

Charity No. 1150776 (England and Wales)

**THE HONOURABLE THE IRISH SOCIETY
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2017**

**Irwin Donaghey Stockman LLP
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THE HONOURABLE THE IRISH SOCIETY

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CHARITY INFORMATION

Charity registration number	1150776
Registered office	PO Box 270 Guildhall LONDON EC2P 2EJ
Auditor	Irwin Donaghey Stockman LLP 23/25 Queen Street COLERAINE Co Londonderry BT52 1BG
Bankers	Danske Bank Corporate Banking Centre PO Box 183 BELFAST BT1 6JS
Investment managers	Baring Fund Managers Ltd 155 Bishopsgate LONDON EC2M 3XY Cazenove Capital Management 12 Moorgate LONDON EC2R 6DA RC Brown Investment Management plc 1 The Square Temple Quay BRISTOL BS1 6DG
Solicitors	Elliott Duffy Garrett Royston House 34 Upper Queen Street BELFAST BT1 6FD

THE HONOURABLE THE IRISH SOCIETY

CHARITY INFORMATION

List of Trustees 2016-2017

Governor:	Alderman Sir David Hugh Wootton
Deputy Governor:	Roger Arthur Holden Chadwick, Deputy (to 03/04/2017) James Henry George Pollard, Deputy (from 03/04/2017)
Aldermen:	Alison Gowman (to 09/03/2017) Vincent Thomas Keaveny (from 09/03/2017) William Anthony Bowater Russell
Commoners:	Douglas Barrow, Deputy (to 09/03/2017) Simon D'Olier Duckworth, OBE DL Peter Gerard Dunphy Brian Nicholas Harris, FRICS, Deputy (to 23/03/2017) Christopher Michael Hayward Wendy Hyde Vivienne Littlechild, JP (from 09/03/2017) Hugh Fenton Morris Richard David Regan, OBE, Deputy Elizabeth Rogula, Deputy (to 09/03/2017) Ian Christopher Norman Seaton Jeremy Lewis Simons, MSc (from 09/03/2017)
Officers:	
Society's Representative (Northern Ireland) & Secretary:	Edward Montgomery, MBE DL
Assistant Secretary:	Candya L Farmer

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TRUSTEES' REPORT

FOR THE YEAR ENDED 30 APRIL 2017

The Trustees present their report and accounts for the year ended 30 April 2017.

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

Structure, Management and Governance

The Society was founded in the early 17th century and since that time has maintained interests and ownership in land, buildings and rivers, principally in the county of Londonderry and neighbouring counties, and particularly in the city of Londonderry and the town of Coleraine, for the benefit of the community of County Londonderry and adjoining areas.

The Society was originally granted Royal Charters by King James I in 1613 and King Charles II in 1662. On 20 December 2012 the Society was granted a Supplemental Charter following which (in February 2013) it registered as a charity with the Charity Commission for England and Wales, with the Registration number 1150776. It has also been recognised as a charity by H M Revenue and Customs for many years. The Trustees also continue to monitor the work of the recently-established Northern Ireland Charity Commission, having been advised that the Society will at some future date have to register with that body as a Section 167 Institution - meaning a charity that operates in Northern Ireland whilst being governed from elsewhere.

The Society is now administered by a Court consisting of a Governor, Deputy Governor and 13 other Trustees. The Trustees, who are all members of the Court of Common Council of the City of London Corporation, are elected onto the Court of the Society by fellow members of the Court of Common Council. The Trustees for the period covered by the Report & Financial Statements are listed under Charity Information. The Society requires all Trustees to commit to a written Code of Conduct governing their behaviour. All new Trustees are given an introduction to the work of the Society and are supplied with copies of recent accounts and minutes of meetings; they are also encouraged to undertake at least one trip to Northern Ireland as early as possible following appointment to see the operations of the Society and the difference its grants make to the community. The Charity's Secretary is based in Coleraine, Northern Ireland, and the Assistant Secretary at Guildhall in London.

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

The Court has appointed a Finance Committee with the remit to consider and monitor the financial position of the Society and to recommend the approval of the annual financial statements to the Court. Membership of the Committee during the accounting year was as follows: R A H Chadwick *Deputy* (Deputy Governor & Chairman from March 2015 to 03/04/2017); S D'O Duckworth; P G Dunphy; Alderman A Gowman (to 03/04/2017); B N Harris *Deputy* (to 23/03/2017); J H G Pollard *Deputy* (Deputy Governor & Chairman from 03/04/2017); R D Regan *Deputy*; I C N Seaton; Alderman V Keaveny (from 03/04/2017), and J Simons (from 03/04/2017). The Governor is an ex-officio member of the Committee, and City of London Common Councilman N Bensted-Smith has been co-opted to the Committee for investment matters.

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TRUSTEES' REPORT (CONTINUED)

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Objects

The objects of the Society, as established by its 17th century Royal Charters, were many and wide-ranging and most have become obsolete as the public, political and local governance roles the Society held were gradually repealed by a variety of Acts of Parliament. For over 150 years the Society has been known for its charitable activities and grants for the benefit of the community of County Londonderry and adjoining areas.

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

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

Activities, Achievement and Performance

During the year, most of the Society's serving trustees attended one or other of the three scheduled Visitations to Northern Ireland which provided good opportunities for direct engagement with people from the local community and its civic leadership as well as oversight of property and fisheries management. A number of other visits were made for specific events, principally by the Governor and Deputy Governor, which built still further on these relationships.

Today the Society administers its property in County Londonderry (which includes the fishing rights and bed of the Lower Bann River) and makes small grants for the benefit of the local community. Its charitable activity includes environmental / heritage asset protection measures, especially in relation to the Lower Bann River.

Small grants are made to local 'not-for-profit' organisations which can apply to the Society using a formal yet simple application process. On occasion, applications from individuals are also received and considered. All applications are scrutinised by Trustees, assisted by a Local Advisory Committee (LAC) which has existed since 1974 and is comprised of cross-party elected representatives drawn from three local authorities in County Londonderry established in April 2015: Derry City & Strabane District Council; Causeway Coast & Glens Borough Council; and Mid Ulster District Council. In recent years the Society has been able to achieve a much greater charitable impact in Northern Ireland thanks to the active support of the City of London Corporation and several City Livery Companies. One example was a charity organ concert held in Londonderry's Guildhall in June 2016 which was supported by the Mercers'; Drapers'; Fishmongers'; Girdlers'; Glaziers'; Weavers'; Woolmen's; and Scriveners' Companies and which raised over £25,000. Proceeds were given to Foyle Hospice and the Mayor of Derry's charities – Action Cancer NI and Tearfund. Also, due to some personal donations from individuals who were keen to contribute, we were able to make a Gift Aid claim resulting in HMRC 'returning' £500 of tax paid which was passed on to the charities.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

The City of London Corporation has continued to be a pillar of support for the Society's charitable activities, having made a 10 year commitment to augment the Society's grant programme with £25,000 p.a. to offset reduced income from capital tied up in a new development site in Coleraine. As a result, amongst other smaller grants the Society was able to:

- Assist Culmore Primary School, one of its historically-linked schools, with additional funds of £7,500 p.a. for three years to ensure that a fourth teacher could be retained for the children.
- Continue and increase the annual sum available to the cross-community Primary Schools' Hatchery in the Classroom project to £7,000 p.a., enabling an additional two schools to participate in early 2017.
- Commit to supporting with £3,000 p.a. the Causeway Business Education Partnership careers convention in early 2017 which involved over 40 primary and secondary schools in the region and 1,600 pupils, and for the next two years.
- Ensure the continuation of the Star Programme after-school activity programme linking Lisneal College and St Mary's College in Londonderry with £2,500 p.a. and a further three year commitment from 2017 of £4,000 p.a.
- Support the £1,500 cost of reintroducing a bi-annual game angling seminar for Northern Irish Angling Clubs, especially those linked to the Society's fisheries in the North West.
- Support with £1,000 the recently created link between St Lawrence Jewry church in London and St Columb's Cathedral in Londonderry by providing refreshments and covering the cost of Trustee attendance at prominent events in both locations.

(A) Support for the National Citizen Service in Co. Londonderry

2016 marked the second year of the Society's major charitable youth initiative in collaboration with Co-operation Ireland. In September 2015 the Society signed a Memorandum of Understanding with Co-operation Ireland, the delivery body for the NCS in Northern Ireland, in support of its programme of training young people in the North West for the next three years. The NCS is a government-backed programme which seeks to develop life skills in young people aged 15-17 while helping them contribute to their communities. Teams of up to 12 young people from all different backgrounds work together under expert guidance for a period of some weeks learning team-building and personal skills culminating in a community project. Since it started in the UK in 2011, over 100,000 young people have taken part, but participation from Northern Ireland has been restricted due to funding difficulties and this is one of the key reasons for the Society's involvement. .

The cost for each student is about £1,200, and during 2016-17 the Society funded a team of 12 young people in Coleraine and a team of 20 in Londonderry. In addition however, the Society has engaged the City of London Corporation in support to match fund this commitment, and two of the Livery Companies (Mercers' and Clothworkers') have done likewise. Therefore the project commitment currently stands at £99,000 over the three year period, and efforts have continued during 2016-17 to try and encourage further Livery Company participation.

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FOR THE YEAR ENDED 30 APRIL 2017

(B) Annual Small Grants Programme in Northern Ireland

Approximately 84 small grants were paid during the year from an available budget of £60,000, reflecting a reduction of approx. 24% in the number of applications received compared to the previous year. The Trustees recognise that application levels tend to fluctuate from year to year and have no concerns as to the Society's ability to reach out to all groups on the basis of need. Owing to this reduction and also to the continuing improvement in the Society's finances with an extra £10,000 being made available in the budget, average grant size increased and stood at just over £700, compared with £300 in 2015-16. The Trustees would also like to acknowledge with gratitude the help provided by two of the Livery Companies - The Clothworkers' and The Drapers' Companies, both of which maintained the amounts donated to the Society in the past three years, being £20,000 in all. In the case of The Clothworkers' Company, the fund (which makes slightly larger grants) is made available to charitable groups across the whole of Northern Ireland, for the first time enabling the Society to reach well beyond its traditional County Londonderry area of operation - see the website (www.honourableirishsociety.org.uk/charitable-grants/application-overview) for full details of the Northern Ireland Fund. In the view of the Society's Trustees, if greater funds were available from Livery Companies generally, it would enable the Society to do still more in the region.

However, County Londonderry is still the main area in which the Society operates charitably. It is a mostly rural area with a population of around 250,000, about half of whom live in the city of Londonderry or close by. Around half of the grant applications emanate from Londonderry, and the rest are spread between three other smaller urban / rural areas - Coleraine, Limavady and Magherafelt. It is the aim of the Trustees that the grants are equally available to both main sections of Northern Ireland's divided community, the Roman Catholic and Protestant, on a wholly impartial basis. This reflects the broad makeup of the community in which the Society works; indeed, many of the grants made go to groups in which Catholics and Protestants work together in harmony promoting peace and reconciliation. Others, by necessity or definition, are single denomination groups. Repeat grants are not normally made to the same organisation until at least five years has elapsed. Some grants in 2016-17 have also gone to groups representing minority ethnic communities in Co. Londonderry, such as Causeway Multicultural Forum (supporting contact between different ethnic and national groups in Coleraine) and the Mandarin Speakers Association (Derry).

There are relatively few charitable funders operating at a similar 'small grants' level in the area concerned, and the Society - thanks to its cross-community LAC - has a good reach across a wide spectrum of organisations such as amateur sports clubs, community and residents associations, senior citizens clubs, youth groups, schools and the like. This is widely acknowledged by NI politicians of all shades of opinion. In order to give a fuller picture of the local impact of the Society's grant aid programme, we set out below a sample of individual grantees and what was achieved in each case (all from 2016-17):

MindCare Community Services, Limavady: Covering the whole of the Causeway Coast & Glens Council area, MindCare sought assistance with the cost of promoting their services through social media, the distribution of flyers and use of business cards. Acknowledging the long waiting lists which exist within the NHS for professional counselling, the Committee awarded **£500 from The Drapers' Company fund**. MindCare Committee member, Alison Moffett, contacted the Society in February 2017 to advise that *"Further to the kind grant of £500 provided to our organisation ... we have been able to purchase a lovely pop up banner, flyers, business cards, posters and set up a web page for our organisation. These items will be very helpful to allow us to promote our counselling service throughout the borough. The assistance of the Irish Society has been fantastic and valued greatly by us in that **we are all volunteers and therefore struggle to meet marketing costs etc which assist us become better known and more accessible to the local community**".* The Irish Society has also included contact details on its website to help spread the word.

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Macosquin Primary School Senior Choir: This versatile, well-trained group renowned for their harmonious singing and enthusiasm had the unusual opportunity to compete in the National Choir of the Year final held at the Symphony Hall, Birmingham, in October. Actively fundraising for the trip, the school requested any help towards the cost of flights, accommodation, meals and other travel expenses for 35 children and four adults - estimated at just over £5,500. Acknowledging the school was under immense pressure to raise funds in a very short period of time, the Committee agreed a larger grant of **£1,000** due to the circumstances. After the event, the Irish Society learned from the Choir that "*We had an absolutely wonderful experience competing at the Symphony Hall, Birmingham: a **once-in-a-lifetime-experience** for many of our pupils, I'm quite sure. To perform in front of a 9,400-seated auditorium was quite something else!*". And, despite not being awarded 'overall finalists', they felt that to have successfully performed at such a level "*was a wonderful achievement in itself*".

Churchill United FC, Derry: Formed approx. 100 years ago, CUFC are thought to be one of the oldest – if not *the* oldest – junior team in Londonderry. They promote cross-community football; attract members from the Waterside, City side and rural areas of Derry; and, due to a well-maintained ground in a neutral location, regularly host NW and Foyle Cup matches. However, having been self-funding for a good 20 years - and recently dipped into reserves to fix their lawn mower, they sought some assistance in repairing and replacing some outdated and worn equipment to ensure the ground is kept to the high standard required on match days. Acknowledging that the Club was struggling financially, the Committee agreed a grant of **£500** towards a new strimmer and nets. Manager, Stuart Smallwoods, sent photographs of the strimmer and accessories (to keep the grounds tidy) and much needed nets they had been able to buy. He added that "*The Club **cannot thank you enough for your financial assistance***". They put a similar post on Facebook, where you can learn more about the Club and follow their fortunes.

Sollus School of Dance, Strabane: Based in The Sollus Centre, Bready, and working in local primary schools and community halls in Strabane and Derry City, the School provides highland dance tuition reaching some 200 pupils – girls and boys from three to 26 years of age, across the area. Having already carried out extensive fund-raising to help alleviate the total cost of the trip, they sought assistance with the purchase of branded team tracksuits and t-shirts for 25 dancers travelling to New York to participate in Tartan Week and the Tartan Parade on 8 April 2017. The Committee acknowledged the commitment of these young dancers - ambassadors for the city of Derry - and agreed a grant of **£1,000**. Sollus Highland Dancers wrote to the Irish Society afterwards to say "*We are really grateful for the contribution that The Honourable Irish Society gave to Sollus so that we could purchase tracksuits and t-shirts for our dancers. The troupe performed in The Tartan Week Parade along 6th Avenue in New York City and **having matching gear made the group stand out and look truly professional**. It is also is a lasting memento for the group to reflect back on their trip and such an amazing achievement*".

Declan Burns, Derry: Mr Burns was chosen to participate as a member of the European Fightmaster Cup team at the 5th bi-annual one-armed equivalent of the Ryder Cup, organised by The Society of One Armed Golfers – a registered charity in England and Scotland initially formed principally for golfers who had lost an arm in World War I. The tournament took place in California over 18-25 September, between two teams from Europe and North America and Canada. Aware that team members had undertaken other fund raising efforts, an **individual grant of £250** was agreed towards the costs of travel, accommodation, clothing, etc. Mr Burns contacted the Irish Society after the event to report that Europe held the title for the 4th consecutive time. He told us "*This was my first time playing for the European team and was truly the pinnacle of my one armed golfing career to date. A thrilling experience that I will never forget. Being part of the winning team will go down as the greatest golfing achievement of my lifetime. As you can imagine, the logistical costs of getting a team of 13 people, 12 players and one captain across to California, including apparel, accommodation and subsistence expenses are considerable without any recognised form of financial support. It was the onus of each team member to raise funds to meet these costs. The Honourable The Irish Society gave me a considerable contribution towards these costs and, for that, I am very grateful. **Without their support I would not have been able to take part in this life changing event.** Thank you, The Honourable The Irish Society.*"

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FOR THE YEAR ENDED 30 APRIL 2017

Clothworkers' Fund grants in Northern Ireland

Braniel Mini Soccer, Belfast: This relatively new community-based soccer club in a very deprived area was founded to help disadvantaged children and all boys and girls aged six and upwards – giving them the opportunity of a healthy start in life and sense of belonging; to improve fitness; become part of a team; and learn new skills. Now thriving with several teams growing steadily, the Club sought funding towards additional training equipment. Believing that all work engaging and encouraging youth should be commended, the Committee agreed a grant of **£750 from The Clothworkers' NI Fund**. Following a visit by the Society's Secretary, to deliver the grant cheque in person, the Club e-mailed to confirm that *"the kind gesture and donation really is appreciated and means an awful lot to us. We are a small community based club and really do appreciate all help we get"*.

St Malachy's Hurling Club, Portadown: Founded in 1959, this Gaelic club has continually promoted the sport in the local community offering training and coaching for young people from a range of diverse backgrounds in the Armagh, Banbridge and Craigavon Council area, including those from ethnic minorities. They currently provide opportunities for almost 60 members to attend weekly training sessions and benefit from physical exercise, and particularly welcome young players (5-12 year olds) – introducing a future generation to the sport, boosting their self-confidence as they work together as a team and developing strategic skills. Also, they have recently enrolled non-nationals keen to participate in Gaelic sport and integrate into the local community. The Club sought funding to replace some of their sports kit – balls, sticks and safety helmets, and purchase a defibrillator – which has become an essential piece of equipment for training sessions and match days. In response to the **£1,000 grant from the Clothworkers' Fund**, the club put out a press statement that they were pleased to receive funding and the grant *"was much appreciated by Club Officials and players"*.

Ballybogey Over 50s Club: This growing club in a small County Antrim village provides social, recreational and health activities for people aged 50+ in/around the very rural area of Ballybogey. With limited access to public transport into the nearest town (Ballymoney, via Coleraine), they offer local opportunities for older people to get together, prevent isolation and help mental well-being. The Club aims to provide a warm meal once a week and applied for funding towards kitchen equipment, crockery, cutlery and linen which will be used by their weekly lunch club and for other social events. After receiving a **£500 grant from the Clothworkers' Fund**, the chairperson of the club said in her e-mail of thanks *"we would just like to say a very, very big thank you to The Irish Society for the £500 grant we at Ballybogey Over 50's received; it is very much appreciated and helps us as an ageing group of mostly elderly people to have a warm meal every week in the community hall. Thank you all for making this possible"*

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TRUSTEES' REPORT (CONTINUED)

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(C) Schools & Education Support

Primary Schools (Ballougy, Culmore, D H Christie Memorial, The Irish Society's and Millburn): One special link which the Trustees maintain annually is a level of financial support for five primary schools in County Londonderry that were originally founded by the Society. The schools are all now in the state controlled sector and include both Protestant and Catholic children between the ages of 4 and 11. Each year, the Society grant-aids the annual prizes (and Trustees attend the prize-giving in June), Christmas activities (see below) and, for the larger schools, contributes to the cost of an educational trip to London for children in P7. Over 1,300 young people thus benefit from the support of the Society every year. In 2016, three of the Primary Schools wrote to thank the Irish Society for its Christmas contribution and confirmed that:

- *"This money, along with the donations in recent years, has allowed us to provide each child with a gift, presented by Father Christmas. Any surplus funding from these donations is used each year to subsidise a number of events within our school community, such as our choir carol singing in local Nursing Homes, the orchestra leading the Hospital community carol service and our annual Grandparents' Christmas Dinner. These events benefit our school community immensely and your contributions continue to make a difference to the experiences of our pupils in so many ways."* Mr P Henry, Principal, D H Christie Memorial Primary School.
- *"... your very kind donation of £250 ... has gone towards buying Christmas presents for the pupils at Ballougy Primary School. All presents came to £250 exactly."* Mrs C Campbell, Principal.
- *"Through your generous gift [£500] we have been able to take the whole school to the local cinema, as a Christmas treat. As a large and thriving school, where no child is left behind, I am sure you can appreciate that given the doom and gloom of the current financial state of education, your support is therefore invaluable to us, in helping to make Christmas time a magical time for all our children. ... I would like to take a moment to thank you for your consistent support, which in turn allows us to support and encourage our children in such a varied range of experiences."* Sharon Lamont, Principal, Millburn Primary School.

As in the past, during 2016-17 the Society has provided annual prizes and visited **Coleraine Grammar School**, the **Northern Regional College** and the **University of Ulster** (History Prize). The Society's Governor attended the first ever Coleraine Grammar School prize day in November 2016 as the chief guest of honour and the school will continue to receive the Society's prize for top A Level results worth **£250**.

In addition, the Society has more recently forged links with **Sandelford School** in Coleraine, which caters for almost 200 children and young people from the ages of 4 to 19 who have a wide range of moderate to severe learning difficulties and special educational needs - providing opportunities for pupils to develop employability, social and life skills through a variety of relevant community, educational and vocational links. The Society provides some financial support and undertakes an annual visit, normally in October. During the 2016 visit a grant of **£1,000** to support a new therapy called Rebound was made to the school.

Support for the **Star Programme** – a joint initiative between Lisneal College and St Mary's College in Londonderry – was maintained in 2016; the former is a co-educational secondary school which caters for the mainly Protestant area of the East of the city, whilst St Mary's is a girls' secondary school in the Catholic educational sector. Funding of **£2,500** per annum was again granted by the Society, to enable both schools to continue and expand a joint programme of after school activities that had previously run out of funding. One of the benefits of the programme is that children who would otherwise live almost entirely separate lives have opportunities to become friends and learn to work together, thus breaking down some of the barriers caused by the religious divide. The Society has undertaken to renew and indeed increase its commitment for a further three years from 2017.

The Secretary also keeps abreast of current educational issues and provides ongoing active support to three schools in Coleraine and Londonderry by serving on their Boards of Governors.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

Hatchery in the Classroom Educational Project: Over the last 10 years or so, the Society has funded and organised a cross-community project for a number of primary schools located in the Lower Bann River valley which teaches children about the life-cycle of Atlantic salmon in a practical and hands-on way; provides an experience of nature in action by rearing salmon eggs in special mini-hatcheries located in their own classrooms and releasing swimming fry into local rivers and streams under expert guidance; and concludes with a visit to the government-run Bushmills Salmon Research Station. In addition, school children learn the importance of caring for the aquatic environment - about invertebrate life in water and how this can be used as a pollution index; water safety and how to enjoy their rivers in a safe and responsible manner. Delivered by local angling guide, instructor and consultant Mark Patterson, the project provides environmental, social, cultural and scientific educational benefits for the children involved; brings together classes from different sides of the religious divide working in collaboration – recording results and ensuring the project is running smoothly; and is very popular with local schools, ever more of whom have applied to take part. In 2016, the Society's enhanced funding of **£7,000** enabled nine schools to participate in the project and a further year's commitment has been agreed by the Trustees going forward.

(D) Lower Bann River Environmental Management and Property estate

The Society has a large task on its hands managing the Lower Bann river bed and soil, together with its fisheries. The river is 38 miles long - from Lough Neagh to the Atlantic Ocean, and has many small and large tributaries on which the fishing rights also belong to the Society. A voluntary sub-committee (Bann Division) has been set up by the Society, enabling four Trustees and four local fishery experts to work together to manage these assets.

One full-time member and three part-time members of staff were employed during 2016-17 to perform river bailiffing, management and protection duties for the Society which involves regular patrolling of the river and its tributaries to enforce the government's Catch & Release policy and prevent / deter general poaching, pollution and predation of the fisheries. This is highly necessary given the extent and importance of the Lower Bann fisheries to the local economy and environment and as a resource for recreation, tourism and education. The river system drains almost half of Northern Ireland and contains a significant percentage of its salmonid and coarse fish stocks (in addition to other indigenous animal and plant life) which are at constant threat from illegal fishing and pollution especially. The NI government, by contrast, has deployed its own fishery protection resources elsewhere and offers only limited support for the Lower Bann.

In return for providing protection, management and habitat restoration measures involving significant investment (over £100,000 per annum) to cover wages and overheads, patrol boats, engines, a vehicle and other equipment necessary, the Society makes a charge to local and visiting anglers to fish the rivers under its control. The aim is to produce a modest operating surplus which can be directed by the Trustees to ensure that this vital asset and resource is sustained to the benefit of the environment, the enjoyment of local and visiting anglers to the Lower Bann and to the use and benefit of the community. The income from fishing started to rise again slightly in 2016-17, mainly as a result of favourable fishing conditions and an unusually strong run of salmon entering the Lower Bann river system – over 16,000 passed through the electronic counter, a three-fold increase on 2015. However, the overall picture for fishing remains fragile and recovery from the recession and natural difficulties of the past is likely to be slow. The Trustees understand that fisheries income depends almost entirely on a wild fish resource, the abundance of which is neither predictable nor guaranteed, and this causes them to take a very cautious approach. Furthermore, they are aware that other NI government bodies such as Waterways Ireland or the Rivers Agency can take unilateral actions that may impact on the fishery beyond the Society's control. Having said that, thanks to the necessary cost-cutting measures that were put in place by the Trustees during 2015, the fishing in 2016-17 returned to profitability for the first time in a number of years.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

Keen to promote local fishing opportunities and share good fishery management knowledge and practice with all NI angling clubs and organisations, the Irish Society was delighted to re-introduce a Game Angling Seminar after an absence of some years: 2017 got off to a great start as over 80 guests were welcomed to *'The Future of Game Angling in Northern Ireland'*, at the Lodge Hotel on Tuesday 24 January. The event was well attended by members of angling clubs from the Lough Neagh / Lower Bann catchment and also the Foyle catchment area. Speakers from DAERA, Loughs Agency and the Atlantic Salmon Trust gave a very detailed account of the issues and challenges affecting fishing today in our rivers and Loughs - in particular, Professor Ken Whelan (Director of Research, Atlantic Salmon Trust) offered great insight into salmon migratory patterns; John McCartney (Director of Conservation and Protection, Loughs Agency) gave a presentation on the role of Loughs Agency in conservation, protection and regulation of salmon fishing; and Dr Richard Kennedy (AFBI Bushmills) spoke about the scientific research being undertaken. Trustees of the Society hope that fishermen across Northern Ireland found the Seminar thought-provoking and useful, and were particularly grateful to the excellent speakers – which also included Seamus Connor (Chief Fisheries Officer, DAERA Inland Fisheries); Gary Lavery (Angling NI Active Clubs Co-ordinator); and Mark Patterson (Hatchery in the Classroom project) - for giving up their time to attend, providing an up-to-date overview of game angling issues in the region and further afield.

(E) Commercial Property Estate

The Society owns a number of properties with the aim of generating investment income to carry out its charitable activities. Trustees visited all the larger properties in County Londonderry during the course of the year – including the newly acquired riverside (former Spanboard factory) site adjacent to the Society's HQ at Castleroe Road and Victoria Hall in Culmore which had been surrendered back to the Society in 2015. Development and letting opportunities also provide some optimism that the Northern Ireland property market is continuing to improve following a steep decline in 2007-8. As a result, a Property Development Committee was established in 2016 to review and pursue investment property projects.

Other activity in the Society's commercial property portfolio during the year has included:

- Further licensing of Sporting Rights to commercial wind farm operators in the Sperrin Mountains.
- Completion of negotiations with Oakfire Adventures Limited to use 'air space' over the Society's land and banks of the River Faughan for a commercial Zipline leisure activity.
- The employment of a specialist Planning Agent to report on the prospects for redevelopment of Victoria Hall, Culmore and the Coleraine former laboratory and factory sites.
- The Leasing of further land and river bed at the Cranagh Bay near Coleraine to tenants wishing to develop leisure and water recreation facilities for tourists and locals.

The Society's Property Development Committee is also actively considering further investment in commercial property in Northern Ireland, thus demonstrating faith in the region's improving economic prospects.

Key Management Personnel Remuneration

The board of Trustees and the Secretary are considered to be the key management personnel in charge of directing and controlling the Society and running and operating the Society on a day to day basis. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in the notes to the accounts.

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

The Secretary's salary is reviewed annually and, like that of other staff, normally increased in accordance with average earnings. In view of the nature of the Society, its economy of operations, and the extensive use of professional advisers, the Trustees consider that a multiple of up to three times the median average salary for UK employees is appropriate for the role of Secretary. The remuneration is also benchmarked with grant-making charities of a similar size and activity to ensure that the level set is fair and not out of line with that generally paid for similar roles.

THE HONOURABLE THE IRISH SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

Risk Management

Trustees are reminded of the importance of reviewing the Society's Policy on Risk and undertaking regular reviews of its Risk Register. The main areas of concern are risks associated with a fall in income from, or capital value of, a sizeable asset. However, the potential detrimental impact of 'Brexit' on Northern Ireland through its common border with the EU has given rise to a substantial new area of risk to be considered. For instance, the imposition of a less porous border could affect tourism from the Republic of Ireland and thus reduce the income from Irish anglers fishing on the Society's waters and visitors using the shops in Londonderry owned by the Society. These and other associated risks will be taken account of carefully by the Trustees going forward. Overall, the Trustees consider that the assets of the Society are well diversified. The commitments that the Society has to honour by law are not significant.

Financial Review

It is the policy of the Trustees to generate and manage income while maintaining the overall value of the Society's assets, so that it may continue to achieve its charitable objectives in the future. The Trustees continue to spend resources on charitable activities based on budgeted income and expenditure so as to achieve a 'break even' result, while at the same time maintaining sufficient reserves to meet any expected, but uncommitted, capital requirements.

The Trustees have taken regard of the unusual level of surpluses generated from various sources during this year, but feel that these are mainly of a one-off nature and do not merit a change to the Society's cautious long term policy.

The forced sale of the Society's written-down holding in Industrial Multi Property Trust during early 2017, while unexpected and unforeseen, had the effect of increasing available capital by almost £150,000 and this proved timely as the final payment of £100,000 for the Spanboard development site fell due shortly afterwards. The overall result has also left the Society's cash reserves in a more satisfactory position going forward.

The Society has a number of mainly commercial properties and property interests in Northern Ireland which it uses to generate income for grant-giving purposes in support of its activities. The property portfolio was professionally appraised as at June 2016 after a five year interval, resulting in a modest overall increase in Capital values as the Northern Ireland commercial property market remains generally weak. No further adjustments have been made since that time.

The Society also has an investment portfolio managed on a discretionary basis by external fund managers. There are no restrictions on the investments that the Society can make. The listed investments are monitored against targets and the Trustees consider the performance satisfactory overall. Following a review by the Society's Finance Committee in January 2016, Trustees agreed to divest from one of the funds and the proceeds were split equally between the two remaining fund managers.

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

At 30 April 2017 free reserves amounted to £11,126,690 (2016: £10,244,214) (see Balance Sheet at page 18).

Review of Charitable Activities in the Year

Net Incoming Resources in the year to 30 April 2017 were £904,476 (2016: net expenditure of £155,029). Charitable expenditure amounted to £431,968 (2016: £497,045). Taking into account other recognised gains/losses of £0 (2016: £78,340) as set out on page 17, this left an overall surplus for the year of £904,476 (2016: deficit of £76,689).

THE HONOURABLE THE IRISH SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

Plans for Future Periods

During the period, the Society has continued to keep tight control of its administration and other costs. As a result, the Trustees were again able to allocate increased funds to the charitable budget during the year, and it is hoped this trend will continue into the future. With an increase in its charitable budget going forward, both for small grants and annual commitments, it is hoped the number of charitable projects supported by the Society will also increase. The Trustees have also requested a renewal of the now-expired three year commitments from the Clothworkers' and Drapers' Companies, which have had such a beneficial effect. Also, the Society has undertaken more PR work in London aimed at encouraging Livery Companies and other City organisations in strengthening historic links and supporting the social and economic development of Northern Ireland, and will continue to do so.

The Society has a long term aim of restructuring / developing its property portfolio where possible to produce an increased income. Resources will continue to be spent on managing the fishery assets and protecting the environment of the Lower Bann River and its tributaries in order to enable greater public use and enjoyment. As mentioned above, within the fishery business, steps were taken which should lead to the Society achieving an operating surplus, which has not been possible in recent years. The Trustees will continue to work with NI government agencies to attract new angling visitors to the rivers under the Society's control to generate revenue and to offset the costs of environmental and river maintenance. As an example, the Society has contributed financially and is actively collaborating with a two year project led by Waterways Ireland and other local statutory bodies to identify and develop potential in the Lower Bann River for tourism and recreation.

Statement of the Court's responsibilities

The Court is responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Court to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Society and of the incoming resources and application of resources of the Society for that year.

In preparing these accounts, the Court is required to:

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

The Court is responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the accounts comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. It is also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE HONOURABLE THE IRISH SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

The Court is responsible for the maintenance and integrity of the Society and financial information included on the Society's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

The Trustees' report was approved by the Court.

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Alderman Sir David Wootton

Governor

Dated:

THE HONOURABLE THE IRISH SOCIETY

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE HONOURABLE THE IRISH SOCIETY

We have audited the financial statements of The Honourable The Irish Society for the year ended 30 April 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

This report is made solely to the Society's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the statement of Trustees' responsibilities, the Court is responsible for the preparation of accounts which give a true and fair view.

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the accounts

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on accounts.

In our opinion the accounts:

- give a true and fair view of the state of the Society's affairs as at 30 April 2017 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

THE HONOURABLE THE IRISH SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE HONOURABLE THE IRISH SOCIETY

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the accounts; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Irwin Donaghey Stockman LLP
Statutory Auditor

Irwin Donaghey Stockman LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE HONOURABLE THE IRISH SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2017

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<u>Income and endowments from:</u>					
Donations and grants	3	25,000	42,000	67,000	47,000
Other trading activities	4	263,099	-	263,099	234,799
Investment income	5	261,124	-	261,124	274,679
Other income	6	1,272	-	1,272	5,314
Total income and endowments		550,495	42,000	592,495	561,792
<u>Expenditure on:</u>					
Raising funds	7	43,565	-	43,565	43,185
Charitable activities	8	411,968	20,000	431,968	497,045
Total resources expended		455,533	20,000	475,533	540,230
Net gains on investments	13	787,514	-	787,514	(176,591)
Net incoming/(outgoing) resources		882,476	22,000	904,476	(155,029)
Other recognised gains and losses					
Revaluation of tangible fixed assets		-	-	-	78,340
Net movement in funds		882,476	22,000	904,476	(76,689)
Fund balances at 1 May 2016		10,322,554	-	10,322,554	10,399,243
Fund balances at 30 April 2017		11,205,030	22,000	11,227,030	10,322,554

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

All income and expenditure derive from continuing activities.

THE HONOURABLE THE IRISH SOCIETY

BALANCE SHEET

AS AT 30 APRIL 2017

	Notes	2017		2016	
		£	£	£	£
Fixed assets					
Tangible assets	14		667,555		682,100
Investment properties	15		3,198,006		3,193,006
Investments	16		7,187,173		6,532,667
			<u>11,052,734</u>		<u>10,407,773</u>
Current assets					
Debtors	18	132,925		110,932	
Cash at bank and in hand		229,946		97,659	
		<u>362,871</u>		<u>208,591</u>	
Creditors: amounts falling due within one year	19	(188,575)		(293,810)	
Net current assets/(liabilities)			<u>174,296</u>		<u>(85,219)</u>
Total assets less current liabilities			<u><u>11,227,030</u></u>		<u><u>10,322,554</u></u>
Income funds					
Restricted funds			22,000		-
<u>Unrestricted funds</u>					
General unrestricted funds		11,126,690		10,244,214	
Revaluation reserve		78,340		78,340	
		<u>11,205,030</u>		<u>10,322,554</u>	
			<u><u>11,227,030</u></u>		<u><u>10,322,554</u></u>

The accounts were approved by the Court on

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Alderman Sir David Wootton
Governor

THE HONOURABLE THE IRISH SOCIETY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2017

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Cash absorbed by operations	24		(254,990)		(73,717)
Investing activities					
Purchase of tangible fixed assets		(1,856)		(12,328)	
Purchase of investment property		(5,000)		(1,025,000)	
Purchase of other investments		(2,110,099)		(1,283,218)	
Proceeds on disposal of other investments		2,243,108		1,311,153	
Dividends received		261,124		274,679	
		<u> </u>		<u> </u>	
Net cash generated from/(used in) investing activities			387,277		(734,714)
Net cash used in financing activities			-		-
			<u> </u>		<u> </u>
Net increase/(decrease) in cash and cash equivalents			132,287		(808,431)
Cash and cash equivalents at beginning of year			97,659		906,090
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u>229,946</u>		<u>97,659</u>

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

Charity information

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

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”), “Accounting and Reporting by Charities” the Statement of Recommended Practice for charities applying FRS 102, the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The Society is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

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

With respect to the next reporting period, 2017-18, the most significant areas of uncertainty that affect the carrying value of assets held by the Society are the levels of investment return and the performance of investment markets (see the Risk Management and Financial Review sections of the Trustees’ report for more information).

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

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

1.4 Incoming resources

All income is recognised once:

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

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

1.5 Resources expended

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

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

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

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

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

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

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

Governance costs comprise all costs involving the public accountability of the Society and its compliance with regulation and good practice. Governance costs include the governance arrangements which relate to the general running of the charity as opposed to the direct management functions in generating funds, service delivery, project work and grant making. These costs include such items as external legal advice, Trustees' expenses to attend Court meetings, other costs associated with constitutional and statutory requirements and an apportionment of staff costs.

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

1.6 Tangible fixed assets

The Society's properties were valued in the previous financial year by O'Connor Kennedy Turtle, Chartered Surveyors, providing a market value as at 30 April 2016. As it is the Society's intention to carry out a formal valuation of its properties every five years in accordance with FRS 102, a valuation was not carried out in the current year.

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

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

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

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

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

1.7 Investment properties

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

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

1.8 Fixed asset investments

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

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

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

The Property Bond – held with Industrial Multi Property Trust - is stated at the lower of cost and estimated net realisable value.

Realised gains and losses

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

1.9 Impairment of fixed assets

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

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

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

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

1.10 Cash and cash equivalents

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

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

1.11 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.12 Taxation

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

(i)	Operating Leases Rent payable for a room in Guildhall under a Licence to Occupy is charged on a straight line basis over the term of licence.
(ii)	Income Income from grants received and income from investment properties and other investments is accounted for on an accruals basis.
(iii)	Pensions The Society participates in a defined benefit pension scheme. The costs of contributions to the defined benefit pension scheme are accounted for in the year to which they relate.

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

1.13 Employee benefits

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

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

1.14 Leases

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

2 Critical accounting estimates and judgements

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

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

3 Donations and grants

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
Donations and grants	25,000	42,000	67,000	47,000
For the year ended 30 April 2016	27,000	20,000		47,000
Donations and grants				
Livery Company	-	20,000	20,000	27,000
City of London	25,000	-	25,000	20,000
Clothworkers (to NCS)	-	5,500	5,500	-
Mercers (to NCS)	-	5,500	5,500	-
City of London (to NCS)	-	11,000	11,000	-
	<u>25,000</u>	<u>42,000</u>	<u>67,000</u>	<u>47,000</u>

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2017

4 Other trading activities

	2017	2016
	£	£
Fishing, coarse, game and sporting	133,106	110,796
Commercial property rent	129,993	124,003
	<u>263,099</u>	<u>234,799</u>

5 Investment income

	2017	2016
	£	£
Dividends - equities	261,124	274,679
	<u>261,124</u>	<u>274,679</u>

6 Other income

	2017	2016
	£	£
Other income	1,272	5,314
	<u>1,272</u>	<u>5,314</u>

7 Raising funds

	2017	2016
	£	£
Investment management fees	43,565	43,185
	<u>43,565</u>	<u>43,185</u>
For the year ended 30 April 2016		
Investment management fees		<u>43,185</u>

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

8 Charitable activities

	Education	Community Development	Environmental Protection & Improvement	Total 2017	Total 2016
	£	£	£	£	£
Grant funding of activities (see note 9)	54,759	53,218	9,250	117,227	113,378
Share of support costs (see note 10)	52,368	52,368	157,104	261,840	326,804
Share of governance costs (see note 10)	10,580	10,580	31,741	52,901	56,863
	<u>117,707</u>	<u>116,166</u>	<u>198,095</u>	<u>431,968</u>	<u>497,045</u>
Analysis by fund					
Unrestricted funds	115,983	97,890	198,095	411,968	
Restricted funds	1,724	18,276	-	20,000	
	<u>117,707</u>	<u>116,166</u>	<u>198,095</u>	<u>431,968</u>	
For the year ended 30 April 2016					
Unrestricted funds	103,449	127,349	246,247		477,045
Restricted funds	10,316	8,184	1,500		20,000
	<u>113,765</u>	<u>135,533</u>	<u>247,747</u>		<u>497,045</u>

9 Grants payable

	Education	Community Development	Environmental Protection & Improvement	Total	2016
	£	£	£	£	£
Grants to institutions:					
Advisory Committee	5,150	31,935	750	37,835	33,124
Clothworkers	1,000	9,000	-	10,000	10,000
Drapers	724	9,276	-	10,000	10,000
London	19,335	1,612	8,000	28,947	26,497
To NCS	27,500	-	-	27,500	33,000
	<u>53,709</u>	<u>51,823</u>	<u>8,750</u>	<u>114,282</u>	<u>112,621</u>
Grants to individuals	1,050	1,395	500	2,945	757
	<u>54,759</u>	<u>53,218</u>	<u>9,250</u>	<u>117,227</u>	<u>113,378</u>

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

9 Grants payable

(Continued)

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

10 Support costs

	Support costs	Governance costs	2017	2016
	£	£	£	£
Staff costs	165,927	36,531	202,458	263,038
Depreciation	16,400	-	16,400	17,702
Rent, rates, insurance & utilities	18,516	-	18,516	19,129
Repairs & maintenance	6,855	-	6,855	9,541
Advertising, printing & stationery	6,302	-	6,302	1,190
Telephone	2,029	-	2,029	1,921
Computer & website costs	3,565	-	3,565	2,392
Motor & travel	21,612	-	21,612	16,545
Legal & professional	12,515	-	12,515	10,877
Audit & accountancy	887	-	887	560
Bad debt provision	-	-	-	15,000
General	7,232	-	7,232	5,074
Audit fees	-	2,629	2,629	2,413
Accountancy	-	1,600	1,600	1,600
Court & executive fees	-	12,109	12,109	8,463
Legal fees	-	32	32	8,222
	<u>261,840</u>	<u>52,901</u>	<u>314,741</u>	<u>383,667</u>
Analysed between				
Charitable activities	<u>261,840</u>	<u>52,901</u>	<u>314,741</u>	<u>383,667</u>

Governance costs includes payments to the auditors of £2,629 (2016- £2,400) for audit fees, and additional accounts preparation work of £1,600 (2016: £1,600).

11 Trustees

The Trustees all give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2016: £nil). A total of £8,492 (2016: £8,505) was paid by the Society for travel and subsistence on behalf of 10 Trustees (2016: 10 Trustees).

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

12 Employees

Number of employees

The average monthly number employees during the year was:

	2017	2016
	Number	Number
Direct charitable activities	4	5
Administration	2	2
	<u>6</u>	<u>7</u>

Employment costs

	2017	2016
	£	£
Wages and salaries	159,104	162,953
Redundancy costs	-	35,000
Social security costs	15,723	12,856
Other pension costs	27,631	52,229
	<u>202,458</u>	<u>263,038</u>

None of the employees was paid more than £60,000 (2016: £nil). No member of the Court received any remuneration.

13 Net gains/(losses) on investments

	2017	2016
	£	£
Revaluation of investments	652,514	(431,315)
Gain/(loss) on sale of investments	135,000	14,997
Revaluation of investment properties	-	239,727
	<u>787,514</u>	<u>(176,591)</u>

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

14 Tangible fixed assets

	Leasehold land and buildings £	Motor vehicles and boats £	Furniture and office equipment £	Total £
Cost or valuation				
At 1 May 2016	675,000	43,459	15,212	733,671
Additions	-	1,511	345	1,856
At 30 April 2017	675,000	44,970	15,557	735,527
Depreciation and impairment				
At 1 May 2016	-	41,459	10,112	51,571
Depreciation charged in the year	13,500	1,427	1,474	16,401
At 30 April 2017	13,500	42,886	11,586	67,972
Carrying amount				
At 30 April 2017	661,500	2,084	3,971	667,555
At 30 April 2016	675,000	2,000	5,100	682,100

Land and buildings with a carrying amount of £661,500 were revalued at 30 April 2016 by O'Connor Kennedy Turtle, independent valuers not connected with the Society on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

At 30 April 2017, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £583,412 (2016 - £596,660).

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

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

15 Investment property

	2017 £
Fair value	
At 1 May 2016	3,193,006
Additions through external acquisition	5,000
At 30 April 2017	3,198,006

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

15 Investment property

(Continued)

Investment property comprises a number of different commercial properties. The fair value of the investment properties has been arrived at on the basis of a valuation carried out at 30 April 2016 by O'Connor Kennedy Turtle Chartered Surveyors, who are not connected with the Society. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

16 Fixed asset investments

	Listed investments	Other investments	Investment in property bond	Cash held by investment manager	Total
	£	£	£	£	£
Cost or valuation					
At 1 May 2016	6,430,239	2	8,100	94,326	6,532,667
Additions	2,110,099	-	-	3,227,257	5,337,356
Investment gains - unrealised	672,296	-	-	-	672,296
Disposals	(2,055,885)	-	-	(3,299,261)	(5,355,146)
At 30 April 2017	7,156,749	2	8,100	22,322	7,187,173
Carrying amount					
At 30 April 2017	7,156,749	2	8,100	22,322	7,187,173
At 30 April 2016	6,430,239	2	8,100	94,326	6,532,667

	2017 £	2016 £
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Investments exceeding 5% of the total market value are as follows:

Baring Asset Management Targeted Return Fund	2,100,877	2,100,877
Schroder Charity Multi-Asset Fund	2,273,477	2,273,477

17 Financial instruments

	2017 £	2016 £
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Carrying amount of financial assets

Debt instruments measured at amortised cost	127,343	104,812
Equity instruments measured at cost less impairment	7,187,173	6,532,667

Carrying amount of financial liabilities

Measured at amortised cost	160,692	271,760
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THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

18 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Trade debtors	87,622	74,943
Other debtors	39,721	29,869
Prepayments and accrued income	5,582	6,120
	<u>132,925</u>	<u>110,932</u>

All debtor balances relate to unrestricted funds both in 2017 and 2016.

19 Creditors: amounts falling due within one year

	2017	2016
	£	£
Other taxation and social security	27,883	22,050
Trade creditors	3,044	2,759
Other creditors	142,644	254,454
Accruals and deferred income	15,004	14,547
	<u>188,575</u>	<u>293,810</u>

Deferred income mainly represents angling income received in advance relating to the 2017/18 accounting period, as well as rental income received in advance and some donations towards events to take place during the 2017/18 accounting period. All creditor balances relate to unrestricted funds both in 2017 and 2016.

There were no liabilities falling due after more than one year.

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

20 Retirement benefit schemes

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

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

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

As a result, the Scheme is accounted for as if it were a defined contribution scheme, as required by FRS 102. The employer's contributions made to the Scheme in the period were £27,631 (2016: £27,113), with an employer's contribution rate of 17.5% of pensionable pay. Employee's contributions were between 5.5% and 12.5% of pensionable pay.

Valuation date	31 March 2016	31 March 2013
Value of assets (smoothed)	£796,301,000	£701,766,000
Value of liabilities	£945,576,000	£829,612,000
Funding level of accrued benefits	84%	85%
Investment return on future contributions per annum	5.7%	6.0%
Investment return on accumulated assets per annum	5.7%	6.0%
Pension increases per annum	2.4%	2.7%
Rate of price inflation	2.4%	3.5%

21 Analysis of net assets between funds

	Unrestricted £	Restricted £	Total £
Fund balances at 30 April 2017 are represented by:			
Tangible assets	667,555	-	667,555
Investment properties	3,198,006	-	3,198,006
Investments	7,187,173	-	7,187,173
Current assets/(liabilities)	152,296	22,000	174,296
	<u>11,205,030</u>	<u>22,000</u>	<u>11,227,030</u>

22 Operating lease commitments

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

	2017 £	2016 £
Within one year	<u>550</u>	<u>550</u>

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

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, who are also directors, is as follows.

	2017	2016
	£	£
Aggregate compensation	74,314	72,872

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

No guarantees have been given or received.

24 Cash generated from operations

	2017	2016
	£	£
Surplus/(deficit) for the year	904,476	(155,028)
Adjustments for:		
Investment income recognised in profit or loss	(217,559)	(274,679)
Gain on disposal of investments	(135,000)	(14,997)
Fair value gains and losses on investment properties	-	(239,727)
Fair value gains and losses on investments	(652,514)	431,315
Depreciation and impairment of tangible fixed assets	16,400	17,702
Movements in working capital:		
(Increase) in debtors	(21,993)	(49,022)
(Decrease)/increase in creditors	(105,235)	210,719
Cash absorbed by operations	(211,425)	(73,717)