

HMRC CHARITY REGISTRATION NO: XN 45105  
CHARITY COMMISSION : NIC104998

**BELFAST CHARITABLE SOCIETY**

**TRUSTEES REPORT AND  
CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
30 September 2022**

## **BELFAST CHARITABLE SOCIETY**

### **GENERAL INFORMATION**

<b>President</b>	Sir Ronald Weatherup
<b>Board members</b>	Ms D Graham (Resigned Jan 2022) Mr A Money Penny Mr C Graham Mr W Osborne MBE Mr D Watters FCA Mrs N Sinte Mr N Harkness Mr M Higgins Mr J Elliott Miss S Brown (Elected Jan 2022) Mr A Adair (Elected Jan 2022)
<b>Chairman</b>	Mr D Watters FCA
<b>Honorary Secretary</b>	Mr A Money Penny
<b>Treasurer</b>	Mr W Osborne MBE
<b>Auditors</b>	Moore (N.I.) LLP 4th Floor - Donegall House 7 Donegall Square North Belfast BT1 5GB
<b>Business address</b>	Clifton House 2 North Queen Street Belfast BT15 1ES
<b>Bankers</b>	Danske Bank Donegall Square West Belfast BT1 6JS
<b>Solicitors</b>	Crawford, Lockhard, Black Solicitors 7 / 11 Linenhall Street Belfast BT2 8AA
<b>Investment Advisors</b>	RBC Brewin Dolphin 11th Floor Lanyon Plaza East Tower Lanyon Place Belfast BT1 3LP
<b>Charity Registration No.</b>	XN.45105
<b>Charity Commission for NI No.</b>	NIC104998

# **BELFAST CHARITABLE SOCIETY**

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## BELFAST CHARITABLE SOCIETY

### BOARD'S REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

The Board presents its annual report and financial statements of the Society for the year ended 30 September 2022. The Board have adopted the provisions of the Statement of Recommended Practice (Sorp) Accounting and Reporting by Charities (FRS102).

#### Reference and administration details

Belfast Charitable Society is registered as a charity with HMRC (Charity Registration Number: XN 45105). The charity registered with the Charity Commission for NI on 25 April 2016 (NIC 104998). Its principal office and registered office is Clifton House, 2 North Queen Street, Belfast BT15 1ES.

The trustees and officers that have served during the year and since the year end were as follows:

President	Sir Ronald Weatherup
Trustees	Mr C Graham Ms D Graham (Resigned Jan 2022) Mr N Harkness Mr M Higgins Mr A Moneypenny Mr W Osborne MBE Mrs N Sinte Mr D Watters FCA Mr Ian Elliott Miss S Brown (Elected Jan 2022) Mr A Adair (Elected Jan 2022)
Chairman	Mr D Watters FCA
Honorary Secretary	Mr A Moneypenny
Treasurer	Mr W Osborne MBE

#### Objectives and activities

Belfast Charitable Society (BCS) was set up in 1752 to address poverty and look after the poor of the town. BCS did this by building the original poor house and the first hospital in Belfast. This building, Clifton House, was opened in 1774 and still remains today as the city's oldest working building, with the organisation being the oldest charity in Northern Ireland. The Society continues to address poverty and disadvantage in many different ways across Northern Ireland.

The objectives of the Society as set out in the 1996 Act of Parliament are:

- to pursue all or any charitable activities which advance the interests or are for the benefit of persons appearing to the Society to be disadvantaged, primarily in Northern Ireland, including the care of the elderly, the relief of poverty, homelessness, distress, infirmity, and sickness and providing for all the educational and other requirements of such persons; and
- to participate in and encourage all forms of co-operation among appropriate parties which are calculated to achieve any of the objectives mentioned in paragraph (a) above.

#### Public Benefit

Belfast Charitable Society continues to create high levels of public benefit through its key activities (see 'Achievements and performance' section for more detail). In this year, this can be evidenced through:

- Its work to lead and influence on how philanthropy is delivered and developed. The Society delivered a programme of grants to: help families in crisis; provide bursaries and support for young adults from low-income backgrounds and support innovative ways to enhance their education; and to help new communities integrate through education.
- It developed and supported projects to alleviate additional financial burden created by the cost of living crisis including help to set up a social supermarket, in North Belfast.
- The Society continued to provide financial support, skills, and knowledge to lead on a wider heritage led regeneration project with the North Belfast Heritage Cluster. Thereby using its heritage assets, and encouraging others to utilise theirs, to help catalyse physical, economic and social regeneration.

## **BELFAST CHARITABLE SOCIETY**

### **BOARD'S REPORT (Continued)**

#### **FOR THE YEAR ENDED 30 SEPTEMBER 2022**

- It provided financial support to complete the seventh year of the Barbour Fund programme enabling people from less well-off backgrounds to improve their lives by enhancing their employability, by providing activities to reduce the isolation felt by older people, and through the provision of educational resources for young people outside of mainstream education. This year saw the last allocation from this fund.
- It supported Clifton House Centre, helping it to educate and inform members of the public about philanthropy and the influence the Society had in the development of Belfast and in addressing disadvantage since 1752. It created and maintained jobs and volunteer posts. Interlinked with this, it fulfilled its custodial role by preserving and safeguarding the House and its vast Archive collection which are in turn used to support work of its social enterprise.
- It continued to develop its Mary Ann McCracken Foundation and raise awareness of the life and work of one of Belfast's most significant social reformers and philanthropists. Looking at issues around poverty, modern day slavery, human rights and equality, it raised awareness and promoted conversations around these areas for example, over 100 people attended an event focussed on Afghan refugees telling their story of life before they left Afghanistan and their lives here and in RoI.
- As well as these three areas, the Society utilised its property assets to facilitate a range of care for older people. Allowing skilled providers to lease its buildings to house nursing and residential care and supported living

#### **Grant making policy**

BCS continues to support the work of others who are addressing poverty and disadvantage. It does not run an open grants programme but instead looks at ways that its financial support can invest and transform while making the most positive impact.

The Society aligns its annual giving in the year to its investment return but given the pressures added by the ongoing impact of Covid and the cost-of-living increases on the local community and the reduction of the amount payable to its pensions scheme it increased its grant award this year.

#### **Achievements and performance**

The following achievements and performance reflect the main expenditure in the year.

##### Addressing disadvantage through direct grants:

##### Empowering education - Direct grants

- Early Intervention work (Family Support Hub) – the Society provided support for families in crisis from across North Belfast by covering the costs of two home visitor posts and immediate access to vouchers for those most in need. This reflects our original outdoor relief scheme. The North Belfast Support Hubs are based upon a multi-disciplinary approach to working directly with families in crisis at the point before they need statutory intervention. Since October 2021, 85 families (103 parents and 184 children) have been supported by the two family support workers through referrals from both Family Support Hubs. All the families who were referred for support received emotional and behavioural support for children in the household aged 0-18. The financial funding for families referred through the Hubs was a lifeline for many.

- Common Purpose – young people from across Northern Ireland applied to NI35, with 40 completing the programme. 45% of participants were from Belfast.

- North Belfast Post Primary Schools Bursaries – 86 students awarded with help ranging from clothing for those in EOTAS, counselling for those in special needs schools and 31 students received support to attend university.

- Creative digital Hub – the Society initiated support for a 2-year pilot to build a new 'Digital Hub' for up to 2,750 students Years 8-14 students from north Belfast and help leverage in over £500k to enable this project. The hub will develop core digital and collaborative skills; establish a model classroom to deliver current curriculum in a new way; create a new project-based digital curriculum eg students will be taught by companies who make international video games; a cohort of students, teachers and schools trained on robotics and software from an outside company; and it will create will work with industry and academia.

- Support was also provided to assist 130 young people from North and West Belfast to improve employability through Springboard Opportunities

## **BELFAST CHARITABLE SOCIETY**

### **BOARD'S REPORT (Continued) FOR THE YEAR ENDED 30 SEPTEMBER 2022**

#### Helping new communities - Direct grants

- Anaka Collective (Migrant Women's Education project) – funding was provided to cover the costs of 2 workers from August 2022. Since starting their roles they have worked with Anaka's volunteer team delivering education clinics for women facing challenges relating to their children's and their own education. They have re-started Anaka's English Conversation classes in person and online, and begun recruitment of teaching volunteers to assist with a planned after-school homework club for children. Conversations are ongoing with a range of stakeholders including school principals, politicians and community groups about the development of education project.

- Horn of Africa People Aid NI – 180 school children received broadband connections and 120 young people supplied with digital devices enabling them to carry out their schoolwork; additional outcome: families, who previously did not, now able to better engage with their wider community and avail of HAPANI services, and therefore increased participation in activities, such as the homework club, drop-in centre, and women's support group.

#### Influencing and encouraging Philanthropy – Direct Grants

- Ongoing support was provided to the Funders Forum NI to ensure the development of policy and operational work for independent grant makers across NI. This included consideration of the impact of the Cost of Living crisis on the community and voluntary sector and its beneficiaries.

#### Regeneration through heritage - Direct grants

- The Society continued to support work to catalyse regeneration through the use of local heritage assets providing 10% match funding to the one-year continuation of the Great Belfast Heritage Cluster project. In the period 11 organisations, responsible for historic buildings and sites stretching across one mile from the city centre into north Belfast, actively worked on this project. At the organisational level this achieved improvements in governance, managerial and operational capacity, and buildings and organisational viability. Across the area the project produced urban design proposals which were consulted on with a range of statutory stakeholders including the departments for Communities and Infrastructure; and a comprehensive archive management and accessibility project with all Cluster members; the development of a comprehensive programme of communication and marketing about the project and Cluster members.

#### Addressing Disadvantage – Partnership grants and managed funds

- Tom Howard - The Society ensured its legacy bequest from Tom Howard was awarded to support activities for older people. This was donated to cover the costs of a project that enables those with dementia and their carers to access social and support services in a health and well-being setting.

- Barbour Fund – Year 6 of 7 was completed in March 2022: student support included: two students in Health and Social Care courses at BMET, one student in Biosciences Degree at QUB, numerous Hospital School students completed Horticulture and Prince's Trust GCSE courses and attended team building and school outings. A social supermarket received support to provide for North Belfast families with new born babies and 400 community 'shops' including individual shopping trips for over 55s and 2000 healthy meals provided for older women in the Colln area. Also support was given to create a safe space where young people from different communities come together in the name of sport, health and exercise.

- In the period a further £2,500 came from Barbour family member and was allocated to the Hospital School.

- As noted, the Society provide additional funds to create a seventh year of the programme and as above this supported a series of bursaries and the work of the Hospital School.

- Hunter Smyth Fund – this was established in 2022 through a partnership between the Smyth family and Belfast Charitable Society. The fund will support and empower to make direct and lasting impact through support for projects organisations which are well run and properly managed and deliver activity to address disadvantage. It is anticipated that the fund will operate for 15 years, including 2022. In this year it enabled those with dementia and their carers to access social and support services in a health and well-being setting

#### Addressing disadvantage – Caring for older people

The Society continued to facilitate the care of older people through its built assets through lease arrangement of its: 100-bed nursing home, 50 units of independent living and a 27 bed residential home.

## **BELFAST CHARITABLE SOCIETY**

### **BOARD'S REPORT (Continued) FOR THE YEAR ENDED 30 SEPTEMBER 2022**

#### Promoting Philanthropy through heritage Clifton House Centre

- The Society uses its built and archive heritage to promote the philanthropic work it has been doing for 270 years to remind others of the need to continue to do similar work today. Much of this work is delivered through its social enterprise, Clifton House Centre Limited. The Society funded Clifton House Centre Limited in this period to: bring others together to discuss and influence how funding is used to address disadvantage; to create jobs for those from the deprived parts of North Belfast; to create volunteer opportunities; to develop and deliver services which provide access to the Archive and educate, inform and entertain others about our history.

#### Addressing disadvantage through the Mary Ann McCracken Foundation

- Set up by the Society to celebrate the life and works of this remarkable woman, and her legacy and relevance today. The Foundation was recognised as a charity in the year (NI 108857)
- It awarded bursaries to students from less well-off backgrounds across North Belfast; facilitated conversations about racism and began to design new ways to bring to the fore social issues that are as relevant today as they were in her time.
- A full Trustee report is available within the Foundation's accounts

#### Pension Arrangements

The Society's Board committed time and resource to ensure it continues to safeguard its charitable assets and to manage all risks associated with its pension obligations. It has access to the services of an independent pension advisor to provide expert guidance in relation to the pension arrangements and to help inform any required decision making.

#### Subsidiary companies

The Belfast Charitable Group consists of the parent entity Belfast Charitable Society and its subsidiary Clifton House Centre Limited. The trading company's principal activity continued to be that of a Heritage Conference centre to generate income and to help promote the history of Belfast Charitable Society.

Belfast Charitable Society had one wholly owned charitable subsidiary company, Clifton Care Home Limited which was transferred on 31 March 2018 and the company dissolved on 30<sup>th</sup> July 2019.

Belfast Charitable Society set up the Mary Ann McCracken Foundation in 2019. This is a company limited by guarantee which was registered with Companies House 6<sup>th</sup> June 2019.

#### Financial Review and Results for the year

The results for the year are set out on page 9. Income from Donations and Legacies was lower than the previous year but this was anticipated as the Society didn't expect to receive a further donation from the John Acheson Foundation; Charitable Activities income is lower but the previous year saw the completion of external conservation works which was 70% funded by Radius Housing and there is a related reduction in costs.

At the year end 30 September 2022, the combined balances of the restricted and unrestricted were £43,359 and £12,162,691.

#### Plans for Future Periods

The Society held a planning session in May 2022 revisiting its strategic plan; the purpose of the session was to take stock of the current strategic direction and to spend time planning its future direction.

The session was informed by a summary the achievements of the past five years; a range of data highlighting the changing nature of poverty in Northern Ireland and Belfast in particular, with an assessment of the broader implications for society, and a briefing of what this means for poverty at community level and how this is impacting on families.

This led to agreement on the following themes which will guide the strategic direction for the next 5 years:

1. Influencing philanthropy to assist the redistribution of wealth to address poverty.
2. Empowering education and skills to improve employability.
3. Using heritage as a catalyst for regeneration in areas of disadvantage.
4. Improving older peoples' connections to the wider community and services.
5. Targeted interventions to create innovation and generate learning.

The Board agreed that the work of Belfast Charitable Society will continue to be guided by the overarching theme of addressing social and economic disadvantage. It was also agreed that Belfast Charitable Society would carry out its work through partnerships, collaboration, acting as an honest broker, making links and connections between and to our networks, and sharing best practice through real life learning. The Board will also prioritise growing its membership base over the period of this strategic plan.

In delivering the work of the Mary Ann McCracken Foundation it will use this as a vehicle to address social justice issues which disadvantage various groups of people.

The Society will continue to facilitate the care of older people through the lease arrangement on its buildings.

In relation to the preservation and promotion of heritage, it will continue to increase access to and use of Clifton House for meetings, tours and different forms of specialist events. These activities will continue to be used to promote philanthropy, create income for the charity while informing, entertaining and educating others.

## BELFAST CHARITABLE SOCIETY

### BOARD'S REPORT (Continued) FOR THE YEAR ENDED 30 SEPTEMBER 2022

#### Structure, Governance and Management

##### Governing Document

Five Acts of Parliament, the most recent of which being the Belfast Charitable Society Act 1996, as above, have governed the Society. The Society's Board and officers, elected by the Society at the AGM, guide the activities of the organisation through committees that report to the full Board at regular meetings.

##### Recruitment and Appointment of Board members

Board make-up is reviewed on a regular basis to ensure skills, knowledge and experience meets the needs of the organisation. If gaps are identified new Board members are recruited and appointed on Board approval having gone through due process at the Nomination and Remunerations Committee. New board members complete an induction process and are provided with the Corporate Governance policies and procedures. No Board member received any remuneration in the year and conflicts of interest were declared as appropriate. This year we welcomed Siobhan Brown and Alastair Adair to the Board.

##### Risk management

The trustees continually examine the major risks the charity faces in its operations and have developed systems to monitor and control these risks to mitigate any impact that they could have on the organisation.

In recent years large scale risks such as the provision of direct care for older people has been transferred to third party providers; the nursing home to Kathryn Homes; and the contract to deliver residential care for those with dementia, at the Clifton House site, transferred back to Radius Housing.

In this period the Covid-19 outbreak and its aftermath continued to impact across a range of risk factors for the Society and its subsidiaries - services have continued to change to reflect both the easing of restrictions and the public attitudes to returning to meeting and events held indoors. All necessary risk assessments continue to be completed as required.

The Audit and Risk Committee has continued to meet as required. The Risk Register was updated to reflect changes in risk management.

##### Reserves policy

It is the Board's objective to maintain sufficient reserves to enable it to have continued certainty over its operating activities. Reserves in excess of this will be used for specific projects in the future as and when the Board deem appropriate.

As the custodian of a Grade A listed building, which is leased to Radius Housing until May 2070, the Board is conscious that it has the ultimate responsibility of ensuring Belfast oldest working building is maintained for future generations of the organisation and the city's population. This is also true of the work and legacy of the Society as a philanthropic body.

##### Investment policy

The Board has the power to invest in such stocks and shares as it sees fit. The policy is to adopt a medium risk investment strategy based on maximising both income and capital growth.

The Board tenders for investment management service/provider every three to five years ensuring it a quality service.

Given global events and the volatility of the markets the Board has been in contact with the Investment manager on a more regular basis in this period. The latter has provided and presented updates at most Board and Financial meetings ensuring members can make informed decision if required.

#### Auditors

Further to a competitive tender process Moore (NI) LLP were appointed auditors to the Society and in accordance with the Charities Act (Northern Ireland) 2008 and Charities Act (Northern Ireland) 2013 for the period to January 2024.

##### Statement of the Board's responsibilities

The Board is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and of the surplus or deficit of the Society for that period. In preparing those financial statements, the Board is required to:

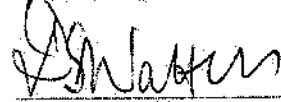
- select suitable accounting policies and then apply them consistently;
  - make judgements and estimates that are reasonable and prudent;
  - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in operation.
- The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

##### Statement of disclosure to Auditor

Statement of disclosure to Auditor so far as the Board is aware, there is no relevant audit information of which the Society's auditors are unaware; Additionally the Board have taken all the necessary steps they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the Society's auditors are aware of that information.

The Board remains extremely grateful to the staff at the Society who have worked hard from differing locations to ensure the operations have continued seamlessly during most challenging times.

By order of the board



Mr D.S. Watters, Chairman

Date:



## **BELFAST CHARITABLE SOCIETY**

### **INDEPENDENT AUDITORS' REPORT TO THE CORPORATION OF THE PRESIDENT AND ASSISTANTS OF THE BELFAST CHARITABLE SOCIETY**

#### **Opinion**

We have audited the accounts of Belfast Charitable Society (the charity) for the year ended 30 September 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

#### **Opinion on Financial Statements**

In our opinion:

- give a true and fair view on the state of the charity's affairs as at 30 September 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 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- have been prepared in accordance with the requirements of the Charities Act (Northern Ireland) 2008 and the Charities Act (Northern Ireland) 2013.

#### **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 accounts section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 to you in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the Trustees have not disclosed in the accounts 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 accounts are authorised for issue.

#### **Other information**

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

#### **Opinions on other matters prescribed by the Charities Acts (Northern Ireland) 2008 and 2013**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirement.

## **BELFAST CHARITABLE SOCIETY**

### **INDEPENDENT AUDITORS' REPORT TO THE CORPORATION OF THE PRESIDENT AND ASSISTANTS OF THE BELFAST CHARITABLE SOCIETY (Continued)**

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

In the light of the knowledge and understanding of the Trustees 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 Companies Act 2006 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 accounts 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 Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 company 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 accounts 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 accounts.

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.

#### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

The objectives of our audit in respect of fraud, are to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Charity.

#### **Our approach was as follows:**

- We obtained an understanding of the legal and regulatory requirements applicable to the Charity and considered that the most significant are the Companies Act 2006 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)).
- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims.
- Enquiry of entity staff in compliance functions to identify any instances of any non-compliance with laws and regulations.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

## BELFAST CHARITABLE SOCIETY

### INDEPENDENT AUDITORS' REPORT TO THE CORPORATION OF THE PRESIDENT AND ASSISTANTS OF THE BELFAST CHARITABLE SOCIETY (Continued)

As part of an audit in accordance with ISAs (UK) we exercise professional judgement 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 purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Governors.
- Conclude on the appropriateness of the Governors' 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.

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

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

#### Use of our report

This report is made solely to the charity's members, as a body, in accordance with the Charity Acts (Northern Ireland) 2008 and 2013 and regulations made under that Act. 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 auditors' 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

*Moore (N.I.) LLP*

Moore (N.I.) LLP  
Chartered Accountants &  
Registered Auditors

Donegall House  
7 Donegall Square North  
Belfast  
BT1 5GB

Dated: 25/6/2023

# **BELFAST CHARITABLE SOCIETY**

## **CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	Notes	Restricted Funds £	Unrestricted Funds £	Total 2022 £	Total 2021 £
<b>Income from:</b>					
Donations and legacies		-	18,208	18,208	5,278
Charitable activities	2.1	109,821	423,452	533,273	487,173
Investments		1,252	106,342	107,594	102,116
Trading activities	2.2	46,250	210,186	256,436	71,547
Other		-	20,576	20,576	8,908
<b>Total Income</b>		<b>157,323</b>	<b>778,764</b>	<b>936,087</b>	<b>675,022</b>
<b>Expenditure on:</b>					
Raising funds	2.3	-	28,100	28,100	25,243
Charitable activities	2.4	149,129	332,209	481,338	467,396
Costs of trading activities	2.2	11,049	249,450	260,499	116,903
<b>Total Expenditure</b>		<b>160,178</b>	<b>609,760</b>	<b>769,937</b>	<b>609,542</b>
Gains/(losses) on disposal of investments		-	-	-	34,506
Net gains/(losses) on investments	7	-	(402,732)	(402,732)	487,680
Loss on revaluation of investment property		-	-	-	(1,625,000)
<b>Net income/(expenditure)</b>	<b>3</b>	<b>(2,855)</b>	<b>(233,728)</b>	<b>(236,583)</b>	<b>(1,037,334)</b>
Transfers between funds		8,748	(8,748)	-	-
<b>Other Recognised Gains and Losses</b>					
Actuarial gains/(losses) on defined benefit pension scheme	16	-	869,000	869,000	1,043,000
<b>Net Movement in Funds</b>		<b>5,893</b>	<b>626,524</b>	<b>632,417</b>	<b>5,666</b>
Total funds brought forward		37,466	11,536,167	11,573,633	11,567,967
<b>Total funds carried forward</b>	<b>11</b>	<b>43,359</b>	<b>12,162,691</b>	<b>12,206,050</b>	<b>11,573,633</b>

The statement of financial activities have been prepared based that all operations are continuing.

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

The notes on pages 13 to 25 form part of these financial statements and should be read in conjunction therewith.

# **BELFAST CHARITABLE SOCIETY**

## **BELFAST CHARITABLE SOCIETY BALANCE SHEET AS AT 30 SEPTEMBER 2022**

		2022		2021	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	5		331,538		349,348
Investment properties	6		4,168,675		4,168,675
Investments	7		<u>4,000,737</u>		<u>4,468,511</u>
			8,500,950		8,986,534
<b>Current assets</b>					
Debtors	8	36,072		39,601	
Cash at bank and in hand		462,713		298,156	
Short term deposits		<u>930,770</u>		<u>921,767</u>	
		1,429,555		1,259,523	
Creditors : amounts falling due within one year	9	<u>(60,462)</u>		<u>(68,574)</u>	
<b>Net current assets</b>			1,369,093		1,190,950
Defined benefit pension asset	16		<u>2,308,000</u>		<u>1,403,000</u>
<b>Net assets</b>			<u>12,178,043</u>		<u>11,580,484</u>
<b>Charity funds</b>					
Restricted funds	11		8,158		37,466
Unrestricted funds	11		<u>12,169,885</u>		<u>11,543,018</u>
<b>Total charity funds</b>			<u>12,178,043</u>		<u>11,580,484</u>

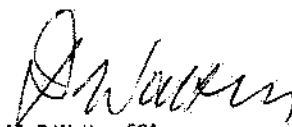
The financial statements were approved by the Board on

and signed on its behalf by:



Mr W Osborne MBE

Treasurer



Mr D Watters FCA

Chairman

The notes on pages 14 to 25 form part of these financial statements and should be read in conjunction therewith.

**BELFAST CHARITABLE SOCIETY**

**CONSOLIDATED BALANCE SHEET  
AS AT 30 SEPTEMBER 2022**

		2022		2021	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	5		380,108		403,470
Investment properties	6		4,168,675		4,168,675
Investments	7		<u>4,000,637</u>		<u>4,468,411</u>
			8,549,420		9,040,556
<b>Current assets</b>					
Debtors	8	14,068		61,168	
Cash at bank and in hand		517,901		304,900	
Short term deposits		<u>930,770</u>		<u>921,767</u>	
		1,462,739		1,287,834	
<b>Creditors : amounts falling due within one year</b>	9	<u>(114,108)</u>		<u>(157,758)</u>	
<b>Net current assets</b>			1,348,630		1,130,077
<b>Defined benefit pension asset</b>	16		<u>2,308,000</u>		<u>1,403,000</u>
<b>Net assets</b>			<u>12,206,050</u>		<u>11,573,633</u>
<b>Charity funds</b>					
Restricted funds	11		43,359		37,466
Unrestricted funds	11		<u>12,162,691</u>		<u>11,536,167</u>
<b>Total charity funds</b>			<u>12,206,050</u>		<u>11,573,633</u>

The financial statements were approved by the Board on

and signed on its behalf by:



Mr W Osborne MBE

Treasurer



Mr D Watters FCA

Chairman

The notes on pages 14 to 25 form part of these financial statements and should be read in conjunction therewith.

**BELFAST CHARITABLE SOCIETY**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	2022 £	2021 £
Net cash (outflow)/inflow from operating activities	127,220	473,755
Cash flow from investing activities		
Dividends and interest from investments	107,593	102,115
Payments to acquire tangible assets	(11,851)	(254,446)
Payments to acquire investments	(563,922)	(852,575)
Receipts from sales of investments	628,964	394,801
Net cash (outflow)/inflow from investing activities	<u>160,784</u>	<u>(610,105)</u>
Net (decrease)/increase in cash and cash equivalents	288,004	(136,350)
Cash and cash equivalents at 1 October 2021	1,226,667	1,363,017
Cash and cash equivalents at 30 September 2022	<u>1,514,671</u>	<u>1,226,667</u>
Cash and cash equivalents consist of		
Cash at bank and in hand	517,901	304,900
Short term deposits	<u>930,770</u>	<u>921,767</u>
Cash and cash equivalents at 30 September 2022	<u>1,448,671</u>	<u>1,226,667</u>

The notes on pages 14 to 25 form part of these financial statements and should be read in conjunction therewith.

# **BELFAST CHARITABLE SOCIETY**

## **NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2022**

<b>1 Reconciliation of net income/expenditure to net cash inflow from operating activities</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Net expenditure for the reporting period (as per statement of financial activities)	(236,582)	(1,037,334)
<b>Adjustments for:</b>		
(Gains)/losses on investments	402,732	1,102,814
Dividends and interest from investments	(107,594)	(102,116)
Depreciation of tangible assets	35,213	35,180
Movement in debtors	47,100	400,367
Movement in creditors	(43,649)	85,844
Pension costs credited/(charged)	30,000	(11,000)
<b>Net cash inflow from operating activities</b>	<b>127,220</b>	<b>473,755</b>

### **Analysis of changes in net debt**

The charity had no net debt during the year.

The notes on pages 14 to 25 form part of these financial statements and should be read in conjunction therewith.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 1 Accounting policies

#### 1.1 Accounting convention

Belfast Charitable Society is an unincorporated charity registered with the Northern Ireland Charities Commission. The address of the registered office is Clifton House Heritage Centre, 2 North Queen Street, Belfast BT15 1ES. The Society is governed by five Acts of Parliament, the most recent being the Belfast Charitable Society Act 1996.

The financial statements have been prepared in accordance with the Society's Act, the Charities Act (Northern Ireland) 2008 and the "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a public benefit entity as defined by FRS102.

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

#### 1.2 Tangible fixed assets and depreciation

With the exception of land and buildings, property, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment losses. Land and buildings are stated in the balance sheet at revalued amounts, being the fair value on the date of revaluation less any subsequent depreciation and impairment losses. Revaluations are performed with sufficient regularity such that the carrying amount does not differ materially from that which could be determined using fair values at the reporting end date.

If an asset's carrying amount is increased as a result of a revaluation, the increase shall be recognised in other comprehensive income and accumulated in equity. However, the increase shall be recognised in profit and loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. The decrease of an asset's carrying amount as a result of revaluation shall be recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity, in respect of that asset. If a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Buildings	2% on revalued amount
Equipment	10% on cost
Fixtures & fittings	20% on cost

#### 1.3 Investment properties

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains/(losses)' on investments in the SOFA.

#### 1.4 Investments

Losses arising on disposals and revaluations throughout the year.

#### 1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Board in furtherance of the general objectives of the Society and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Society for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of restricted funds is set out in the notes to the financial statements. Restricted funds may only be transferred to general or designated funds once the criteria for restriction have been discharged or no longer apply.

#### 1.6 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the society is legally entitled to the income and the amount can be quantified with reasonable accuracy. Income is deferred only when the society has to fulfil conditions before becoming entitled to it or where the donor/funder has specified that the income is to be expended in a future period.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 1 Accounting policies (continued)

#### 1.7 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Charitable expenditure comprises those costs incurred by the Society in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the company and include the audit fees and costs linked to the strategic management of the charity.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand.

#### 1.9 Financial instruments

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

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

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

#### 1.10 Basic financial assets

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

#### 1.11 Basic financial liabilities

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

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

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

#### 1.12 Value added tax

The Society is not registered for VAT purposes, therefore irrecoverable VAT is charged to the Statement of Financial Activities, or capitalised as part of the cost of the related asset, where appropriate.

#### 1.13 Taxation

The Society is a registered charity and the charitable tax exemptions are therefore being claimed to the extent that income and/or gains are applicable and applied to charitable purposes only. These exemptions will remain in place as long as income and expenditure is applied to charitable purposes only.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Society and include the audit fees and costs linked to the strategic management of the charity.

## **BELFAST CHARITABLE SOCIETY**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022**

#### **1 Accounting policies**

**(continued)**

##### **1.14 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

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

##### **1.15 Pensions**

Belfast Charitable Society makes employer contributions to the multi employer Northern Ireland Local Government Officers' Superannuation Committee Scheme (NILGOSC).

NILGOSC is a defined benefit scheme which is externally funded and contracted out of the second state Pension Scheme. The Funds are valued every three years by actuaries using the projected unit method, the rates of contribution payable being determined by the trustees on the advice of actuaries. Pension costs are assessed on the basis of the latest actuarial valuations of the scheme and are accounted for on the basis of charging the cost of providing pensions over the period during which the Society benefits from the employees' services. Variations from regular cost are spread over the expected average remaining working lifetime of members of the scheme after making allowances for future withdrawals.

The difference between the fair value of the assets held in the Society's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the Society's Balance Sheet as a pension scheme asset or liability as appropriate. The carrying value of any resulting pension scheme asset is restricted to the extent that the Society is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme.

Changes in the defined benefit pension scheme asset or liability arising from factors other than cash contributions by the Society are charged to the income & expenditure account.

## BELFAST CHARITABLE SOCIETY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2022

#### 2 Notes to the Statement of Financial Activities

##### 2.1 Income from charitable activities

	Restricted Funds £	Unrestricted Funds £	Total 2022 £	Total 2021 £
Charitable activities gross income includes:				
Parent Charity, Belfast Charitable Society	-	22,988	22,988	14,918
Rental income	-	390,884	390,884	387,477
Ruinwood rental income	88,110	-	88,110	81,002
HLF Great Places	2,500	-	2,500	-
Barbour Fund	10,000	-	10,000	-
Hunter Smyth Fund	4,571	-	4,571	3,776
Department of Foreign Affairs and Trade; Reconciliation Fund	4,640	-	4,640	-
BCC / BOH Roll and Register Book	-	-	-	-
Subsidiary Charity, Mary Ann McCracken Foundation	-	9,581	9,581	-
Charitable activities	109,821	423,453	533,273	487,173

##### 2.2 Trading Activities

Belfast Charitable Society has one wholly-owned trading subsidiary company, Clifton House Centre Limited.  
Clifton House Centre Limited is a company limited by shares, having a share capital and registered in Northern Ireland.

The results of this trading subsidiary company is summarised below:

Company registration Number NI 605357  
Percentage ownership 100%

Financial Results	2022 £	2021 £
Income	324,686	123,879
Cost of Sales	(128,220)	(95,931)
Administrative Expenses	(167,946)	(37,172)
Net income/(expenditure) for year	28,520	(9,224)
Consolidation adjustments:		
Intercompany income	(68,250)	(52,332)
Intercompany expenditure	35,667	16,200
Net income/(expenditure) from subsidiary	(4,063)	(45,356)
Net income from subsidiary	256,436	71,547
Net expenditure from subsidiary	(260,499)	(116,903)
Net income/(expenditure) from subsidiary	(4,063)	(45,356)

##### 2.3 Expenditure on raising funds

	Restricted Funds £	Unrestricted Funds £	Total 2022 £	Total 2021 £
Parent Charity, Belfast Charitable Society				
Investment management costs incurred	-	28,100	28,100	25,243
	-	28,100	28,100	25,243

# **BELFAST CHARITABLE SOCIETY**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2022**

### **2 Notes to the Statement of Financial Activities (continued)**

<b>2.4 Analysis of expenditure on charitable activities</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Parent Charity, Belfast Charitable Society		
Staff costs	119,763	124,569
Activities & services undertaken	258,682	230,020
Depreciation	29,661	33,792
Governance & Support Costs	73,233	79,014
Other Charitable Activities		
Subsidiary Undertaking: Mary Ann McCracken Foundation		
Grant	-	5,000
	<b>481,338</b>	<b>472,395</b>

### **2.5 SOFA of parent company**

<b>Parent charity, Belfast Charitable Society</b>	<b>Restricted £</b>	<b>Unrestricted £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
<b>Income</b>				
Donations & legacies	-	35,459	35,459	5,278
Charitable activities	109,821	413,871	523,692	487,174
Investment income	1,252	106,342	107,594	102,116
Other	-	37,243	37,243	25,108
<b>Total Income</b>	<b>111,073</b>	<b>592,915</b>	<b>703,988</b>	<b>619,676</b>
<b>Expenditure</b>				
Raising funds	-	28,100	28,100	25,243
Charitable activities				
Staff costs	-	119,763	119,763	124,569
Activities & services undertaken	149,129	178,267	327,395	282,352
Depreciation	-	29,661	29,661	33,792
Governance & Support Costs	-	67,778	67,778	79,014
<b>Total Expenditure</b>	<b>149,129</b>	<b>423,568</b>	<b>572,697</b>	<b>544,970</b>
Gains/(losses) on disposal of investments	-	-	-	34,506
Net gains/(losses) on investments	-	(402,732)	(402,732)	487,680
Gains/(losses) on revaluation of investment property	-	-	-	(1,625,000)
	(38,056)	(233,385)	(271,441)	(1,028,109)
<b>Transfers between funds</b>	<b>8,748</b>	<b>(8,748)</b>	<b>-</b>	<b>-</b>
<b>Other Recognised Gains and Losses</b>				
Actuarial gains/(losses) on defined benefit pension scheme	-	869,000	869,000	1,043,000
<b>Net movements in funds</b>	<b>(29,308)</b>	<b>626,867</b>	<b>597,559</b>	<b>14,891</b>

## BELFAST CHARITABLE SOCIETY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2022

#### 2 Notes to the Statement of Financial Activities (continued)

##### 2.5 Analysis of charitable activities (cont.)

Belfast Charitable Society has one wholly-owned charitable subsidiary company, Mary Ann McCracken Foundation Limited. Mary Ann McCracken Foundation Limited is a Private Limited Company by guarantee without share capital use of 'Limited' exemption and registered in Northern Ireland.

The results of this trading subsidiary company is summarised below:

Company registration Number	N/662065		
Date charitable status granted	17/08/2022		
Charity Commission NI No.	NI108857		
Percentage ownership	100%		
Financial results of Mary Ann McCracken Foundation	<b>Restricted</b>	<b>Unrestricted</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>2022</b>
			<b>2021</b>
			<b>£</b>
Income			
Donations and legacies	-	12,749	12,749
Charitable activities	-	9,581	9,581
<b>Total income</b>	<b>-</b>	<b>22,330</b>	<b>22,330</b>
Expenditure			
Charitable activities	-	-	-
Staff costs	-	10,537	10,537
Goods & services	-	5,455	5,455
Governance & Support Costs	-	-	600
<b>Total Expenditure</b>	<b>-</b>	<b>15,992</b>	<b>15,992</b>
<b>Net income/Net movement in funds</b>	<b>-</b>	<b>6,338</b>	<b>6,338</b>
Consolidation adjustments:			
Intercompany income	-	(11,000)	(11,000)
Intercompany expenditure	-	-	-
<b>Net income/(expenditure) from subsidiary</b>	<b>-</b>	<b>(4,662)</b>	<b>(4,662)</b>
<b>Net income from subsidiary</b>	<b>-</b>	<b>11,330</b>	<b>11,330</b>
<b>Net expenditure from subsidiary</b>	<b>-</b>	<b>(15,992)</b>	<b>(15,992)</b>
<b>Net income/(expenditure) from subsidiary</b>	<b>-</b>	<b>(4,662)</b>	<b>(4,662)</b>

##### 2.6 Governance costs

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Legal and professional fees	23,429	24,200
Accountancy	3,342	-
Audit fees	2,371	2,371
	<b>29,142</b>	<b>26,571</b>

##### 3 Net income/(expenditure) for the year

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure) is stated after charging/(crediting):		
Depreciation of tangible fixed assets	29,661	33,792
Profit on fair value movement of investments	402,732	(487,680)
Fees payable to the charity's auditor for the audit of the financial statements	2,371	2,371

##### 4 Trustees and key management personnel remuneration and expenses

The trustees neither received or waived any remuneration during the year (2021 :£nil).

# **BELFAST CHARITABLE SOCIETY**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)** **FOR THE YEAR ENDED 30 SEPTEMBER 2022**

### **5. Tangible fixed assets**

<b>The Group &amp; Charity</b>	<b>Land and Buildings</b>	<b>Equipment</b>	<b>Fixtures &amp; Fittings</b>	<b>Total</b>
<b>Cost/valuation</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 October 2021	290,000	899,021	954,811	2,143,832
Additions	-	-	11,851	11,851
Disposals	-	-	-	-
<b>At 30 September 2022</b>	<b>290,000</b>	<b>899,021</b>	<b>966,662</b>	<b>2,155,683</b>
<b>Depreciation</b>				
At 1 October 2021	10,074	829,843	900,445	1,740,362
Charge for the year	5,800	21,870	7,543	35,213
Disposals	-	-	-	-
<b>At 30 September 2022</b>	<b>15,874</b>	<b>851,713</b>	<b>907,988</b>	<b>1,775,575</b>
<b>Net book value</b>				
At 30 September 2022	274,126	47,308	58,674	380,108
At 30 September 2021	279,926	69,178	54,366	403,470

The land and historic buildings at Clifton House, which were leased to BIH in 2000 for a period of 70 years, are not included within the Society's financial statements.

Land and buildings with a carrying value of £429,414 were revalued at 16 October 2017 by CBRE NI Limited, independent valuers not connected with the charity on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length term for similar properties.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Cost	600,634	600,634
Accumulated depreciation	231,284	219,271
Carrying value	<u>369,350</u>	<u>381,363</u>

### **6. Investment properties**

<b>The Group &amp; Charity</b>	<b>£</b>
<b>Fair value</b>	
At 1 October 2021	<u>4,168,675</u>
At 30 September 2022	<u>4,168,675</u>

Investment properties comprise the premises of Clifton Nursing Home, 2 Hopewell Avenue, Belfast, BT13 1DR, and a ground rent portfolio of 63 separate ground rents all located in Belfast. These properties were subject to an independent professional valuation at 30 September 2017, carried out by CBRE NI Limited on a fair value basis. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

An indicative valuation exercise was carried out by December 2020 on the Nursing Home and the value indicated has been reflected in the accounts at 30 September 2021. The Trustees have agreed to commission a formal valuation every 3 years. The next valuation will be due to be undertaken in the 2023 year to be reflected in the 22/23 accounts.

# **BELFAST CHARITABLE SOCIETY**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)** **FOR THE YEAR ENDED 30 SEPTEMBER 2022**

### **7 Investments**

	The Group		The Charity	
	2022	2021	2022	2021
	£	£	£	£
Listed investments	4,000,637	4,468,411	4,000,637	4,468,411
Unlisted Investments	-	-	100	100
<b>Total Investments</b>	<b>4,000,637</b>	<b>4,468,411</b>	<b>4,000,737</b>	<b>4,468,511</b>

### **Listed investments (The Group & Charity)**

	Listed Investments
	£
Market Value at beginning of year	4,468,411
Additions to investments at cost	563,922
Disposals at carrying value	(628,964)
Net profit on revaluation	(402,732)
Market Value at end of year	<b>4,000,637</b>

### **8 Debtors**

	The Group		The Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade & other debtors	8,667	29,082	22,205	961
Loan Clifton House Centre	-	-	10,000	10,000
Amounts owed by subsidiary undertakings	-	82	-	82
Prepayments and accrued income	5,401	32,003	3,867	28,557
	<b>14,068</b>	<b>61,168</b>	<b>36,072</b>	<b>39,601</b>

Other debtors included £nil (2021: £nil) which is due greater than one year.

### **9 Creditors: amounts falling due within one year**

	The Group		The Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	4,387	9,753	1,497	9,688
Amounts owed to subsidiary undertakings	-	1,268	-	2,477
Other tax and social security	-	7,700	-	3,666
Sundry creditors	31,058	567	34,058	267
Accruals and deferred income	78,563	138,470	24,907	52,476
	<b>114,108</b>	<b>157,758</b>	<b>60,462</b>	<b>68,574</b>

### **10 Pension costs**

	2022	2021
	£	£
Defined Benefit Scheme		
Contributions payable to multi employer scheme by the Society for the year	<b>30,842</b>	<b>30,843</b>



# **BELFAST CHARITABLE SOCIETY**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)** **FOR THE YEAR ENDED 30 SEPTEMBER 2022**

### **11 Fund reconciliation**

		At 1st Oct-21	Incoming resources	Resources expended	Transfers	Gains/ (losses)	At 30th Sep-22
		£	£	£	£	£	£
<b>Restricted funds:</b>							
<b>Parent Charity; Belfast Charitable Society</b>							
Barbour	1	31,042	2,500	(32,500)	(1,042)	-	-
National Lottery Heritage Fund	2	5,003	88,110	(97,164)	8,765	-	4,715
Department of Foreign Affairs and Trade;	3	(157)	4,571	(2,600)	-	-	1,813
Tom Howard Dividend	4	1,578	1,252	(1,200)	-	-	1,630
BCC / BOH Roll and Register Book	5	-	4,640	(5,665)	1,025	-	-
Hunter Smith	6	-	10,000	(10,000)	-	-	-
<b>Subsidiary Companies:</b>							
Clifton House Centre Limited	7	-	46,250	(11,049)	-	-	35,201
		<b>37,466</b>	<b>157,323</b>	<b>(160,178)</b>	<b>8,748</b>	<b>-</b>	<b>43,359</b>

- During the period, year 6 of 7 was completed (ie March 2022); the final year (year 7) grants were allocated, and an additional £2500 donation made to the Fund. Grants were given to help alleviate isolation felt by older people and also to enhance the employability of young people - mostly through bursaries and training.
- A grant was secured from the Heritage Fund to support the Society's work with the North Belfast Heritage Cluster; using local heritage assets to catalyst regeneration in one of the most disadvantaged parts of Northern Ireland.
- This funding was awarded to cover the costs of delivering a package of talks throughout November 2021 and February 2022.
- This dividend is paid out by the NI Central Investment Fund for Charities and is restricted, by its legacy bequest from Tom Howard, to support activities for older people.
- During the period the Society agreed to manage an archive project on behalf of the Belfast Orange Hall (BOH). The latter secured funding from BCC and the Society managed the project and the associated spend.
- This was established in 2022 through a partnership between the Smyth family and Belfast Charitable Society. The fund will support projects and organisations that are well run and properly managed and to address disadvantage. The fund will operate for 15 years, including 2022. In this year it enabled those with dementia and their carers to access social and support services in a health and well-being setting.
- In the period the company received 50% of its awarded three year grant from the Covid Recovery Employment and Skills Initiative for Heritage grant (CRESI) and allocated 4 of the 18 months spend.

# **BELFAST CHARITABLE SOCIETY**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)** **FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	At 1st Oct 2021 £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) £	Impairment £	At 30th Sept 2022 £
<b>Unrestricted funds</b>							
<b>Parent Charity, Belfast Charitable Society</b>							
General Fund	11,543,018	557,248	(344,318)	(10,304,025)	466,268	-	1,918,191
Investment Properties	-	-	-	4,168,675	-	-	4,168,675
Cash Investments	-	-	-	3,768,602	-	-	3,768,602
Defined benefit pension	-	-	-	2,308,000	-	-	2,308,000
Designated Fund	-	-	-	50,000	-	-	50,000
<b>Subsidiary Companies</b>							
Clifton House Centre Limited	(6,851)	210,186	(249,450)	-	-	-	(46,115)
Mary Ann McCracken	-	11,330	(15,992)	-	-	-	(4,662)
	<b>11,536,167</b>	<b>778,764</b>	<b>(609,760)</b>	<b>(8,748)</b>	<b>466,268</b>	<b>-</b>	<b>12,162,691</b>

### **12 Analysis of assets between funds**

	Restricted funds £	Unrestricted funds £	Total £
Fixed assets	-	8,549,420	8,549,420
Cash and current investments	43,359	1,405,312	1,448,671
Other current assets and liabilities	-	(100,041)	(100,041)
Creditors more than one year	-	-	-
Pensions	-	2,308,000	2,308,000
	<b>43,359</b>	<b>12,162,691</b>	<b>12,206,050</b>

### **13 Contingent liabilities**

Grants received are repayable to the should the Society fail to meet the conditions laid out in the relevant letters of offer.

### **14 Financial commitments**

Belfast Charitable Society had committed to making the following grant payments to local charities at 30 September 2022:

Financial commitments which expire:	2022 £	2021 £
Within one year	-	30,000
Between two and five years	-	-
	<b>-</b>	<b>30,000</b>

### **15 Employees**

Number of employees	2022	2021
The average monthly number of employees during the year was:		
Belfast Charitable Society	2	2
Mary Ann McCracken Foundation	-	-
Clifton House Centre	4	4
Total average number employed	<b>6</b>	<b>6</b>
Employment costs of parent entity	£	£
Wages and salaries	79,321	68,300
Social security costs	9,600	9,226
Other pension costs	30,842	30,843
	<b>119,763</b>	<b>108,369</b>

No employees received total employee benefits (excluding employers pension costs) of more than £60,000 during the year (2021 : none).

## BELFAST CHARITABLE SOCIETY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2022

#### 16 Pensions

Belfast Charitable Society is a member of the Northern Ireland Local Government Officers' Superannuation Committee ('NILGOSC'). NILGOSC is a funded, tax approved, defined benefit pension scheme, which provides retirement benefits to employees of local government and other admitted bodies. There are currently 129,000+ members of the NILGOSC scheme with around 170 employers participating in the Scheme. The Trustees of the Scheme are responsible for ensuring that the correct benefits are paid, that the scheme is appropriately funded and that scheme assets are appropriately invested.

The liabilities of the Belfast Charitable Society are spread across the active, deferred and pensioner categories with the majority of the liability lying with non active members. The weighted average duration of the Scheme's liabilities is 14.5 years

Individual member contribution rates depend on their salaries and the level of benefits that they have chosen to build up. The scheme actuary has estimated that Belfast Charitable Society employees will contribute on average 7.1% of their salaries. The employer pays the balance of the cost as determined by regular actuarial valuations. The Trustees are required to use prudent assumptions to value the liabilities and costs of the scheme whereas the accounting assumptions must be best estimates. From April 2015 accrual in the Scheme has been based on a member's average earnings, what is known as a 'CARE' scheme. Prior to this, accrual was based on a member's final salary. Pension increases are determined by direct reference to CPI.

The contributions payable by each Employer differs as it allows for each employer's particular membership profile and funding deficit. Belfast Charitable Society contributes at a rate of 25.2% per annum in respect of ongoing accrual and a recovery plan is place in respect of their funding deficit. This is on top of employee contributions. We expect employer contributions to be approximately £54,000 in the year ending 30 September 2022.

The NILGOSC fund faces a number of key risks which could affect its funding position. The major risks are:

- funding risk;
- employer risk;
- inflation risk;
- longevity risk;
- investment risk;
- options for members (or other parties) – the risk that members exercise options resulting in unanticipated extra costs.

The Committee and Trustees will be aware of these risks and will manage them through appropriate investment and funding strategies

A formal actuarial valuation was carried out as at 31 March 2019. The results of that valuation have been projected to 30 September 2022, making allowance for additional accrual and benefits paid, using the assumptions set out below. The figures in the following disclosure were measured using the Projected Unit Method.

The amounts recognised in the Balance Sheet is as follows:

	2022	2021
	£'000	£'000
Defined benefit obligation	(4,818)	(6,856)
Fair value of plan assets	7,126	8,269
Net defined benefit asset	<u>2,308</u>	<u>1,403</u>

The amount recognised in the statement of financial activities are:

The current and past service costs, settlements and curtailments, together with the net interest expense for the year are included in the statement of financial activities. Remeasurements of the net defined benefit liability are included in other comprehensive income.

## BELFAST CHARITABLE SOCIETY

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 SEPTEMBER 2022

#### 16 Pensions (continued)

	2022 £'000	2021 £'000
Service cost:		
Current service cost (net of employee contributions)	46	47
Employer contributions	(52)	(52)
Net interest (credit)/expense	(30)	(6)
Charge to be recognised in statement of financial activities	(36)	(11)
Remeasurement of the net liability:		
Return on scheme assets (excluding amount included in net interest expense)	1,039	(787)
Actuarial losses/(gains)	(1,908)	(256)
Charge/(credit) recorded in other comprehensive income	(869)	(1,043)
Total defined benefit cost/(credit)	(905)	(1,054)

#### 17 Related Party Transactions

During the year net expenses of £4,662 (2021: £82) were paid to Mary Ann McCracken foundation, a company limited by guarantee. The balance due from Mary Ann McCracken at the balance sheet date was £4,662 (2021: £82) and is included in Mary Ann McCracken debtors.

During the year net expenses of £4,063 (2021: net expenses £12,264) was received by the Charity from Clifton House Centre Limited, a 100% subsidiary of the Charity. The balance due to Clifton House Centre Limited at the balance sheet date was £4,063 (2021: £2,477) and is included in creditors.