

**Extern Northern Ireland
Company Limited by Guarantee
Financial Statement
Year End 31 March 2023**

**Company Registration Number NI016083
Charity Registered with HMRC XN 48714 NIC105869**

**Extern Northern Ireland
Company Limited by Guarantee
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**Extern Northern Ireland
Reference and Administrative Details of the Charity
Year Ended 31 March 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Chair	Aideen D'Arcy
Other Trustees	Ian McAvoy Allen McCartney Stephen Leach Shane McLaughlin Noreen Wright (appointed 13 October 2022) Brendan Johnston (retired 15 December 2022) Andrew McCloskey (retired 15 December 2022)
Company Secretary	Ian McAvoy
Management Team	Danny McQuillan, CEO (resigned 14 July 2022) Colin Hayburn, CEO (appointed 16 January 2023) Dr Gavin Adams, Director of Business Development (resigned 3 October 2022) Sharon Hearty, Director of Policy and Development (appointed 30 January 2023) Jonathan Carroll, Director of People and Organisational Development Pauline Flynn, Director of Finance and Corporate Services Leslie Ann Scott, Director of Services Deirdre O'Driscoll, Interim Director of Services Rol (appointed 12 September 2022) Neil McKittrick, Director of Services NI (appointed 6 February 2023)
Principal Bankers	Bank of Ireland 4-8 High Street Belfast BT1 2BA
Principal Solicitors	Worthingtons Solicitors 24-38 Gordon Street Belfast BT1 2LG
Auditors	Moore NI Donegall House 7 Donegall Square North Belfast BT1 5GB
Registered Office	Hydepark House 3 McKinney Road Newtownabbey BT36 4PE
Company Reg. No.	NI016083
HMRC Charity No.	XN48714
Charity Commission No.	NIC105869

THE TRUSTEES ANNUAL REPORT

The Trustees present their report to accompany the Financial Accounts for the year ended 31 March 2023.

The Trustees confirm that the Annual Report and Financial Statements of the company's governing document, the Companies Act 2006, have been prepared in accordance with Accounting and Reporting by Charities: Statement Of Recommended Practice applicable to charities preparing their account in accordance with FRS102.

Organisation Overview and Activities

Extern Northern Ireland is a Community & Voluntary organisation and our primary activity is to provide services commissioned by statutory organisations on behalf of the government. Extern walks shoulder to shoulder with some of the most marginalised people in society, delivering services to support their daily lives.

Since inception over 45 years ago, the core belief that another chance can change a life continues to underpin Extern's ethos to service delivery.

Our Vision

We aim to change lives and to support a socially just and inclusive society.

Our Mission

We will create opportunities and provide supports to enable people to meaningfully participate in society.

Extern Northern Ireland delivers services to support, house and engage adults, young people, families and children who are:

- Street homeless
- Displaced from their country of origin
- Living with an offending past
- Dealing with alcohol and drug issues
- Living with the impact of suicide
- Dealing with mental health issues
- Members of the Traveller Community
- Engaging in alternative education and employability supports
- Looked After Children

Emerging from the Covid pandemic and assessing its impact on families and children, young people and adults, Extern identified the additional trauma of Covid on the lives of the most marginalised and committed to strengthening Trauma Informed Practice by setting a goal to become a Trauma Informed Organisation in the incoming years.

Extern has also extended its refugee services with the successful appointment to support the Homes for Ukraine Scheme.

During 2022, the organisation operated with an interim strategy. In January 2023, the Trustees appointed a new CEO and commenced a strategic review. The organisation intends to launch a 5-year strategy, Vision 2030, in 2024.

ACTIVITY REVIEW 2022-23

Communities

Extern provides a range of services to adults who are homeless or at risk of homelessness; who are returning to the community following a custodial sentence; who are deemed at risk of offending or causing harm and require intensive monitoring and support; and who require low threshold support with alcohol and/or drug addictions. These services are provided at various locations throughout Northern Ireland.

An overview of each of these projects is set out below.

Alcohol Housing Support is funded through the Public Health Agency (PHA). This offers an outreach team working with adults who are at risk of homelessness as a result of their chronic/severe alcohol use. The aim is to prevent tenancy breakdown/prevent homelessness and reduce alcohol use to improve health and wellbeing.

Drug Accommodation Support Programme (DASP) is funded through the PHA. This is a multiagency initiative with a 'Harm Support and Reduction' ethos to support Intravenous (IV) drug users to stabilise by accessing temporary supported accommodation, with a specialist worker liaising closely with hostel staff and statutory agencies to ensure a structured access to treatment and support. It is overseen by a wide-ranging steering group, including NI Housing Executive, PSNI, Public Prosecution Service, Supporting People, Homeless Connect and voluntary hostel providers.

Innis Centre is funded through Supporting People. It is a purpose built 20-bed unit providing NI Housing Executive accommodation, supervision and monitoring to a range of offenders until they can be positively re-integrated into the community and appropriate permanent accommodation has been identified and agreed.

Dismas House is funded through Supporting People. It is a 14-bed unit providing accommodation, supervision and monitoring to a range of offenders until they can be positively re-integrated into the community and appropriate permanent accommodation has been identified and agreed.

Street Injectors Support Service (SISS) is funded through the PHA and Belfast Policing and Community Partnership. It uses experienced staff to assertively engage with street injectors in Belfast city. The project also involves the collection and disposal of inappropriately discarded injecting equipment. This project works closely with those using IV drugs and undertakes joint work with Community Policing and Belfast City Council. The service has already saved multiple people's lives on the streets of Belfast with the administration of Naloxone and CPR.

Step 2 Northern Trust is funded through the PHA and targets those across the Northern Trust area who have developed drug and alcohol issues. The service is a counselling led model undertaking brief interventions and extended brief interventions for service users looking at restoring control, moving to abstinence or reducing harm by drug and alcohol misuse. The service also offers family intervention therapy for those families struggling to cope/impacted by a loved one's alcohol/drug use.

Step 2 Southern Trust is funded through the PHA. Extern are part of a three organisation partnership (Ascert, Dunlewey) delivering this service across the Southern Trust. The service has been extended until March 2024 with similar goals as the Northern Trust based service and the project is aimed at reducing harm for those using substances at a mild to moderate level.

Drug and Alcohol Consultancy Service is a training service which trains staff and service users from various organisations across NI in the administration of Naloxone and other specialist training. This service has been enhanced during 2022-23 to deliver a range of IV drug related training to the addiction and housing sector. The service also trained Belfast PSNI officers in nasal Naloxone administration for their new pilot initiative.

Family Intervention and Suicide Prevention Service continues to offer service users intervention to address suicidal ideation by utilising Applied Suicide Intervention Skills Training (ASIST) practice techniques and developing a safe plan to ensure the person in distress receives ongoing support. Linking extensively with BHSCCT CMT and unscheduled care teams, the service offers a responsive service at the time of need. The service also offers community in-reach to families bereaved through suicide and provides training to local networks around mental health and suicide awareness.

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Reach Out is a team funded by the Department for Communities (DfC) and works across North Belfast to target areas of deprivation by improving mental wellbeing and access to services. Targeted training, complimentary therapy and awareness initiatives are delivered to local communities and schools to address issues such as suicidal ideation, self-harm and alcohol/drug misuse. The service also helps individuals access counselling across a range of services.

Ormeau Centre Hostel is funded by Supporting People and has been operating since 1978. The Centre provides 29 direct access emergency accommodation for men and women experiencing homelessness. The centre provides an open, non-judgemental referral policy and is aimed at removing the barriers to accessing support, tackling street homelessness and combating social exclusion. The majority of those who come to the Ormeau Centre have been homeless for some time or have been living on the street. Many are experiencing difficulty with their mental health, substance abuse and/or physical wellbeing. All have experienced a crisis at some point in their lives that has led to them losing the family, friends or local community networks that we all rely on in times of trouble.

Multi-Disciplinary Homeless Support Team (MDHST) is funded by Supporting People. This service offers support to people who are homeless, or at risk of homelessness and have additional complex needs relating to diagnosed and undiagnosed mental health issues, substance misuse, physical health issues, offending backgrounds, learning disabilities and family issues. MDHST works in partnership with NI Housing Executive, Belfast Health & Social Care Trust and other voluntary sector organisations to support individuals and families to access and sustain appropriate temporary accommodation and to access mainstream health and social care services. It works collaboratively with statutory and voluntary agencies and regularly convenes case strategy meetings. The team advocates on behalf of service users and facilitates pathways and channels of communication between statutory and voluntary agencies to improve access to healthcare. This multi-agency approach enables a coordinated and holistic approach to supporting individuals and families with multiple needs.

Floating Support Services (Criminal Justice) deliver a flexible and responsive service for medium to high-risk offenders living in the community. The service is funded by Supporting People and aims to support individuals make the transition from prison to community and to secure and maintain accommodation. This service supports individuals with substance use issues, mental health issues, integration, reduced socialisation and most importantly helps to reduce the risk of re-offending. Interventions are based on the Good Lives Model, building on the individual's strengths and needs.

Frontline Network Counselling was established in January 2022. The project provides counselling services to support individuals to make the transition from prison into the community, obtain suitable accommodation and maintain their tenancies. The service also supports individuals to maintain positive mental health, counter social isolation and avoid further offending. Interventions are based on the Good Lives Model, building on strengths and are tailored to the individual's needs.

Low Threshold Services are currently delivered within the Northern and Southern Health & Social Care Trust areas. The overall aim is to assist individuals to reduce their risk of alcohol and/or drug use by providing support that best meets their individual needs within the home and community settings. The service offers an open referral process to those with dependent drug use and also provides needle exchange on an outreach basis. These services have been extended until March 2024.

Community Needle Exchange is funded by the PHA. The service provides outreach needle exchange in Belfast. It is the first of its kind in NI and employs five staff working across Belfast on a rota basis, providing clean equipment and safer injecting advice to those using injecting equipment. This project has been evaluated and as a result of its impact continues to be funded as the service model and positive impact on the Belfast area has been commended in the evaluation.

The Homeless Traveller Project has been operating since January 2017. This project provides intensive support to members of the Traveller community, both individuals and families, in relation to housing and homelessness, tenancy sustainment and link-up with statutory health and social care services around multi-complex needs (including, for example, offending, mental health, family and childcare issues, addiction and physical health etc.). This project operates on a multi-agency collaborative model and is part of the Traveller Support Network for Greater Belfast.

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Community Crisis Intervention Service (CCIS) was successfully retendered in 2021 and secured three-year funding from the health department via the Community Foundation. It continues to support those in crisis during evenings and weekends and has expanded its remit to include same day work for onward liaison and referral. Individuals in mental distress can access support and intervention from Thursday to Saturday out of hours when day services are closed.

Communities In Transition – Shankill is funded by The Executive Office (TEO) and Co-operation Ireland and is aimed at improving mental health and wellbeing in targeted communities that have a history of paramilitary control and influence. The project develops localised initiatives to improve awareness of mental health and addiction issues and is delivered in the local areas. The project also trains local Community Champions to support their areas and is responsive to delivering interventions unique to the locality. In addition, the project runs campaigns highlighting issues around mental ill-health and develops resources for areas to use.

Communities In Transition – Larne and Carrick is a similar project to the Shankill initiative under the same funder. It delivers localised plans, interventions and supports to improve mental wellbeing. The project covers a large area with complex issues and works closely with community programmes to ensure effective in reach into the community.

Extern Homes has been operating since March 2017. The Extern Homes project has been created to move people from homelessness into homes. We currently have ten properties which are let to tenants. A third of tenants progress into employment and/or education and zero return to homelessness. Extern Homes provides two-year tenancies/licence agreements for people who are homeless, and the supports required to sustain life in the community. The project focuses on making the transition from homelessness to becoming a tenant a positive, affordable and comfortable experience.

Extern Homes offers tenants:

- Quality, affordable and supported accommodation
- A chance to move into the private rented sector
- A two-year tenancy/licence agreement followed by a rolling monthly agreement.

Refugee Floating Support is funded by NI Housing Executive and has been operating since 2013. It works intensively with refugees during the 28-day notice period given to move out of National Asylum Support Service (NASS) accommodation and provides medium to long-term specialist and practical support and advice to resettle in the community. This ongoing intensive, comprehensive, one to one support includes, but is not limited to, housing, benefits/financial and budgetary management, health, education, legal status, training and employment, family reunification and community integration. The service aims to prevent homelessness and to maintain tenancies by directly supporting individuals who have housing issues and practical problems settling into the local community. The service works across the community and has existing networks with a range of other refugee and asylum support organisations. The team is an active participant in the Migrant Forum, the Refugee and Asylum Forum and the NI Asylum Stakeholders Forum.

Complex Floating Support (CFS) is funded by NI Housing Executive. The service aims to offer support to those with multiple complex needs to maintain their tenancy. The team operates across a continuum of support, to those who are homeless, or at risk of homelessness and have complex needs. The role of prevention, assessment and access, crisis intervention and sustainment services are all essential to maximise the likelihood of successful settlement into tenancy and also to prevent the continual cycle of in and out of homelessness.

Northern Ireland Refugee Resettlement Service (formerly the Syrian Vulnerable Persons Resettlement Service, SVPRS) is funded by the DfC. This service has been operating since December 2015. Extern Northern Ireland is one of three main delivery partners in the provision of specialised resettlement support to individuals and families arriving under the UK Vulnerable Persons Relocation Scheme (VPRS). The service provides key workers to support individuals and their families arriving under the Scheme. Staff work intensively with individuals and families from their point of arrival, as they transition to their new home and resettle in their local communities. Additional supports include a holistic assessment of needs, practical support and link-up with statutory services to help families resettle in NI. Staff are based in Derry/Londonderry, Greater Belfast and the Armagh, Banbridge and Craigavon council areas.

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Afghan Resettlement Scheme (ARAP/ACAS) is funded DfC. This service provides Key Workers to support families in their transition to their new homes. Staff are there to offer a wrap-around service for families, children, young adults and adults for each of the new groups of refugees and to continue to provide ongoing support to existing families where local services are not available. Staff also advocate on behalf of families and individuals with statutory services as appropriate.

Homes for Ukraine is funded by the DfC. This is a scheme that provides an opportunity for people from Ukraine who may not have family ties, to be sponsored to come to the UK by individuals, businesses or community organisations. As a delivery partner, Extern are responsible for completing a number of screening checks in order to assess the suitability of a host application prior to the guest's arrival. This includes screening the accommodation for adequate space, privacy and health and safety. Extern will also process safeguarding checks in the form of Access NI and HSC checks (vis HSC Trusts). Finally, Extern also completes a follow-up visit to confirm safe arrival and that people have settled into host accommodation.

MUST Hostel (Mid Ulster and South Tyrone) is funded by Supporting People. It offers accommodation, support and help tailored to the specific needs of single people aged between 18-65 who are homeless. The hostel aims to deliver a modern supported housing service which is flexible and has a holistic approach to the individual in order to meet the needs of the people we support. The hostel has 20 beds and accepts both male and females. It is a Probation Approved Hostel and works with the Probation Board for NI to supervise those who are subject to supervision under licenses or other restrictions.

SAIL Project (Supported Adults for Independent Living) is funded by Supporting People. The service was established by our MUST Hostel in Cookstown, with the aim of enabling people to live independently within the community and to help people sustain their tenancies.

Dispersed Outreach Teams (Farset, Newcastle and Mid-Ulster) including Farset Newcastle, Mid-Ulster, South East, North Down and Ards provides intensive support to individuals who has a range of complex needs and vulnerabilities from particular geographical areas. These teams are multi-skilled in both engaging with 'difficult to reach' individuals and in identifying reflective and holistic supports. The teams aim to achieve positive outcomes with clients, including tenancy sustainment, management and support systems and mental health and physical health and wellbeing supports.

Connections is funded by the PHA. It is aligned with the Belfast Drug and Alcohol Coordination Team (BDACT) and delivers against the BDACT action plan, training and developing initiatives and interventions in line with strategic plans by BDACT to address drug and alcohol issues. The project also undertakes health-based initiatives such as Dry January, by arranging awareness events across the city highlighting the benefits of harm reduction and healthy alternatives to alcohol and drug use. Their community training role is in addition to information sharing and the development of materials which local voluntary agencies can use to address drug and alcohol related issues.

Complex Lives Intensive Support Workers consists of two staff members recruited in March 2023 to support the Belfast City Council led Complex Lives initiative. The staff are aligned with Criminal Justice Floating Support and SISS to intensively support those with complex needs who are currently homeless in Belfast city centre. The pilot involves significant multiagency support across several programmes aimed at providing access to services such as health, wellbeing, social and financial services with the aim of accessing and maintaining accommodation. Extern is also part of the Multiagency Steering Group and CEO Advisory Group.

SISS Social Worker is a post funded by Moore Trust and works alongside the SISS team to engage and support young people aged 17-25 who are using drugs at a problematic level. The social worker aims to provide direct support, access external supports, and liaise with other agencies to stabilise the young person and reduce the impact of drug use.

Young People and Families

Extern's Young People and Families services are operational from bases across Belfast, Newtownards, Lisburn, Newtownabbey, Derry/Londonderry, Enniskillen, Omagh and Strabane. The table below provides a synopsis of the projects delivered during the year 2022-23. The nature of the services are further outlined below.

Pathways is funded by the Education Authority. This is an alternative education programme that works with young people aged 14-16 years who are at risk of being excluded from mainstream education and who may be at risk of offending or entering into care or custody. Pathways provides a full-time alternative education programme, five days a week, delivering 190 hours of support. Many young people attending Pathways are presenting with SEBD (social, emotional, behavioural difficulties) and more often undiagnosed additional learning needs, so staff have been inventive in both delivery and programme development. Personal development programmes include mental health awareness, alcohol, drugs, sexual health, cultural diversity, homelessness and mindfulness.

Improving Transitions, Enabling Results (ITER) is an Erasmus+ project led by GEMS NI, of which Extern is one of nine partners who include Eulab Consulting, Italy; University of Huddersfield; Desincoop, Portugal; University Politehnica of Bucharest, Romania; Time Associates UK; Bekes County Government Office, Hungary; and Antares, Italy. ITER is designed to improve methods to engage young people to identify their individual needs and barriers to mainstream vocational training and to empower them to co-design and implement their personal action plan to address their needs and barriers across four 'zones', Learning, Life, Leisure and Work. The project closed in December 2022.

Looked After Children (LAC) Mentoring Support Service is funded by the HSCB. The service operates across Northern Ireland and offers a bespoke and task-focused model of mentoring. The service is available to young people aged 10-20 residing in a care placement or who have prior experience of care placement. The service offers a range of supports, tailored to the needs to each young person, to enable effective outcomes. Mentoring supports are provided for a range of issues, including improving self-confidence/self-esteem, social inclusion, education and employment and improving personal relationships.

Strength 2 Strength is funded by the HSCB and is a community-based intervention provided to children aged 8-13 and their families within the Western Trust area who are assessed as being 'in need' and where the children are at risk of offending and antisocial behaviour.

Family and Child Empowerment Services (FACES) is funded by the BHSCT and provides individual and family support to young people aged 8-17 years across South and East Belfast. The team works with ten young people and provides intensive hours of tailored support, which includes individual and group work, parenting and educational support, family therapy and social outings throughout the year. This project closed in September 2022.

Janus Youth Support is funded by the SEHSCT. The team works intensively on a one-to-one basis with young people aged 10-17 years who are living in the community or within the care system, whose behaviour is challenging, posing a risk to either themselves or others. Individually tailored support programmes are developed in response to the needs of the young people to support them to remain at home or at the lowest level within the care system. The project is aimed at young people's social functioning, community inclusion and family relationships.

Linx Ards and Lisburn is funded by SEHSCT. This service is a community-based programme which builds upon the strengths of young people aged 13-17 and their families to encourage healthy development, safety, stability and a positive future. The Linx team help young people and their parents/carers improve their relationships and support parents to help their children develop confidence and resilience. Linx seeks to reduce the likelihood of family breakdown and help young people to remain in their home, school and local communities.

Time Out offers respite, safety and support to young people aged 8-17 years and their families at Extern respite facilities at Kinnahalla, Co Down and Roscor, Co Fermanagh. The service is contracted by four of the five Health Trusts within the NI and Tusla, the Family and Children's organisation in the Republic of Ireland. The programme works in partnership with social workers and responds to crisis, offering a sanctuary for young people who need time in a safe place where they can build on their strengths and develop confidence and self-esteem to address a range of issues for managing life challenges.

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Youth Support is funded by WHSCT. This service provides community-based support in a group setting to young people aged 10-17 years. These young people are at medium to high risk of their current care placement breaking down and being received into residential or custodial care, or they can also be assessed as being a 'child in need'.

Early Years/Passport service is funded by WHSCT. This service is a community group-based programme for young people aged 8-12 years across the Western Trust area who are experiencing difficulties within the home, school and the community, or who are assessed as being a 'child in need'.

Intensive Fostering Support is an integrated approach between Social Services and Looked After Children Therapeutic Services. It supports a minimum of eight specialist foster placements within the Western Trust. The programme involves recruiting and training eight specialist foster families who will be trained in the Model of Attachment Practice and be supported by a team comprising social workers and therapeutic services.

Independent Visitors is funded by the WHSCT. This service provides one-to-one support for children and young people who are in care or have had experience with the Trust's care support services. The role of the Independent Visitor is to 'assist, advise and befriend' through building positive and supportive relationships with individuals, independent of the Trust.

Summer Camp is funded by the WHSCT. The summer scheme model continues to develop to support the evolving and emerging needs of the young people who join the scheme. The programme has two elements providing:

1. Family Respite Breaks at Roscor Youth Village to support identified families to get a break away from their day-to-day challenges. Each break enables families to spend quality time together and to experience new opportunities by participating in a range of different activities and spending quality time together.
2. Activity Days for children/young people aged 8-13 who are socially excluded or who live in an area of high deprivation, or who are deemed as a 'child in need'. Opportunities are provided to participate in a range of outdoor activities to assist them to develop confidence, self-esteem and the ability to work as part of a team.

Raising Aspirations North Down (DARE Programme) is now entering its second year. It is funded through Communities in Transition and Extern partners with Alternative NI to work with young people in primary and secondary schools in the Bangor area to raise educational aspirations.

Youth Engagement Service is funded by the PHA. This service is based in Belfast and North Down (Bangor). Both projects offer a safe, social environment for young people aged 11-25 to explore, learn and develop their emotional well-being through the provision of an advice and signposting service on issues such as:

- Drug and alcohol use
- Low self-esteem
- Poor mental health
- Training and education
- Bullying

Work is based in schools, community settings and youth focused centres, but both also operate on a drop-in basis during the week.

GOVERNANCE, MANAGEMENT AND FINANCE

The company is governed by a Board of up to nine Trustees. The Board meets at least four times during the financial year with additional meetings called if necessary. The Board is supported by the Extern Group Board Sub-committee structure which includes the Innovation and Development Committee, Audit and Risk Committee and Nominations and Remuneration Committee. Each committee makes recommendations to the Board for the latter's review and consideration for approval.

Board Trustees do not receive any remuneration in respect of their services to the charity. Receipted expenses are reimbursed when incurred. The Trustees, who are non-executive, represent a diverse range of relevant experience including finance, legal, criminal justice, housing, health, children services, business, research and mental health.

The Board delegates the day-to-day management of the company to the Strategic Leadership Team. This team comprises of the Chief Executive Officer (CEO) and five executive directors – Director of Services NI, Director of Services RoI, Director of Innovation and Development, Director of People and Organisational Development and Director of Finance and Corporate Services. Neither the CEO nor any of the executive directors are registered Directors of the Board.

From time-to-time urgent decisions on matters reserved for the Board many need to be taken between scheduled Board Meetings. In such circumstances, the Chair of Extern Northern Ireland in consultation with the Chairs of Extern Group and Extern Ireland has the authority to deal with such matters. In all circumstances, decisions will be formally recorded and reported to the Board. This is in accordance with the Boards' Scheme of Delegation.

Constitution

Extern Northern Ireland is a charity which is constituted under the Companies Act 2006, as a Company Limited by Guarantee. The company's governing document is the Memorandum and Articles of Association.

Trustees' Interests

No Trustee, in the current year, had any interest in any contract undertaken by the organisation.

Going Concern

The Trustees believe that there are no material uncertainties that cast significant doubt about the company's ability to continue as a going concern and the financial statements have been prepared on this basis.

Appointment of (Trustee) Directors

As set out in the Memorandum and Articles of Association, the Chair of Extern Northern Ireland is appointed annually by Trustees. The appointment to the Chair cannot normally be for more than six consecutive years.

The appointment of new Trustees is confirmed by election at the following AGM. Trustees may serve a maximum of nine years. There is a policy of retirement by rotation to ensure that the Board is continually rejuvenated. The Board also considers succession planning to ensure continued expertise when its most experienced members step down.

Director Induction and Training

New Board members undergo an orientation period with the Group Chair and CEO to brief them on their legal obligations under company law, to go through the Memorandum and Articles of Association, the Board make-up, decision making processes, the business plan, the recent financial performance of the charity, current programmes and projects, the most recent annual reports and information on staff and volunteers.

All Trustees are encouraged to be familiar with Extern's range of programmes and may take a special interest in some, depending on their expertise and location. Trustees are encouraged to attend external and internal training events which will facilitate the undertaking of their role.

Conflict of Interest

New Trustees are requested to sign up to the Board's Code of Conduct and are also required to complete and sign a Conflict-of-Interest document, declaring any conflicts that either currently exist or may materialise during their term on the Board. All Trustees are requested to submit an annual Declaration of Interest form and to resubmit should their circumstances change during the year, in line with the Boards' Conflict of Interest Policy. Conflicts of interest and declarations of loyalty are included as a standing agenda item for all committee/board meetings. Trustees who declare a conflict of interest at the start of the meeting are obliged to leave the meeting before the relevant agenda item is discussed.

Organisation

Objectives

The main objective of the company is:

To promote, support or carry on, either alone or in cooperation with any other body, authority or person, community based and other services, projects or schemes which aim to minimise the risks and/or prevent the occurrence of:

- Family breakdown
- Exclusion from communities
- Placement in statutory care, private residential or fostering services
- Exclusion from mainstream education services
- Admission to young offender centres
- Imprisonment
- Homelessness
- Offending and re-offending
- Long-term dependency on statutory care and support services
- Substance abuse
- Harm to the public

Organisation Management

Extern has established a fit for purpose organisation model to enable it to achieve its Vision and Mission through the delivery of its services. The major risks associated with the provision of services is the safeguarding of service users and social care workers. Extern manages these risks through:

- A safeguarding statement for every service project
- Social Care practice and management skills of its employees
- Capacity to provide full compliant commissioned services
- A Head of Safeguarding
- A Head of Quality and Audit

Future Plans and Developments

The exponential rise in demand for services following the Covid pandemic, as well as the impact of the current cost of living crisis, demands a dynamic strategy in the years ahead.

Extern's newly appointed CEO will lead the development of a new strategy and engage with key stakeholders from commissioners, funders, staff and service users in the development of the strategic plan. Our objectives in the coming years include raising the awareness of Extern's service portfolio with policy makers, legislators and other key stakeholders and to advocate for the voiceless in our society. We will continue to support our current service users whilst striving to expand our services to meet the growing numbers in need of our support.

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Central Support Services

The delivery of services is supported by central support services from Extern Group to Extern Northern Ireland. These are wide ranging and include the following:

Support function	Services inclusive of:
Financial Services	Transaction processing; payroll services; pensions administration; budget build; service costings and tender bids; management and financial accounting and reporting; grant applications; funding claims, contracts management; statutory reporting; business assurance checks controls and balances.
IT & Telecommunications	IT support; IT hardware; systems software; telecoms and communication networks; cyber security and other protective measures
Estates, Fleet and Central Procurement	Estates and lease management; fleet management; health & safety management and assurance; central supplier tendering and supplier contract management; insurance placement, management and claims administration
Human Resources & Staff Development	Recruitment, vetting, registration and staff induction processes; staff development programmes; advice, guidance and assistance on all aspects of personnel and human resources management;
Training & Practice Development	Mandatory & specialist training of all personnel; practice support and professional development for social care workers and social workers for internal staff; practice support & professional development services to voluntary sector social care providers.
Quality Assurance, Governance & Audit	Internal audits of systems, controls & policy compliance; stakeholder audit co-ordination; safeguarding procedures, policies, training, communications and incident management; risk management, co-ordination and monitoring; GDPR and data protection services
Executive & Business Supports	Senior management services; public & stakeholder relationship management; Internal & external communications management including management of communication systems and networks; funding and fundraising support to advance Extern's mission.

Management of Risk

The organisation has a statement of commitment and the duty to ensure, as far as is reasonably practicable, the health, safety and welfare of its service users, employees, volunteers, students and Board members.

The organisation has a corporate risk strategy which includes an assurance framework and a corporate risk policy that highlights the importance of risk management throughout the organisation, from project workers/frontline staff through to the Board. Volunteers and bank workers, students and subcontractors are included in how the organisation assess and manages risk.

Extern understands that it is necessary for management and staff to work together positively to achieve a safe and healthy working environment that is compatible with the work that we do. Board members and senior managers are expected to lead by example and provide support and assistance throughout the organisation.

There are numerous committees to ensure the effective management of all risk including the Audit and Risk Committee, Nominations and Remuneration Committee, Innovation and Development Committee, Safeguarding Committee, Information Governance Committee and Health and Safety Committee.

On a monthly basis, the Strategic Leadership Team, Programme Managers and Heads of Departments complete a risk register which incorporates all identified risks. Programme Managers identify operational risks, controls and/or added actions to minimise risk, which is then escalated to the relevant head of department. The Heads of Departments include Operational Assistant Directors and Heads of Support Services including Finance, IT, Quality and Audit, Safeguarding, Data Protection, Practice Development, HR, Support Services and Fundraising.

Extern, through its policies, procedures and training, strives to create an environment which is safe as is reasonably practicable by ensuring that risks are continuously identified, assessed and appropriately managed.

We aim to:

- Foster an organisational culture of openness and willingness to report risks, incidents and near misses that can be used for organisation-wide learning.
- Provide appropriate training to staff to ensure effective management of risks and to maintain compliance with standards, regulatory requirements and legislation.

The Strategic Leadership Team maintains a strategic risk register which incorporates Business Plan targets that are linked to the overall strategy of the organisation. At a project level, there are several risk management controls which include the Risk Management Policy, Risk Assessment procedures for individuals, groups and activities, Lone Working and Safeguarding Policies along with mandatory training which all staff need to complete as part of their induction and ongoing professional development.

To ensure good governance, Extern contracts with independent professional firms of both internal and external auditors. In addition, the Quality & Audit Department conducts internal audits on projects to identify opportunities for improvement. These can be planned specific audits or unannounced audits to ensure that staff are complying as required. Extern's Safeguarding Committee was established to support the organisation to deliver high quality, best practice services and is led by the Head of Safeguarding. The committee meet quarterly and membership includes Executive Directors and Assistant Directors of Services, middle management and Heads of Departments.

The Health & Safety Committee meets up to three times per year to review health and safety requirements and to ensure that health and safety within the organisation (transporting service users, lone working and incidents/accidents) including every building/premise, is managed under the health and safety legislation requirements including environmental risk assessments, fire safety inspections, COSH, NEBOSH etc.

Within each team meeting (from frontline projects up to Strategic Leadership Team), risk management, health and safety and safeguarding are all standing items on agendas. Risk management is embedded within the organisation's operational and strategic delivery and is managed at all levels across the organisation.

The Board has its own risk management policy statement, the purpose of which is to ensure that staff and other stakeholders are aware of Extern's responsibilities and their own individual responsibilities as Board members.

Reserves Policy

Unrestricted Reserves

Unrestricted reserves are those reserves which Extern can expend at the discretion of the Trustees to promote the objects of the charity. The organisation maintains a level of unrestricted reserves to ensure effective financial governance through ensuring that the charity can continue to operate as a going concern and remain viable in the face of any changing circumstances including interruptions to funding or fluctuations in income and expenditure. The Trustees current free Reserves Policy is a minimum of three months of gross average annual expenditure. At March 2023 this would equate to £2,771k. Currently the amount of free unrestricted reserves is £2,773k. The Reserves Policy is currently under review.

Unrestricted Designated Reserves

Unrestricted designated reserves comprise unrestricted funds designated for a particular purpose by the Trustees. These are, typically, reserves relating to individual projects which remain designated to the individual programme of activity and fixed assets reserves tied up in the delivery of services.

Restricted Reserves

Restricted reserves are those reserves which have specific conditions attached to them as to how they are to be spent. Cash to the value of the reserves are held in a separate fund within the balance sheet where it has been included within cash at bank in hand.

Remuneration Policy

The organisation has a Reward and Remuneration Policy which is reviewed and updated on a regular basis to ensure that staff length of service is recognised and that the organisation's salaries remain competitive in the sector in which it operates.

The organisation uses a variety of tools to support the performance management of staff including probationary reviews, performance appraisals and, where formal performance management interventions are required, the utilisation of formal performance measures to ensure that staff continue to be efficient, effective and productive.

The CEO's remuneration is reviewed annually by the Nominations and Remuneration Committee and Extern Group Board.

Financial Review

The Statement of Financial Activities and Balance Sheet for the year ended 31 March 2023 are set out on pages 21 and 22 and the financial review is based on these results.

Overview

Charitable activities are largely supported by statutory income from a number of departments, Health Trusts and other statutory organisations. These commissioners are highlighted in the service descriptions included on pages 5-10.

As an organisation we have continued to focus on sustainability post the Covid pandemic through pursuing tender opportunities and applications to Trusts and Foundations. When the conditions permitted, we reintroduced community-based fundraising for Extern's mental health and homeless projects.

Charitable income/donations have decreased by 10% to £11.2m (2022: £12.4m) due to a decrease in contracts undertaken by Extern during the period. Extern's emphasis going forward continues to be on securing income that will result in sustainable finances and cash flow.

**Extern Northern Ireland
Report of the Trustees
Year Ended 31 March 2023**

The net income in the accounting year was £98k compared to net expenditure of £904k in 2022. The net expenditure in 2022 included exit costs in respect of projects that closed and a funder repayment of £602k. The company assets remain strong, with net assets of £6.2m at 31 March 2023 (2022: £6.1m).

The Trustees believe there are no material uncertainties that cast significant doubt on the company's ability to continue as a going concern and thus the financial statements have been prepared on this basis.

The Trustees believe that they have complied with the requirements of the Companies Act 2006 with regards to books of account by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function.

Disclosure of Information to the Auditors

The Trustees who held office at the date of approval of this Report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware. Each Trustee has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are also aware of that information.

Auditors

In accordance with the Companies Act 2006, a resolution for the re-appointment of the company auditors will be proposed at the Annual General Meeting.

Statement of Directors' Responsibilities in respect of the Trustees Report and Financial Statements

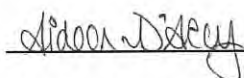
The Trustees are responsible for preparing the Trustees Report and the financial statements in accordance with applicable UK law and UK Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice, Accounting Standards and applicable law. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable account policies and then apply them consistently
- Make judgements and accounting estimates that are reasonable and prudent
- State whether applicable UK 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 the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose, with reasonable accuracy at any time, the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Board



Aideen D'Arcy, Chairperson

23 November 2023

Date Approved

**Extern Northern Ireland
Company Limited by Guarantee
Independent Auditor's Report to the Members of Extern Northern Ireland
For Year ended 31 March 2023**

Opinion

We have audited the financial statements of Extern Northern Ireland for the year ended 31 March 2023 which comprises the Statement of Financial Activities, the Balance Sheet, the cash flow statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102. The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at year ended 31 March 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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.

**Extern Northern Ireland
Company Limited by Guarantee
Independent Auditor's Report to the Members of Extern Northern Ireland
For Year ended 31 March 2023**

Other Information (Cont)

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 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 Companies Act 2006

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 accounts; and
- the Trustees Report has been prepared in accordance with applicable legal requirements.

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; 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 Statement of Trustees Responsibilities, 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 directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis 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 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.

**Extern Northern Ireland
Company Limited by Guarantee
Independent Auditor's Report to the Members of Extern Northern Ireland
For Year ended 31 March 2023**

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.

Extent to which 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 charitable company.

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, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required

Audit response to risks identified

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. Audit procedures performed by the engagement team included:


- We obtained an understanding of the charitable company's internal control systems 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 charitable company's internal control.
- We obtained an understanding of how the charitable company complies with relevant laws and regulations, including those as a result of its registration with the Charity Commission for Northern Ireland and charitable status with HM Revenue & Customs, by making enquiries of management and those charged with governance.
- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims.
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud
- Reviewing minutes of meetings of those charged with governance
- 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 that are unusual or outside the normal course of business.

**Extern Northern Ireland
Company Limited by Guarantee
Independent Auditor's Report to the Members of Extern Northern Ireland
For Year ended 31 March 2023**

We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment through collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and regulations made under that Act. Our audit work has been undertaken so that we might state to the charitable company'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 Parent charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.



Dr R I Peters Gallagher OBE FCA (Senior Statutory Auditor)
For and on behalf of
Moore (N.I.) LLP

Date: 23.11.2023

**Extern Northern Ireland
Company Limited by Guarantee
Statement of Financial Activities
Incorporating an Income & Expenditure Account
Year Ended 31 March 2023**

	Notes	Unrestricted £	Restricted £	Total Funds 2023 £	Total Funds 2022 £
Income and endowments from:					
Donations and legacies	3	101,567	-	101,567	72,892
Charitable Activities	4	5,009,677	5,990,467	11,000,144	12,297,544
Other trading activities	5	63,561	-	63,561	57,171
Investments	6	147	-	147	37
Total Income and endowments		5,174,952	5,990,467	11,165,419	12,427,644
Expenditure on:					
Charitable Activities	7,8	(5,035,141)	(6,045,748)	(11,080,889)	(12,729,719)
Total Expenditure		(5,035,141)	(6,045,748)	(11,080,889)	(12,729,719)
Other Recognised Gain/(Losses):		13,443	-	13,443	-
Net income/(expenditure) for the year before exceptional item & transfers		153,254	(55,281)	97,973	(302,075)
Exceptional Item	14	-	-	-	(601,879)
Net income/(expenditure) for the year after exceptional item & before transfers		153,254	(55,281)	97,973	(903,954)
Transfers between funds		(256,430)	256,430	-	-
Net movement in funds		(103,176)	201,149	97,973	(903,954)
Reconciliation of funds:					
Funds Brought Forward	15	5,719,109	395,763	6,114,872	7,018,826
Total Funds Carried Forward	15	5,615,933	596,912	6,212,845	6,114,872

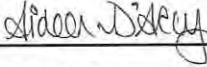
All income derives from continuing activities, therefore no statement of recognised gains or losses is given.

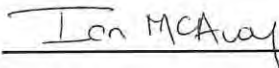
The notes on pages 24 to 34 form part of these financial statements.

**Extern Northern Ireland
Company Limited by Guarantee
Statement of Financial Position
as at 31 March 2023**

	Note	2023 £	2022 £
Fixed Assets			
Tangible assets	10	2,835,850	2,970,258
Current Assets			
Debtors	11	2,104,936	2,541,388
Cash at bank and in hand		3,090,398	3,371,350
		<u>5,195,334</u>	<u>5,912,738</u>
Liabilities			
Creditors: amounts falling due within one year	12	(1,441,602)	(2,308,682)
Total Assets less Current Liabilities		6,589,582	6,574,314
Creditors: falling due after more than one year	13	(376,737)	(459,442)
NET ASSETS		<u>6,212,845</u>	<u>6,114,872</u>
Represented by:			
Unrestricted Funds	15	2,773,859	2,742,627
Unrestricted Designated Funds	15	2,842,074	2,976,482
Restricted Funds	16	596,912	395,763
		<u>6,212,845</u>	<u>6,114,872</u>

These financial statements were approved by the members of the committee and authorised for issue on the 23 November 2023 and are signed on their behalf by:


Aideen D'Arcy
Chair


Ian McAvoy
Director

Company Registration Number NI 016083

The notes on pages 24 to 34 form part of these financial statements.

**Extern Northern Ireland
Company Limited by Guarantee
Statement of Cashflow
as at 31 March 2023**

	Note	2023 £	2022 £
Cash (used) received in operating activities	19	(170,377)	1,206,058
Cash flows from investing activities:			
Bank Interest Received	6	147	37
Bank Interest Paid	8	(27,539)	(89,265)
		(27,392)	(89,228)
Purchase of Tangible Fixed Assets	10	-	-
		-	-
Net cash flow from investing activities		(27,392)	(89,228)
Cashflows from Financing Activities:			
Repayment of borrowing		(83,183)	(85,711)
Cash used in financing activities		(83,183)	(85,711)
Increase (decrease) in cash and cash equivalents in the year		(280,952)	1,031,119
Cash and cash equivalents at beginning of period		3,371,350	2,340,231
<i>Cash and cash equivalents at end of period</i>		<u>3,090,398</u>	<u>3,371,350</u>

The notes on pages 24 to 34 form part of these financial statements.

**Extern Northern Ireland
Company Limited by Guarantee
Notes to the Financial Statements
Year Ended 31 March 2023**

1) Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

b) Extern Northern Ireland meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

c) Preparation of the accounts on a going concern basis

The Trustees are of the opinion that the charity is a going concern due to the level of free reserves in the consolidated group in place and the funding secured moving forward.

The Trustees have considered this in the knowledge that on the 30th January 2020, the World Health Organisation (WHO) announced Coronavirus as a global health emergency and, on the 11th March 2020, it announced that Coronavirus was a global pandemic.

d) Income Recognition Policies

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions attached to the item of income has been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and the amount can be measured reliably.

e) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

In accordance with the Charities SORP (FRS 102), the general volunteer time of the Charity's volunteers is not recognised.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

g) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the Trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work.

**Extern Northern Ireland
Company Limited by Guarantee
Notes to the Financial Statements
Year Ended 31 March 2023**

1 ACCOUNTING POLICIES (continued)

h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, human resources, IT, payroll and governance costs which support the Charity's activities. These costs have been allocated between support costs and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 6.

j) Operating leases

Where assets are acquired under finance leases, the capital element of the asset is included in fixed assets and amortised over the life of the asset. The outstanding capital element of the leasing obligation is included in creditors falling due. The interest element is written off over the primary period.

All other leases are accounted for as operating leases and the rental charges are charged to the statement of financial activities on a straight-line basis over the life of the lease.

k) Tangible fixed assets

Depreciation is calculated to write off the original cost less the expected residual value of the assets over their estimated useful lives at the following annual rates: -

Long Leasehold & Freehold Property	2% straight line
Alterations to Long leasehold premises	15% of the reducing balance
Fixtures and Fittings	25% of the reducing balance
Short Leasehold Improvements	Term of Lease
Motor Vehicles	33.33% of the reducing balance

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Extern Northern Ireland
Company Limited by Guarantee
Notes to the Financial Statements
Year Ended 31 March 2023**

1 ACCOUNTING POLICIES (continued)

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o) Financial instruments

The Charity 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 Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

Basic financial liabilities

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

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

Derecognition of financial liabilities

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

Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical and future periods.

**Extern Northern Ireland
Company Limited by Guarantee
Notes to the Financial Statements
Year Ended 31 March 2023**

ACCOUNTING POLICIES (continued)

p) Pensions

Existing employees of the Charity were entitled to join a defined contribution pension scheme, administered through Royal London. The Pension Schemes are funded by contributions from employee and employer. All employees are automatically enrolled into a stakeholder pension scheme, unless they have exercised their right to opt out of scheme membership.

2. Legal Status

Extern Northern Ireland was registered on 10th September 1982 as a company limited by guarantee, not having a share capital. Every member promises, if the Charity is dissolved while such person remains a member or within 12 months afterwards, to pay up to £1 towards the cost of dissolution and the liabilities incurred by the charity while the member was a member. Extern Northern Ireland is also a charity registered with HM Revenue & Customs.

**Extern Northern Ireland
Company Limited by Guarantee
Notes to the Financial Statements
Year Ended 31 March 2023**

3 Income from donations and legacies

	Unrestricted	Restricted	Total Funds 2023	Total Funds 2022
	£	£	£	£
Fundraising	6,601	-	6,601	3,887
Donations	11,600	-	11,600	34,463
Sundry Income	83,367	-	83,367	34,542
	<u>101,567</u>	<u>-</u>	<u>101,567</u>	<u>72,892</u>

The 2021/22 total of (£72,892) was all unrestricted.

4 Income from Charitable Activities

	Unrestricted	Restricted	Total Funds 2023	Total Funds 2022
	£	£	£	£
Statutory Agencies:				
Department of Justice	31,120	-	31,120	151,460
Belfast Health & Social Care Trust	359,631	62,880	422,511	606,771
Health & Social Care Board	171,500	318,077	489,577	503,281
Public Health Agency	1,126,828	564,159	1,690,987	1,651,410
South Eastern Health & Social Care Trust	646,937	1,311	648,248	719,597
Education Authority	378,480	6,000	384,480	360,000
Northern Health & Social Care Trust	70,200	-	70,200	209,300
Department for the Economy	-	301,622	301,622	526,497
SEUPB	-	(51,582)	(51,582)	594,714
Northern Ireland Housing Executive	999,631	308,582	1,308,213	1,448,978
NIHE - Supporting People	73,431	2,739,287	2,812,718	2,515,940
Western Health & Social Care Trust	1,125,701	-	1,125,701	1,231,414
The National Lottery Community Fund	-	27,278	27,278	96,755
Community Foundation NI	-	207,306	207,306	38,052
Department for Communities	-	1,088,776	1,088,776	709,359
The Executive Office	-	179,269	179,269	424,811
Tusla	-	64,452	64,452	69,494
Bangor Alternatives NI	-	22,999	22,999	27,374
Councils:				
Fermanagh&Omagh District Council	1,368	-	1,368	1,506
Belfast City Council	-	47,464	47,464	189,406
Derry&Strabane D.C	-	-	-	83,867
Other:				
Gems NI Ltd	6,104	-	6,104	17,830
British Red Cross	1,000	-	1,000	1,000
Arnold Clarke Community Fund	-	-	-	1,000
Homeless Connect	4,016	-	4,016	4,465
Voice of Young People in Care	525	-	525	450
NIACRO	-	4,585	4,585	4,933
BHSCT Health Improvement	-	-	-	900
T-Met	-	630	630	1,838
NIE Electricity Networks	-	-	-	1,360
Exchange Supplies	-	-	-	1,875
Cloth Workers	-	-	-	50,000
Beatrice Laing Trust	-	-	-	25,000
Enkalon Foundation	-	-	-	1,000

4 Income from Charitable Activities (con't)

	Unrestricted	Restricted	Total Funds 2023	Total Funds 2022
	£	£	£	£
Esmee Mitchell Trust	-	-	-	3,000
William A Cadbury Charitable Trust	-	30,000	30,000	-
Avenue Recycling	-	2,936	2,936	-
RSPB/Lough Erne Landscape Partnership	-	2,800	2,800	-
Belfast Homeless Services	-	-	-	500
St Martin in the Fields	-	59,637	59,637	13,508
Victoria Homes Trust	2,000	-	2,000	2,000
The Albert Hunt Trust	5,000	-	5,000	6,271
Probation Board for Northern Ireland	2,278	-	2,278	165,719
Other	3,927	1,999	5,926	4,925
	<u>5,009,677</u>	<u>5,990,467</u>	<u>11,000,144</u>	<u>12,297,544</u>

The 2021/22 total of £12,297,544 was split £6,418,472 unrestricted and £5,879,072 restricted.

5 Income from Trading Activities

	Unrestricted	Restricted	Total Funds 2023	Total Funds 2022
	£	£	£	£
Client Contribution	63,561	-	63,561	57,171
	<u>63,561</u>	<u>-</u>	<u>63,561</u>	<u>57,171</u>

The 2021/22 total of £57,171 was all unrestricted.

6 Investment Income

	Unrestricted	Restricted	Total Funds 2023	Total Funds 2022
	£	£	£	£
Bank Interest Receivable	147	-	147	37
	<u>147</u>	<u>-</u>	<u>147</u>	<u>37</u>

The 2021/22 total of £37 was all unrestricted.

7 Analysis of expenditure on charitable activities:

	Unrestricted	Restricted	Total Funds 2023	Total Funds 2022
	£	£	£	£
Direct Costs (see Note 8)	4,510,282	5,222,200	9,732,482	11,437,478
Governance & Support Costs (see Note 8)	524,859	823,548	1,348,407	1,292,241
	<u>5,035,141</u>	<u>6,045,748</u>	<u>11,080,889</u>	<u>12,729,719</u>

The 2021/22 total of £12,729,719 was split £6,190,902 unrestricted and £6,538,817 restricted.

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8 Analysis of direct costs:

	Unrestricted	Restricted	Total Funds 2023	Total Funds 2022
	£	£	£	£
Staff Costs - Payroll	2,865,982	3,928,233	6,794,216	8,007,191
Staff Costs - Non Payroll	73,758	331,151	404,908	184,403
Direct Service User Costs	168,708	304,993	473,701	455,601
IT and Communications	113,675	93,878	207,554	222,403
Premises and Utilities	729,756	310,983	1,040,738	1,251,538
Training Costs	54,542	59,427	113,969	156,709
Fleet Costs	77,482	1,273	78,755	96,712
Overheads	239,313	130,412	369,725	493,459
Legal & Professional	25,744	61,225	86,969	329,878
Finance Costs	26,914	625	27,539	89,265
Depreciation	134,408	-	134,408	150,319
Governance	1,500	-	1,500	1,906
Central Support Services	523,359	823,548	1,346,907	1,290,335
	<u>5,035,141</u>	<u>6,045,748</u>	<u>11,080,889</u>	<u>12,729,719</u>

The 2020/21 total of £12,729,719 was split £6,190,902 unrestricted and £6,538,817 restricted.

8a Analysis of Support Costs:

	Unrestricted	Restricted	2023 £	2022 £
Overhead Recovery Charge	836,282	840,341	1,676,624	1,719,573
Support Costs Recharge Depreciation	(136,300)	-	(136,300)	(150,319)
Other Inter-Company/Project Contribution	(176,623)	(16,793)	(193,416)	(278,919)
	<u>523,359</u>	<u>823,548</u>	<u>1,346,907</u>	<u>1,290,335</u>

The 2021/22 total of £1,290,335 was split £615,593 unrestricted and £674,742 restricted.

9 Analysis of staff costs

	2023 £	2022 £
Salaries and Wages	5,881,378	6,968,253
Employers NIC	481,003	506,735
Pension Costs	431,834	532,203
	<u>6,794,216</u>	<u>8,007,191</u>

Extern NI operates a defined contribution pension scheme. The pension costs disclosed in the table above, represent contributions paid and payable and sums incurred or life income protection for scheme members. The average monthly number of employees during the year was:

	2023 Number	2022 Number
Charitable activities	261	309

There were no employees who received employee benefits (excluding employer pension costs) over £60k in 2022-23 (2021-22 Nil). Key management personnel are employed by Extern' parent company, Extern Group and their remuneration is disclosed as required in the Financial Statements of Extern Group, year ended 31 March 2023.

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10 Tangible Fixed Assets

	Long Leasehold Property	Alterations to Long Leasehold & Freehold Premises	Fixtures & Fittings	Long Life Equipment	Computer Equipment	Short Leasehold Improvements	Leased Motor Vehicles	Motor Vehicles	Total
	£	£	£	£	£	£	£	£	£
Cost:									
As at 1 April 2022	3,847,126	1,725,110	720,930	504,005	975,362	175,851	186,510	412,423	8,547,317
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
As at 31 March 2023	<u>3,847,126</u>	<u>1,725,110</u>	<u>720,930</u>	<u>504,005</u>	<u>975,362</u>	<u>175,851</u>	<u>186,510</u>	<u>412,423</u>	<u>8,547,317</u>
Depreciation:									
As at 1 April 2022	1,190,477	1,517,962	622,478	504,005	975,362	175,851	186,510	404,414	5,577,059
Charge for the year	76,943	31,072	24,613	-	-	-	-	1,780	134,408
Depreciation on Disposal	-	-	-	-	-	-	-	-	-
As at 31 March 2023	<u>1,276,420</u>	<u>1,549,034</u>	<u>647,091</u>	<u>504,005</u>	<u>975,362</u>	<u>175,851</u>	<u>186,510</u>	<u>406,194</u>	<u>5,711,467</u>
Net Book Value									
As at 1 April 2022	2,656,649	207,148	98,452	-	-	-	-	8,009	2,970,258
As at 31 March 2023	<u>2,579,706</u>	<u>176,076</u>	<u>73,839</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,229</u>	<u>2,835,850</u>

**Extern Northern Ireland
Company Limited by Guarantee
Notes to the Financial Statements
Year Ended 31 March 2023**

11 Debtors	2023	2022
	£	£
Trade Debtors	1,075,691	1,289,270
Sundry Debtors	-	8
Accrued income	520,263	815,465
Prepayments	6,000	27,182
Amounts due from Extern Group	474,573	409,463
Amounts due from Extern Ireland	28,409	-
	<u>2,104,936</u>	<u>2,541,388</u>

12 Creditors; amounts falling due within one year	2023	2022
	£	£
Trade Creditors	117,481	129,425
Accruals & Other creditors	548,309	1,545,232
Deferred Income	575,520	370,242
Tax and Social security	115,962	178,589
* Danske Bank - Hydepark House	75,692	74,547
** Charity Bank - Extern homes	8,638	10,261
Amounts owed to Extern Ireland	-	386
	<u>1,441,602</u>	<u>2,308,682</u>

<u>Movement in deferred income</u>	£	£
As at 1 April 2022	370,242	552,152
Resources deferred during the year	575,520	370,242
Amounts released from previous years	(370,242)	(552,152)
As at 31 March 2023	<u>575,520</u>	<u>370,242</u>

13 Creditors; amounts falling due after more than one year	2023	2022
	£	£
* Danske Bank - Hydepark House	77,442	152,395
** Charity Bank - Extern homes	299,295	307,047
	<u>376,737</u>	<u>459,442</u>

Bank Term Repayments on Hydepark House, Mallusk:

	2023	2022
	£	£
Due within one year	84,330	84,808
In the second to fifth years inclusive	132,943	197,688
After 5 years	243,794	261,754
	<u>461,067</u>	<u>544,250</u>

- * Interest is set at 5.2075% and the outstanding loan amount is £153,134 at 31st March 2023.
- * The Bank Term loan is secured by a first fixed charge over the property at Hydepark House, Mallusk.
- ** The Extern Homes loan is secured by a first fixed charge over ten properties.

**Extern Northern Ireland
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Year Ended 31 March 2023**

14 Exceptional Item

The agreed settlement of £601,879.40 between Extern Northern Ireland and Department for the Economy NI (DfE), the managing authority of the European Social Fund, was remitted to DfE over the year.

15 Analysis of Movements in Funds

	Opening Balance	Opening Balance Transfer	Reinstated Opening Balance	Income	Expenditure	Transfers	As at 31 March 2023
	£	£	£	£	£	£	£
Unrestricted funds							
General funds - all funds	4,179,711	(1,437,084)	2,742,627	5,174,952	(4,887,290)	(256,430)	2,773,859
Designated Capital Funds	2,970,258	-	2,970,258	-	(134,408)	-	2,835,850
Designated Revenue Funds	(813,041)	813,041	-	-	-	-	-
Repayment to Funder	(624,043)	624,043	-	-	-	-	-
Roscor Fund	6,224	-	6,224	-	-	-	6,224
Restricted funds - all funds	395,763	-	395,763	5,990,467	(6,045,748)	256,430	596,912
Total	6,114,872	-	6,114,872	11,165,419	(11,067,446)	-	6,212,845

16 Analysis of Movements in Restricted Funds

	Opening Balance	Income	Expenditure	Trfs	As at 31 March 2023
	£	£	£	£	£
SEUPB	-	(51,582)	351	51,231	-
Department for Communities	-	1,088,776	(1,146,755)	57,979	-
Tusla	-	64,452	(64,452)	-	-
St Martin In The Fields	-	59,637	(59,264)	-	373
Department for the Economy	-	301,622	(445,961)	144,339	-
NIHE - Supporting People	226,283	2,739,287	(2,487,736)	-	477,834
Northern Ireland Housing Executive	188,124	308,582	(385,597)	-	111,109
Belfast Health & Social Care Trust	6,859	62,880	(48,173)	-	21,566
Health & Social Care Board	-	318,077	(299,315)	-	18,762
Public Health Agency	(59,334)	564,159	(549,551)	-	(44,726)
The Ireland Funds	4,550	-	-	-	4,550
The Executive Office	20,369	179,269	(208,479)	-	(8,843)
The National Lottery Community Fund	-	27,278	(27,278)	-	-
Bangor Alternatives NI	9,959	22,999	(23,109)	-	9,849
T-Met	-	630	(630)	-	-
Community Foundation NI	(1,047)	207,306	(206,298)	-	(39)
Belfast City Council	-	47,464	(40,989)	-	6,477
Education Authority	-	6,000	(6,000)	-	-
William A Cadbury Charitable Trust	-	30,000	(30,001)	1	-
Avenue Recycling	-	2,936	(2,936)	-	-
RSPB/Lough Erne Landscape Partnership	-	2,800	(2,800)	-	-
NIACRO	-	4,585	(4,585)	-	-
South Eastern Health & Social Care Trust	-	1,311	(1,311)	-	-
Other	-	1,999	(4,879)	2,880	-
Total	395,763	5,990,467	(6,045,748)	256,430	596,912

**Extern Northern Ireland
Company Limited by Guarantee
Notes to the Financial Statements
Year Ended 31 March 2023**

17 Analysis of net assets between funds

	Unrestricted	Restricted	Total	Total
	Funds	Funds	Funds	Funds
	2023	2023	2023	2022
	£	£	£	£
Tangible fixed assets	2,835,850	-	2,835,850	2,970,258
Net Current Assets	3,156,820	596,912	3,753,732	3,604,056
Long Term Liabilities	(376,737)	-	(376,737)	(459,442)
	<u>5,615,933</u>	<u>596,912</u>	<u>6,212,845</u>	<u>6,114,872</u>

18 Operating lease commitments

At 31 March 2023 the Charity had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2023	2022	2023	2022
	£	£	£	£
Within 1 year	330,528	366,844	-	-
Between 2 and 5 years	-	-	-	-
After more than 5 years	-	-	-	-
Total	<u>330,528</u>	<u>366,844</u>	<u>-</u>	<u>-</u>

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

	2023	2022
	£	£
Net income for the reporting period (as per the SOFA)	97,973	(903,954)
Depreciation on tangible fixed assets	134,408	150,319
(Increase)/Decrease in Debtors	436,452	940,713
Increase/(Decrease) in Creditors	(866,602)	929,752
Interest Income	(147)	(37)
Interest Charge	27,539	89,265
Net cash (used) received in operating activities	<u>(170,377)</u>	<u>1,206,058</u>

20 Related Parties

Extern Northern Ireland is a subsidiary of Extern Group. Extern Ireland is a fellow subsidiary. Extern Group is a registered charity in Northern Ireland (Charity Number: NIC103226) and Extern Ireland is registered in the Republic of Ireland. The consolidated financial statements of Extern Group may be obtained from the Company Secretary, Ian McAvooy, 3 McKinney Road, Newtownabbey, Co Antrim, BT36 4PE. The member companies in the group are committed to supporting group activities and liquidity across the island of Ireland.

21 Auditors' remuneration

Extern Northern Ireland were charged £8,400 by Moore (N.I.) LLP for the Charity's statutory audit.