** – wide-ranging programme of performances, art installations, talks and debates

**Department of Foreign Affairs; Reconciliation Fund –** Borders and Boundaries project and Student Activism project

**NI Museums Council** – Science Festival

**Defibrillator and Training –** Provision of defibrillator in the Library city and training of staff in its use

**Idlewild Trust** - Conservation of the Art Scrapbooks of the Misses Gage of Rathlin Island

**Enkalon Foundation** – Cataloguing and Conservation

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2023

### 24 Endowment funds

| | Balance at 1January 2023 £ | Income £ | (Losses)/gains on investments £ | **Balance at 31 December 2023 £** |
|---|---|---|---|---|
| McLaverty Trust | 60,385 | - | - | **60,385** |
| Catalyst Endowment Fund | 224,334 | - | 13,018 | **237,352** |
| Linen Hall Library Endowment Fund | 74,172 | 1,764 | 1,424 | **77,360** |
| Linen Hall Library Fund | 100 | - | - | **100** |
| | 358,991 | 1,764 | 14,442 | **375,197** |

### 25 Analysis of net assets between funds

| | **Endowment Funds £** | **Unrestricted Funds £** | **Restricted Funds £** | **Total Funds £** |
|---|---|---|---|---|
| **Fund balances at 31 December 2023 are represented by:** | | | | |
| Tangible fixed assets | - | 4,035,464 | 71,615 | **4,107,079** |
| Heritage assets | - | 2,759,850 | - | **2,759,850** |
| Investments | 312,616 | - | - | **312,616** |
| Net current assets/(liabilities) | 62,581 | (571,273) | 203,893 | **(304,799)** |
| Long term liabilities | - | - | - | **-** |
| Pension asset | - | 1,561,578 | - | **1,561,578** |
| **Total net assets at 31 December 2023** | 375,197 | 7,785,619 | 275,508 | **8,436,324** |

### 26 Financial commitments

At 31 December the Library had annual commitments under non-cancellable operating leases expiring as follows:

| | **Office equipment** | |
|---|---|---|
| | **2023** | 2022 |
| | **£** | £ |
| In less than one year | **9,566** | 6,323 |
| In more than one year, but not more than 5 years | **20,912** | 10,569 |
| | **30,478** | 16,892 |

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2023

### 27 Going Concern

The Linen Hall faced severe funding challenges in 2023, suffering a cut of one third of its core funding from the Department for Communities which coincided with a period of rising costs, particularly the cost of energy to keep the building open to the public and irreplaceable archives in the conditions necessary for their conservation. At 31st December 2023, the charity had net current liabilities of £304,799, a position falling short of the Governors' objective of achieving a level of unrestricted funds equivalent to three months' expenditure on the core activities of the Linen Hall. As a result of these matters, the trustees believe there is a material uncertainty in relation to the going concern basis adopted in the preparation of the financial statements.

A Strategy Committee has been established to identify new means of income generation, to include:

1. Investigation of potential new core funders to put in place guaranteed income streams moving forward.
2. Review of membership model.
3. Identification of new projects
4. Ongoing international partnerships and applications.
5. Feasibility study being undertaken with regards to Linen Hall 2, for which funding has already been received from Heritage Fund NI. This will help promote resilience and sustainability.

The Governors have carefully considered and reviewed budget and cash flow forecasts to 31st December 2025, and the actions listed above, to help them assess the appropriateness of adopting the going concern basis of accounting in the preparation of these financial statements. They have determined that the actions being taken are reasonable and sufficient to support the budget and cash flow forecasts and have therefore prepared these financial statements on a going concern basis.

### 28 Related parties

The Library was Lead Partner in The National Collection of Northern Ireland Publications (NIPR). The one part-time employee of NIPR based at the Linen Hall was employed and paid for by NIPR. The Library received £2,000 (2022: £2,000) from NIPR as its contribution to the cost of running the integrated library system, offsite storage and material processing.

### 29 Post-balance sheet events

There have been no events occurring after 31 December 2023 which require disclosure.

## Notes to the financial statements for the year ended 31 December 2023

### 30 Reconciliation of net movement in funds to net cash flow from operating activities

| | 2023 £ | 2022 £ |
|---|---|---|
| Net movement in funds | (196,430) | 1,265,649 |
| Add back depreciation charge | 146,384 | 164,232 |
| Less gain on revaluation of fixed assets | - | - |
| Add (gain)/loss on investments | (14,442) | 36,604 |
| Deduct investment income shown in investing activities | (74,432) | (8,858) |
| Add back interest paid shown in financing activities | 18,577 | 12,897 |
| Decrease in stock | 1,318 | 863 |
| Decrease in debtors | 52,693 | 103,055 |
| Increase/(decrease) in creditors falling due within one year | 60,753 | (52,800) |
| Decrease in creditors falling due after one year | - | (801) |
| Increase in pension asset | (268,000) | (1,617,000) |
| **Net cash provided by operating activities** | **(273,579)** | (96,159) |

### 31 Cash and cash equivalents at 31 December

| | 2023 £ | 2022 £ |
|---|---|---|
| Term deposit at Danske Bank | 60,626 | 60,626 |
| Petty cash | 17 | 17 |
| Divided Society current account at Danske Bank | 1 | 11 |
| Cash account at Cunningham Coates | 2,615 | 783 |
| Bank balance/(overdraft) at Danske Bank | (235,969) | 20,432 |
| **Total cash and cash equivalents** | **(172,710)** | 81,869 |

## Notes to the financial statements for the year ended 31 December 2023

### 32 Pension commitments

The Library operates a defined benefit scheme with assets held in separate trustee administered funds.

An actuarial valuation of the defined benefit pension scheme using the projected unit basis was carried out at 31 December 2023 by Aon Solutions UK Limited.

**Defined benefit scheme**

The amounts recognised in the statement of financial position are as follows:

| | 2023 | 2022 |
|---|---|---|
| | £'000 | £'000 |
| Defined benefit obligation | **(4,664)** | (4,603) |
| Fair value of plan assets | **6,225** | 5,896 |
| Net defined benefit asset | **1,561** | 1,293 |
| **Net amount recognised at year end** | **1,561** | 1,293 |

**The amounts recognised in comprehensive income are:**
The current and past service costs, settlements and curtailments, together with the net interest expenses for the year are included in profit or loss. Re-measurements of the net defined benefit liability are included in other comprehensive income.

| | 2023 | 2022 |
|---|---|---|
| **Service cost:** | £'000 | £'000 |
| Current service cost (net of employee contributions) | **125** | 304 |
| Administration expenses | **3** | 3 |
| Net interest (credit)/expense | **(64)** | 6 |
| **Charge recognised in profit or loss** | **64** | 313 |

| | | |
|---|---|---|
| **Re-measurements of the net liability:** | | |
| Return on scheme assets (excluding amount included in net interest expense) | **(66)** | 1,057 |
| Actuarial gains | **(146)** | (2,875) |
| **Credit recorded in other comprehensive income** | **(212)** | (1,818) |
| **Total defined benefit credit** | **(148)** | (1,505) |

### 32 Pension commitments (continued)

**The principal actuarial assumptions used were:**

| | **2023** | 2022 |
|---|---|---|
| Liability discount rate | **4.50%** | 4.70% |
| Inflation assumption – CPI | **2.40%** | 2.60% |
| Rate of increase in salaries | **3.90%** | 4.10% |
| Revaluation of deferred pensions: CPI | **2.40%** | 2.60% |
| Increases in pensions for payment | **2.40%** | 2.60% |
| Proportion of employees commuting pension for cash | **75.00%** | 75.00% |

**The mortality assumptions used were:**

| | **31 December 2023** | 31 December 2022 |
|---|---|---|
| Average expected future life at age 65 for | | |
| Male currently aged 65 | **21.7** | 21.8 |
| Female currently aged 65 | **24.5** | 25.0 |
| Male currently aged 45 | **22.6** | 23.2 |
| Female currently aged 45 | **25.5** | 26.4 |

**Reconciliation of scheme assets and liabilities**

| | **Assets £'000** | **Liabilities £'000** | **Total £'000** |
|---|---|---|---|
| At start of period | 5,896 | (4,603) | **1,293** |
| Benefits paid | (176) | 176 | **-** |
| Administration expenses | - | (3) | **(3)** |
| Current service cost | - | (125) | **(125)** |
| Contributions from the employer | 120 | - | **120** |
| Contributions from employees | 42 | (42) | **-** |
| Interest income/(expense) | 277 | (213) | **64** |
| Return on assets (excluding amount included in net interest expense) | 66 | - | **66** |
| Actuarial gains | - | 146 | **146** |
| | **6,225** | **(4,664)** | **1,561** |

## Notes to the financial statements for the year ended 31 December 2023

### 32 Pension commitments (continued)

**The return on plan assets was:**

| | **2023** | 2022 |
|---|---|---|
| | **£'000** | £'000 |
| Interest income | **277** | 136 |
| Return on plan assets (excluding amount included in net interest expense) | **66** | (1,057) |
| **Total return on plan assets** | **343** | (921) |

**The major categories of scheme assets are as follows:**

| | **2023** | 2022 |
|---|---|---|
| | **£'000** | £'000 |
| Equities and Alternatives | **2,720** | 2,359 |
| Property | **604** | 660 |
| Gilts | **1,083** | 1,215 |
| Multi Asset Credit | **828** | 784 |
| Cash | **349** | 383 |
| Fixed Interest Bonds | **261** | 177 |
| Other | **380** | 318 |
| | **6,225** | 5,896 |

**Belfast Library and Society for Promoting Knowledge (Linen Hall Library)**

Northern Ireland - Charity number 104564

# Accounts

Registered no: NIC104564

# Belfast Library and Society for Promoting Knowledge (The Linen Hall)
# Annual report
# for the year ended 31 December 2022

# The Linen Hall

## Annual report for the year ended 31 December 2022


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# The Linen Hall

## Reference and administrative details

**Governors**

| | | |
|---|---|---|
| **President:** | Dr E Hughes, BA, MA, PHD | (8/8) |
| **Vice-President:** | Ms L Maltman, BSc, MSc | (4/8) |
| **Honorary Secretary:** | Ms K Blair, LLB, LLM, LARTPI | (4/8) |
| **Honorary Treasurer:** | Mr C McCleane | (6/8) |
| | Mr M Adair | (0/8) |
| | Dr S Bridge, MA, MSc, PhD (from May 2022) | (2/4) |
| | Ms K Hoey (to May 2022) | (1/4) |
| | Mr G Lucy, BA Hons, PGCE | (4/8) |
| | Ms S McCartan, BA Hons, ACIfA, FSA (London) | (4/8) |
| | Mr J McCartney, MSc | (6/8) |
| | Dr P McGarry, DL, FRCPsych | (5/8) |
| | Mr S McKee, BA | (6/8) |
| | Mr J McVey, OBE, MBA, MSc (from May 2022) | (1/4) |
| | Prof M Ó Mainnín, BA, MA, PhD | (4/8) |
| | Prof O Purdue, BA, MA, PHD | (2/8) |
| | Mr J Roberts (to May 2022) | (3/4) |
| | Ms S Stevenson, ACR | (4/8) |

*[figure in brackets indicates attendance at Governors' meetings]*

**Principal office**
17 Donegall Square North
Belfast
BT1 5GB

**Charity number**
NIC104564

**Solicitors**
Cleaver Fulton Rankin
50 Bedford Street
Belfast
BT2 7FW

**Bankers**
Danske Bank Limited
Donegall Square West
Belfast
BT1 6JS

**Independent auditors**
Finegan Gibson Ltd
Causeway Tower
9 James Street South
Belfast
BT2 8DN

# The Linen Hall

## Governors' report for the year ended 31 December 2022

The Library, which operates under the name of the Linen Hall Library, is legally known as the Belfast Library and Society for Promoting Knowledge.

The Board of Governors, who are also the trustees of the Library, submit their annual report and the audited financial statements for the year ended 31 December 2022. The Governors have prepared the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, effective 1 January 2015).

**Reference and administration information**

Details of the registered office, governors, independent advisers and other relevant information are given on page 1.

**Structure, governance and management**

**Governors**
The Governors are responsible for setting the Library's forward strategy and oversight of its business.

**Governing document**
The Library was founded in 1788 and is governed by its Constitution enacted in 1891 under the Educational Endowments (Ireland) Act, 1885 and as subsequently amended.

In 2016, the Library was formally registered as a charity by the new Charity Commission for Northern Ireland.

The Constitution is available on the Library website at www.linenhall.com.

**Appointment of Governors**
There is a maximum of fifteen Governors of the Linen Hall Library who are elected by triennial rotation at the Annual General Meeting and by the subscribing members of the Library. A Governor shall not be eligible for re-election after having served two successive terms of three years, until the lapse of a period of two years. The officers of the Society are also elected annually at the Governors' meeting immediately after the Annual General Meeting.

**Recruitment of Governors**
The Governors annually review the skills required by the Board and available to them and, when appropriate, use their powers of co-option to fill gaps.

**Governor induction and training**
New Governors undertake an induction visit to the Library and are supplied with all key Library documentation. The Library has arrangements in place to provide training for all its Governors on an annual basis.

**Risk management**
The Library has established a risk register which is reviewed by the Governors on a quarterly basis.

Risks arising from the relative weakness of the Library's financial position are being addressed in the context of the ongoing business planning process.

The Governors will continue to review the financial risks that the Library faces and believe that increasing the free reserves to £305,395 will provide sufficient resources in the event of adverse conditions (see Reserves policy on page 4).

The Governors take the responsibility of monitoring financial risk management. The organisation is not significantly exposed to price or credit risk. The organisation has a bank overdraft and the Governors continually review this debt to ensure interest charges are minimised as far as possible.

## Governors' report for the year ended 31 December 2022 (continued)

**Structure, governance and management (continued)**

**Management**
Responsibility for the day to day running of the Library lies with the Director and the Management Team. The Director is responsible for ensuring that planned services are delivered, that key performance indicators are met, and that agreed procedures are operative.

**Related parties**
The Library is Lead Partner in The National Collection of Northern Ireland Publications (NIPR). The one part-time employee of NIPR based at the Linen Hall is employed and paid for by NIPR.

**Objectives and activities**

**Constitution and mission**
The Library's Constitution at paragraph 11, and as amended in 2006, describes the 'Trusts of the Endowment' as follows:

> The Endowments and all other property of or belonging to the Governors, or available for the purposes of this Scheme, shall be held by them upon trust for the promotion of knowledge in Northern Ireland and for the benefit of international scholarship, by the maintenance of a Library, and by such other means as the Society may from time to time deem it advisable to adopt.

The Library's mission statement is as follows:
The Linen Hall Library will advance knowledge and understanding, both locally and internationally, by developing, preserving and interpreting its collections, with unique strengths in Irish and Local Studies, and widening access to an historic library and cultural centre.

**Objectives in 2022**

The Library aimed to:

- Develop the Linen Hall Library's standing on an international stage
- Protect and develop new and existing Collections
- Improve interpretation of the Collections
- Widen access to an historic library and cultural centre
- Contribute to cultural development in the UK and Ireland
- Improve the financial sustainability of the Library

## Governors' report for the year ended 31 December 2022 (continued)

**Structure, governance and management (continued)**

**Achievements and performance**

The Linen Hall was open to the public and members throughout 2022, having been closed until 23rd May in 2021 due to Covid-19 restrictions. Fundraising trading activities which had been severely limited during the pandemic began to approach pre-pandemic levels and membership numbers remained buoyant. This year also saw the delivery of several projects for which grant funding had been received in 2021, and successful applications for further projects carrying on into 2023, all of which served to enhance the Linen Hall's contribution to society and to support its financial sustainability.

- Arts and cultural programming activity had been moved online when the Linen Hall building had to close, resulting in a much stronger digital presence and wider social networking. There followed a successful application to the Dormant Funds account for £100,000 for the build of a digital platform. This build was completed in 2022 and the digital platform was launched in October 2022.
- The delivery phase of the extraORDINARYwomen digitisation project had begun in April 2020 and was completed in 2022. This project considers women's social, economic and political development in Northern Ireland from 1965 to the present day.
- Other funded projects in 2022 included the Linen Hall Library Enlightenment Festival, "Years of Chaos and Hope", a Department of Foreign Affairs; Reconciliation Fund project focusing on the years 1922, 1972 and 2022 in the history of Northern Ireland, and "Perspectives on Partition and the Foundation of Northern Ireland -1921-2021", funded by the Shared History Fund of the Northern Ireland Office.
- The Linen Hall Library Endowment Fund continued to attract donations and all income generated is being used to enhance the Library and its Collections, helping to ensure their future sustainability.
- Foras na Gaeilge continued to support conservation and cataloguing of the Library's Irish Language collection and provided funding for the digitisation of the Robert McAdam Comparative Lexicon.
- Ulster-Scots Agency funding allowed work to continue in conserving, cataloguing, and making accessible the Gibson Collection of Ulster Scots material, as well as supporting the Ulster-Scots Writing Competition.

**Financial review**

**Results**
In common with many other charities, the Library faces challenging economic times, and continuing efforts are being made to increase revenue and to control costs. The Library has worked successfully with funders and bankers to deal with the deficit going forward. The statement of financial activities for the year is set out on page 12.

The Library incurred a deficit of £515,747 in the year (2021: £30,333), before the impact of the actuarial gain on the defined benefit pension scheme and a loss on revaluation of investments. The Library had net current assets of £64,544 at the year-end (2021: £328,721).

**Principal funding sources**
The Library's key funders in 2022 were the Department for Communities which provided grants of £308,500 (2021: £291,000) and the National Lottery Heritage Fund £156,571 (2021: £375,656).

**Reserves policy**
The long-term objective of the Governors over a three to five-year period is to achieve a level of unrestricted funds not invested in tangible or fixed assets (the free reserves) equivalent to three months' expenditure on the core activities of the Library. At the end of 2022 this equates to £305,395 (2021: £260,497).

**Taxation**
The Library is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Library's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

## Governors' report for the year ended 31 December 2022 (continued)

**Financial review (continued)**

**Borrowings**
The Library relies on an overdraft facility with Danske Bank. This facility was reviewed in 2022 and sufficient facilities to meet projected cash flow requirements were approved. At the year end the Library had net assets of £81,069 at Danske Bank (2021: £292,435); this was inclusive of £60,385 (2021: £60,385) of funds (including gift aid and interest) held for the Michael McLaverty Trust (see page 5) and a balance on its current account of £20,432 (2021: £231,808).

**Endowment funds**
The Library administers the Michael McLaverty award and holds £60,385 in respect of this trust. This is an endowment, the income from which is available to the Library only for the specific purpose of running the biennial Michael McLaverty Short Story Award.

In 2013, the Library launched its Catalyst Endowment Fund, under which every £1 raised by the Library was matched by a £1 grant from the Heritage Lottery Fund's Catalyst endowment programme, over a four-year period. Funds raised under this programme are invested for a period of 25 years, and the income used to further the Library's mission. The balance held in this fund at the year-end was £224,334 (2021: £255,502).

The New Linen Hall Library Endowment Fund was set up in 2018 to provide an income for the preservation and conservation of the collections held within the Linen Hall Library. The balance held in this fund at 31st December 2022 was £74,172 (2021: £45,088).

**Pension scheme**
The Library operates a defined benefit scheme through NILGOSC. Prior to 2006 the Library's share of this scheme could not be identified by NILGOSC and, in keeping with other such multi-employer schemes, the Library treated its pension cost as if it were a defined contribution (rather than a defined benefit) scheme in accordance with accounting standards.

In late 2006 NILGOSC separated each of the employer scheme details and, as a result, the Library complies with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, and incorporates the year end surplus or deficit on the scheme in its balance sheet and the movement on the scheme within the Statement of Financial Activities. At 31 December 2022 the scheme showed a surplus of £1,293,578, an improvement on the £323,422 deficit in the previous year; this change arose from changes in assumptions used by the scheme actuary.

**Plans for the future**

A Business Plan for 2023 was approved by the Governors in January 2023. The Linen Hall was open to the public and members throughout 2022, having been closed until 23rd May in 2021 due to Covid-19 restrictions. Fundraising trading activities which had been severely limited during the pandemic began to approach pre-pandemic levels and membership numbers remained buoyant. The Linen Hall continues to diversify its income and modernise its approach whilst retaining its heritage values and charitable mission. In the next few years new strategies will be developed to enhance the Linen Hall's sustainability for the future.

The Library aims to:

- Develop the Linen Hall Library's standing on an international stage
- Protect and develop new and existing Collections
- Improve interpretation of the Collections
- Widen access to an historic library and cultural centre
- Contribute to cultural development in the UK and Ireland
- Improve the financial sustainability of the Library

## Governors' report for the year ended 31 December 2022 (continued)

**Statement of Governors' responsibilities**

The Governors are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, effective 1 January 2015).

The law applicable to charities requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in FRS 102;
- 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 the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act (Northern Ireland) 1964 and under the Charities (NI) Order 1987 and in accordance with the Educational Endowments Act 1885. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement of disclosure of information to auditors**

So far as each of the Governors in office at the date of approval of these financial statements is aware:

- there is no relevant audit information of which the Library's auditors are unaware; and
- they have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that the Library's auditors are aware of that information.

**Independent auditors**

A motion to reappoint the auditors will be proposed at the AGM.

By order of the Board

**Mr C. McCleane**
**Honorary Treasurer**

Date: 30th March 2023

# The Linen Hall

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2022

### Opinion

We have audited the financial statements of The Linen Hall Library (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, 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 FRS 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 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act (Northern Ireland) 2022.

### 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 charity 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 charity'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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2022

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.
We have nothing to report in respect of the following matters in relation to which the Charities Act (Northern Ireland) 2022 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are 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 trustees 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 charity'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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether management were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether management have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- the matters discussed among the audit engagement team including significant component audit teams and relevant internal specialists, including tax and valuations specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2022

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks in operation, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included ongoing compliance with the UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental for their ability to operate or to avoid a material penalty.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

# The Linen Hall

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2022

**Use of our report**

This report is made solely to the charity's members, as a body, in accordance with section 65 of the Charities Act (Northern Ireland) 2008. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



CONOR DOLAN FCA
(Senior Statutory Auditor)
For and on behalf of
FINEGAN GIBSON LTD
Chartered Accountants & Statutory Auditors
Causeway Tower
9 James Street South
Belfast
BT2 8DN

Date: 30th March 2023

# The Linen Hall

## Statement of financial activities for the year ended 31 December 2022

| | Notes | Endowment Funds 2022 £ | Unrestricted Funds 2022 £ | Restricted Funds 2022 £ | **Total Funds 2022 £** | Endowment Funds 2021 £ | Unrestricted Funds 2021 £ | Restricted Funds 2021 £ | **Total Funds 2021 £** |
|---|---|---|---|---|---|---|---|---|---|
| **Income and endowments from** | | | | | | | | | |
| Donations and legacies | 2 | 34,520 | 460,011 | 294,126 | **788,657** | 352 | 682,111 | 694,662 | **1,377,125** |
| Rental income | | - | 101,989 | - | **101,989** | - | 123,626 | - | **123,626** |
| Income from investments | 3 | - | 8,767 | 91 | **8,858** | - | 8,226 | 334 | **8,560** |
| **Income from charitable activities** | | | | | | | | | |
| Other trading activities | 4 | - | 128,180 | - | **128,180** | - | 69,871 | - | **69,871** |
| **Other income** | | - | - | - | **-** | - | - | - | **-** |
| **Total income** | | 34,520 | 698,947 | 294,217 | **1,027,684** | 352 | 883,834 | 694,996 | **1,579,182** |
| **Expenditure on** | | | | | | | | | |
| Rental expenses | | - | 2,300 | - | **2,300** | - | 2,000 | - | **2,000** |
| Expenditure on raising funds | 5 | - | 58,721 | - | **58,721** | - | 45,434 | - | **45,434** |
| | | - | 61,021 | - | **61,021** | - | 47,434 | - | **47,434** |
| **Expenditure on charitable activities** | | | | | | | | | |
| Projects and events | 6 | - | - | 321,853 | **321,853** | - | - | 567,528 | **567,528** |
| Library operating costs | 7 | - | 1,160,557 | - | **1,160,557** | - | 994,553 | - | **994,553** |
| | | - | 1,160,557 | 321,853 | **1,482,410** | - | 994,553 | 567,528 | **1,562,081** |
| **Total expenditure** | | - | 1,221,578 | 321,853 | **1,543,431** | - | 1,041,987 | 567,528 | **1,609,515** |
| **Net (expenditure)/income** | 10 | 34,520 | (522,631) | (27,636) | **(515,747)** | 352 | (158,153) | 127,468 | **(30,333)** |
| **Transfers between funds** | 11 | - | (4,438) | 4,438 | **-** | - | (1,181) | 1,181 | **-** |
| **Net (expenditure)/income before recognised gains and losses** | | 34,520 | (527,069) | (23,198) | **(515,747)** | 352 | (159,334) | 128,649 | **(30,333)** |
| Net (losses)/gains on investments | 12 | (36,604) | - | - | **(36,604)** | 29,296 | - | - | **29,296** |
| Gain on revaluation of fixed assets | 14 | - | | - | **-** | - | | - | **-** |
| Actuarial gains on defined benefit pension scheme | 31 | - | 1,818,000 | - | **1,818,000** | - | 684,000 | - | **684,000** |
| **Net movement in funds** | | (2,084) | 1,290,931 | (23,198) | **1,265,649** | 29,648 | 524,555 | 128,649 | **682,963** |
| **Fund balance brought forward** | | 361,075 | 6,615,515 | 390,515 | **7,367,105** | 331,427 | 6,090,849 | 261,866 | **6,684,142** |
| **Total funds carried forward** | | 358,991 | 7,906,446 | 367,317 | **8,632,754** | 361,075 | 6,615,515 | 390,515 | **7,367,105** |

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

# The Linen Hall

## Statement of financial position as at 31 December 2022

| | Notes | 2022<br>£ | 2021<br>£ |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 13 | **4,251,708** | **4,303,079** |
| Heritage assets | 14 | **2,759,850** | **2,759,850** |
| Investments | 15 | **263,074** | **299,678** |
| | | **7,274,632** | **7,362,607** |
| **Current assets** | | | |
| Stocks | 16 | **16,367** | **17,230** |
| Debtors | 17 | **114,544** | **217,599** |
| Cash at bank and in hand | | **81,869** | **294,928** |
| | | **212,780** | **529,757** |
| **Creditors: amounts falling due within one year** | 18 | **(148,236)** | **(201,036)** |
| **Net current assets** | | **64,544** | **328,721** |
| **Creditors: amounts falling due after one year** | 20 | **-** | **(801)** |
| **Net assets excluding pension asset/(liability)** | | **7,339,176** | **7,690,527** |
| **Pension asset/(liability)** | 31 | **1,293,578** | **(323,422)** |
| **Net assets including pension asset/(liability)** | | **8,632,754** | **7,367,105** |
| **Funds** | | | |
| **Unrestricted funds:** | | | |
| - General fund | 22 | **870,434** | **(420,497)** |
| - Revaluation fund | 22 | **7,036,012** | **7,036,012** |
| | | **7,906,446** | **6,615,515** |
| **Restricted funds** | 23 | **367,317** | **390,515** |
| **Endowment funds** | 24 | **358,991** | **361,075** |
| Total funds | 25 | **8,632,754** | **7,367,105** |

The financial statements on pages 12 to 35 were approved by the Board on 30th March 2023 and were signed on its behalf by:

Mr C McCleane
**Honorary Treasurer**

Dr E Hughes
**President**

# The Linen Hall

## Statement of cash flows for the year ended 31 December 2022

| | Notes | 2022 £ | 2021 £ |
|---|---|---|---|
| **Cash flows from operating activities** | 29 | **(96,159)** | **267,875** |
| **Cash flows from investing activities** | | | |
| Interest income | | 450 | 242 |
| Dividend income | | 8,408 | 8,318 |
| Purchase of tangible fixed assets | | (112,861) | (13,530) |
| Purchase of investments | | - | (6,550) |
| **Cash used in investing activities** | | **(104,003)** | **(11,520)** |
| **Cash flows from financing activities** | | | |
| Interest and fees paid | | (12,897) | (17,262) |
| **Cash used in financing activities** | | **(12,897)** | **(17,262)** |
| **Increase/(decrease) in cash and cash equivalents in the year** | | **(213,059)** | **239,093** |
| **Cash and cash equivalents at the beginning of the year** | 30 | **294,928** | **55,835** |
| **Total cash and cash equivalents at the end of the year** | 30 | **81,869** | **294,928** |

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 1 Accounting policies

**Statement of compliance**
These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act (Northern Ireland) 2008.
The charity meets the definition of a public benefit entity under FRS 102.

**Judgements and key sources of estimation uncertainty**
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Incoming resources**
All incoming resources are included in the statement of financial activities when the Library is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**Voluntary income**

**Legacies**
Legacies are recognised when received or when their amount is capable of measurement.

**Donations**
Donations are included in full when received.

**Grants**
Revenue grants are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.

Grants for the purpose of capital expenditure are credited to restricted incoming resources when receivable and transferred to unrestricted funds on purchase of asset.

**Activities for generating funds**

**Voluntary income**
Annual subscriptions are included as voluntary income and are accounted for on an accruals basis.

**Other income**
Other income is included in full in the Statement of Financial Activities when received.

**Investment income**
Investment income is accounted for when received.

**Fundraising income**
Fundraising income is accounted for when received.

**Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

**Library operating costs**
Library operating costs are those incurred in connection with administration of the Library and compliance with constitutional and statutory requirement

## 1 Accounting policies (continued)

**Irrecoverable VAT**
Any irrecoverable VAT is charged to the statement of financial activities or capitalised as part of the cost of the related asset, where appropriate.

**Pensions**
The Library operates a defined benefit scheme through the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) for specific employees. The assets of the scheme are held separately from those of the Library.

The Library has adopted FRS 102 in these financial statements. Pension scheme assets are measured using market value. Pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term to the liability. The increase in the present value of the liabilities of the Library's defined benefit pension scheme arising from employee service in the period is charged to operating profit. The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities arising from the passage of time are included in other finance costs. Actuarial gains and losses are recognised in the statement of financial activities.

**Tangible assets**

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated so as to write off the cost, or valuation, of tangible fixed assets, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned. The principal annual rates used are as follows:

| | | % |
|---|---|---|
| Buildings | - | 2 |
| Leasehold improvements | - | 10 |
| Fixtures & fittings | - | 15 |
| Computer equipment | - | 33 |

When circumstances dictate, an impairment review is carried out. Land and buildings are revalued on a regular basis by a suitably qualified individual. The Library ensures that a full valuation is undertaken every five years. The resulting revaluation gains or losses are recognised in the statement of financial activities and result in a movement on revaluation reserves to the extent that they result in gains or offset previous gains. If the revaluation results in a loss greater than previously recognised revaluation gains, the excess loss will be charged to the statement of financial activities.

**Heritage assets**

The heritage assets are held by the Library in support of the primary objective of the charity to promote knowledge in Northern Ireland and for the benefit of international scholarship. Heritage assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Library's policy on other fixed assets. The heritage assets held by the charity consist of various collections of books and periodicals covering a wide range of topics relating largely to Irish history including some documents over three hundred years old. The collections are carried at a current valuation. The collections are deemed to have indeterminate lives and a high residual value and therefore depreciation has not been charged. The carrying amounts of the assets are reviewed when there is evidence of impairment and any impairment is recognised in accordance with the Library's general policy on impairment.

**Stocks**
Stocks are stated at the lower of cost and net realisable value.

## 1 Accounting policies (continued)

**Fund accounting**
The Library has various types of funds for which it is responsible, and which require separate disclosure. A definition of the various types of funds is as follows:

**Unrestricted funds**
Funds which are expendable at the discretion of the Library, in furtherance of the purpose of the Library. In addition to expenditure on activities, such funds may be held in order to finance capital investment and working capital.

**Restricted funds**
Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of overheads and support costs.

**Endowment funds**
Permanent endowment funds are restricted funds where a donor has specified that only income arising from the donation can be used by the Library. This income is restricted for the particular purpose specified by the donor.

**Going Concern**

The Governors believe it is appropriate that the financial statements for the Library are produced on a going concern basis due to the following:

- The Governors are confident that the Museums and Libraries Branch, within the Department for Communities, and Belfast City Council will continue their respective grant assistance to the Library for the foreseeable future.
- The Governors believe that Library membership will continue at current levels.
- The Library is committed to monitoring and controlling expenditure to ensure the long-term viability of the charity.

**Financial instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.
Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.
Debt instruments are subsequently measured at amortised cost.
Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.
Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.
Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.
Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.
For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 1 Accounting policies (continued)

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

### 2 Donations and legacies

| | Endowment | Unrestricted | Restricted | **2022** | 2021 |
|---|---|---|---|---|---|
| | £ | £ | £ | **£** | £ |
| Donations and legacies | 34,520 | 21,606 | - | **56,126** | 126,955 |
| Members' subscriptions (see below) | - | 130,621 | - | **130,621** | 125,831 |
| Grants (see below) | - | 307,784 | 294,126 | **601,910** | 1,124,339 |
| | 34,520 | 460,011 | 294,126 | **788,657** | 1,377,125 |

| **Members' subscriptions** | **2022** | 2021 |
|---|---|---|
| | **£** | £ |
| Members' subscriptions | **116,440** | 112,066 |
| Income tax reclaimable on subscriptions | **14,181** | 13,765 |
| | **130,621** | 125,831 |

| **Grants** | Endowment | Unrestricted | Restricted | **2022** | 2021 |
|---|---|---|---|---|---|
| | £ | £ | £ | **£** | £ |
| Arts Council of NI | - | - | 14,343 | **14,343** | 9,879 |
| National Lottery Heritage Fund | - | 27,534 | 129,037 | **156,571** | 375,656 |
| Dormant Funds Account | - | - | - | **-** | 99,900 |
| Belfast City Council | - | 32,250 | 2,156 | **34,406** | 49,252 |
| Department for Communities | - | 246,000 | 62,500 | **308,500** | 291,000 |
| SEUPB | - | - | (177) | **(177)** | 45,437 |
| DoFA; Reconciliation Fund | - | - | 33,715 | **33,715** | 38,310 |
| Coronavirus Job Retention Scheme | - | - | - | **-** | 46,897 |
| Ulster Scots Agency | - | - | 32,312 | **32,312** | 81,588 |
| Department of Finance Localised Restrictions | - | - | - | **-** | 34,058 |
| Pilgrim Trust | - | - | 10,000 | **10,000** | - |
| Foras Na Gaeilge | - | - | 10,000 | **10,000** | 21,658 |
| Tourism NI | - | - | - | **-** | 27,704 |
| NI Museums Council | | - | 240 | **240** | 1,000 |
| NIPR | | 2,000 | - | **2,000** | 2,000 |
| | - | 307,784 | 294,126 | **601,910** | 1,124,339 |

In accordance with recommended practice, income received in advance is not deferred, but recognised in the period in which it is received.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 3 Income from investments

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Dividends receivable | **8,408** | 8,318 |
| Interest receivable | **450** | 242 |
| | **8,858** | 8,560 |

### 4 Other trading activities

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| **Sale of books** | | |
| Library books and publications | **48,046** | 28,353 |
| | | |
| **Sales of services** | | |
| Coffee shop | **35,618** | 6,001 |
| Photocopying and fax | **313** | 78 |
| Telephone & Internet | **0** | 0 |
| Postage | **0** | 0 |
| Cultural programming | **4,989** | 1,062 |
| Royalties | **4,027** | 1,216 |
| Facility fees | **7,913** | 3,054 |
| Fundraising events | **0** | 0 |
| | **52,860** | 11,411 |
| | | |
| **Sale of products** | | |
| Books, prints and pamphlets | **5,104** | 2,799 |
| Other products | **1,960** | 18,223 |
| Gift shop items | **20,210** | 9,085 |
| | **27,274** | 30,107 |
| **Total** | **128,180** | 69,871 |

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

| 5 Expenditure on raising funds | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Merchandising costs (see below) | **8,976** | 5,818 |
| Book fund (see below) | **16,494** | 10,936 |
| Charity shop | **33,251** | 28,680 |
| | **58,721** | 45,434 |

| **Merchandising costs** | **2022** £ | 2021 £ |
|---|---|---|
| Prints, books and pamphlets | **-** | 1,423 |
| Coffee shop purchases | **1,769** | 0 |
| Gift shop expenditure | **7,207** | 4,395 |
| | **8,976** | 5,818 |

| **Book fund** | **2022** £ | 2021 £ |
|---|---|---|
| Irish | **9,840** | 4,843 |
| General | **6,654** | 6,093 |
| | **16,494** | 10,936 |

| 6 Projects and events | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Cultural Programming | **2,571** | (22) |
| extraORDINARYwomen (includes salary costs of £14,448 (2021: £142,165) | **41,330** | 279,113 |
| Peace IV - Making the Future (includes salary costs of £Nil (2021: £21,538)) | **-** | 60,771 |
| National Lottery Heritage Fund - Covid-19 | **-** | 4,499 |
| National Lottery Heritage Fund - Heritage Recovery (includes salary costs of £Nil (2021: £5,400)) | **3,260** | 62,757 |
| National Lottery Heritage Fund – CRESI Museum Engagement (includes salary costs of £17,754 (2021: £Nil)) | **17,754** | - |
| Arts Council NI - Covid-19 | **-** | 1,742 |
| Arts Council NI – Jimmy Ellis | **2,832** | 1,500 |
| Arts Council NI – Home of Poetry (includes salary costs of £2,989 (2021: £Nil)) | **8,086** | - |
| Department for Communities - Museum Collections | **7,143** | 7,143 |
| Department for Communities - Irish Children's Collection | **758** | 3,194 |
| Department for Communities – Linen Hall Re-branding | **10,800** | - |
| Department for Communities – Replace Guttering | **25,543** | - |
| Department for Communities – Ulster-Scots Digitisation (includes salary costs of £3,180 (2021: £Nil)) | **3,180** | - |
| Department of Foreign Affairs; Reconciliation Fund (includes salary costs of £22,141 (2021: £Nil)) | **37,933** | - |
| Dormant Accounts Fund – Linen Hall Digital Platform | **33,334** | - |
| Shared History Fund (includes salary costs of £4,834 (2021: £16,917)) | **14,043** | 36,641 |
| Foras na Gaeilge (includes salary costs of £Nil (2021: £3,675)) | **5,179** | 29,349 |
| Health, Safety and Governance | **2,468** | 3,698 |
| Repairs and Renewals | **10,992** | 10,992 |
| Enlightenment Festival 2022 (includes salary costs of £2,322 (2021: £Nil)) | **50,789** | 8,480 |
| Pilgrim Trust – Art Unlocked (includes salary costs of £10,000 (2021: £Nil)) | **10,000** | - |
| Belfast City Council – Access and Inclusion | **3,620** | 14,284 |
| Ulster-Scots Agency – Burns in Ulster (includes salary costs of £18,000 (2021: £18,000)) | **21,668** | 18,253 |
| Ulster-Scots Agency – Ulster-Scots Writing Competition (includes salary costs of £1,000 (2021: £Nil)) | **3,285** | 2,184 |
| Ulster-Scots Agency – Conservation and Storage | **-** | 4,626 |
| Ulster-Scots Agency – Covid-19 small project | **-** | 3,000 |
| Ulster-Scots Agency – Language project | **-** | 9,250 |
| Ulster-Scots Agency – Cataloguing project (includes salary costs of £4,650 (2021: £Nil)) | **4,650** | - |
| Defibrillator and training | **159** | 241 |
| National Museums NI | **-** | 1 |
| NI Museums Council | **378** | 1,000 |
| McLaverty Short Story Award | **98** | 4,832 |
| | **321,853** | 567,528 |

Project and events costs include £101,318 (2021: £207,695) of staff costs.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 7 Library operating costs

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| **Charitable operations** | | |
| Information technology | **50,288** | 41,770 |
| Training | **1,770** | 1,480 |
| Advertising & PR | **4,462** | 2,193 |
| Support costs (Note 8) | **195,594** | 194,421 |
| Travel & subsistence | **1,152** | 311 |
| Conservation | **1,131** | 870 |
| | **254,397** | 241,045 |
| **Establishment** | | |
| Rent and rates | **21,211** | 18,422 |
| Insurance | **22,844** | 16,406 |
| Light and heat | **34,768** | 14,075 |
| Repairs and maintenance | **45,938** | 36,979 |
| | **124,761** | 85,882 |
| **Depreciation** | | |
| Building | **87,600** | 87,600 |
| Fixtures and fittings | **617** | 617 |
| Computer equipment | **19,133** | 19,080 |
| | **107,350** | 107,297 |
| **Staff costs (note 9)** | **674,049** | 560,329 |
| **Total** | **1,160,557** | 994,553 |

## Notes to the financial statements for the year ended 31 December 2022

### 8 Support costs

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| **Administration** | | |
| Stationery | **3,953** | 3,876 |
| Printing | **7,334** | 3,807 |
| Photocopying | **3,280** | 940 |
| Postage | **1,348** | 2,191 |
| Telephone, fax and internet | **9,052** | 8,032 |
| Information technology | **18,878** | 15,320 |
| Miscellaneous | **1,511** | 589 |
| | **45,356** | 34,755 |
| **Governance** | | |
| Audit and related fees | **6,718** | 7,450 |
| Legal & professional fees | **20,030** | 32,494 |
| | **26,748** | 39,944 |
| **Financial expenses** | | |
| Bank charges | **1,676** | 1,357 |
| Bank interest | **399** | 355 |
| Visa paypoint fees | **1,220** | 334 |
| Other Interest | **3,602** | 4,216 |
| Other finance costs (see below) | **6,000** | 11,000 |
| | **12,897** | 17,262 |
| **Staff costs (note 9)** | **110,593** | 102,460 |
| **Total** | **195,594** | 194,421 |

**Other finance costs**

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Expected return on pension scheme | **136,000** | 88,000 |
| Interest on pension scheme liabilities | **(142,000)** | (99,000) |
| **Net return** | **(6,000)** | (11,000) |

## Notes to the financial statements for the year ended 31 December 2022

### 9 Staff costs

| | Unrestricted £ | Restricted £ | **Total 2022 £** | Total 2021 £ |
|---|---|---|---|---|
| Salaries | 480,761 | 79,141 | **559,902** | 552,190 |
| Social security costs | 40,464 | 7,440 | **47,904** | 44,903 |
| Pension costs | 290,339 | 14,737 | **305,076** | 296,535 |
| | 811,564 | 101,318 | **912,882** | 893,628 |

**Analysis of staff costs**

| | **2022 £** | 2021 £ |
|---|---|---|
| Projects | **101,318** | 207,695 |
| Library: | | |
| - Charitable operations | **674,049** | 560,329 |
| - Charity bookshop | **26,922** | 23,144 |
| - Support | **110,593** | 102,460 |
| | **912,882** | 893,628 |

The average number of employees, calculated on a full-time equivalent basis, analysed by function was:

| | **2022 Number** | 2021 Number |
|---|---|---|
| Projects | **3** | 6 |
| Charitable operations | **13** | 11 |
| Charity bookshop | **1** | 1 |
| Support | **2** | 2 |
| | **19** | 20 |

No employee had employee benefits (excluding employer pension costs) in excess of £70,000 (2021: £70,000).

Governors are not remunerated for services to the Library (2021: £Nil), and there were no Governors' expenses incurred (2021: £Nil).

The key management personnel of the Library comprise the Governors, the Director, the Librarian and the Finance Manager. The total employee benefits of the key management personnel of the Library were £202,330 (2021: £191,255).

Indemnity insurance for Governors' liability has been purchased by the Library at a cost of £1,780 (2021: £1,711).

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 10 Net income/(expenditure)

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| **Net income/(expenditure) is stated after charging:** | | |
| Depreciation on owned assets | **164,232** | 132,159 |
| Auditors' remuneration: | | |
| - audit services | **6,124** | 6,000 |
| - non-audit services | **405** | 405 |
| Other operating lease rentals | **-** | - |

### 11 Transfers between funds

| | Endowment Funds | Unrestricted Funds | Restricted Funds |
|---|---|---|---|
| | £ | £ | £ |
| Projects | - | - | **4,438** |
| General Fund | - | **(4,438)** | - |
| | - | **(4,438)** | **4,438** |

The transfer from unrestricted to restricted funds represents net overspending on funded projects.

### 12 Net (losses)/gains on investments

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Catalyst Endowment Fund | (31,168) | 24,489 |
| New Linen Hall Library Endowment Fund Endowment funds | (5,436) | 4,807 |
| | **(36,604)** | 29,296 |

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 13 Tangible fixed assets

| | Land & building £ | Leasehold Improvements £ | Fixtures & fittings £ | Computer equipment £ | Total £ |
|---|---|---|---|---|---|
| **Cost or valuation** | | | | | |
| At 1 January 2022 | 4,380,000 | 14,840 | 323,735 | 286,608 | 5,005,183 |
| Additions | - | - | - | 112,861 | 112,861 |
| **At 31 December 2022** | **4,380,000** | **14,840** | **323,735** | **399,469** | **5,118,044** |
| **Accumulated depreciation** | | | | | |
| At 1 January 2022 | 175,200 | 14,840 | 241,380 | 270,684 | 702,104 |
| Charge for the year | 87,600 | - | 23,888 | 52,744 | 164,232 |
| **At 31 December 2022** | **262,800** | **14,840** | **265,268** | **323,428** | **866,336** |
| **Net book amount** | | | | | |
| **At 31 December 2022** | **4,117,200** | **-** | **58,467** | **76,041** | **4,251,708** |
| At 31 December 2021 | 4,204,800 | - | 82,355 | 15,924 | 4,303,079 |

The Library's freehold and long leasehold properties were revalued at 31 December 2019 on the basis of open market value and open market rental value for existing use, by McConnell Chartered Surveyors and the revaluation adjustments of £480,000 to cost and £390,000 to accumulated depreciation together resulted in a gain on revaluation of £870,000. The valuations were undertaken in accordance with the Appraisal and Valuation Manual of the Royal Institute of Chartered Surveyors in the United Kingdom. The net book value of freehold and long leasehold properties at 31 December 2022 based on historical cost, had there been no revaluations, would have been £2,396,800 (2021: £2,482,400).

Fixed assets totalling £100,000 were purchased through capital grant funding in the year.

| | Land & building £ | Leasehold improvement £ | Office Equipment £ | Computer Equipment £ | Total £ |
|---|---|---|---|---|---|
| **Cost or valuation at 31 December 2022 is represented by** | | | | | |
| Cost | - | 14,840 | 323,735 | 399,469 | 738,044 |
| Valuation | 4,380,000 | - | - | - | 4,380,000 |
| | **4,380,000** | **14,840** | **323,735** | **399,469** | **5,118,044** |

No deferred tax has been provided for since the Library is a charity and therefore not subject to corporation tax.

### 14 Heritage assets

| | 2022 £ | 2021 £ |
|---|---|---|
| **Books and Periodicals at 31 December** | **2,759,850** | 2,759,850 |

The books and periodicals were valued as at 31 December 2020 by de Burca Rare Books, Antiquarian Booksellers.

## Notes to the financial statements for the year ended 31 December 2022

### 15 Investments

| Cost or valuation | Cash or cash equivalents £ | Listed Investments £ | Total £ |
|---|---|---|---|
| At 1 January 2022 | 358 | 299,320 | **299,678** |
| Capital introduced | - | - | **-** |
| Sale of investments | 1,360 | (1,009) | **351** |
| Charges net of equalisation | (351) | - | **(351)** |
| Fair value movements | - | (36,604) | **(36,604)** |
| **At 31 December 2022** | **1,367** | **261,707** | **263,074** |

All investments shown above are held at valuation.

### 16 Stocks

| | 2022 £ | 2021 £ |
|---|---|---|
| Goods for resale | **16,367** | 17,230 |

### 17 Debtors

| | 2022 £ | 2021 £ |
|---|---|---|
| Trade debtors | **4,617** | 5,694 |
| Other debtors | **5,596** | 35,434 |
| Prepayments and accrued income | **104,331** | 176,471 |
| | **114,544** | 217,599 |

Included in Prepayments and accrued income is an amount of £15,436 (2021: £117,573) relating to accrued grants receivable.

### 18 Creditors: amounts falling due within one year

| | 2022 £ | 2021 £ |
|---|---|---|
| Bank overdraft | **-** | - |
| Trade creditors | **40,853** | 80,832 |
| Other creditors and accruals | **33,818** | 61,413 |
| Deferred income (Note 19) | **51,411** | 48,465 |
| Taxation and social security | **22,154** | 10,326 |
| | **148,236** | 201,036 |

## Notes to the financial statements for the year ended 31 December 2022

### 19 Deferred income

| | £ |
|---|---|
| At 1 January 2022 | 48,465 |
| Amount released to income | (48,465) |
| Amount deferred in year | 51,411 |
| **At 31 December 2022** | **51,411** |

Deferred income comprises rental income and membership subscriptions received in advance.

### 20 Creditors: amounts falling due after one year

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Obligations under finance leases | - | 801 |

### 21 Contingencies

A contingent liability exists to repay grants and funds received should certain conditions not be fulfilled by the charity. In the opinion of the Governors, the terms of the letters of offer have been, or will be, complied with and no liability is expected.

### 22 Unrestricted funds

| | General Fund £ | Revaluation Fund £ | Total £ |
|---|---|---|---|
| Balance at 1 January 2022 | (420,497) | 7,036,012 | 6,615,515 |
| Net outgoing resources for the year | (522,631) | - | (522,631) |
| Transfer to restricted funds | (4,438) | - | (4,438) |
| Actuarial gains on defined benefit scheme | 1,818,000 | - | 1,818,000 |
| **Balance at 31 December 2022** | **870,434** | **7,036,012** | **7,906,446** |

Unrestricted general funds include an asset of £1,293,578 (2021: liability of £323,422) in respect of pension scheme assets/liabilities of the pension fund.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 23 Restricted funds

| | Balance at 1 January 2022 £ | Incoming Resources £ | Project Expenditure £ | Transfers (Note 11) £ | **Balance at 31 December 2022 £** |
|---|---|---|---|---|---|
| Cultural Programming | - | - | (2,571) | 2,571 | **-** |
| McLaverty Trust | 9,522 | 91 | (98) | - | **9,515** |
| Theatre Archive | 3,087 | - | - | (3,087) | **-** |
| extraORDINARYwomen | 32,658 | 33,870 | (41,330) | - | **25,198** |
| Peace IV - Making the Future | - | (177) | - | 177 | **-** |
| NLHF–CRESI Museum Engagement | - | 49,904 | (17,754) | - | **32,150** |
| NLHF – GFA Origins and Legacies | - | 45,263 | - | - | **45,263** |
| NLHF – Heritage Recovery | 12,876 | - | (3,260) | - | **9,616** |
| DfC - Museum Collections | 42,422 | - | (7,143) | - | **35,279** |
| DfC – Irish Children's Collection | 6,664 | - | (758) | - | **5,906** |
| DfC – Linen Hall Re-branding | 15,000 | - | (10,800) | - | **4,200** |
| DfC – Replace Guttering | - | 25,000 | (25,543) | 543 | **-** |
| DfC – Ulster-Scots Digitisation | - | 22,500 | (3,180) | - | **19,320** |
| DfC Charities Fund – Covid-19 | 9,261 | - | - | - | **9,261** |
| Linenopolis | 14 | - | - | (14) | **-** |
| Foras na Gaeilge | 12,681 | 10,000 | (5,179) | - | **17,502** |
| Health, Safety and Governance | 2,468 | - | (2,468) | - | **-** |
| Repairs and Renewals | 38,840 | - | (10,992) | - | **27,848** |
| Arts Council NI – Jimmy Ellis | 700 | - | (2,832) | 1,832 | **(300)** |
| Arts Council NI – Home of Poetry | - | 8,694 | (8,086) | - | **608** |
| Belfast City Council-Access Inclusion | (3,052) | 556 | (3,620) | 2,691 | **(3,425)** |
| Belfast City Council – Bus. Recovery | (110) | - | - | 110 | **-** |
| Ulster-Scots Agency- Burns in Ulster | 9,340 | 20,000 | (21,668) | - | **7,672** |
| Ulster-Scots Agency- Writing Comp. | 7,816 | 10,000 | (3,285) | - | **14,531** |
| Ulster-Scots Agency- Conservation | 274 | - | - | - | **274** |
| Ulster-Scots Agency- Language | (2,312) | 2,312 | - | - | **-** |
| Ulster-Scots Agency- Cataloguing | 4,650 | - | (4,650) | - | **-** |
| Dormant Accounts Fund – Digital Platform | 99,900 | - | (33,334) | - | **66,566** |
| NIO Shared History Fund | 14,659 | - | (14,043) | - | **616** |
| Enlightenment Festival | 33,770 | 22,249 | (50,789) | - | **5,230** |
| Department of Foreign Affairs; Reconciliation Fund | 38,310 | 33,715 | (37,933) | - | **34,092** |
| Pilgrim Trust – Art Unlocked | - | 10,000 | (10,000) | - | **-** |
| NI Museums Council | - | 240 | (378) | 138 | **-** |
| Defibrillator and Training | 554 | - | (159) | - | **395** |
| CRC - Partition Poetry | 150 | - | - | (150) | **-** |
| British Council NI | 234 | - | - | (234) | **-** |
| National Museums NI – Live Well | 139 | - | - | (139) | **-** |
| | 390,515 | 294,217 | (321,853) | **4,438** | **367,317** |

### 23 Restricted funds (continued)

**Cultural Programming -** Using the Library's historical position as a cultural leader in Northern Ireland to showcase and nurture the artistic and cultural life of all in the community

**McLaverty Trust** - Biennial award to foster and encourage the art of the short story in Ireland

**extraORDINARYwomen** – Digitisation, collection enhancement, outreach and oral history project, exploring the evolution of women's lives in Northern Ireland since 1965

**Making the Future** – Led by the Nerve Centre and in collaboration with the Public Record Office of Northern Ireland, aiming to uncover women's stories from the archives

**NLHF – Covid Recovery Employment and Skills Initiative for Heritage** – Museum Engagement
**NLHF – Good Friday Agreement** – Origins and Legacies project
**NLHF - Covid-19 Heritage Recovery Fund –** core support and preparation for re-opening

**Department for Communities - Museum Collections -** enhanced collection care and conservation
**Department for Communities - Irish Children's Collection –** to establish an Irish children's library
**Department for Communities – Linen Hall Library Re-branding** – consultancy costs
**Department for Communities – Replace Guttering** – to replace original, damaged guttering
**Department for Communities – Ulster-Scots Digitisation** – to digitise part of Ulster-Scots collection
**Department for Communities – Covid-19 Charities Fund –** to contribute to re-opening costs

**Foras na Gaeilge** – conservation of the Linen Hall Library's Irish Language collections

**Health & Safety and Governance** – Capital items for purposes of health & safety and governance

**Repairs and Renewals** – Capital items for the upkeep of the Linen Hall's historic building

**Arts Council NI –** Home of Poetry project and Jimmy Ellis project

**Belfast City Council Access and Inclusion –** Emergency evacuation chairs and hearing loop system

**Ulster Scots Agency - Burns in Ulster** – Conservation of the Library's Gibson Collection
**Ulster Scots Agency –** Ulster Scots Writing Competition, Conservation and Storage, Covid-19, Language and Cataloguing projects

**Dormant Accounts Fund –** Building a new Linen Hall Library digital platform

**NIO Shared History Fund -** Perspectives on Partition and the Foundation of Northern Ireland -1921-2021

**Enlightenment Festival –** wide-ranging programme of performances, art installations, talks and debates

**Department of Foreign Affairs; Reconciliation Fund –** Years of Chaos and Hope project and Borders and Boundaries project

**Pilgrim Trust – Art Unlocked** – documentation project to increase access to the Linen Hall's art collection

**NI Museums Council** – Acquisition of museum piece

**Defibrillator and Training** – Provision of defibrillator in the Library city and training of staff in its use

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 24 Endowment funds

| | Balance at 1January 2022 £ | Income £ | (Losses)/gains on investments £ | **Balance at 31 December 2022 £** |
|---|---|---|---|---|
| McLaverty Trust | 60,385 | - | - | **60,385** |
| Catalyst Endowment Fund | 255,502 | - | (31,168) | **224,334** |
| New Linen Hall Library Endowment Fund | 45,088 | 34,520 | (5,436) | **74,172** |
| Linen Hall Library Fund | 100 | - | - | **100** |
| | 361,075 | 34,520 | (36,604) | **358,991** |

### 25 Analysis of net assets between funds

| | **Endowment Funds £** | **Unrestricted Funds £** | **Restricted Funds £** | **Total Funds £** |
|---|---|---|---|---|
| **Fund balances at 31 December 2022 are represented by:** | | | | |
| Tangible fixed assets | - | 4,127,600 | 124,108 | **4,251,708** |
| Heritage assets | - | 2,759,850 | - | **2,759,850** |
| Investments | 263,074 | - | - | **263,074** |
| Net current assets/(liabilities) | 95,917 | (274,582) | 243,209 | **64,544** |
| Long term liabilities | - | - | - | **-** |
| Pension asset | - | 1,293,578 | - | **1,293,578** |
| **Total net assets at 31 December 2022** | 358,991 | 7,906,446 | 367,317 | **8,632,754** |

### 26 Financial commitments

At 31 December the Library had annual commitments under non-cancellable operating leases expiring as follows:

| | **Office equipment** | |
|---|---|---|
| | **2022** | 2021 |
| | **£** | £ |
| In less than one year | **6,323** | 6,323 |
| In more than one year, but not more than 5 years | **10,569** | 16,892 |
| | **16,892** | 23,215 |

### 27 Related parties

The Library is Lead Partner in The National Collection of Northern Ireland Publications (NIPR). The one part-time employee of NIPR based at the Linen Hall was employed and paid for by NIPR. The Library received £2,000 (2021: £2,000) from NIPR as its contribution to the cost of running the integrated library system, offsite storage and material processing.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 28 Post-balance sheet events

There have been no events occurring after 31 December 2022 which require disclosure.

### 29 Reconciliation of net movement in funds to net cash flow from operating activities

| | **2022** £ | 2021 £ |
|---|---|---|
| Net movement in funds | 1,265,649 | 682,963 |
| Add back depreciation charge | 164,232 | 132,159 |
| Less gain on revaluation of fixed assets | - | - |
| Add loss/(gain) on investments | 36,604 | (29,296) |
| Deduct investment income shown in investing activities | (8,858) | (8,560) |
| Add back interest paid shown in financing activities | 12,897 | 17,262 |
| Decrease/(increase) in stock | 863 | (7,772) |
| Decrease/(increase) in debtors | 103,055 | (79,817) |
| (Decrease)/increase in creditors falling due within one year | (52,800) | 56,198 |
| (Decrease)/increase in creditors falling due after one year | (801) | (14,262) |
| (Decrease)/Increase in pension liability | (1,617,000) | (481,000) |
| **Net cash provided by operating activities** | **(96,159)** | 267,875 |

### 30 Cash and cash equivalents at 31 December

| | **2022** £ | 2021 £ |
|---|---|---|
| Term deposit at Danske Bank | 60,626 | 60,626 |
| Petty cash | 17 | 24 |
| Divided Society current account at Danske Bank | 11 | 1 |
| Cash account at Cunningham Coates | 783 | 2,469 |
| Bank balance/(overdraft) at Danske Bank | 20,432 | 231,808 |
| **Total cash and cash equivalents** | **81,869** | 294,928 |

### 31 Pension commitments

The Library operates a defined benefit scheme with assets held in separate trustee administered funds.

An actuarial valuation of the defined benefit pension scheme using the projected unit basis was carried out at 31 December 2022 by Aon Solutions UK Limited.

**Defined benefit scheme**

The amounts recognised in the statement of financial position are as follows:

| | **2022** | 2021 |
|---|---|---|
| | **£'000** | £'000 |
| Defined benefit obligation | **(4,603)** | (7,136) |
| Fair value of plan assets | **5,896** | 6,812 |
| Net defined benefit asset/(liability) | **1,293** | (324) |
| **Net amount recognised at year end** | **1,293** | (324) |

**The amounts recognised in comprehensive income are:**
The current and past service costs, settlements and curtailments, together with the net interest expenses for the year are included in profit or loss. Re-measurements of the net defined benefit liability are included in other comprehensive income.

| | **2022** | 2021 |
|---|---|---|
| **Service cost:** | **£'000** | £'000 |
| Current service cost (net of employee contributions) | **304** | 294 |
| Administration expenses | **3** | 3 |
| Net interest expense | **6** | 11 |
| **Charge recognised in profit or loss** | **313** | 308 |

| **Re-measurements of the net liability:** | | |
|---|---|---|
| Return on scheme assets (excluding amount included in net interest expense) | **1,057** | (427) |
| Actuarial gains | **(2,875)** | (257) |
| **Credit recorded in other comprehensive income** | **(1,818)** | (684) |

| | | |
|---|---|---|
| **Total defined benefit credit** | **(1,505)** | (376) |

## Notes to the financial statements for the year ended 31 December 2022

### 31 Pension commitments (continued)

**The principal actuarial assumptions used were:**

| | **2022** | 2021 |
|---|---|---|
| Liability discount rate | **4.70%** | 2.00% |
| Inflation assumption – CPI | **2.60%** | 2.70% |
| Rate of increase in salaries | **4.10%** | 4.20% |
| Revaluation of deferred pensions: CPI | **2.60%** | 2.70% |
| Increases in pensions for payment | **2.60%** | 2.70% |
| Proportion of employees commuting pension for cash | **75.00%** | 75.00% |

**The mortality assumptions used were:**

| | **31 December 2022** | 31 December 2021 |
|---|---|---|
| Average expected future life at age 65 for | | |
| Male currently aged 65 | **21.8** | 21.9 |
| Female currently aged 65 | **25.0** | 25.1 |
| Male currently aged 45 | **23.2** | 23.3 |
| Female currently aged 45 | **26.4** | 26.5 |

**Reconciliation of scheme assets and liabilities**

| | **Assets £'000** | **Liabilities £'000** | **Total £'000** |
|---|---|---|---|
| At start of period | 6,812 | (7,136) | **(324)** |
| Benefits paid | (144) | 144 | **-** |
| Administration expenses | - | (3) | **(3)** |
| Current service cost | - | (304) | **(304)** |
| Contributions from the employer | 112 | - | **112** |
| Contributions from employees | 37 | (37) | **-** |
| Interest income/(expense) | 136 | (142) | **(6)** |
| Return on assets (excluding amount included in net interest expense) | (1,057) | - | **(1,057)** |
| Actuarial gains | - | 2,875 | **2,875** |
| | **5,896** | **(4,603)** | **1,293** |

### 31 Pension commitments (continued)

**The return on plan assets was:**

| | **2022** | 2021 |
|---|---|---|
| | **£'000** | £'000 |
| Interest income | **136** | 88 |
| Return on plan assets (excluding amount included in net interest expense) | **(1,057)** | 427 |
| **Total return on plan assets** | **(921)** | 515 |

**The major categories of scheme assets are as follows:**

| | **2022** | 2021 |
|---|---|---|
| | **£'000** | £'000 |
| Equities and Alternatives | **2,359** | 2,929 |
| Property | **660** | 681 |
| Gilts | **1,215** | 1,805 |
| Multi Asset Credit | **784** | - |
| Cash | **383** | 307 |
| Fixed Interest Bonds | **177** | 858 |
| Other | **318** | 232 |
| | **5,896** | 6,812 |

**Belfast Library and Society for Promoting Knowledge (Linen Hall Library)**

Northern Ireland - Charity number 104564

# Annual report

Registered no: NIC104564

# Belfast Library and Society for Promoting Knowledge (The Linen Hall)
# Annual report
# for the year ended 31 December 2022

# The Linen Hall

## Annual report for the year ended 31 December 2022


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# The Linen Hall

## Reference and administrative details

**Governors**

| | | |
|---|---|---|
| **President:** | Dr E Hughes, BA, MA, PHD | (8/8) |
| **Vice-President:** | Ms L Maltman, BSc, MSc | (4/8) |
| **Honorary Secretary:** | Ms K Blair, LLB, LLM, LARTPI | (4/8) |
| **Honorary Treasurer:** | Mr C McCleane | (6/8) |
| | Mr M Adair | (0/8) |
| | Dr S Bridge, MA, MSc, PhD (from May 2022) | (2/4) |
| | Ms K Hoey (to May 2022) | (1/4) |
| | Mr G Lucy, BA Hons, PGCE | (4/8) |
| | Ms S McCartan, BA Hons, ACIfA, FSA (London) | (4/8) |
| | Mr J McCartney, MSc | (6/8) |
| | Dr P McGarry, DL, FRCPsych | (5/8) |
| | Mr S McKee, BA | (6/8) |
| | Mr J McVey, OBE, MBA, MSc (from May 2022) | (1/4) |
| | Prof M Ó Mainnín, BA, MA, PhD | (4/8) |
| | Prof O Purdue, BA, MA, PHD | (2/8) |
| | Mr J Roberts (to May 2022) | (3/4) |
| | Ms S Stevenson, ACR | (4/8) |

*[figure in brackets indicates attendance at Governors' meetings]*

**Principal office**
17 Donegall Square North
Belfast
BT1 5GB

**Charity number**
NIC104564

**Solicitors**
Cleaver Fulton Rankin
50 Bedford Street
Belfast
BT2 7FW

**Bankers**
Danske Bank Limited
Donegall Square West
Belfast
BT1 6JS

**Independent auditors**
Finegan Gibson Ltd
Causeway Tower
9 James Street South
Belfast
BT2 8DN

# The Linen Hall

## Governors' report for the year ended 31 December 2022

The Library, which operates under the name of the Linen Hall Library, is legally known as the Belfast Library and Society for Promoting Knowledge.

The Board of Governors, who are also the trustees of the Library, submit their annual report and the audited financial statements for the year ended 31 December 2022. The Governors have prepared the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, effective 1 January 2015).

**Reference and administration information**

Details of the registered office, governors, independent advisers and other relevant information are given on page 1.

**Structure, governance and management**

**Governors**
The Governors are responsible for setting the Library's forward strategy and oversight of its business.

**Governing document**
The Library was founded in 1788 and is governed by its Constitution enacted in 1891 under the Educational Endowments (Ireland) Act, 1885 and as subsequently amended.

In 2016, the Library was formally registered as a charity by the new Charity Commission for Northern Ireland.

The Constitution is available on the Library website at www.linenhall.com.

**Appointment of Governors**
There is a maximum of fifteen Governors of the Linen Hall Library who are elected by triennial rotation at the Annual General Meeting and by the subscribing members of the Library. A Governor shall not be eligible for re-election after having served two successive terms of three years, until the lapse of a period of two years. The officers of the Society are also elected annually at the Governors' meeting immediately after the Annual General Meeting.

**Recruitment of Governors**
The Governors annually review the skills required by the Board and available to them and, when appropriate, use their powers of co-option to fill gaps.

**Governor induction and training**
New Governors undertake an induction visit to the Library and are supplied with all key Library documentation. The Library has arrangements in place to provide training for all its Governors on an annual basis.

**Risk management**
The Library has established a risk register which is reviewed by the Governors on a quarterly basis.

Risks arising from the relative weakness of the Library's financial position are being addressed in the context of the ongoing business planning process.

The Governors will continue to review the financial risks that the Library faces and believe that increasing the free reserves to £305,395 will provide sufficient resources in the event of adverse conditions (see Reserves policy on page 4).

The Governors take the responsibility of monitoring financial risk management. The organisation is not significantly exposed to price or credit risk. The organisation has a bank overdraft and the Governors continually review this debt to ensure interest charges are minimised as far as possible.

## Governors' report for the year ended 31 December 2022 (continued)

**Structure, governance and management (continued)**

**Management**
Responsibility for the day to day running of the Library lies with the Director and the Management Team. The Director is responsible for ensuring that planned services are delivered, that key performance indicators are met, and that agreed procedures are operative.

**Related parties**
The Library is Lead Partner in The National Collection of Northern Ireland Publications (NIPR). The one part-time employee of NIPR based at the Linen Hall is employed and paid for by NIPR.

**Objectives and activities**

**Constitution and mission**
The Library's Constitution at paragraph 11, and as amended in 2006, describes the 'Trusts of the Endowment' as follows:

> The Endowments and all other property of or belonging to the Governors, or available for the purposes of this Scheme, shall be held by them upon trust for the promotion of knowledge in Northern Ireland and for the benefit of international scholarship, by the maintenance of a Library, and by such other means as the Society may from time to time deem it advisable to adopt.

The Library's mission statement is as follows:
The Linen Hall Library will advance knowledge and understanding, both locally and internationally, by developing, preserving and interpreting its collections, with unique strengths in Irish and Local Studies, and widening access to an historic library and cultural centre.

**Objectives in 2022**

The Library aimed to:

- Develop the Linen Hall Library's standing on an international stage
- Protect and develop new and existing Collections
- Improve interpretation of the Collections
- Widen access to an historic library and cultural centre
- Contribute to cultural development in the UK and Ireland
- Improve the financial sustainability of the Library

## Governors' report for the year ended 31 December 2022 (continued)

**Structure, governance and management (continued)**

**Achievements and performance**

The Linen Hall was open to the public and members throughout 2022, having been closed until 23rd May in 2021 due to Covid-19 restrictions. Fundraising trading activities which had been severely limited during the pandemic began to approach pre-pandemic levels and membership numbers remained buoyant. This year also saw the delivery of several projects for which grant funding had been received in 2021, and successful applications for further projects carrying on into 2023, all of which served to enhance the Linen Hall's contribution to society and to support its financial sustainability.

- Arts and cultural programming activity had been moved online when the Linen Hall building had to close, resulting in a much stronger digital presence and wider social networking. There followed a successful application to the Dormant Funds account for £100,000 for the build of a digital platform. This build was completed in 2022 and the digital platform was launched in October 2022.
- The delivery phase of the extraORDINARYwomen digitisation project had begun in April 2020 and was completed in 2022. This project considers women's social, economic and political development in Northern Ireland from 1965 to the present day.
- Other funded projects in 2022 included the Linen Hall Library Enlightenment Festival, "Years of Chaos and Hope", a Department of Foreign Affairs; Reconciliation Fund project focusing on the years 1922, 1972 and 2022 in the history of Northern Ireland, and "Perspectives on Partition and the Foundation of Northern Ireland -1921-2021", funded by the Shared History Fund of the Northern Ireland Office.
- The Linen Hall Library Endowment Fund continued to attract donations and all income generated is being used to enhance the Library and its Collections, helping to ensure their future sustainability.
- Foras na Gaeilge continued to support conservation and cataloguing of the Library's Irish Language collection and provided funding for the digitisation of the Robert McAdam Comparative Lexicon.
- Ulster-Scots Agency funding allowed work to continue in conserving, cataloguing, and making accessible the Gibson Collection of Ulster Scots material, as well as supporting the Ulster-Scots Writing Competition.

**Financial review**

**Results**
In common with many other charities, the Library faces challenging economic times, and continuing efforts are being made to increase revenue and to control costs. The Library has worked successfully with funders and bankers to deal with the deficit going forward. The statement of financial activities for the year is set out on page 12.

The Library incurred a deficit of £515,747 in the year (2021: £30,333), before the impact of the actuarial gain on the defined benefit pension scheme and a loss on revaluation of investments. The Library had net current assets of £64,544 at the year-end (2021: £328,721).

**Principal funding sources**
The Library's key funders in 2022 were the Department for Communities which provided grants of £308,500 (2021: £291,000) and the National Lottery Heritage Fund £156,571 (2021: £375,656).

**Reserves policy**
The long-term objective of the Governors over a three to five-year period is to achieve a level of unrestricted funds not invested in tangible or fixed assets (the free reserves) equivalent to three months' expenditure on the core activities of the Library. At the end of 2022 this equates to £305,395 (2021: £260,497).

**Taxation**
The Library is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Library's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

## Governors' report for the year ended 31 December 2022 (continued)

**Financial review (continued)**

**Borrowings**
The Library relies on an overdraft facility with Danske Bank. This facility was reviewed in 2022 and sufficient facilities to meet projected cash flow requirements were approved. At the year end the Library had net assets of £81,069 at Danske Bank (2021: £292,435); this was inclusive of £60,385 (2021: £60,385) of funds (including gift aid and interest) held for the Michael McLaverty Trust (see page 5) and a balance on its current account of £20,432 (2021: £231,808).

**Endowment funds**
The Library administers the Michael McLaverty award and holds £60,385 in respect of this trust. This is an endowment, the income from which is available to the Library only for the specific purpose of running the biennial Michael McLaverty Short Story Award.

In 2013, the Library launched its Catalyst Endowment Fund, under which every £1 raised by the Library was matched by a £1 grant from the Heritage Lottery Fund's Catalyst endowment programme, over a four-year period. Funds raised under this programme are invested for a period of 25 years, and the income used to further the Library's mission. The balance held in this fund at the year-end was £224,334 (2021: £255,502).

The New Linen Hall Library Endowment Fund was set up in 2018 to provide an income for the preservation and conservation of the collections held within the Linen Hall Library. The balance held in this fund at 31st December 2022 was £74,172 (2021: £45,088).

**Pension scheme**
The Library operates a defined benefit scheme through NILGOSC. Prior to 2006 the Library's share of this scheme could not be identified by NILGOSC and, in keeping with other such multi-employer schemes, the Library treated its pension cost as if it were a defined contribution (rather than a defined benefit) scheme in accordance with accounting standards.

In late 2006 NILGOSC separated each of the employer scheme details and, as a result, the Library complies with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, and incorporates the year end surplus or deficit on the scheme in its balance sheet and the movement on the scheme within the Statement of Financial Activities. At 31 December 2022 the scheme showed a surplus of £1,293,578, an improvement on the £323,422 deficit in the previous year; this change arose from changes in assumptions used by the scheme actuary.

**Plans for the future**

A Business Plan for 2023 was approved by the Governors in January 2023. The Linen Hall was open to the public and members throughout 2022, having been closed until 23rd May in 2021 due to Covid-19 restrictions. Fundraising trading activities which had been severely limited during the pandemic began to approach pre-pandemic levels and membership numbers remained buoyant. The Linen Hall continues to diversify its income and modernise its approach whilst retaining its heritage values and charitable mission. In the next few years new strategies will be developed to enhance the Linen Hall's sustainability for the future.

The Library aims to:

- Develop the Linen Hall Library's standing on an international stage
- Protect and develop new and existing Collections
- Improve interpretation of the Collections
- Widen access to an historic library and cultural centre
- Contribute to cultural development in the UK and Ireland
- Improve the financial sustainability of the Library

## Governors' report for the year ended 31 December 2022 (continued)

**Statement of Governors' responsibilities**

The Governors are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, effective 1 January 2015).

The law applicable to charities requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in FRS 102;
- 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 the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act (Northern Ireland) 1964 and under the Charities (NI) Order 1987 and in accordance with the Educational Endowments Act 1885. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement of disclosure of information to auditors**

So far as each of the Governors in office at the date of approval of these financial statements is aware:

- there is no relevant audit information of which the Library's auditors are unaware; and
- they have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that the Library's auditors are aware of that information.

**Independent auditors**

A motion to reappoint the auditors will be proposed at the AGM.

By order of the Board

**Mr C. McCleane**
**Honorary Treasurer**

Date: 30th March 2023

# The Linen Hall

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2022

### Opinion

We have audited the financial statements of The Linen Hall Library (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, 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 FRS 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 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act (Northern Ireland) 2022.

### 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 charity 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 charity'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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2022

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.
We have nothing to report in respect of the following matters in relation to which the Charities Act (Northern Ireland) 2022 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are 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 trustees 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 charity'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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether management were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether management have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- the matters discussed among the audit engagement team including significant component audit teams and relevant internal specialists, including tax and valuations specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2022

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks in operation, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included ongoing compliance with the UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental for their ability to operate or to avoid a material penalty.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

# The Linen Hall

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2022

**Use of our report**

This report is made solely to the charity's members, as a body, in accordance with section 65 of the Charities Act (Northern Ireland) 2008. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



CONOR DOLAN FCA
(Senior Statutory Auditor)
For and on behalf of
FINEGAN GIBSON LTD
Chartered Accountants & Statutory Auditors
Causeway Tower
9 James Street South
Belfast
BT2 8DN

Date: 30th March 2023

# The Linen Hall

## Statement of financial activities for the year ended 31 December 2022

| | Notes | Endowment Funds 2022 £ | Unrestricted Funds 2022 £ | Restricted Funds 2022 £ | **Total Funds 2022 £** | Endowment Funds 2021 £ | Unrestricted Funds 2021 £ | Restricted Funds 2021 £ | **Total Funds 2021 £** |
|---|---|---|---|---|---|---|---|---|---|
| **Income and endowments from** | | | | | | | | | |
| Donations and legacies | 2 | 34,520 | 460,011 | 294,126 | **788,657** | 352 | 682,111 | 694,662 | **1,377,125** |
| Rental income | | - | 101,989 | - | **101,989** | - | 123,626 | - | **123,626** |
| Income from investments | 3 | - | 8,767 | 91 | **8,858** | - | 8,226 | 334 | **8,560** |
| **Income from charitable activities** | | | | | | | | | |
| Other trading activities | 4 | - | 128,180 | - | **128,180** | - | 69,871 | - | **69,871** |
| **Other income** | | - | - | - | **-** | - | - | - | **-** |
| **Total income** | | 34,520 | 698,947 | 294,217 | **1,027,684** | 352 | 883,834 | 694,996 | **1,579,182** |
| **Expenditure on** | | | | | | | | | |
| Rental expenses | | - | 2,300 | - | **2,300** | - | 2,000 | - | **2,000** |
| Expenditure on raising funds | 5 | - | 58,721 | - | **58,721** | - | 45,434 | - | **45,434** |
| | | - | 61,021 | - | **61,021** | - | 47,434 | - | **47,434** |
| **Expenditure on charitable activities** | | | | | | | | | |
| Projects and events | 6 | - | - | 321,853 | **321,853** | - | - | 567,528 | **567,528** |
| Library operating costs | 7 | - | 1,160,557 | - | **1,160,557** | - | 994,553 | - | **994,553** |
| | | - | 1,160,557 | 321,853 | **1,482,410** | - | 994,553 | 567,528 | **1,562,081** |
| **Total expenditure** | | - | 1,221,578 | 321,853 | **1,543,431** | - | 1,041,987 | 567,528 | **1,609,515** |
| **Net (expenditure)/income** | 10 | 34,520 | (522,631) | (27,636) | **(515,747)** | 352 | (158,153) | 127,468 | **(30,333)** |
| **Transfers between funds** | 11 | - | (4,438) | 4,438 | **-** | - | (1,181) | 1,181 | **-** |
| **Net (expenditure)/income before recognised gains and losses** | | 34,520 | (527,069) | (23,198) | **(515,747)** | 352 | (159,334) | 128,649 | **(30,333)** |
| Net (losses)/gains on investments | 12 | (36,604) | - | - | **(36,604)** | 29,296 | - | - | **29,296** |
| Gain on revaluation of fixed assets | 14 | - | | - | **-** | - | | - | **-** |
| Actuarial gains on defined benefit pension scheme | 31 | - | 1,818,000 | - | **1,818,000** | - | 684,000 | - | **684,000** |
| **Net movement in funds** | | (2,084) | 1,290,931 | (23,198) | **1,265,649** | 29,648 | 524,555 | 128,649 | **682,963** |
| **Fund balance brought forward** | | 361,075 | 6,615,515 | 390,515 | **7,367,105** | 331,427 | 6,090,849 | 261,866 | **6,684,142** |
| **Total funds carried forward** | | 358,991 | 7,906,446 | 367,317 | **8,632,754** | 361,075 | 6,615,515 | 390,515 | **7,367,105** |

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

# The Linen Hall

## Statement of financial position as at 31 December 2022

| | Notes | 2022<br>£ | 2021<br>£ |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 13 | **4,251,708** | **4,303,079** |
| Heritage assets | 14 | **2,759,850** | **2,759,850** |
| Investments | 15 | **263,074** | **299,678** |
| | | **7,274,632** | **7,362,607** |
| **Current assets** | | | |
| Stocks | 16 | **16,367** | **17,230** |
| Debtors | 17 | **114,544** | **217,599** |
| Cash at bank and in hand | | **81,869** | **294,928** |
| | | **212,780** | **529,757** |
| **Creditors: amounts falling due within one year** | 18 | **(148,236)** | **(201,036)** |
| **Net current assets** | | **64,544** | **328,721** |
| **Creditors: amounts falling due after one year** | 20 | **-** | **(801)** |
| **Net assets excluding pension asset/(liability)** | | **7,339,176** | **7,690,527** |
| **Pension asset/(liability)** | 31 | **1,293,578** | **(323,422)** |
| **Net assets including pension asset/(liability)** | | **8,632,754** | **7,367,105** |
| **Funds** | | | |
| **Unrestricted funds:** | | | |
| - General fund | 22 | **870,434** | **(420,497)** |
| - Revaluation fund | 22 | **7,036,012** | **7,036,012** |
| | | **7,906,446** | **6,615,515** |
| **Restricted funds** | 23 | **367,317** | **390,515** |
| **Endowment funds** | 24 | **358,991** | **361,075** |
| Total funds | 25 | **8,632,754** | **7,367,105** |

The financial statements on pages 12 to 35 were approved by the Board on 30th March 2023 and were signed on its behalf by:

Mr C McCleane
**Honorary Treasurer**

Dr E Hughes
**President**

# The Linen Hall

## Statement of cash flows for the year ended 31 December 2022

| | Notes | 2022 £ | 2021 £ |
|---|---|---|---|
| **Cash flows from operating activities** | 29 | **(96,159)** | **267,875** |
| **Cash flows from investing activities** | | | |
| Interest income | | 450 | 242 |
| Dividend income | | 8,408 | 8,318 |
| Purchase of tangible fixed assets | | (112,861) | (13,530) |
| Purchase of investments | | - | (6,550) |
| **Cash used in investing activities** | | **(104,003)** | **(11,520)** |
| **Cash flows from financing activities** | | | |
| Interest and fees paid | | (12,897) | (17,262) |
| **Cash used in financing activities** | | **(12,897)** | **(17,262)** |
| **Increase/(decrease) in cash and cash equivalents in the year** | | **(213,059)** | **239,093** |
| **Cash and cash equivalents at the beginning of the year** | 30 | **294,928** | **55,835** |
| **Total cash and cash equivalents at the end of the year** | 30 | **81,869** | **294,928** |

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 1 Accounting policies

**Statement of compliance**
These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act (Northern Ireland) 2008.
The charity meets the definition of a public benefit entity under FRS 102.

**Judgements and key sources of estimation uncertainty**
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Incoming resources**
All incoming resources are included in the statement of financial activities when the Library is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**Voluntary income**

**Legacies**
Legacies are recognised when received or when their amount is capable of measurement.

**Donations**
Donations are included in full when received.

**Grants**
Revenue grants are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.

Grants for the purpose of capital expenditure are credited to restricted incoming resources when receivable and transferred to unrestricted funds on purchase of asset.

**Activities for generating funds**

**Voluntary income**
Annual subscriptions are included as voluntary income and are accounted for on an accruals basis.

**Other income**
Other income is included in full in the Statement of Financial Activities when received.

**Investment income**
Investment income is accounted for when received.

**Fundraising income**
Fundraising income is accounted for when received.

**Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

**Library operating costs**
Library operating costs are those incurred in connection with administration of the Library and compliance with constitutional and statutory requirement

## 1 Accounting policies (continued)

**Irrecoverable VAT**
Any irrecoverable VAT is charged to the statement of financial activities or capitalised as part of the cost of the related asset, where appropriate.

**Pensions**
The Library operates a defined benefit scheme through the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) for specific employees. The assets of the scheme are held separately from those of the Library.

The Library has adopted FRS 102 in these financial statements. Pension scheme assets are measured using market value. Pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term to the liability. The increase in the present value of the liabilities of the Library's defined benefit pension scheme arising from employee service in the period is charged to operating profit. The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities arising from the passage of time are included in other finance costs. Actuarial gains and losses are recognised in the statement of financial activities.

**Tangible assets**

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated so as to write off the cost, or valuation, of tangible fixed assets, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned. The principal annual rates used are as follows:

| | | % |
|---|---|---|
| Buildings | - | 2 |
| Leasehold improvements | - | 10 |
| Fixtures & fittings | - | 15 |
| Computer equipment | - | 33 |

When circumstances dictate, an impairment review is carried out. Land and buildings are revalued on a regular basis by a suitably qualified individual. The Library ensures that a full valuation is undertaken every five years. The resulting revaluation gains or losses are recognised in the statement of financial activities and result in a movement on revaluation reserves to the extent that they result in gains or offset previous gains. If the revaluation results in a loss greater than previously recognised revaluation gains, the excess loss will be charged to the statement of financial activities.

**Heritage assets**

The heritage assets are held by the Library in support of the primary objective of the charity to promote knowledge in Northern Ireland and for the benefit of international scholarship. Heritage assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Library's policy on other fixed assets. The heritage assets held by the charity consist of various collections of books and periodicals covering a wide range of topics relating largely to Irish history including some documents over three hundred years old. The collections are carried at a current valuation. The collections are deemed to have indeterminate lives and a high residual value and therefore depreciation has not been charged. The carrying amounts of the assets are reviewed when there is evidence of impairment and any impairment is recognised in accordance with the Library's general policy on impairment.

**Stocks**
Stocks are stated at the lower of cost and net realisable value.

## 1 Accounting policies (continued)

**Fund accounting**
The Library has various types of funds for which it is responsible, and which require separate disclosure. A definition of the various types of funds is as follows:

**Unrestricted funds**
Funds which are expendable at the discretion of the Library, in furtherance of the purpose of the Library. In addition to expenditure on activities, such funds may be held in order to finance capital investment and working capital.

**Restricted funds**
Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of overheads and support costs.

**Endowment funds**
Permanent endowment funds are restricted funds where a donor has specified that only income arising from the donation can be used by the Library. This income is restricted for the particular purpose specified by the donor.

**Going Concern**

The Governors believe it is appropriate that the financial statements for the Library are produced on a going concern basis due to the following:

- The Governors are confident that the Museums and Libraries Branch, within the Department for Communities, and Belfast City Council will continue their respective grant assistance to the Library for the foreseeable future.
- The Governors believe that Library membership will continue at current levels.
- The Library is committed to monitoring and controlling expenditure to ensure the long-term viability of the charity.

**Financial instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.
Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.
Debt instruments are subsequently measured at amortised cost.
Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.
Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.
Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.
Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.
For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 1 Accounting policies (continued)

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

### 2 Donations and legacies

| | Endowment | Unrestricted | Restricted | **2022** | 2021 |
|---|---|---|---|---|---|
| | £ | £ | £ | **£** | £ |
| Donations and legacies | 34,520 | 21,606 | - | **56,126** | 126,955 |
| Members' subscriptions (see below) | - | 130,621 | - | **130,621** | 125,831 |
| Grants (see below) | - | 307,784 | 294,126 | **601,910** | 1,124,339 |
| | 34,520 | 460,011 | 294,126 | **788,657** | 1,377,125 |

| **Members' subscriptions** | **2022** | 2021 |
|---|---|---|
| | **£** | £ |
| Members' subscriptions | **116,440** | 112,066 |
| Income tax reclaimable on subscriptions | **14,181** | 13,765 |
| | **130,621** | 125,831 |

| **Grants** | Endowment | Unrestricted | Restricted | **2022** | 2021 |
|---|---|---|---|---|---|
| | £ | £ | £ | **£** | £ |
| Arts Council of NI | - | - | 14,343 | **14,343** | 9,879 |
| National Lottery Heritage Fund | - | 27,534 | 129,037 | **156,571** | 375,656 |
| Dormant Funds Account | - | - | - | **-** | 99,900 |
| Belfast City Council | - | 32,250 | 2,156 | **34,406** | 49,252 |
| Department for Communities | - | 246,000 | 62,500 | **308,500** | 291,000 |
| SEUPB | - | - | (177) | **(177)** | 45,437 |
| DoFA; Reconciliation Fund | - | - | 33,715 | **33,715** | 38,310 |
| Coronavirus Job Retention Scheme | - | - | - | **-** | 46,897 |
| Ulster Scots Agency | - | - | 32,312 | **32,312** | 81,588 |
| Department of Finance Localised Restrictions | - | - | - | **-** | 34,058 |
| Pilgrim Trust | - | - | 10,000 | **10,000** | - |
| Foras Na Gaeilge | - | - | 10,000 | **10,000** | 21,658 |
| Tourism NI | - | - | - | **-** | 27,704 |
| NI Museums Council | | - | 240 | **240** | 1,000 |
| NIPR | | 2,000 | - | **2,000** | 2,000 |
| | - | 307,784 | 294,126 | **601,910** | 1,124,339 |

In accordance with recommended practice, income received in advance is not deferred, but recognised in the period in which it is received.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 3 Income from investments

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Dividends receivable | **8,408** | 8,318 |
| Interest receivable | **450** | 242 |
| | **8,858** | 8,560 |

### 4 Other trading activities

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| **Sale of books** | | |
| Library books and publications | **48,046** | 28,353 |
| | | |
| **Sales of services** | | |
| Coffee shop | **35,618** | 6,001 |
| Photocopying and fax | **313** | 78 |
| Telephone & Internet | **0** | 0 |
| Postage | **0** | 0 |
| Cultural programming | **4,989** | 1,062 |
| Royalties | **4,027** | 1,216 |
| Facility fees | **7,913** | 3,054 |
| Fundraising events | **0** | 0 |
| | **52,860** | 11,411 |
| | | |
| **Sale of products** | | |
| Books, prints and pamphlets | **5,104** | 2,799 |
| Other products | **1,960** | 18,223 |
| Gift shop items | **20,210** | 9,085 |
| | **27,274** | 30,107 |
| **Total** | **128,180** | 69,871 |

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

| 5 Expenditure on raising funds | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Merchandising costs (see below) | **8,976** | 5,818 |
| Book fund (see below) | **16,494** | 10,936 |
| Charity shop | **33,251** | 28,680 |
| | **58,721** | 45,434 |

| **Merchandising costs** | **2022** £ | 2021 £ |
|---|---|---|
| Prints, books and pamphlets | **-** | 1,423 |
| Coffee shop purchases | **1,769** | 0 |
| Gift shop expenditure | **7,207** | 4,395 |
| | **8,976** | 5,818 |

| **Book fund** | **2022** £ | 2021 £ |
|---|---|---|
| Irish | **9,840** | 4,843 |
| General | **6,654** | 6,093 |
| | **16,494** | 10,936 |

| 6 Projects and events | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Cultural Programming | **2,571** | (22) |
| extraORDINARYwomen (includes salary costs of £14,448 (2021: £142,165) | **41,330** | 279,113 |
| Peace IV - Making the Future (includes salary costs of £Nil (2021: £21,538)) | **-** | 60,771 |
| National Lottery Heritage Fund - Covid-19 | **-** | 4,499 |
| National Lottery Heritage Fund - Heritage Recovery (includes salary costs of £Nil (2021: £5,400)) | **3,260** | 62,757 |
| National Lottery Heritage Fund – CRESI Museum Engagement (includes salary costs of £17,754 (2021: £Nil)) | **17,754** | - |
| Arts Council NI - Covid-19 | **-** | 1,742 |
| Arts Council NI – Jimmy Ellis | **2,832** | 1,500 |
| Arts Council NI – Home of Poetry (includes salary costs of £2,989 (2021: £Nil)) | **8,086** | - |
| Department for Communities - Museum Collections | **7,143** | 7,143 |
| Department for Communities - Irish Children's Collection | **758** | 3,194 |
| Department for Communities – Linen Hall Re-branding | **10,800** | - |
| Department for Communities – Replace Guttering | **25,543** | - |
| Department for Communities – Ulster-Scots Digitisation (includes salary costs of £3,180 (2021: £Nil)) | **3,180** | - |
| Department of Foreign Affairs; Reconciliation Fund (includes salary costs of £22,141 (2021: £Nil)) | **37,933** | - |
| Dormant Accounts Fund – Linen Hall Digital Platform | **33,334** | - |
| Shared History Fund (includes salary costs of £4,834 (2021: £16,917)) | **14,043** | 36,641 |
| Foras na Gaeilge (includes salary costs of £Nil (2021: £3,675)) | **5,179** | 29,349 |
| Health, Safety and Governance | **2,468** | 3,698 |
| Repairs and Renewals | **10,992** | 10,992 |
| Enlightenment Festival 2022 (includes salary costs of £2,322 (2021: £Nil)) | **50,789** | 8,480 |
| Pilgrim Trust – Art Unlocked (includes salary costs of £10,000 (2021: £Nil)) | **10,000** | - |
| Belfast City Council – Access and Inclusion | **3,620** | 14,284 |
| Ulster-Scots Agency – Burns in Ulster (includes salary costs of £18,000 (2021: £18,000)) | **21,668** | 18,253 |
| Ulster-Scots Agency – Ulster-Scots Writing Competition (includes salary costs of £1,000 (2021: £Nil)) | **3,285** | 2,184 |
| Ulster-Scots Agency – Conservation and Storage | **-** | 4,626 |
| Ulster-Scots Agency – Covid-19 small project | **-** | 3,000 |
| Ulster-Scots Agency – Language project | **-** | 9,250 |
| Ulster-Scots Agency – Cataloguing project (includes salary costs of £4,650 (2021: £Nil)) | **4,650** | - |
| Defibrillator and training | **159** | 241 |
| National Museums NI | **-** | 1 |
| NI Museums Council | **378** | 1,000 |
| McLaverty Short Story Award | **98** | 4,832 |
| | **321,853** | 567,528 |

Project and events costs include £101,318 (2021: £207,695) of staff costs.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 7 Library operating costs

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| **Charitable operations** | | |
| Information technology | **50,288** | 41,770 |
| Training | **1,770** | 1,480 |
| Advertising & PR | **4,462** | 2,193 |
| Support costs (Note 8) | **195,594** | 194,421 |
| Travel & subsistence | **1,152** | 311 |
| Conservation | **1,131** | 870 |
| | **254,397** | 241,045 |
| **Establishment** | | |
| Rent and rates | **21,211** | 18,422 |
| Insurance | **22,844** | 16,406 |
| Light and heat | **34,768** | 14,075 |
| Repairs and maintenance | **45,938** | 36,979 |
| | **124,761** | 85,882 |
| **Depreciation** | | |
| Building | **87,600** | 87,600 |
| Fixtures and fittings | **617** | 617 |
| Computer equipment | **19,133** | 19,080 |
| | **107,350** | 107,297 |
| **Staff costs (note 9)** | **674,049** | 560,329 |
| **Total** | **1,160,557** | 994,553 |

## Notes to the financial statements for the year ended 31 December 2022

### 8 Support costs

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| **Administration** | | |
| Stationery | **3,953** | 3,876 |
| Printing | **7,334** | 3,807 |
| Photocopying | **3,280** | 940 |
| Postage | **1,348** | 2,191 |
| Telephone, fax and internet | **9,052** | 8,032 |
| Information technology | **18,878** | 15,320 |
| Miscellaneous | **1,511** | 589 |
| | **45,356** | 34,755 |
| **Governance** | | |
| Audit and related fees | **6,718** | 7,450 |
| Legal & professional fees | **20,030** | 32,494 |
| | **26,748** | 39,944 |
| **Financial expenses** | | |
| Bank charges | **1,676** | 1,357 |
| Bank interest | **399** | 355 |
| Visa paypoint fees | **1,220** | 334 |
| Other Interest | **3,602** | 4,216 |
| Other finance costs (see below) | **6,000** | 11,000 |
| | **12,897** | 17,262 |
| **Staff costs (note 9)** | **110,593** | 102,460 |
| **Total** | **195,594** | 194,421 |

**Other finance costs**

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Expected return on pension scheme | **136,000** | 88,000 |
| Interest on pension scheme liabilities | **(142,000)** | (99,000) |
| **Net return** | **(6,000)** | (11,000) |

## Notes to the financial statements for the year ended 31 December 2022

### 9 Staff costs

| | Unrestricted £ | Restricted £ | **Total 2022 £** | Total 2021 £ |
|---|---|---|---|---|
| Salaries | 480,761 | 79,141 | **559,902** | 552,190 |
| Social security costs | 40,464 | 7,440 | **47,904** | 44,903 |
| Pension costs | 290,339 | 14,737 | **305,076** | 296,535 |
| | 811,564 | 101,318 | **912,882** | 893,628 |

**Analysis of staff costs**

| | **2022 £** | 2021 £ |
|---|---|---|
| Projects | **101,318** | 207,695 |
| Library: | | |
| - Charitable operations | **674,049** | 560,329 |
| - Charity bookshop | **26,922** | 23,144 |
| - Support | **110,593** | 102,460 |
| | **912,882** | 893,628 |

The average number of employees, calculated on a full-time equivalent basis, analysed by function was:

| | **2022 Number** | 2021 Number |
|---|---|---|
| Projects | **3** | 6 |
| Charitable operations | **13** | 11 |
| Charity bookshop | **1** | 1 |
| Support | **2** | 2 |
| | **19** | 20 |

No employee had employee benefits (excluding employer pension costs) in excess of £70,000 (2021: £70,000).

Governors are not remunerated for services to the Library (2021: £Nil), and there were no Governors' expenses incurred (2021: £Nil).

The key management personnel of the Library comprise the Governors, the Director, the Librarian and the Finance Manager. The total employee benefits of the key management personnel of the Library were £202,330 (2021: £191,255).

Indemnity insurance for Governors' liability has been purchased by the Library at a cost of £1,780 (2021: £1,711).

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 10 Net income/(expenditure)

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| **Net income/(expenditure) is stated after charging:** | | |
| Depreciation on owned assets | **164,232** | 132,159 |
| Auditors' remuneration: | | |
| - audit services | **6,124** | 6,000 |
| - non-audit services | **405** | 405 |
| Other operating lease rentals | **-** | - |

### 11 Transfers between funds

| | Endowment Funds | Unrestricted Funds | Restricted Funds |
|---|---|---|---|
| | £ | £ | £ |
| Projects | - | - | **4,438** |
| General Fund | - | **(4,438)** | - |
| | - | **(4,438)** | **4,438** |

The transfer from unrestricted to restricted funds represents net overspending on funded projects.

### 12 Net (losses)/gains on investments

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Catalyst Endowment Fund | (31,168) | 24,489 |
| New Linen Hall Library Endowment Fund Endowment funds | (5,436) | 4,807 |
| | **(36,604)** | 29,296 |

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 13 Tangible fixed assets

| | Land & building £ | Leasehold Improvements £ | Fixtures & fittings £ | Computer equipment £ | Total £ |
|---|---|---|---|---|---|
| **Cost or valuation** | | | | | |
| At 1 January 2022 | 4,380,000 | 14,840 | 323,735 | 286,608 | 5,005,183 |
| Additions | - | - | - | 112,861 | 112,861 |
| **At 31 December 2022** | **4,380,000** | **14,840** | **323,735** | **399,469** | **5,118,044** |
| **Accumulated depreciation** | | | | | |
| At 1 January 2022 | 175,200 | 14,840 | 241,380 | 270,684 | 702,104 |
| Charge for the year | 87,600 | - | 23,888 | 52,744 | 164,232 |
| **At 31 December 2022** | **262,800** | **14,840** | **265,268** | **323,428** | **866,336** |
| **Net book amount** | | | | | |
| **At 31 December 2022** | **4,117,200** | **-** | **58,467** | **76,041** | **4,251,708** |
| At 31 December 2021 | 4,204,800 | - | 82,355 | 15,924 | 4,303,079 |

The Library's freehold and long leasehold properties were revalued at 31 December 2019 on the basis of open market value and open market rental value for existing use, by McConnell Chartered Surveyors and the revaluation adjustments of £480,000 to cost and £390,000 to accumulated depreciation together resulted in a gain on revaluation of £870,000. The valuations were undertaken in accordance with the Appraisal and Valuation Manual of the Royal Institute of Chartered Surveyors in the United Kingdom. The net book value of freehold and long leasehold properties at 31 December 2022 based on historical cost, had there been no revaluations, would have been £2,396,800 (2021: £2,482,400).

Fixed assets totalling £100,000 were purchased through capital grant funding in the year.

| | Land & building £ | Leasehold improvement £ | Office Equipment £ | Computer Equipment £ | Total £ |
|---|---|---|---|---|---|
| **Cost or valuation at 31 December 2022 is represented by** | | | | | |
| Cost | - | 14,840 | 323,735 | 399,469 | 738,044 |
| Valuation | 4,380,000 | - | - | - | 4,380,000 |
| | **4,380,000** | **14,840** | **323,735** | **399,469** | **5,118,044** |

No deferred tax has been provided for since the Library is a charity and therefore not subject to corporation tax.

### 14 Heritage assets

| | 2022 £ | 2021 £ |
|---|---|---|
| **Books and Periodicals at 31 December** | **2,759,850** | 2,759,850 |

The books and periodicals were valued as at 31 December 2020 by de Burca Rare Books, Antiquarian Booksellers.

## Notes to the financial statements for the year ended 31 December 2022

### 15 Investments

| Cost or valuation | Cash or cash equivalents £ | Listed Investments £ | Total £ |
|---|---|---|---|
| At 1 January 2022 | 358 | 299,320 | **299,678** |
| Capital introduced | - | - | **-** |
| Sale of investments | 1,360 | (1,009) | **351** |
| Charges net of equalisation | (351) | - | **(351)** |
| Fair value movements | - | (36,604) | **(36,604)** |
| **At 31 December 2022** | **1,367** | **261,707** | **263,074** |

All investments shown above are held at valuation.

### 16 Stocks

| | 2022 £ | 2021 £ |
|---|---|---|
| Goods for resale | **16,367** | 17,230 |

### 17 Debtors

| | 2022 £ | 2021 £ |
|---|---|---|
| Trade debtors | **4,617** | 5,694 |
| Other debtors | **5,596** | 35,434 |
| Prepayments and accrued income | **104,331** | 176,471 |
| | **114,544** | 217,599 |

Included in Prepayments and accrued income is an amount of £15,436 (2021: £117,573) relating to accrued grants receivable.

### 18 Creditors: amounts falling due within one year

| | 2022 £ | 2021 £ |
|---|---|---|
| Bank overdraft | **-** | - |
| Trade creditors | **40,853** | 80,832 |
| Other creditors and accruals | **33,818** | 61,413 |
| Deferred income (Note 19) | **51,411** | 48,465 |
| Taxation and social security | **22,154** | 10,326 |
| | **148,236** | 201,036 |

## Notes to the financial statements for the year ended 31 December 2022

### 19 Deferred income

| | £ |
|---|---|
| At 1 January 2022 | 48,465 |
| Amount released to income | (48,465) |
| Amount deferred in year | 51,411 |
| **At 31 December 2022** | **51,411** |

Deferred income comprises rental income and membership subscriptions received in advance.

### 20 Creditors: amounts falling due after one year

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Obligations under finance leases | - | 801 |

### 21 Contingencies

A contingent liability exists to repay grants and funds received should certain conditions not be fulfilled by the charity. In the opinion of the Governors, the terms of the letters of offer have been, or will be, complied with and no liability is expected.

### 22 Unrestricted funds

| | General Fund £ | Revaluation Fund £ | Total £ |
|---|---|---|---|
| Balance at 1 January 2022 | (420,497) | 7,036,012 | 6,615,515 |
| Net outgoing resources for the year | (522,631) | - | (522,631) |
| Transfer to restricted funds | (4,438) | - | (4,438) |
| Actuarial gains on defined benefit scheme | 1,818,000 | - | 1,818,000 |
| **Balance at 31 December 2022** | **870,434** | **7,036,012** | **7,906,446** |

Unrestricted general funds include an asset of £1,293,578 (2021: liability of £323,422) in respect of pension scheme assets/liabilities of the pension fund.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 23 Restricted funds

| | Balance at 1 January 2022 £ | Incoming Resources £ | Project Expenditure £ | Transfers (Note 11) £ | **Balance at 31 December 2022 £** |
|---|---|---|---|---|---|
| Cultural Programming | - | - | (2,571) | 2,571 | **-** |
| McLaverty Trust | 9,522 | 91 | (98) | - | **9,515** |
| Theatre Archive | 3,087 | - | - | (3,087) | **-** |
| extraORDINARYwomen | 32,658 | 33,870 | (41,330) | - | **25,198** |
| Peace IV - Making the Future | - | (177) | - | 177 | **-** |
| NLHF–CRESI Museum Engagement | - | 49,904 | (17,754) | - | **32,150** |
| NLHF – GFA Origins and Legacies | - | 45,263 | - | - | **45,263** |
| NLHF – Heritage Recovery | 12,876 | - | (3,260) | - | **9,616** |
| DfC - Museum Collections | 42,422 | - | (7,143) | - | **35,279** |
| DfC – Irish Children's Collection | 6,664 | - | (758) | - | **5,906** |
| DfC – Linen Hall Re-branding | 15,000 | - | (10,800) | - | **4,200** |
| DfC – Replace Guttering | - | 25,000 | (25,543) | 543 | **-** |
| DfC – Ulster-Scots Digitisation | - | 22,500 | (3,180) | - | **19,320** |
| DfC Charities Fund – Covid-19 | 9,261 | - | - | - | **9,261** |
| Linenopolis | 14 | - | - | (14) | **-** |
| Foras na Gaeilge | 12,681 | 10,000 | (5,179) | - | **17,502** |
| Health, Safety and Governance | 2,468 | - | (2,468) | - | **-** |
| Repairs and Renewals | 38,840 | - | (10,992) | - | **27,848** |
| Arts Council NI – Jimmy Ellis | 700 | - | (2,832) | 1,832 | **(300)** |
| Arts Council NI – Home of Poetry | - | 8,694 | (8,086) | - | **608** |
| Belfast City Council-Access Inclusion | (3,052) | 556 | (3,620) | 2,691 | **(3,425)** |
| Belfast City Council – Bus. Recovery | (110) | - | - | 110 | **-** |
| Ulster-Scots Agency- Burns in Ulster | 9,340 | 20,000 | (21,668) | - | **7,672** |
| Ulster-Scots Agency- Writing Comp. | 7,816 | 10,000 | (3,285) | - | **14,531** |
| Ulster-Scots Agency- Conservation | 274 | - | - | - | **274** |
| Ulster-Scots Agency- Language | (2,312) | 2,312 | - | - | **-** |
| Ulster-Scots Agency- Cataloguing | 4,650 | - | (4,650) | - | **-** |
| Dormant Accounts Fund – Digital Platform | 99,900 | - | (33,334) | - | **66,566** |
| NIO Shared History Fund | 14,659 | - | (14,043) | - | **616** |
| Enlightenment Festival | 33,770 | 22,249 | (50,789) | - | **5,230** |
| Department of Foreign Affairs; Reconciliation Fund | 38,310 | 33,715 | (37,933) | - | **34,092** |
| Pilgrim Trust – Art Unlocked | - | 10,000 | (10,000) | - | **-** |
| NI Museums Council | - | 240 | (378) | 138 | **-** |
| Defibrillator and Training | 554 | - | (159) | - | **395** |
| CRC - Partition Poetry | 150 | - | - | (150) | **-** |
| British Council NI | 234 | - | - | (234) | **-** |
| National Museums NI – Live Well | 139 | - | - | (139) | **-** |
| | 390,515 | 294,217 | (321,853) | **4,438** | **367,317** |

### 23 Restricted funds (continued)

**Cultural Programming -** Using the Library's historical position as a cultural leader in Northern Ireland to showcase and nurture the artistic and cultural life of all in the community

**McLaverty Trust** - Biennial award to foster and encourage the art of the short story in Ireland

**extraORDINARYwomen** – Digitisation, collection enhancement, outreach and oral history project, exploring the evolution of women's lives in Northern Ireland since 1965

**Making the Future** – Led by the Nerve Centre and in collaboration with the Public Record Office of Northern Ireland, aiming to uncover women's stories from the archives

**NLHF – Covid Recovery Employment and Skills Initiative for Heritage** – Museum Engagement
**NLHF – Good Friday Agreement** – Origins and Legacies project
**NLHF - Covid-19 Heritage Recovery Fund –** core support and preparation for re-opening

**Department for Communities - Museum Collections -** enhanced collection care and conservation
**Department for Communities - Irish Children's Collection –** to establish an Irish children's library
**Department for Communities – Linen Hall Library Re-branding** – consultancy costs
**Department for Communities – Replace Guttering** – to replace original, damaged guttering
**Department for Communities – Ulster-Scots Digitisation** – to digitise part of Ulster-Scots collection
**Department for Communities – Covid-19 Charities Fund –** to contribute to re-opening costs

**Foras na Gaeilge** – conservation of the Linen Hall Library's Irish Language collections

**Health & Safety and Governance** – Capital items for purposes of health & safety and governance

**Repairs and Renewals** – Capital items for the upkeep of the Linen Hall's historic building

**Arts Council NI –** Home of Poetry project and Jimmy Ellis project

**Belfast City Council Access and Inclusion –** Emergency evacuation chairs and hearing loop system

**Ulster Scots Agency - Burns in Ulster** – Conservation of the Library's Gibson Collection
**Ulster Scots Agency –** Ulster Scots Writing Competition, Conservation and Storage, Covid-19, Language and Cataloguing projects

**Dormant Accounts Fund –** Building a new Linen Hall Library digital platform

**NIO Shared History Fund -** Perspectives on Partition and the Foundation of Northern Ireland -1921-2021

**Enlightenment Festival –** wide-ranging programme of performances, art installations, talks and debates

**Department of Foreign Affairs; Reconciliation Fund –** Years of Chaos and Hope project and Borders and Boundaries project

**Pilgrim Trust – Art Unlocked** – documentation project to increase access to the Linen Hall's art collection

**NI Museums Council** – Acquisition of museum piece

**Defibrillator and Training** – Provision of defibrillator in the Library city and training of staff in its use

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 24 Endowment funds

| | Balance at 1January 2022 £ | Income £ | (Losses)/gains on investments £ | **Balance at 31 December 2022 £** |
|---|---|---|---|---|
| McLaverty Trust | 60,385 | - | - | **60,385** |
| Catalyst Endowment Fund | 255,502 | - | (31,168) | **224,334** |
| New Linen Hall Library Endowment Fund | 45,088 | 34,520 | (5,436) | **74,172** |
| Linen Hall Library Fund | 100 | - | - | **100** |
| | 361,075 | 34,520 | (36,604) | **358,991** |

### 25 Analysis of net assets between funds

| | **Endowment Funds £** | **Unrestricted Funds £** | **Restricted Funds £** | **Total Funds £** |
|---|---|---|---|---|
| **Fund balances at 31 December 2022 are represented by:** | | | | |
| Tangible fixed assets | - | 4,127,600 | 124,108 | **4,251,708** |
| Heritage assets | - | 2,759,850 | - | **2,759,850** |
| Investments | 263,074 | - | - | **263,074** |
| Net current assets/(liabilities) | 95,917 | (274,582) | 243,209 | **64,544** |
| Long term liabilities | - | - | - | **-** |
| Pension asset | - | 1,293,578 | - | **1,293,578** |
| **Total net assets at 31 December 2022** | 358,991 | 7,906,446 | 367,317 | **8,632,754** |

### 26 Financial commitments

At 31 December the Library had annual commitments under non-cancellable operating leases expiring as follows:

| | **Office equipment** | |
|---|---|---|
| | **2022** | 2021 |
| | **£** | £ |
| In less than one year | **6,323** | 6,323 |
| In more than one year, but not more than 5 years | **10,569** | 16,892 |
| | **16,892** | 23,215 |

### 27 Related parties

The Library is Lead Partner in The National Collection of Northern Ireland Publications (NIPR). The one part-time employee of NIPR based at the Linen Hall was employed and paid for by NIPR. The Library received £2,000 (2021: £2,000) from NIPR as its contribution to the cost of running the integrated library system, offsite storage and material processing.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 28 Post-balance sheet events

There have been no events occurring after 31 December 2022 which require disclosure.

### 29 Reconciliation of net movement in funds to net cash flow from operating activities

| | **2022** £ | 2021 £ |
|---|---|---|
| Net movement in funds | 1,265,649 | 682,963 |
| Add back depreciation charge | 164,232 | 132,159 |
| Less gain on revaluation of fixed assets | - | - |
| Add loss/(gain) on investments | 36,604 | (29,296) |
| Deduct investment income shown in investing activities | (8,858) | (8,560) |
| Add back interest paid shown in financing activities | 12,897 | 17,262 |
| Decrease/(increase) in stock | 863 | (7,772) |
| Decrease/(increase) in debtors | 103,055 | (79,817) |
| (Decrease)/increase in creditors falling due within one year | (52,800) | 56,198 |
| (Decrease)/increase in creditors falling due after one year | (801) | (14,262) |
| (Decrease)/Increase in pension liability | (1,617,000) | (481,000) |
| **Net cash provided by operating activities** | **(96,159)** | 267,875 |

### 30 Cash and cash equivalents at 31 December

| | **2022** £ | 2021 £ |
|---|---|---|
| Term deposit at Danske Bank | 60,626 | 60,626 |
| Petty cash | 17 | 24 |
| Divided Society current account at Danske Bank | 11 | 1 |
| Cash account at Cunningham Coates | 783 | 2,469 |
| Bank balance/(overdraft) at Danske Bank | 20,432 | 231,808 |
| **Total cash and cash equivalents** | **81,869** | 294,928 |

### 31 Pension commitments

The Library operates a defined benefit scheme with assets held in separate trustee administered funds.

An actuarial valuation of the defined benefit pension scheme using the projected unit basis was carried out at 31 December 2022 by Aon Solutions UK Limited.

**Defined benefit scheme**

The amounts recognised in the statement of financial position are as follows:

| | **2022** | 2021 |
|---|---|---|
| | **£'000** | £'000 |
| Defined benefit obligation | **(4,603)** | (7,136) |
| Fair value of plan assets | **5,896** | 6,812 |
| Net defined benefit asset/(liability) | **1,293** | (324) |
| **Net amount recognised at year end** | **1,293** | (324) |

**The amounts recognised in comprehensive income are:**
The current and past service costs, settlements and curtailments, together with the net interest expenses for the year are included in profit or loss. Re-measurements of the net defined benefit liability are included in other comprehensive income.

| | **2022** | 2021 |
|---|---|---|
| **Service cost:** | **£'000** | £'000 |
| Current service cost (net of employee contributions) | **304** | 294 |
| Administration expenses | **3** | 3 |
| Net interest expense | **6** | 11 |
| **Charge recognised in profit or loss** | **313** | 308 |

| **Re-measurements of the net liability:** | | |
|---|---|---|
| Return on scheme assets (excluding amount included in net interest expense) | **1,057** | (427) |
| Actuarial gains | **(2,875)** | (257) |
| **Credit recorded in other comprehensive income** | **(1,818)** | (684) |

| | | |
|---|---|---|
| **Total defined benefit credit** | **(1,505)** | (376) |

## Notes to the financial statements for the year ended 31 December 2022

### 31 Pension commitments (continued)

**The principal actuarial assumptions used were:**

| | **2022** | 2021 |
|---|---|---|
| Liability discount rate | **4.70%** | 2.00% |
| Inflation assumption – CPI | **2.60%** | 2.70% |
| Rate of increase in salaries | **4.10%** | 4.20% |
| Revaluation of deferred pensions: CPI | **2.60%** | 2.70% |
| Increases in pensions for payment | **2.60%** | 2.70% |
| Proportion of employees commuting pension for cash | **75.00%** | 75.00% |

**The mortality assumptions used were:**

| | **31 December 2022** | 31 December 2021 |
|---|---|---|
| Average expected future life at age 65 for | | |
| Male currently aged 65 | **21.8** | 21.9 |
| Female currently aged 65 | **25.0** | 25.1 |
| Male currently aged 45 | **23.2** | 23.3 |
| Female currently aged 45 | **26.4** | 26.5 |

**Reconciliation of scheme assets and liabilities**

| | **Assets £'000** | **Liabilities £'000** | **Total £'000** |
|---|---|---|---|
| At start of period | 6,812 | (7,136) | **(324)** |
| Benefits paid | (144) | 144 | **-** |
| Administration expenses | - | (3) | **(3)** |
| Current service cost | - | (304) | **(304)** |
| Contributions from the employer | 112 | - | **112** |
| Contributions from employees | 37 | (37) | **-** |
| Interest income/(expense) | 136 | (142) | **(6)** |
| Return on assets (excluding amount included in net interest expense) | (1,057) | - | **(1,057)** |
| Actuarial gains | - | 2,875 | **2,875** |
| | **5,896** | **(4,603)** | **1,293** |

### 31 Pension commitments (continued)

**The return on plan assets was:**

| | **2022** | 2021 |
|---|---|---|
| | **£'000** | £'000 |
| Interest income | **136** | 88 |
| Return on plan assets (excluding amount included in net interest expense) | **(1,057)** | 427 |
| **Total return on plan assets** | **(921)** | 515 |

**The major categories of scheme assets are as follows:**

| | **2022** | 2021 |
|---|---|---|
| | **£'000** | £'000 |
| Equities and Alternatives | **2,359** | 2,929 |
| Property | **660** | 681 |
| Gilts | **1,215** | 1,805 |
| Multi Asset Credit | **784** | - |
| Cash | **383** | 307 |
| Fixed Interest Bonds | **177** | 858 |
| Other | **318** | 232 |
| | **5,896** | 6,812 |

**Belfast Library and Society for Promoting Knowledge (Linen Hall Library)**

Northern Ireland - Charity number 104564

# Annual return

Registered no: NIC104564

# Belfast Library and Society for Promoting Knowledge (The Linen Hall)
# Annual report
# for the year ended 31 December 2022

# The Linen Hall

## Annual report for the year ended 31 December 2022


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# The Linen Hall

## Reference and administrative details

**Governors**

| | | |
|---|---|---|
| **President:** | Dr E Hughes, BA, MA, PHD | (8/8) |
| **Vice-President:** | Ms L Maltman, BSc, MSc | (4/8) |
| **Honorary Secretary:** | Ms K Blair, LLB, LLM, LARTPI | (4/8) |
| **Honorary Treasurer:** | Mr C McCleane | (6/8) |
| | Mr M Adair | (0/8) |
| | Dr S Bridge, MA, MSc, PhD (from May 2022) | (2/4) |
| | Ms K Hoey (to May 2022) | (1/4) |
| | Mr G Lucy, BA Hons, PGCE | (4/8) |
| | Ms S McCartan, BA Hons, ACIfA, FSA (London) | (4/8) |
| | Mr J McCartney, MSc | (6/8) |
| | Dr P McGarry, DL, FRCPsych | (5/8) |
| | Mr S McKee, BA | (6/8) |
| | Mr J McVey, OBE, MBA, MSc (from May 2022) | (1/4) |
| | Prof M Ó Mainnín, BA, MA, PhD | (4/8) |
| | Prof O Purdue, BA, MA, PHD | (2/8) |
| | Mr J Roberts (to May 2022) | (3/4) |
| | Ms S Stevenson, ACR | (4/8) |

*[figure in brackets indicates attendance at Governors' meetings]*

**Principal office**
17 Donegall Square North
Belfast
BT1 5GB

**Charity number**
NIC104564

**Solicitors**
Cleaver Fulton Rankin
50 Bedford Street
Belfast
BT2 7FW

**Bankers**
Danske Bank Limited
Donegall Square West
Belfast
BT1 6JS

**Independent auditors**
Finegan Gibson Ltd
Causeway Tower
9 James Street South
Belfast
BT2 8DN

# The Linen Hall

## Governors' report for the year ended 31 December 2022

The Library, which operates under the name of the Linen Hall Library, is legally known as the Belfast Library and Society for Promoting Knowledge.

The Board of Governors, who are also the trustees of the Library, submit their annual report and the audited financial statements for the year ended 31 December 2022. The Governors have prepared the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, effective 1 January 2015).

**Reference and administration information**

Details of the registered office, governors, independent advisers and other relevant information are given on page 1.

**Structure, governance and management**

**Governors**
The Governors are responsible for setting the Library's forward strategy and oversight of its business.

**Governing document**
The Library was founded in 1788 and is governed by its Constitution enacted in 1891 under the Educational Endowments (Ireland) Act, 1885 and as subsequently amended.

In 2016, the Library was formally registered as a charity by the new Charity Commission for Northern Ireland.

The Constitution is available on the Library website at www.linenhall.com.

**Appointment of Governors**
There is a maximum of fifteen Governors of the Linen Hall Library who are elected by triennial rotation at the Annual General Meeting and by the subscribing members of the Library. A Governor shall not be eligible for re-election after having served two successive terms of three years, until the lapse of a period of two years. The officers of the Society are also elected annually at the Governors' meeting immediately after the Annual General Meeting.

**Recruitment of Governors**
The Governors annually review the skills required by the Board and available to them and, when appropriate, use their powers of co-option to fill gaps.

**Governor induction and training**
New Governors undertake an induction visit to the Library and are supplied with all key Library documentation. The Library has arrangements in place to provide training for all its Governors on an annual basis.

**Risk management**
The Library has established a risk register which is reviewed by the Governors on a quarterly basis.

Risks arising from the relative weakness of the Library's financial position are being addressed in the context of the ongoing business planning process.

The Governors will continue to review the financial risks that the Library faces and believe that increasing the free reserves to £305,395 will provide sufficient resources in the event of adverse conditions (see Reserves policy on page 4).

The Governors take the responsibility of monitoring financial risk management. The organisation is not significantly exposed to price or credit risk. The organisation has a bank overdraft and the Governors continually review this debt to ensure interest charges are minimised as far as possible.

## Governors' report for the year ended 31 December 2022 (continued)

**Structure, governance and management (continued)**

**Management**
Responsibility for the day to day running of the Library lies with the Director and the Management Team. The Director is responsible for ensuring that planned services are delivered, that key performance indicators are met, and that agreed procedures are operative.

**Related parties**
The Library is Lead Partner in The National Collection of Northern Ireland Publications (NIPR). The one part-time employee of NIPR based at the Linen Hall is employed and paid for by NIPR.

**Objectives and activities**

**Constitution and mission**
The Library's Constitution at paragraph 11, and as amended in 2006, describes the 'Trusts of the Endowment' as follows:

> The Endowments and all other property of or belonging to the Governors, or available for the purposes of this Scheme, shall be held by them upon trust for the promotion of knowledge in Northern Ireland and for the benefit of international scholarship, by the maintenance of a Library, and by such other means as the Society may from time to time deem it advisable to adopt.

The Library's mission statement is as follows:
The Linen Hall Library will advance knowledge and understanding, both locally and internationally, by developing, preserving and interpreting its collections, with unique strengths in Irish and Local Studies, and widening access to an historic library and cultural centre.

**Objectives in 2022**

The Library aimed to:

- Develop the Linen Hall Library's standing on an international stage
- Protect and develop new and existing Collections
- Improve interpretation of the Collections
- Widen access to an historic library and cultural centre
- Contribute to cultural development in the UK and Ireland
- Improve the financial sustainability of the Library

## Governors' report for the year ended 31 December 2022 (continued)

**Structure, governance and management (continued)**

**Achievements and performance**

The Linen Hall was open to the public and members throughout 2022, having been closed until 23rd May in 2021 due to Covid-19 restrictions. Fundraising trading activities which had been severely limited during the pandemic began to approach pre-pandemic levels and membership numbers remained buoyant. This year also saw the delivery of several projects for which grant funding had been received in 2021, and successful applications for further projects carrying on into 2023, all of which served to enhance the Linen Hall's contribution to society and to support its financial sustainability.

- Arts and cultural programming activity had been moved online when the Linen Hall building had to close, resulting in a much stronger digital presence and wider social networking. There followed a successful application to the Dormant Funds account for £100,000 for the build of a digital platform. This build was completed in 2022 and the digital platform was launched in October 2022.
- The delivery phase of the extraORDINARYwomen digitisation project had begun in April 2020 and was completed in 2022. This project considers women's social, economic and political development in Northern Ireland from 1965 to the present day.
- Other funded projects in 2022 included the Linen Hall Library Enlightenment Festival, "Years of Chaos and Hope", a Department of Foreign Affairs; Reconciliation Fund project focusing on the years 1922, 1972 and 2022 in the history of Northern Ireland, and "Perspectives on Partition and the Foundation of Northern Ireland -1921-2021", funded by the Shared History Fund of the Northern Ireland Office.
- The Linen Hall Library Endowment Fund continued to attract donations and all income generated is being used to enhance the Library and its Collections, helping to ensure their future sustainability.
- Foras na Gaeilge continued to support conservation and cataloguing of the Library's Irish Language collection and provided funding for the digitisation of the Robert McAdam Comparative Lexicon.
- Ulster-Scots Agency funding allowed work to continue in conserving, cataloguing, and making accessible the Gibson Collection of Ulster Scots material, as well as supporting the Ulster-Scots Writing Competition.

**Financial review**

**Results**
In common with many other charities, the Library faces challenging economic times, and continuing efforts are being made to increase revenue and to control costs. The Library has worked successfully with funders and bankers to deal with the deficit going forward. The statement of financial activities for the year is set out on page 12.

The Library incurred a deficit of £515,747 in the year (2021: £30,333), before the impact of the actuarial gain on the defined benefit pension scheme and a loss on revaluation of investments. The Library had net current assets of £64,544 at the year-end (2021: £328,721).

**Principal funding sources**
The Library's key funders in 2022 were the Department for Communities which provided grants of £308,500 (2021: £291,000) and the National Lottery Heritage Fund £156,571 (2021: £375,656).

**Reserves policy**
The long-term objective of the Governors over a three to five-year period is to achieve a level of unrestricted funds not invested in tangible or fixed assets (the free reserves) equivalent to three months' expenditure on the core activities of the Library. At the end of 2022 this equates to £305,395 (2021: £260,497).

**Taxation**
The Library is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Library's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

## Governors' report for the year ended 31 December 2022 (continued)

**Financial review (continued)**

**Borrowings**
The Library relies on an overdraft facility with Danske Bank. This facility was reviewed in 2022 and sufficient facilities to meet projected cash flow requirements were approved. At the year end the Library had net assets of £81,069 at Danske Bank (2021: £292,435); this was inclusive of £60,385 (2021: £60,385) of funds (including gift aid and interest) held for the Michael McLaverty Trust (see page 5) and a balance on its current account of £20,432 (2021: £231,808).

**Endowment funds**
The Library administers the Michael McLaverty award and holds £60,385 in respect of this trust. This is an endowment, the income from which is available to the Library only for the specific purpose of running the biennial Michael McLaverty Short Story Award.

In 2013, the Library launched its Catalyst Endowment Fund, under which every £1 raised by the Library was matched by a £1 grant from the Heritage Lottery Fund's Catalyst endowment programme, over a four-year period. Funds raised under this programme are invested for a period of 25 years, and the income used to further the Library's mission. The balance held in this fund at the year-end was £224,334 (2021: £255,502).

The New Linen Hall Library Endowment Fund was set up in 2018 to provide an income for the preservation and conservation of the collections held within the Linen Hall Library. The balance held in this fund at 31st December 2022 was £74,172 (2021: £45,088).

**Pension scheme**
The Library operates a defined benefit scheme through NILGOSC. Prior to 2006 the Library's share of this scheme could not be identified by NILGOSC and, in keeping with other such multi-employer schemes, the Library treated its pension cost as if it were a defined contribution (rather than a defined benefit) scheme in accordance with accounting standards.

In late 2006 NILGOSC separated each of the employer scheme details and, as a result, the Library complies with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, and incorporates the year end surplus or deficit on the scheme in its balance sheet and the movement on the scheme within the Statement of Financial Activities. At 31 December 2022 the scheme showed a surplus of £1,293,578, an improvement on the £323,422 deficit in the previous year; this change arose from changes in assumptions used by the scheme actuary.

**Plans for the future**

A Business Plan for 2023 was approved by the Governors in January 2023. The Linen Hall was open to the public and members throughout 2022, having been closed until 23rd May in 2021 due to Covid-19 restrictions. Fundraising trading activities which had been severely limited during the pandemic began to approach pre-pandemic levels and membership numbers remained buoyant. The Linen Hall continues to diversify its income and modernise its approach whilst retaining its heritage values and charitable mission. In the next few years new strategies will be developed to enhance the Linen Hall's sustainability for the future.

The Library aims to:

- Develop the Linen Hall Library's standing on an international stage
- Protect and develop new and existing Collections
- Improve interpretation of the Collections
- Widen access to an historic library and cultural centre
- Contribute to cultural development in the UK and Ireland
- Improve the financial sustainability of the Library

## Governors' report for the year ended 31 December 2022 (continued)

**Statement of Governors' responsibilities**

The Governors are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, effective 1 January 2015).

The law applicable to charities requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in FRS 102;
- 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 the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act (Northern Ireland) 1964 and under the Charities (NI) Order 1987 and in accordance with the Educational Endowments Act 1885. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement of disclosure of information to auditors**

So far as each of the Governors in office at the date of approval of these financial statements is aware:

- there is no relevant audit information of which the Library's auditors are unaware; and
- they have taken all the steps that they ought to have taken as Governors in order to make themselves aware of any relevant audit information and to establish that the Library's auditors are aware of that information.

**Independent auditors**

A motion to reappoint the auditors will be proposed at the AGM.

By order of the Board

**Mr C. McCleane**
**Honorary Treasurer**

Date: 30th March 2023

# The Linen Hall

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2022

### Opinion

We have audited the financial statements of The Linen Hall Library (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, 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 FRS 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 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act (Northern Ireland) 2022.

### 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 charity 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 charity'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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2022

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.
We have nothing to report in respect of the following matters in relation to which the Charities Act (Northern Ireland) 2022 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees are 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 trustees 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 charity'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 liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether management were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether management have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- the matters discussed among the audit engagement team including significant component audit teams and relevant internal specialists, including tax and valuations specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2022

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks in operation, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included ongoing compliance with the UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental for their ability to operate or to avoid a material penalty.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

# The Linen Hall

## Independent auditor's report to the Governors of The Linen Hall Library for the year ended 31 December 2022

**Use of our report**

This report is made solely to the charity's members, as a body, in accordance with section 65 of the Charities Act (Northern Ireland) 2008. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



CONOR DOLAN FCA
(Senior Statutory Auditor)
For and on behalf of
FINEGAN GIBSON LTD
Chartered Accountants & Statutory Auditors
Causeway Tower
9 James Street South
Belfast
BT2 8DN

Date: 30th March 2023

# The Linen Hall

## Statement of financial activities for the year ended 31 December 2022

| | Notes | Endowment Funds 2022 £ | Unrestricted Funds 2022 £ | Restricted Funds 2022 £ | **Total Funds 2022 £** | Endowment Funds 2021 £ | Unrestricted Funds 2021 £ | Restricted Funds 2021 £ | **Total Funds 2021 £** |
|---|---|---|---|---|---|---|---|---|---|
| **Income and endowments from** | | | | | | | | | |
| Donations and legacies | 2 | 34,520 | 460,011 | 294,126 | **788,657** | 352 | 682,111 | 694,662 | **1,377,125** |
| Rental income | | - | 101,989 | - | **101,989** | - | 123,626 | - | **123,626** |
| Income from investments | 3 | - | 8,767 | 91 | **8,858** | - | 8,226 | 334 | **8,560** |
| **Income from charitable activities** | | | | | | | | | |
| Other trading activities | 4 | - | 128,180 | - | **128,180** | - | 69,871 | - | **69,871** |
| **Other income** | | - | - | - | **-** | - | - | - | **-** |
| **Total income** | | 34,520 | 698,947 | 294,217 | **1,027,684** | 352 | 883,834 | 694,996 | **1,579,182** |
| **Expenditure on** | | | | | | | | | |
| Rental expenses | | - | 2,300 | - | **2,300** | - | 2,000 | - | **2,000** |
| Expenditure on raising funds | 5 | - | 58,721 | - | **58,721** | - | 45,434 | - | **45,434** |
| | | - | 61,021 | - | **61,021** | - | 47,434 | - | **47,434** |
| **Expenditure on charitable activities** | | | | | | | | | |
| Projects and events | 6 | - | - | 321,853 | **321,853** | - | - | 567,528 | **567,528** |
| Library operating costs | 7 | - | 1,160,557 | - | **1,160,557** | - | 994,553 | - | **994,553** |
| | | - | 1,160,557 | 321,853 | **1,482,410** | - | 994,553 | 567,528 | **1,562,081** |
| **Total expenditure** | | - | 1,221,578 | 321,853 | **1,543,431** | - | 1,041,987 | 567,528 | **1,609,515** |
| **Net (expenditure)/income** | 10 | 34,520 | (522,631) | (27,636) | **(515,747)** | 352 | (158,153) | 127,468 | **(30,333)** |
| **Transfers between funds** | 11 | - | (4,438) | 4,438 | **-** | - | (1,181) | 1,181 | **-** |
| **Net (expenditure)/income before recognised gains and losses** | | 34,520 | (527,069) | (23,198) | **(515,747)** | 352 | (159,334) | 128,649 | **(30,333)** |
| Net (losses)/gains on investments | 12 | (36,604) | - | - | **(36,604)** | 29,296 | - | - | **29,296** |
| Gain on revaluation of fixed assets | 14 | - | | - | **-** | - | | - | **-** |
| Actuarial gains on defined benefit pension scheme | 31 | - | 1,818,000 | - | **1,818,000** | - | 684,000 | - | **684,000** |
| **Net movement in funds** | | (2,084) | 1,290,931 | (23,198) | **1,265,649** | 29,648 | 524,555 | 128,649 | **682,963** |
| **Fund balance brought forward** | | 361,075 | 6,615,515 | 390,515 | **7,367,105** | 331,427 | 6,090,849 | 261,866 | **6,684,142** |
| **Total funds carried forward** | | 358,991 | 7,906,446 | 367,317 | **8,632,754** | 361,075 | 6,615,515 | 390,515 | **7,367,105** |

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

# The Linen Hall

## Statement of financial position as at 31 December 2022

| | Notes | 2022<br>£ | 2021<br>£ |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 13 | **4,251,708** | **4,303,079** |
| Heritage assets | 14 | **2,759,850** | **2,759,850** |
| Investments | 15 | **263,074** | **299,678** |
| | | **7,274,632** | **7,362,607** |
| **Current assets** | | | |
| Stocks | 16 | **16,367** | **17,230** |
| Debtors | 17 | **114,544** | **217,599** |
| Cash at bank and in hand | | **81,869** | **294,928** |
| | | **212,780** | **529,757** |
| **Creditors: amounts falling due within one year** | 18 | **(148,236)** | **(201,036)** |
| **Net current assets** | | **64,544** | **328,721** |
| **Creditors: amounts falling due after one year** | 20 | **-** | **(801)** |
| **Net assets excluding pension asset/(liability)** | | **7,339,176** | **7,690,527** |
| **Pension asset/(liability)** | 31 | **1,293,578** | **(323,422)** |
| **Net assets including pension asset/(liability)** | | **8,632,754** | **7,367,105** |
| **Funds** | | | |
| **Unrestricted funds:** | | | |
| - General fund | 22 | **870,434** | **(420,497)** |
| - Revaluation fund | 22 | **7,036,012** | **7,036,012** |
| | | **7,906,446** | **6,615,515** |
| **Restricted funds** | 23 | **367,317** | **390,515** |
| **Endowment funds** | 24 | **358,991** | **361,075** |
| Total funds | 25 | **8,632,754** | **7,367,105** |

The financial statements on pages 12 to 35 were approved by the Board on 30th March 2023 and were signed on its behalf by:

Mr C McCleane
**Honorary Treasurer**

Dr E Hughes
**President**

# The Linen Hall

## Statement of cash flows for the year ended 31 December 2022

| | Notes | 2022 £ | 2021 £ |
|---|---|---|---|
| **Cash flows from operating activities** | 29 | **(96,159)** | **267,875** |
| **Cash flows from investing activities** | | | |
| Interest income | | 450 | 242 |
| Dividend income | | 8,408 | 8,318 |
| Purchase of tangible fixed assets | | (112,861) | (13,530) |
| Purchase of investments | | - | (6,550) |
| **Cash used in investing activities** | | **(104,003)** | **(11,520)** |
| **Cash flows from financing activities** | | | |
| Interest and fees paid | | (12,897) | (17,262) |
| **Cash used in financing activities** | | **(12,897)** | **(17,262)** |
| **Increase/(decrease) in cash and cash equivalents in the year** | | **(213,059)** | **239,093** |
| **Cash and cash equivalents at the beginning of the year** | 30 | **294,928** | **55,835** |
| **Total cash and cash equivalents at the end of the year** | 30 | **81,869** | **294,928** |

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 1 Accounting policies

**Statement of compliance**
These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act (Northern Ireland) 2008.
The charity meets the definition of a public benefit entity under FRS 102.

**Judgements and key sources of estimation uncertainty**
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Incoming resources**
All incoming resources are included in the statement of financial activities when the Library is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**Voluntary income**

**Legacies**
Legacies are recognised when received or when their amount is capable of measurement.

**Donations**
Donations are included in full when received.

**Grants**
Revenue grants are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.

Grants for the purpose of capital expenditure are credited to restricted incoming resources when receivable and transferred to unrestricted funds on purchase of asset.

**Activities for generating funds**

**Voluntary income**
Annual subscriptions are included as voluntary income and are accounted for on an accruals basis.

**Other income**
Other income is included in full in the Statement of Financial Activities when received.

**Investment income**
Investment income is accounted for when received.

**Fundraising income**
Fundraising income is accounted for when received.

**Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

**Library operating costs**
Library operating costs are those incurred in connection with administration of the Library and compliance with constitutional and statutory requirement

## 1 Accounting policies (continued)

**Irrecoverable VAT**
Any irrecoverable VAT is charged to the statement of financial activities or capitalised as part of the cost of the related asset, where appropriate.

**Pensions**
The Library operates a defined benefit scheme through the Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC) for specific employees. The assets of the scheme are held separately from those of the Library.

The Library has adopted FRS 102 in these financial statements. Pension scheme assets are measured using market value. Pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term to the liability. The increase in the present value of the liabilities of the Library's defined benefit pension scheme arising from employee service in the period is charged to operating profit. The expected return on the scheme's assets and the increase during the period in the present value of the scheme's liabilities arising from the passage of time are included in other finance costs. Actuarial gains and losses are recognised in the statement of financial activities.

**Tangible assets**

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated so as to write off the cost, or valuation, of tangible fixed assets, less their estimated residual values, on a straight-line basis over the expected useful economic lives of the assets concerned. The principal annual rates used are as follows:

| | | % |
|---|---|---|
| Buildings | - | 2 |
| Leasehold improvements | - | 10 |
| Fixtures & fittings | - | 15 |
| Computer equipment | - | 33 |

When circumstances dictate, an impairment review is carried out. Land and buildings are revalued on a regular basis by a suitably qualified individual. The Library ensures that a full valuation is undertaken every five years. The resulting revaluation gains or losses are recognised in the statement of financial activities and result in a movement on revaluation reserves to the extent that they result in gains or offset previous gains. If the revaluation results in a loss greater than previously recognised revaluation gains, the excess loss will be charged to the statement of financial activities.

**Heritage assets**

The heritage assets are held by the Library in support of the primary objective of the charity to promote knowledge in Northern Ireland and for the benefit of international scholarship. Heritage assets are recognised and measured (including the treatment of revaluation gains and losses) in accordance with the Library's policy on other fixed assets. The heritage assets held by the charity consist of various collections of books and periodicals covering a wide range of topics relating largely to Irish history including some documents over three hundred years old. The collections are carried at a current valuation. The collections are deemed to have indeterminate lives and a high residual value and therefore depreciation has not been charged. The carrying amounts of the assets are reviewed when there is evidence of impairment and any impairment is recognised in accordance with the Library's general policy on impairment.

**Stocks**
Stocks are stated at the lower of cost and net realisable value.

## 1 Accounting policies (continued)

**Fund accounting**
The Library has various types of funds for which it is responsible, and which require separate disclosure. A definition of the various types of funds is as follows:

**Unrestricted funds**
Funds which are expendable at the discretion of the Library, in furtherance of the purpose of the Library. In addition to expenditure on activities, such funds may be held in order to finance capital investment and working capital.

**Restricted funds**
Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of overheads and support costs.

**Endowment funds**
Permanent endowment funds are restricted funds where a donor has specified that only income arising from the donation can be used by the Library. This income is restricted for the particular purpose specified by the donor.

**Going Concern**

The Governors believe it is appropriate that the financial statements for the Library are produced on a going concern basis due to the following:

- The Governors are confident that the Museums and Libraries Branch, within the Department for Communities, and Belfast City Council will continue their respective grant assistance to the Library for the foreseeable future.
- The Governors believe that Library membership will continue at current levels.
- The Library is committed to monitoring and controlling expenditure to ensure the long-term viability of the charity.

**Financial instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.
Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.
Debt instruments are subsequently measured at amortised cost.
Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.
Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.
Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.
Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.
For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 1 Accounting policies (continued)

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

### 2 Donations and legacies

| | Endowment | Unrestricted | Restricted | **2022** | 2021 |
|---|---|---|---|---|---|
| | £ | £ | £ | **£** | £ |
| Donations and legacies | 34,520 | 21,606 | - | **56,126** | 126,955 |
| Members' subscriptions (see below) | - | 130,621 | - | **130,621** | 125,831 |
| Grants (see below) | - | 307,784 | 294,126 | **601,910** | 1,124,339 |
| | 34,520 | 460,011 | 294,126 | **788,657** | 1,377,125 |

| **Members' subscriptions** | **2022** | 2021 |
|---|---|---|
| | **£** | £ |
| Members' subscriptions | **116,440** | 112,066 |
| Income tax reclaimable on subscriptions | **14,181** | 13,765 |
| | **130,621** | 125,831 |

| **Grants** | Endowment | Unrestricted | Restricted | **2022** | 2021 |
|---|---|---|---|---|---|
| | £ | £ | £ | **£** | £ |
| Arts Council of NI | - | - | 14,343 | **14,343** | 9,879 |
| National Lottery Heritage Fund | - | 27,534 | 129,037 | **156,571** | 375,656 |
| Dormant Funds Account | - | - | - | **-** | 99,900 |
| Belfast City Council | - | 32,250 | 2,156 | **34,406** | 49,252 |
| Department for Communities | - | 246,000 | 62,500 | **308,500** | 291,000 |
| SEUPB | - | - | (177) | **(177)** | 45,437 |
| DoFA; Reconciliation Fund | - | - | 33,715 | **33,715** | 38,310 |
| Coronavirus Job Retention Scheme | - | - | - | **-** | 46,897 |
| Ulster Scots Agency | - | - | 32,312 | **32,312** | 81,588 |
| Department of Finance Localised Restrictions | - | - | - | **-** | 34,058 |
| Pilgrim Trust | - | - | 10,000 | **10,000** | - |
| Foras Na Gaeilge | - | - | 10,000 | **10,000** | 21,658 |
| Tourism NI | - | - | - | **-** | 27,704 |
| NI Museums Council | | - | 240 | **240** | 1,000 |
| NIPR | | 2,000 | - | **2,000** | 2,000 |
| | - | 307,784 | 294,126 | **601,910** | 1,124,339 |

In accordance with recommended practice, income received in advance is not deferred, but recognised in the period in which it is received.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 3 Income from investments

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Dividends receivable | **8,408** | 8,318 |
| Interest receivable | **450** | 242 |
| | **8,858** | 8,560 |

### 4 Other trading activities

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| **Sale of books** | | |
| Library books and publications | **48,046** | 28,353 |
| | | |
| **Sales of services** | | |
| Coffee shop | **35,618** | 6,001 |
| Photocopying and fax | **313** | 78 |
| Telephone & Internet | **0** | 0 |
| Postage | **0** | 0 |
| Cultural programming | **4,989** | 1,062 |
| Royalties | **4,027** | 1,216 |
| Facility fees | **7,913** | 3,054 |
| Fundraising events | **0** | 0 |
| | **52,860** | 11,411 |
| | | |
| **Sale of products** | | |
| Books, prints and pamphlets | **5,104** | 2,799 |
| Other products | **1,960** | 18,223 |
| Gift shop items | **20,210** | 9,085 |
| | **27,274** | 30,107 |
| **Total** | **128,180** | 69,871 |

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

| 5 Expenditure on raising funds | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Merchandising costs (see below) | **8,976** | 5,818 |
| Book fund (see below) | **16,494** | 10,936 |
| Charity shop | **33,251** | 28,680 |
| | **58,721** | 45,434 |

| **Merchandising costs** | **2022** £ | 2021 £ |
|---|---|---|
| Prints, books and pamphlets | **-** | 1,423 |
| Coffee shop purchases | **1,769** | 0 |
| Gift shop expenditure | **7,207** | 4,395 |
| | **8,976** | 5,818 |

| **Book fund** | **2022** £ | 2021 £ |
|---|---|---|
| Irish | **9,840** | 4,843 |
| General | **6,654** | 6,093 |
| | **16,494** | 10,936 |

| 6 Projects and events | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Cultural Programming | **2,571** | (22) |
| extraORDINARYwomen (includes salary costs of £14,448 (2021: £142,165) | **41,330** | 279,113 |
| Peace IV - Making the Future (includes salary costs of £Nil (2021: £21,538)) | **-** | 60,771 |
| National Lottery Heritage Fund - Covid-19 | **-** | 4,499 |
| National Lottery Heritage Fund - Heritage Recovery (includes salary costs of £Nil (2021: £5,400)) | **3,260** | 62,757 |
| National Lottery Heritage Fund – CRESI Museum Engagement (includes salary costs of £17,754 (2021: £Nil)) | **17,754** | - |
| Arts Council NI - Covid-19 | **-** | 1,742 |
| Arts Council NI – Jimmy Ellis | **2,832** | 1,500 |
| Arts Council NI – Home of Poetry (includes salary costs of £2,989 (2021: £Nil)) | **8,086** | - |
| Department for Communities - Museum Collections | **7,143** | 7,143 |
| Department for Communities - Irish Children's Collection | **758** | 3,194 |
| Department for Communities – Linen Hall Re-branding | **10,800** | - |
| Department for Communities – Replace Guttering | **25,543** | - |
| Department for Communities – Ulster-Scots Digitisation (includes salary costs of £3,180 (2021: £Nil)) | **3,180** | - |
| Department of Foreign Affairs; Reconciliation Fund (includes salary costs of £22,141 (2021: £Nil)) | **37,933** | - |
| Dormant Accounts Fund – Linen Hall Digital Platform | **33,334** | - |
| Shared History Fund (includes salary costs of £4,834 (2021: £16,917)) | **14,043** | 36,641 |
| Foras na Gaeilge (includes salary costs of £Nil (2021: £3,675)) | **5,179** | 29,349 |
| Health, Safety and Governance | **2,468** | 3,698 |
| Repairs and Renewals | **10,992** | 10,992 |
| Enlightenment Festival 2022 (includes salary costs of £2,322 (2021: £Nil)) | **50,789** | 8,480 |
| Pilgrim Trust – Art Unlocked (includes salary costs of £10,000 (2021: £Nil)) | **10,000** | - |
| Belfast City Council – Access and Inclusion | **3,620** | 14,284 |
| Ulster-Scots Agency – Burns in Ulster (includes salary costs of £18,000 (2021: £18,000)) | **21,668** | 18,253 |
| Ulster-Scots Agency – Ulster-Scots Writing Competition (includes salary costs of £1,000 (2021: £Nil)) | **3,285** | 2,184 |
| Ulster-Scots Agency – Conservation and Storage | **-** | 4,626 |
| Ulster-Scots Agency – Covid-19 small project | **-** | 3,000 |
| Ulster-Scots Agency – Language project | **-** | 9,250 |
| Ulster-Scots Agency – Cataloguing project (includes salary costs of £4,650 (2021: £Nil)) | **4,650** | - |
| Defibrillator and training | **159** | 241 |
| National Museums NI | **-** | 1 |
| NI Museums Council | **378** | 1,000 |
| McLaverty Short Story Award | **98** | 4,832 |
| | **321,853** | 567,528 |

Project and events costs include £101,318 (2021: £207,695) of staff costs.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 7 Library operating costs

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| **Charitable operations** | | |
| Information technology | **50,288** | 41,770 |
| Training | **1,770** | 1,480 |
| Advertising & PR | **4,462** | 2,193 |
| Support costs (Note 8) | **195,594** | 194,421 |
| Travel & subsistence | **1,152** | 311 |
| Conservation | **1,131** | 870 |
| | **254,397** | 241,045 |
| **Establishment** | | |
| Rent and rates | **21,211** | 18,422 |
| Insurance | **22,844** | 16,406 |
| Light and heat | **34,768** | 14,075 |
| Repairs and maintenance | **45,938** | 36,979 |
| | **124,761** | 85,882 |
| **Depreciation** | | |
| Building | **87,600** | 87,600 |
| Fixtures and fittings | **617** | 617 |
| Computer equipment | **19,133** | 19,080 |
| | **107,350** | 107,297 |
| **Staff costs (note 9)** | **674,049** | 560,329 |
| **Total** | **1,160,557** | 994,553 |

## Notes to the financial statements for the year ended 31 December 2022

### 8 Support costs

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| **Administration** | | |
| Stationery | **3,953** | 3,876 |
| Printing | **7,334** | 3,807 |
| Photocopying | **3,280** | 940 |
| Postage | **1,348** | 2,191 |
| Telephone, fax and internet | **9,052** | 8,032 |
| Information technology | **18,878** | 15,320 |
| Miscellaneous | **1,511** | 589 |
| | **45,356** | 34,755 |
| **Governance** | | |
| Audit and related fees | **6,718** | 7,450 |
| Legal & professional fees | **20,030** | 32,494 |
| | **26,748** | 39,944 |
| **Financial expenses** | | |
| Bank charges | **1,676** | 1,357 |
| Bank interest | **399** | 355 |
| Visa paypoint fees | **1,220** | 334 |
| Other Interest | **3,602** | 4,216 |
| Other finance costs (see below) | **6,000** | 11,000 |
| | **12,897** | 17,262 |
| **Staff costs (note 9)** | **110,593** | 102,460 |
| **Total** | **195,594** | 194,421 |

**Other finance costs**

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Expected return on pension scheme | **136,000** | 88,000 |
| Interest on pension scheme liabilities | **(142,000)** | (99,000) |
| **Net return** | **(6,000)** | (11,000) |

## Notes to the financial statements for the year ended 31 December 2022

### 9 Staff costs

| | Unrestricted £ | Restricted £ | **Total 2022 £** | Total 2021 £ |
|---|---|---|---|---|
| Salaries | 480,761 | 79,141 | **559,902** | 552,190 |
| Social security costs | 40,464 | 7,440 | **47,904** | 44,903 |
| Pension costs | 290,339 | 14,737 | **305,076** | 296,535 |
| | 811,564 | 101,318 | **912,882** | 893,628 |

**Analysis of staff costs**

| | **2022 £** | 2021 £ |
|---|---|---|
| Projects | **101,318** | 207,695 |
| Library: | | |
| - Charitable operations | **674,049** | 560,329 |
| - Charity bookshop | **26,922** | 23,144 |
| - Support | **110,593** | 102,460 |
| | **912,882** | 893,628 |

The average number of employees, calculated on a full-time equivalent basis, analysed by function was:

| | **2022 Number** | 2021 Number |
|---|---|---|
| Projects | **3** | 6 |
| Charitable operations | **13** | 11 |
| Charity bookshop | **1** | 1 |
| Support | **2** | 2 |
| | **19** | 20 |

No employee had employee benefits (excluding employer pension costs) in excess of £70,000 (2021: £70,000).

Governors are not remunerated for services to the Library (2021: £Nil), and there were no Governors' expenses incurred (2021: £Nil).

The key management personnel of the Library comprise the Governors, the Director, the Librarian and the Finance Manager. The total employee benefits of the key management personnel of the Library were £202,330 (2021: £191,255).

Indemnity insurance for Governors' liability has been purchased by the Library at a cost of £1,780 (2021: £1,711).

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 10 Net income/(expenditure)

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| **Net income/(expenditure) is stated after charging:** | | |
| Depreciation on owned assets | **164,232** | 132,159 |
| Auditors' remuneration: | | |
| - audit services | **6,124** | 6,000 |
| - non-audit services | **405** | 405 |
| Other operating lease rentals | **-** | - |

### 11 Transfers between funds

| | Endowment Funds | Unrestricted Funds | Restricted Funds |
|---|---|---|---|
| | £ | £ | £ |
| Projects | - | - | **4,438** |
| General Fund | - | **(4,438)** | - |
| | - | **(4,438)** | **4,438** |

The transfer from unrestricted to restricted funds represents net overspending on funded projects.

### 12 Net (losses)/gains on investments

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Catalyst Endowment Fund | (31,168) | 24,489 |
| New Linen Hall Library Endowment Fund Endowment funds | (5,436) | 4,807 |
| | **(36,604)** | 29,296 |

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 13 Tangible fixed assets

| | Land & building £ | Leasehold Improvements £ | Fixtures & fittings £ | Computer equipment £ | Total £ |
|---|---|---|---|---|---|
| **Cost or valuation** | | | | | |
| At 1 January 2022 | 4,380,000 | 14,840 | 323,735 | 286,608 | 5,005,183 |
| Additions | - | - | - | 112,861 | 112,861 |
| **At 31 December 2022** | **4,380,000** | **14,840** | **323,735** | **399,469** | **5,118,044** |
| **Accumulated depreciation** | | | | | |
| At 1 January 2022 | 175,200 | 14,840 | 241,380 | 270,684 | 702,104 |
| Charge for the year | 87,600 | - | 23,888 | 52,744 | 164,232 |
| **At 31 December 2022** | **262,800** | **14,840** | **265,268** | **323,428** | **866,336** |
| **Net book amount** | | | | | |
| **At 31 December 2022** | **4,117,200** | **-** | **58,467** | **76,041** | **4,251,708** |
| At 31 December 2021 | 4,204,800 | - | 82,355 | 15,924 | 4,303,079 |

The Library's freehold and long leasehold properties were revalued at 31 December 2019 on the basis of open market value and open market rental value for existing use, by McConnell Chartered Surveyors and the revaluation adjustments of £480,000 to cost and £390,000 to accumulated depreciation together resulted in a gain on revaluation of £870,000. The valuations were undertaken in accordance with the Appraisal and Valuation Manual of the Royal Institute of Chartered Surveyors in the United Kingdom. The net book value of freehold and long leasehold properties at 31 December 2022 based on historical cost, had there been no revaluations, would have been £2,396,800 (2021: £2,482,400).

Fixed assets totalling £100,000 were purchased through capital grant funding in the year.

| | Land & building £ | Leasehold improvement £ | Office Equipment £ | Computer Equipment £ | Total £ |
|---|---|---|---|---|---|
| **Cost or valuation at 31 December 2022 is represented by** | | | | | |
| Cost | - | 14,840 | 323,735 | 399,469 | 738,044 |
| Valuation | 4,380,000 | - | - | - | 4,380,000 |
| | **4,380,000** | **14,840** | **323,735** | **399,469** | **5,118,044** |

No deferred tax has been provided for since the Library is a charity and therefore not subject to corporation tax.

### 14 Heritage assets

| | 2022 £ | 2021 £ |
|---|---|---|
| **Books and Periodicals at 31 December** | **2,759,850** | 2,759,850 |

The books and periodicals were valued as at 31 December 2020 by de Burca Rare Books, Antiquarian Booksellers.

## Notes to the financial statements for the year ended 31 December 2022

### 15 Investments

| Cost or valuation | Cash or cash equivalents £ | Listed Investments £ | Total £ |
|---|---|---|---|
| At 1 January 2022 | 358 | 299,320 | **299,678** |
| Capital introduced | - | - | **-** |
| Sale of investments | 1,360 | (1,009) | **351** |
| Charges net of equalisation | (351) | - | **(351)** |
| Fair value movements | - | (36,604) | **(36,604)** |
| **At 31 December 2022** | **1,367** | **261,707** | **263,074** |

All investments shown above are held at valuation.

### 16 Stocks

| | 2022 £ | 2021 £ |
|---|---|---|
| Goods for resale | **16,367** | 17,230 |

### 17 Debtors

| | 2022 £ | 2021 £ |
|---|---|---|
| Trade debtors | **4,617** | 5,694 |
| Other debtors | **5,596** | 35,434 |
| Prepayments and accrued income | **104,331** | 176,471 |
| | **114,544** | 217,599 |

Included in Prepayments and accrued income is an amount of £15,436 (2021: £117,573) relating to accrued grants receivable.

### 18 Creditors: amounts falling due within one year

| | 2022 £ | 2021 £ |
|---|---|---|
| Bank overdraft | **-** | - |
| Trade creditors | **40,853** | 80,832 |
| Other creditors and accruals | **33,818** | 61,413 |
| Deferred income (Note 19) | **51,411** | 48,465 |
| Taxation and social security | **22,154** | 10,326 |
| | **148,236** | 201,036 |

## Notes to the financial statements for the year ended 31 December 2022

### 19 Deferred income

| | £ |
|---|---|
| At 1 January 2022 | 48,465 |
| Amount released to income | (48,465) |
| Amount deferred in year | 51,411 |
| **At 31 December 2022** | **51,411** |

Deferred income comprises rental income and membership subscriptions received in advance.

### 20 Creditors: amounts falling due after one year

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Obligations under finance leases | - | 801 |

### 21 Contingencies

A contingent liability exists to repay grants and funds received should certain conditions not be fulfilled by the charity. In the opinion of the Governors, the terms of the letters of offer have been, or will be, complied with and no liability is expected.

### 22 Unrestricted funds

| | General Fund £ | Revaluation Fund £ | Total £ |
|---|---|---|---|
| Balance at 1 January 2022 | (420,497) | 7,036,012 | 6,615,515 |
| Net outgoing resources for the year | (522,631) | - | (522,631) |
| Transfer to restricted funds | (4,438) | - | (4,438) |
| Actuarial gains on defined benefit scheme | 1,818,000 | - | 1,818,000 |
| **Balance at 31 December 2022** | **870,434** | **7,036,012** | **7,906,446** |

Unrestricted general funds include an asset of £1,293,578 (2021: liability of £323,422) in respect of pension scheme assets/liabilities of the pension fund.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 23 Restricted funds

| | Balance at 1 January 2022 £ | Incoming Resources £ | Project Expenditure £ | Transfers (Note 11) £ | **Balance at 31 December 2022 £** |
|---|---|---|---|---|---|
| Cultural Programming | - | - | (2,571) | 2,571 | **-** |
| McLaverty Trust | 9,522 | 91 | (98) | - | **9,515** |
| Theatre Archive | 3,087 | - | - | (3,087) | **-** |
| extraORDINARYwomen | 32,658 | 33,870 | (41,330) | - | **25,198** |
| Peace IV - Making the Future | - | (177) | - | 177 | **-** |
| NLHF–CRESI Museum Engagement | - | 49,904 | (17,754) | - | **32,150** |
| NLHF – GFA Origins and Legacies | - | 45,263 | - | - | **45,263** |
| NLHF – Heritage Recovery | 12,876 | - | (3,260) | - | **9,616** |
| DfC - Museum Collections | 42,422 | - | (7,143) | - | **35,279** |
| DfC – Irish Children's Collection | 6,664 | - | (758) | - | **5,906** |
| DfC – Linen Hall Re-branding | 15,000 | - | (10,800) | - | **4,200** |
| DfC – Replace Guttering | - | 25,000 | (25,543) | 543 | **-** |
| DfC – Ulster-Scots Digitisation | - | 22,500 | (3,180) | - | **19,320** |
| DfC Charities Fund – Covid-19 | 9,261 | - | - | - | **9,261** |
| Linenopolis | 14 | - | - | (14) | **-** |
| Foras na Gaeilge | 12,681 | 10,000 | (5,179) | - | **17,502** |
| Health, Safety and Governance | 2,468 | - | (2,468) | - | **-** |
| Repairs and Renewals | 38,840 | - | (10,992) | - | **27,848** |
| Arts Council NI – Jimmy Ellis | 700 | - | (2,832) | 1,832 | **(300)** |
| Arts Council NI – Home of Poetry | - | 8,694 | (8,086) | - | **608** |
| Belfast City Council-Access Inclusion | (3,052) | 556 | (3,620) | 2,691 | **(3,425)** |
| Belfast City Council – Bus. Recovery | (110) | - | - | 110 | **-** |
| Ulster-Scots Agency- Burns in Ulster | 9,340 | 20,000 | (21,668) | - | **7,672** |
| Ulster-Scots Agency- Writing Comp. | 7,816 | 10,000 | (3,285) | - | **14,531** |
| Ulster-Scots Agency- Conservation | 274 | - | - | - | **274** |
| Ulster-Scots Agency- Language | (2,312) | 2,312 | - | - | **-** |
| Ulster-Scots Agency- Cataloguing | 4,650 | - | (4,650) | - | **-** |
| Dormant Accounts Fund – Digital Platform | 99,900 | - | (33,334) | - | **66,566** |
| NIO Shared History Fund | 14,659 | - | (14,043) | - | **616** |
| Enlightenment Festival | 33,770 | 22,249 | (50,789) | - | **5,230** |
| Department of Foreign Affairs; Reconciliation Fund | 38,310 | 33,715 | (37,933) | - | **34,092** |
| Pilgrim Trust – Art Unlocked | - | 10,000 | (10,000) | - | **-** |
| NI Museums Council | - | 240 | (378) | 138 | **-** |
| Defibrillator and Training | 554 | - | (159) | - | **395** |
| CRC - Partition Poetry | 150 | - | - | (150) | **-** |
| British Council NI | 234 | - | - | (234) | **-** |
| National Museums NI – Live Well | 139 | - | - | (139) | **-** |
| | 390,515 | 294,217 | (321,853) | **4,438** | **367,317** |

### 23 Restricted funds (continued)

**Cultural Programming -** Using the Library's historical position as a cultural leader in Northern Ireland to showcase and nurture the artistic and cultural life of all in the community

**McLaverty Trust** - Biennial award to foster and encourage the art of the short story in Ireland

**extraORDINARYwomen** – Digitisation, collection enhancement, outreach and oral history project, exploring the evolution of women's lives in Northern Ireland since 1965

**Making the Future** – Led by the Nerve Centre and in collaboration with the Public Record Office of Northern Ireland, aiming to uncover women's stories from the archives

**NLHF – Covid Recovery Employment and Skills Initiative for Heritage** – Museum Engagement
**NLHF – Good Friday Agreement** – Origins and Legacies project
**NLHF - Covid-19 Heritage Recovery Fund –** core support and preparation for re-opening

**Department for Communities - Museum Collections -** enhanced collection care and conservation
**Department for Communities - Irish Children's Collection –** to establish an Irish children's library
**Department for Communities – Linen Hall Library Re-branding** – consultancy costs
**Department for Communities – Replace Guttering** – to replace original, damaged guttering
**Department for Communities – Ulster-Scots Digitisation** – to digitise part of Ulster-Scots collection
**Department for Communities – Covid-19 Charities Fund –** to contribute to re-opening costs

**Foras na Gaeilge** – conservation of the Linen Hall Library's Irish Language collections

**Health & Safety and Governance** – Capital items for purposes of health & safety and governance

**Repairs and Renewals** – Capital items for the upkeep of the Linen Hall's historic building

**Arts Council NI –** Home of Poetry project and Jimmy Ellis project

**Belfast City Council Access and Inclusion –** Emergency evacuation chairs and hearing loop system

**Ulster Scots Agency - Burns in Ulster** – Conservation of the Library's Gibson Collection
**Ulster Scots Agency –** Ulster Scots Writing Competition, Conservation and Storage, Covid-19, Language and Cataloguing projects

**Dormant Accounts Fund –** Building a new Linen Hall Library digital platform

**NIO Shared History Fund -** Perspectives on Partition and the Foundation of Northern Ireland -1921-2021

**Enlightenment Festival –** wide-ranging programme of performances, art installations, talks and debates

**Department of Foreign Affairs; Reconciliation Fund –** Years of Chaos and Hope project and Borders and Boundaries project

**Pilgrim Trust – Art Unlocked** – documentation project to increase access to the Linen Hall's art collection

**NI Museums Council** – Acquisition of museum piece

**Defibrillator and Training** – Provision of defibrillator in the Library city and training of staff in its use

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 24 Endowment funds

| | Balance at 1January 2022 £ | Income £ | (Losses)/gains on investments £ | **Balance at 31 December 2022 £** |
|---|---|---|---|---|
| McLaverty Trust | 60,385 | - | - | **60,385** |
| Catalyst Endowment Fund | 255,502 | - | (31,168) | **224,334** |
| New Linen Hall Library Endowment Fund | 45,088 | 34,520 | (5,436) | **74,172** |
| Linen Hall Library Fund | 100 | - | - | **100** |
| | 361,075 | 34,520 | (36,604) | **358,991** |

### 25 Analysis of net assets between funds

| | **Endowment Funds £** | **Unrestricted Funds £** | **Restricted Funds £** | **Total Funds £** |
|---|---|---|---|---|
| **Fund balances at 31 December 2022 are represented by:** | | | | |
| Tangible fixed assets | - | 4,127,600 | 124,108 | **4,251,708** |
| Heritage assets | - | 2,759,850 | - | **2,759,850** |
| Investments | 263,074 | - | - | **263,074** |
| Net current assets/(liabilities) | 95,917 | (274,582) | 243,209 | **64,544** |
| Long term liabilities | - | - | - | **-** |
| Pension asset | - | 1,293,578 | - | **1,293,578** |
| **Total net assets at 31 December 2022** | 358,991 | 7,906,446 | 367,317 | **8,632,754** |

### 26 Financial commitments

At 31 December the Library had annual commitments under non-cancellable operating leases expiring as follows:

| | **Office equipment** | |
|---|---|---|
| | **2022** | 2021 |
| | **£** | £ |
| In less than one year | **6,323** | 6,323 |
| In more than one year, but not more than 5 years | **10,569** | 16,892 |
| | **16,892** | 23,215 |

### 27 Related parties

The Library is Lead Partner in The National Collection of Northern Ireland Publications (NIPR). The one part-time employee of NIPR based at the Linen Hall was employed and paid for by NIPR. The Library received £2,000 (2021: £2,000) from NIPR as its contribution to the cost of running the integrated library system, offsite storage and material processing.

# The Linen Hall

## Notes to the financial statements for the year ended 31 December 2022

### 28 Post-balance sheet events

There have been no events occurring after 31 December 2022 which require disclosure.

### 29 Reconciliation of net movement in funds to net cash flow from operating activities

| | **2022** £ | 2021 £ |
|---|---|---|
| Net movement in funds | 1,265,649 | 682,963 |
| Add back depreciation charge | 164,232 | 132,159 |
| Less gain on revaluation of fixed assets | - | - |
| Add loss/(gain) on investments | 36,604 | (29,296) |
| Deduct investment income shown in investing activities | (8,858) | (8,560) |
| Add back interest paid shown in financing activities | 12,897 | 17,262 |
| Decrease/(increase) in stock | 863 | (7,772) |
| Decrease/(increase) in debtors | 103,055 | (79,817) |
| (Decrease)/increase in creditors falling due within one year | (52,800) | 56,198 |
| (Decrease)/increase in creditors falling due after one year | (801) | (14,262) |
| (Decrease)/Increase in pension liability | (1,617,000) | (481,000) |
| **Net cash provided by operating activities** | **(96,159)** | 267,875 |

### 30 Cash and cash equivalents at 31 December

| | **2022** £ | 2021 £ |
|---|---|---|
| Term deposit at Danske Bank | 60,626 | 60,626 |
| Petty cash | 17 | 24 |
| Divided Society current account at Danske Bank | 11 | 1 |
| Cash account at Cunningham Coates | 783 | 2,469 |
| Bank balance/(overdraft) at Danske Bank | 20,432 | 231,808 |
| **Total cash and cash equivalents** | **81,869** | 294,928 |

### 31 Pension commitments

The Library operates a defined benefit scheme with assets held in separate trustee administered funds.

An actuarial valuation of the defined benefit pension scheme using the projected unit basis was carried out at 31 December 2022 by Aon Solutions UK Limited.

**Defined benefit scheme**

The amounts recognised in the statement of financial position are as follows:

| | **2022** | 2021 |
|---|---|---|
| | **£'000** | £'000 |
| Defined benefit obligation | **(4,603)** | (7,136) |
| Fair value of plan assets | **5,896** | 6,812 |
| Net defined benefit asset/(liability) | **1,293** | (324) |
| **Net amount recognised at year end** | **1,293** | (324) |

**The amounts recognised in comprehensive income are:**
The current and past service costs, settlements and curtailments, together with the net interest expenses for the year are included in profit or loss. Re-measurements of the net defined benefit liability are included in other comprehensive income.

| | **2022** | 2021 |
|---|---|---|
| **Service cost:** | **£'000** | £'000 |
| Current service cost (net of employee contributions) | **304** | 294 |
| Administration expenses | **3** | 3 |
| Net interest expense | **6** | 11 |
| **Charge recognised in profit or loss** | **313** | 308 |

| **Re-measurements of the net liability:** | | |
|---|---|---|
| Return on scheme assets (excluding amount included in net interest expense) | **1,057** | (427) |
| Actuarial gains | **(2,875)** | (257) |
| **Credit recorded in other comprehensive income** | **(1,818)** | (684) |

| | | |
|---|---|---|
| **Total defined benefit credit** | **(1,505)** | (376) |

## Notes to the financial statements for the year ended 31 December 2022

### 31 Pension commitments (continued)

**The principal actuarial assumptions used were:**

| | **2022** | 2021 |
|---|---|---|
| Liability discount rate | **4.70%** | 2.00% |
| Inflation assumption – CPI | **2.60%** | 2.70% |
| Rate of increase in salaries | **4.10%** | 4.20% |
| Revaluation of deferred pensions: CPI | **2.60%** | 2.70% |
| Increases in pensions for payment | **2.60%** | 2.70% |
| Proportion of employees commuting pension for cash | **75.00%** | 75.00% |

**The mortality assumptions used were:**

| | **31 December 2022** | 31 December 2021 |
|---|---|---|
| Average expected future life at age 65 for | | |
| Male currently aged 65 | **21.8** | 21.9 |
| Female currently aged 65 | **25.0** | 25.1 |
| Male currently aged 45 | **23.2** | 23.3 |
| Female currently aged 45 | **26.4** | 26.5 |

**Reconciliation of scheme assets and liabilities**

| | **Assets £'000** | **Liabilities £'000** | **Total £'000** |
|---|---|---|---|
| At start of period | 6,812 | (7,136) | **(324)** |
| Benefits paid | (144) | 144 | **-** |
| Administration expenses | - | (3) | **(3)** |
| Current service cost | - | (304) | **(304)** |
| Contributions from the employer | 112 | - | **112** |
| Contributions from employees | 37 | (37) | **-** |
| Interest income/(expense) | 136 | (142) | **(6)** |
| Return on assets (excluding amount included in net interest expense) | (1,057) | - | **(1,057)** |
| Actuarial gains | - | 2,875 | **2,875** |
| | **5,896** | **(4,603)** | **1,293** |

### 31 Pension commitments (continued)

**The return on plan assets was:**

| | **2022** | 2021 |
|---|---|---|
| | **£'000** | £'000 |
| Interest income | **136** | 88 |
| Return on plan assets (excluding amount included in net interest expense) | **(1,057)** | 427 |
| **Total return on plan assets** | **(921)** | 515 |

**The major categories of scheme assets are as follows:**

| | **2022** | 2021 |
|---|---|---|
| | **£'000** | £'000 |
| Equities and Alternatives | **2,359** | 2,929 |
| Property | **660** | 681 |
| Gilts | **1,215** | 1,805 |
| Multi Asset Credit | **784** | - |
| Cash | **383** | 307 |
| Fixed Interest Bonds | **177** | 858 |
| Other | **318** | 232 |
| | **5,896** | 6,812 |