

# Trustees' Reports & Financial Statements

For the year ended 30<sup>th</sup> April 2014

**The Honourable  
The Irish Society**

## **The Honourable The Irish Society Charity Information**

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<b>Charity Registration number</b>	<b>1150776</b>
<b>Registered office</b>	<b>P O Box 270 Guildhall London EC2P 2EJ</b>
<b>Auditors</b>	<b>Mazars LLP Tower Bridge House St Katharine's Way London, E1W 1DD</b>
<b>Principal Bankers</b>	<b>C Hoare &amp; Co 37 Fleet Street London EC4P 4DQ</b>  <b>Danske Bank Corporate Banking P O Box 183 Belfast BT1 6JS</b>
<b>Investment managers</b>	<b>Baring Fund Managers Ltd 155 Bishopsgate London EC2M 3XY</b>  <b>R C Brown Investment Managers plc Buchanons North, Redcliff Backs Bristol BS1 6NH</b>  <b>Schroders &amp; Co Ltd 100 Wood Street London EC2V 7ER</b>
<b>Solicitors</b>	<b>Elliott Duffy Garrett Royston House 34 Upper Queen Street Belfast BT1 6FD</b>

## **The Honourable The Irish Society Charity Information**

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### **List of members: 2013 – 2014**

<b>Governor</b>	Alderman Ian David Luder, JP BSc (Econ)
<b>Deputy Governor</b>	Simon D'Olier Duckworth, OBE, DL
<b>Aldermen</b>	Jeffrey Richard Evans <i>(to 31/03/2014)</i> Alison Gowman William Anthony Bowater Russell <i>(from 06/03/2014)</i>
<b>Commoners</b>	John David Absalom <i>(to 31/03/2014)</i> Douglas Barrow, Deputy Roger Arthur Holden Chadwick Peter Gerard Dunphy <i>(from 06/03/2014)</i> Brian Nicholas Harris, FRICS Wendy Hyde <i>(from 06/03/2014)</i> Oliver Arthur Wynlayne Lodge, TD BSc <i>(to 31/03/2014)</i> Catherine Sidony McGuinness, MA, Deputy <i>(to 31/03/2014)</i> Hugh Fenton Morris <i>(from 01/05/2014)</i> James Henry George Pollard, Deputy Richard David Regan, OBE, Deputy Elizabeth Rogula Ian Christopher Norman Seaton Michael Welbank, MBE, Deputy
<b>Society's Representative (Northern Ireland) &amp; Secretary</b>	Edward Montgomery, MBE, DL
<b>Assistant Secretary</b>	Candya L Farmer

# The Honourable The Irish Society

## Report to the Trustees

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The Trustees present their report together with the financial statements for the year ended 30<sup>th</sup> April 2014 which have been prepared in accordance with applicable UK accounting standards, Charities Act 2011 and Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2005), issued in March 2005. Comparative figures are for the year to 30<sup>th</sup> April 2013.

### STRUCTURE, MANAGEMENT AND GOVERNANCE

The Society was founded in the early seventeenth century and since that time has maintained interests and ownership in land, buildings and river beds, principally in the county of Londonderry and neighbouring counties, and in particular 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<sup>th</sup> 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 and it has been recognised as a charity by H M Revenue and Customs for many years.

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 2013/2014 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; they are also encouraged to undertake at least one trip to Northern Ireland 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 and have kept in mind 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 and currently is as follows: S D'O Duckworth (Chairman); J D Absalom (retired 31 March 2014); R A H Chadwick; P G Dunphy (from 31 March 2014); Alderman A Gowman; B N Harris and R D Regan, *Deputy*. The Governor is an ex-officio member of the Committee.

### OBJECTS

The objects of the Society, as established by its seventeenth century Royal Charters, were wide and have long been obscure or obsolete, as the public, political and governance roles the Society held have been 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: 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 Honourable The Irish Society Report to the Trustees (continued)

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

### ACTIVITIES, ACHIEVEMENTS & PERFORMANCE

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

Grants are made to local organisations and individuals on a cross-community basis for the benefit of the local community by the Trustees and by a Local Advisory Committee comprised of elected representatives drawn from the local Councils in Londonderry and Coleraine.

#### (A) Annual Small Grants Programme

Approximately 90 small grants were paid during the year: this was an increase of 20% compared to the previous year in terms of numbers and the average size of grants also rose. One reason was a continuing improvement in the Society's finances that permitted the Trustees to increase the budget for small grants, but it was also due to the generosity of two of the Livery Companies, the Clothworkers and the Drapers, who had both contributed extra funds for the Society to expend in County Londonderry to mark the 400th anniversary of the Plantation of Ulster.

By way of background, County Londonderry, the main area in which the Society operates charitably, 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 local authority areas: Coleraine, Limavady and Magherafelt. It is the aim of the Trustees that the grants cover both main sections of a divided community, the Roman Catholic and Protestant, roughly equally and wholly impartially. 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. Others, by necessity or definition, are single denomination groups. Repeat grants are not made to the same organisation until five years has elapsed.

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 Local Advisory Committee of elected councillors - 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 local 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 some details of particular grantees and what was done in each case:

**Building Ballysally Together:** This project has created a healthy eating cafe on one of Coleraine's most deprived Protestant housing estates and is very popular with residents who cannot travel easily to alternative outlets. The Society was specifically asked to help with the cost of developing a vegetable garden to provide fresh produce for the cafe and which has also encouraged residents to play an active part in running the garden and learning about horticulture. Funding of £500 was provided.

**Catholic Guides of Ireland, Errigal Parish:** This organisation had arranged a cross-community day of activities in Londonderry to mark the city's UK City of Culture status and had come together with Girl

## **The Honourable The Irish Society Report to the Trustees (continued)**

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Guiding UK and other local Guiding groups so that over 100 girls could meet and take part. The Society provided **£800** towards the costs of the activities.

**City of Derry International Choral Festival:** This was another major event which celebrated Londonderry's status as UK City of Culture and involved a large number of international choirs of all ages and types coming to Londonderry for a three day festival. The Society helped towards the costs of the opening concert with a grant of **£1,000**.

**Miss Emma McGilloway:** Miss McGilloway is a 14 year old talented kick-boxing enthusiast from Londonderry. She has represented Northern Ireland at several past World Kick-boxing Championships, winning many medals. As she is an amateur she relies on sponsorship and self-funding, so the Society contributed a grant of **£150** towards equipment for her attendance at the World Championships in Italy - where she won Gold!

**Ballinderry Bridge Playgroup:** This is a large playgroup located in the rural area of South Londonderry; its management applied for a grant to help towards staff training requirements (Level 5 Childcare) which are generally becoming more onerous on such organisations. This was essential to the continuance of the playgroup and the Society gave a grant of **£425**.

**Hands that Talk:** Based in the rural town of Dungiven, this is a well-established cross-community charity for the deaf. Its main role is the provision of access to education, services and employment for those with a hearing impairment and the trustees had requested assistance from the Society towards the cost of providing specialist interpreters. A grant of **£484** was made.

**Greysteel Community Association:** This village organisation was only formed four years ago and one of its projects has been a Safe Homes scheme, particularly aimed at local pensioners and the disabled. Association members cut their grass and maintain gardens and grounds around residents' homes. As the scheme has been a great success, the Association wished now to buy a power cleaner to enable them to extend the scheme. A grant of **£500** was provided.

### **(B) Schools & Education Support**

**Primary Schools (Ballougry, 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 four and 11. Each year, the Society grant-aids the annual prizes (and Trustees attend the prize-giving ceremonies), Christmas activities and, for the larger schools, part-funds an educational trip to London for the older children. Over 1,300 children thus benefit from the support of the Society every year.

As in the past, during 2013-14 the Society continued to support these schools, but also provided annual prizes and visited **Coleraine Academical Institution**, the **Northern Regional College** and the **University of Ulster** (History Prize).

In addition, for the past few years the Society has forged links with **Sandelford School** in Coleraine, which provides education for about 150 children and young people from the ages of four to 19 who have moderate or severe learning difficulties. The Society provides some financial support and undertakes an annual visit to present prizes.

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

## The Honourable The Irish Society Report to the Trustees (continued)

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**Hatchery in the Classroom Educational Project:** For a number of years the Society has funded and organised a cross-community project for a number of primary schools located in the Lower Bann River valley, the aim of which is to teach the children about the importance of caring for the aquatic environment, as well as to bring together classes of pupils from different sides of the religious divide. They are assisted to rear salmon fry from eggs in special mini-hatcheries located in their own classrooms, and follow this by placing the fish in local rivers and streams, under expert guidance. The project delivers environmental, social, cultural and scientific educational benefits for the children involved, and is very popular with local schools, ever more of whom have applied to take part. In 2013, the Society's funding of £5,000 once again enabled seven schools to participate in the project.

### (C) 400th Anniversary Special Projects

The varied programme of events sponsored or initiated by the Society which took place during the year from 1<sup>st</sup> May 2013 are summarised briefly below:

- **'At Sixes and Sevens' Cantata:** The 'At Sixes and Sevens' cantata was commissioned by The Honourable The Irish Society to mark the 400th anniversary of the unique relationship between Londonderry and the City of London.

The piece consists of nine movements written by the Pulitzer Prize-winning Northern Irish poet Paul Muldoon and the composer Mark-Anthony Turnage and was commissioned to be performed alongside further sections of music devised in associated education projects by communities in Londonderry and London.

The simultaneous world première of 'At Sixes and Sevens' was performed on 3<sup>rd</sup> July 2013 in the Guildhalls of London and Londonderry in front of large audiences – including Trustees of the Irish Society at both venues. In London, Nicholas Collon conducted members of the London Symphony Orchestra, supported by students from the Guildhall School of Music & Drama, along with the London Symphony Chorus and New London Children's Choir. Ailish Tynan and Ben McAteer took the soprano and baritone soloist roles.

In Londonderry, the performers comprised Camerata Ireland, and their conductor Barry Douglas, along with soloists Aoife Miskelly and Benedict Nelson, and choirs Codetta, the Music Promise Choir and St Cecilia's Junior Choir. Both performances also featured the community ensembles which were created in each city especially for the project.

The performances received a very enthusiastic response from the audience in both cities and critical reviews were largely positive. The importance of the new commission and its role connecting the two cities was particularly evident in Londonderry where the performance received a standing ovation.

Just as important was the process of creating the piece, including the elements devised by the young people in both cities, which played an important role in strengthening the cultural relationships between the organisations involved in the project. The film shown as part of both performances, commissioned from film-maker Mark McCauley, helped to give the audience an additional insight into the work of the young people.

This work was generously supported by a wide range of funders, including some of the Livery Companies, led by the Mercers and their Associated Companies. By way of legacy, there is an ongoing commitment from the partner organisations to work together with young musicians to involve them in further projects / events in the future.

## The Honourable The Irish Society Report to the Trustees (continued)

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- **Coleraine Schools Project & Heritage Trail:** In Coleraine, the Society sponsored, in conjunction with Coleraine Borough Council, a schools' history and artistic project in which over 500 children drawn from 21 schools participated. It also co-sponsored a new Town Heritage Trail, with panels set into various buildings and locations, together with an accompanying booklet, which - together with the Mayor of Coleraine - the Deputy Governor officially opened during his formal visitation to Northern Ireland in October 2013. This will enable tourists to investigate the town's Plantation roots more thoroughly in future.
- **History Lectures in London:** Three free public history lectures were delivered - one at Guildhall and two at Gresham College during the year, covering the story of the Plantation of Ulster and the Irish Society right up to modern times. All three were well-attended and were held under the auspices of Gresham College, to whom many thanks are due for their assistance.
- **Great Parchment Book:** An initial contribution of £5,000 was made by the Society towards the restoration of this unique but severely damaged work of 1639, which resulted in a major restoration project getting underway. The great historical importance of the Great Parchment Book as a survivor of the 17th Century Plantation records is underlined by the scale of the scientific, historical and technological effort that has been successfully brought to bear on it. The end result is a digitised learning resource that will be of great interest and importance to students of local history and/or any member of the general public researching their family history. To read more about the project, watch the video or search the record see [www.greatparchmentbook.org](http://www.greatparchmentbook.org).
- **Oak Trees from London:** A small number of oak trees were brought from Hampstead Heath to County Londonderry during the year, for planting at special locations and sites connected to the Irish Society and its history. The trees were grown from acorns from ancient oaks found on Hampstead Heath and are symbolic of the name of Derry (derived from 'oak' in Irish).

Other projects had already taken place in the early part of the year that falls outside the scope of this report: an Inward Investment Seminar organised in partnership with Invest NI and focussing on cultural industries and sectors in Derry~Londonderry and Coleraine was held in London in February 2013 and attended by the First and deputy First Ministers of Northern Ireland, and two interdenominational church services to mark the 400th anniversary of the exact date of the granting of the first Royal Charter in March 1613 took place in Derry and Coleraine.

Overall, as reported last year, the Society donated £40,000 to these projects from its own resources, of which the final £16,000 was spent during this year. It also drew down grant aid of over £45,000, mostly from Livery Company donations. The support of the Livery Companies for '2013' activities was much welcomed by the Society's Trustees. During the year, seven different companies undertook visits to the Province and made further valuable contributions to the enduring link between London and County Londonderry.

The City of London Corporation has been particularly generous in its support for 'At Sixes and Sevens' and in hosting the London Investment Conference and dinner which took place afterwards.

### (D) Lower Bann River Environmental Management and Property estate

In the management of the Lower Bann river bed and soil, and its fisheries, the Society has a large task on its hands. The river is 38 miles long, from Lough Neagh to the Atlantic Ocean, and has many small and large tributary rivers on which the fishing rights also belong to the Society. The Society has a voluntary sub-committee (Bann Division Committee) composed of four Trustees and four local fishery experts to manage these assets.



## **The Honourable The Irish Society Report to the Trustees (continued)**

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Three full-time and one part-time members of staff are employed to perform river bailiffing, management and protection duties for the Society which involve regular patrolling of the river(s) to prevent and deter poaching, pollution and predation of the fisheries. This is a very necessary role 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 risk 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 order to fund its protection, management and habitat restoration measures, which involve a significant outlay (over £100,000 p.a.) on wages and overheads, patrol boats, engines, a vehicle and other equipment necessary, the Society has a policy of making charges 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. In the past year, the income from fishing has remained much lower than some years ago, particularly in the premium salmon angling category, where a combination of deep economic recession in Northern Ireland coupled with poor summer weather and a crisis in salmon stocks has caused sales to be considerably reduced on the main Carnroe beat of the Lower Bann.

The Society owns a number of investment 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. Only one commercial building, a former fishery research laboratory near Coleraine, remains unlet but there is some optimism that letting conditions are starting to improve again following the steep decline in the Northern Ireland property market since 2007.

### **FINANCE REVIEW**

It is the policy of the Trustees to maintain and generate income while maintaining the overall value of the fund, so that it may continue to attain its objectives in the future. The Trustees' objective is 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 the Society's expected, but uncommitted, capital requirements.

The Society has a number of mainly commercial properties and property interests which it uses to generate income for grant-giving purposes in support of its activities. The Society's property portfolio was professionally appraised in June 2011. No adjustments have been made this year.

The Society also has an investment portfolio managed by a number of 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.

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<sup>th</sup> April 2014 free reserves amounted to £724,081 (2013: £614,206) (see Balance Sheet at page 11).

# The Honourable The Irish Society Report to the Trustees (continued)

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## REVIEW OF CHARITABLE ACTIVITIES IN THE YEAR

Net Incoming Resources in the year to 30<sup>th</sup> April 2014 were £60,711 (2013: £38,997). Charitable expenditure amounted to £318,600 (2013: £381,673). Taking into account other recognised gains of £234,315 (2013: £311,924) as set out on page 9, this left an overall surplus for the year of £295,026 (2013: £350,921).

## PLANS FOR FUTURE PERIODS

During the period, the Society has endeavoured to keep down its administration and other costs and streamline its operations. As a result, the Trustees were able to allocate increased funds to the charitable budget during the year, and it is hoped this trend will continue into the future, as there is cautious optimism that the difficult years of recession in the NI economy may now be past.

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 enhancing the fishery assets and protecting the environment of the Lower Bann River and its tributaries in order to enable greater public use and enjoyment and to achieve an operating surplus, which has not been possible in recent years. The Trustees will continue to work with NI government agencies to try and increase angling visits to the rivers under the Society's control to generate revenue to offset the costs of river maintenance, but it is recognised that this is a task that is likely to take some time to achieve.

## STATEMENT OF THE COURT'S RESPONSIBILITIES

The Court is required to prepare financial statements for each accounting reference period, which give a true and fair view of the state of affairs of the Society and of the surplus or deficit of the Society for that period in accordance with the Charities Act 2011 and the Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2005). In preparing those financial statements, the Court is required to:

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

The Court is responsible for maintaining proper accounting records, which should disclose at any time the financial position of the Society. It is also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Court regularly reviews its Policy on Risk. The main area of risk is a fall in income from, or capital value of, a sizeable asset. The Court considers that the assets of the Society are well diversified. The commitments that the Society has to honour by law are not significant.

## BY ORDER OF THE COURT



Alderman Ian Luder  
Governor

15 July 2014

# The Honourable The Irish Society Independent Auditors' Report

We have audited the financial statements of The Honourable The Irish Society for the year ended 30 April 2014 which comprise Statement of Financial Activities, the Balance Sheet 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).

## Respective responsibilities of trustees and auditors

As explained more fully in the Court's Responsibilities Statement set out on page 7, the Trustees are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditor 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 financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report, including our opinion, has been prepared for and only for the charity's Trustees as a body. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body for our audit work, for this report, or for the opinions we have formed.

## Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

## Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 April 2014 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 Charities Act 2011.

## 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 financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements 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.



Mazars LLP, Chartered Accountants and Statutory Auditor  
Tower Bridge House, St Katharine's Way, London. E1W 1DD

Date: 24 July 2014

Mazars 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**  
**For the year ended 30 April 2014**

	Note	Unrestricted £	Restricted £	Year to 30 <sup>th</sup> April 2014 Total £	Year to 30 <sup>th</sup> April 2013 Total £
<b>INCOMING RESOURCES</b>					
<b>Income from generated funds:</b>					
Grants received		-	-	-	55,000
<b>Income from charitable activities:</b>					
Environmental protection and improvement		122,834	-	122,834	124,942
<b>Investment income:</b>					
Property rents		109,382	-	109,382	108,102
Investment income		238,858	-	238,858	213,227
<b>Other income</b>		<u>7,676</u>	<u>-</u>	<u>7,676</u>	<u>15,777</u>
<b>Total Incoming Resources</b>		<u><u>478,749</u></u>	<u><u>-</u></u>	<u><u>478,749</u></u>	<u><u>517,048</u></u>
<b>RESOURCES EXPENDED</b>					
<b>Activities to generate funds:</b>					
Investment management fees		43,995	-	43,995	38,707
<b>Charitable activities</b>					
Education	2	65,697	-	65,697	95,369
Community Development		71,341	10,000	81,341	112,074
Environmental protection and improvement		170,972	-	170,972	174,230
		<u>308,010</u>	<u>10,000</u>	<u>318,010</u>	<u>381,673</u>
<b>Governance Costs</b>	3	<u>56,033</u>	<u>-</u>	<u>56,033</u>	<u>57,671</u>
<b>Total Resources Expended</b>		<u><u>408,038</u></u>	<u><u>10,000</u></u>	<u><u>418,038</u></u>	<u><u>478,051</u></u>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>		70,711	(10,000)	60,711	38,997
<b>OTHER RECOGNISES GAINS AND LOSSES</b>					
Unrealised gains on investments		141,234	-	141,234	348,189
Realised gains/ (losses) on investments		93,081	-	93,081	(36,265)
		<u>234,315</u>	<u>-</u>	<u>234,315</u>	<u>311,924</u>
<b>Net movement in Funds</b>		305,026	(10,000)	295,026	350,921
Balances brought forward		<u>9,649,210</u>	<u>10,000</u>	<u>9,659,210</u>	<u>9,308,289</u>
<b>Balances carried forward</b>		<u><u>9,954,236</u></u>	<u><u>-</u></u>	<u><u>9,954,236</u></u>	<u><u>9,659,210</u></u>

**The Honourable The Irish Society**  
**Statement of financial activities**  
**For the year ended 30 April 2014**

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The notes on pages 12 to 19 form part of these financial statements.

The statement of financial activities has been prepared on the basis that all operations are continuing operations.

There were no recognised gains or losses other than those included above.

## The Honourable The Irish Society Balance sheet as at 30 April 2014

	Note	30 April 2014		30 April 2013	
		£	£	£	£
<b>Fixed assets</b>					
Tangible Fixed Asset	5		624,383		632,347
Investments	6		8,605,772		8,412,657
			<u>          </u>		<u>          </u>
<b>Current assets</b>					
Debtors	7	54,124		45,740	
Cash at bank and in hand		791,753		720,319	
		<u>          </u>		<u>          </u>	
		845,877		766,059	
<b>Liabilities falling due within one year</b>					
	8	(121,796)		(151,853)	
		<u>          </u>		<u>          </u>	
<b>Net current assets</b>					
			724,081		614,206
<b>Net assets</b>					
			<u>9,954,236</u>		<u>9,659,210</u>
<b>Funds</b>					
Unrestricted	10		9,954,236		9,649,210
Restricted	9,10		-		10,000
			<u>          </u>		<u>          </u>
			<u>9,954,236</u>		<u>9,659,210</u>

The notes on pages 12 to 19 form part of these financial statements.

Approved by the Court on 15 July 2014  
and signed on its behalf by:



.....  
Alderman Ian Luder (Governor)



# The Honourable The Irish Society

## Notes to the financial statements

### for the year ended 30 April 2014

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#### 1 Accounting Policies

The following are the more important accounting policies adopted in the preparation of these financial statements:

(a) **Accounting convention**

The financial statements have been prepared under the historic cost convention and in accordance with UK applicable accounting standards, as modified by the revaluation of investment properties and current investment where applicable to the charity, Charities Act 2011 and Statement of Recommended Practice and Reporting by charities (SORP 2005), issued in March 2005.

(b) **Tangible fixed assets**

The Society's properties were valued by O'Connor Kennedy Turtle, Chartered Surveyors, in June 2011 and were written down accordingly. As it is the Society's intention to carry out a formal valuation of its properties every five years no valuation has been carried out since then.

**Investment Properties**

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 income rental income have been valued at the Trustees' best estimates. The Trustees have adopted a policy to carry out a formal valuation at least once every five years, in accordance with SSAP 19.

**Other Properties**

Other properties occupied by the Society are not treated as investment properties. These are depreciated on a straight line over fifty years. The Trustees have adopted a policy to carry out a formal valuation at least once in every five years.

**Other Fixed Assets**

Fixed assets are depreciated at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life.

Motor vehicles and boats	25%	straight line
Furniture and office equipment	20%	straight line
All other assets	15%	reducing balance.

(c) **Investments**

Listed investments are stated at mid market value as at the year end. Unrealised gains and losses are calculated by comparing the previous balance sheet valuation to the year end valuation.

Realised gains are calculated as the difference between the disposal proceeds and the previous year end valuation, or cost if purchased during the year.

The Property Bond and unlisted investments are stated at the lower of cost and estimated net realisable value.

## **The Honourable The Irish Society Notes to the financial statements for the year ended 30 April 2014**

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**(d) Fund accounting**

Unrestricted funds comprise the accumulated unrestricted surplus or deficit on the statement of financial activities. They are available for use at the discretion of the Court in furtherance of the general objectives of the Society. Restricted funds are subject to restrictions on their expenditure imposed by the funder.

**(e) Grants payable**

Grants are recognised upon an obligation being created in accordance with FRS 12.

**(f) Resources expended**

Expenditure is recognised on an accruals basis as a liability is incurred, and irrecoverable VAT is charged against the category of resources expended for which it was incurred. Support costs include office and staff costs and have been allocated to activity cost category or on a basis consistent with the use of resources - eg, staff costs by the time spent, and other costs by their usage.

**(g) Governance costs**

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. This includes such items as external, legal advice, Trustees' expenses to attend Court meetings and other costs associated with constitutional and statutory requirements.

**(h) Taxation**

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

**(i) Operating Leases**

Rent payable under a licence for a room in Guildhall is charged on a straight line basis over the term of the licence.

**(j) Income**

Income from grants received and income from investment properties and other investments is accounted for on an accruals basis.

**(k) 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**  
**for the year ended 30 April 2014**

**2 Charitable activities**

	<b>Grants</b>	<b>Support costs</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>	<b>Total</b>	<b>Total</b>
			<b>£</b>	<b>£</b>
Education	11,556	54,141	65,697	95,369
Community	27,200	54,141	81,341	112,074
Environmental protection and improvement	8,550	162,422	170,972	174,230
	<u>47,306</u>	<u>270,704</u>	<u>318,010</u>	<u>£381,673</u>
<b>Support costs:-</b>				
Staff costs			196,176	209,772
Property costs			5,705	6,472
Depreciation			16,804	14,927
Other costs			52,019	49,502
			<u>270,704</u>	<u>£280,673</u>

The Society makes grants for assistance in line with the Society's aims of promoting the welfare of County Londonderry, its adjoining areas and in particular its two principal centres, the City of Londonderry and the Town of Coleraine. Grants are made on a cross-community basis to local organisations and young people for deserving cause and to local primary and 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 2 to 5, and a full list is contained on the Society's website (see <http://www.honourableirishsociety.org.uk/news-and-events/recent-grant-testimonials>). Grants payable are payments made in furtherance of the charitable objectives of the charity.

**3 Governance**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Staff costs	35,673	35,914
Auditors' remuneration for audit work	6,000	6,000
Auditors' remuneration for non-audit work	1,975	-
Court and executive expenses	10,515	12,933
Legal	1,870	2,824
	<u>56,033</u>	<u>57,671</u>

Included in legal costs are amounts incurred in connection with the restructuring and application to the Privy Council and Charity Commission.

**The Honourable The Irish Society  
Notes to the financial statements  
for the year ended 30 April 2014**

**4 Staff costs**

	2014	2013
	£	£
Wages and salaries	183,807	196,409
Social security costs	14,226	15,952
Pension costs	33,816	33,325
	<u>231,849</u>	<u>£245,686</u>

The average number of employees during the year was:

Direct charitable activities	5	5
Administration	2	3

None of the employees was paid more than £60,000 (2013: £60,000). No member of the Court received any remuneration.

A total of £10,515 (2013: £6,042) was paid by the Society for travel and subsistence on behalf of 10 Trustees (2013: 12 Trustees).

**5 Tangible Fixed Assets**

	Charitable properties £	Office equipment £	Vehicles, plant and equipment £	Total £
<b>Cost</b>				
As at 1 May 2013	656,208	7,974	43,254	707,436
Additions	-	840	8,000	8,840
Disposals	-	-	(7,995)	(7,995)
	<u>656,208</u>	<u>8,814</u>	<u>43,259</u>	<u>708,281</u>
<b>Depreciation</b>				
As at 1 May 2013	26,224	6,790	42,075	75,089
Eliminated on disposals	-	-	(7,995)	(7,995)
Charge for the period	13,124	1,157	2,523	16,804
	<u>39,348</u>	<u>7,947</u>	<u>36,603</u>	<u>83,898</u>
NBV as at 30 April 2014	<u>616,860</u>	<u>867</u>	<u>6,656</u>	<u>624,383</u>
NBV as at 1 May 2013	<u>629,984</u>	<u>1,184</u>	<u>1,179</u>	<u>632,347</u>

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 in London silver, badges of office and a copy charter together valued at £90,000 in 2005.

**The Honourable The Irish Society  
Notes to the financial statements  
for the year ended 30 April 2014**

**6 Investments**

	2014	2013
	£	£
<b>Quoted investments</b>		
Market value on 1 <sup>st</sup> May 2013	6,331,281	5,518,003
Additions at cost	1,269,036	980,339
Disposal proceeds	(1,236,390)	(615,084)
Investment gains – unrealised	141,234	484,288
Investment gains/(losses) – realised	93,081	(36,265)
	<u>6,598,242</u>	<u>6,331,281</u>
<b>Investment properties</b>		
Asset value on 1 <sup>st</sup> May 2013	1,924,006	1,924,006
Additions	4,274	-
	<u>1,928,280</u>	<u>1,924,006</u>
Asset value on 30 <sup>th</sup> April 2014	1,928,280	1,924,006
<b>Investment in Property Bonds</b>		
Asset value on 1 <sup>st</sup> May 2013	8,100	136,800
Unrealised (losses) on remaining bond	-	(128,700)
	<u>8,100</u>	<u>8,100</u>
Asset value on 30 <sup>th</sup> April 2014	8,100	8,100
<b>Cash held by Investment Manager</b>	71,048	149,168
<b>Unquoted investment (at cost)</b>	7,500	7,500
Less: provision for impairment	(7,400)	(7,400)
	<u>100</u>	<u>100</u>
<b>Other Investments (at cost)</b>		
Bann System Limited – wholly owned	1	1
Fish Mourne Limited – 50% owned	1	1
	<u>8,605,772</u>	<u>8,412,657</u>
	<u>2014</u>	<u>2013</u>
	£	£

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

Baring Asset Management	2,087,580	2,085,680
Schroder Charity Multi-Asset Fund	2,356,248	2,299,669
	<u>2,087,580</u>	<u>2,085,680</u>
	<u>2,356,248</u>	<u>2,299,669</u>

**The Honourable The Irish Society**  
**Notes to the financial statements**  
**for the year ended 30 April 2014**

**7 Debtors**

	2014	2013
	£	£
Prepayments	4,822	3,563
Other debtors	49,302	42,177
	<u>54,124</u>	<u>£45,740</u>

**8 Liabilities falling due within one year**

	2014	2013
	£	£
VAT creditor	16,116	10,243
Accruals	15,045	16,649
Deferred income	88,335	77,498
Grants payable	-	45,000
Other creditors	2,300	2,463
	<u>121,796</u>	<u>£151,853</u>

Deferred income mainly represents angling income received in advance relating to the 2014/2015 accounting period, as well as rental income received in advance.

Grants payable represents the amount committed on the musical work, which was due only at the time of its completion.

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

**9 Restricted funds**

	As at May 2013	Incoming resources	Resources expended	As at April 2014
	£	£	£	£
The Clothworkers' Company	5,000	-	(5,000)	-
The Drapers' Company	5,000	-	(5,000)	-
	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>	<u>-</u>

The funds donated by The Clothworkers' and The Drapers' were given for distribution as smaller grants for applications from the Companies' areas of interest and/or projects linked to their geographical location within County Londonderry.

# The Honourable The Irish Society

## Notes to the financial statements

### for the year ended 30 April 2014

#### 10 Net analysis of assets between funds

	Unrestricted	Restricted	Total 2014	Total 2013
	£	£	£	£
Tangible fixed assets	624,383	-	624,383	632,347
Investments	8,605,772	-	8,605,772	8,412,657
Current assets	845,877	-	845,877	766,059
Current liabilities	(121,796)	-	(121,796)	(151,853)
	<u>9,954,236</u>	<u>-</u>	<u>9,954,236</u>	<u>£9,659,210</u>

#### 11 Pension commitments

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 by 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 Financial Reporting Standard 17 "Retirement benefits". Although the employers' 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 Financial Reporting Standard 17. The employers' contributions made to the Scheme in the period were £33,816 (2013: £33,325), 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.

The results and assumptions of the most recent valuation of the City of London Corporation Fund are as follows:

	31 <sup>st</sup> March 2013	31st March 2010
Valuation date		
Value of assets (smoothed)	£701,766,000	£549,294,000
Value of liabilities	£829,612,000	£641,306,000
Funding level of accrued benefits	85%	86%
Investment return on future contributions per annum	6.0% <sup>1</sup>	6.90%
Investment return on accumulated assets per annum	6.0% <sup>1</sup>	12.10%
Salary scale increase per annum	1.00%	5.00%
Pension increases per annum	2.7%	3.00%
Rate of price inflation	3.5%	3.50%

<sup>1</sup> with a short term allowance for an additional 1% investment return for the three years to 31<sup>st</sup> March 2016

**The Honourable The Irish Society  
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**12 Obligations under operating leases**

At 30th April 2014, the Society was committed to making the following payment under a non-cancellable operating lease in the year to 30th April 2015.

	<b>2014</b>	<b>2013</b>
	<b>Land &amp; Buildings</b>	<b>Land &amp; Buildings</b>
	<b>£</b>	<b>£</b>
Operating lease that expires within one year	550	550
	<u>550</u>	<u>550</u>