

Charity No. 1150776 (England and Wales)

**THE HONOURABLE THE IRISH SOCIETY**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2018**

**Irwin Donaghey Stockman LLP**  
**Chartered Accountants**  
**23/25 Queen Street**  
**COLERAINE**  
**Co Londonderry**  
**BT52 1BG**

# THE HONOURABLE THE IRISH SOCIETY

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# THE HONOURABLE THE IRISH SOCIETY

## CHARITY INFORMATION

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

# THE HONOURABLE THE IRISH SOCIETY

## CHARITY INFORMATION

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### List of Trustees 2017-2018

<b>Governor:</b>	Alderman Sir David Hugh Wootton (to 08/03/2018) Alderman Sir Andrew Charles Parmley, MusM Hon FGS (from 08/03/2018)
<b>Deputy Governor:</b>	James Henry George Pollard, Deputy
<b>Deputy Governor Elect:</b>	Peter Gerard Dunphy (from 23/10/2017)
<b>Aldermen:</b>	Vincent Thomas Keaveny William Anthony Bowater Russell
<b>Commoners:</b>	John David Absalom, Deputy (from 27/05/2017) Roger Arthur Holden Chadwick, OBE, Deputy Simon D'Olier Duckworth, OBE, DL Christopher Michael Hayward Wendy Hyde, Deputy Vivienne Littlechild, JP Hugh Fenton Morris Richard David Regan, OBE, Deputy Ian Christopher Norman Seaton Jeremy Lewis Simons, MSc
<b>Officers:</b>	
<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

## TRUSTEES' REPORT

*FOR THE YEAR ENDED 30 APRIL 2018*

The Trustees are pleased to present their annual report and financial statements for the year ended 30 April 2018.

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 Honourable The Irish 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.

Established through Royal Charters granted by King James I in 1613 and King Charles II in 1662, the Irish Society was granted a Supplemental Charter on 20 December 2012 – ensuring it was fit for purpose in the 21st century. Following this, in February 2013, the Society registered as a charity with the Charity Commission for England and Wales - Registration number 1150776. In addition, the Secretary continues to have regard to the work of the Northern Ireland Charity Commission, in anticipation of future registration with that body as a Section 167 Institution – ie, as a charity that operates in Northern Ireland whilst being governed from elsewhere (in this case, London).

The Society is now administered by a Court consisting of a Governor, Deputy Governor and 13 other Trustees, who are Aldermen or Common Councilmen of the City of London Corporation and elected onto the Court of the Irish Society by fellow members of the Court of Common Council. 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 provided with copies of recent accounts and minutes of meetings. They are also encouraged to participate in at least one formal visit 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 – from the feedback received from grant recipients – can be confident that their activities are delivering Public Benefit.

The Irish Society's Court has appointed a Finance Committee (chaired by the Deputy Governor) to consider and monitor its financial position and recommend the approval of the annual financial statements to its Court members. Committee members during the accounting year were as follows: Mr J H G Pollard, Deputy (Chairman); Mr R A H Chadwick, Deputy; Mr S D'O Duckworth; Mr P G Dunphy; Alderman V Keaveny; Mr R D Regan, Deputy; and Mr I C N Seaton. The Governor is an ex-officio member of the Finance Committee, and Common Councilman Mr N Bensted-Smith has been co-opted to the Committee for investment matters.

### **Objects**

The objects of the Society, as established by its 17th century Royal Charters, were wide-ranging and most have become obsolete as the public, political and local governance roles held by the Society were gradually repealed by various Acts of Parliament. However, the Society has been known for its charitable activities and grants for the benefit of the community of County Londonderry and adjoining areas for more than 150 years. From its early association with the Plantation of Ulster, the Irish Society has evolved into a self-funding, cross-community charitable organisation; a succession of Governors and Deputy Governors have been committed to ensuring that the Society continues to make a positive impact by remaining contemporary, credible and relevant in everything that it does; and its Trustees have recently agreed a Mission Statement to work with key partners "for the economic and social benefit of Northern Ireland".

# THE HONOURABLE THE IRISH SOCIETY

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2018

The Society's objects are defined in the 2012 Supplemental Charter 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**

While still committed to maintaining a full-time presence on the ground in Northern Ireland, eight of the Society's serving trustees participated in formal visits there during the year - which provided good opportunities for direct engagement with grant recipients; other people from the local community and its civic leadership; inspection of property; and oversight of fisheries management. A number of other visits were also made, principally by the Governor, Deputy Governor and Deputy Governor Elect, for specific events and / or meetings - which built still further on these relationships.

During the year, the Society also held an awareness raising event in the City of London, thanks to the generosity of The Girdlers' Company - which made its hall available for a reception attended by approximately 80 people. This enabled the Governor and his colleagues to update guests on the Society's recent activities, thank those Livery Companies and other supporters for their assistance in the past, and look forward to new avenues for co-operation with other stakeholders, organisations and individuals in London with a connection to Northern Ireland. A number of organisations and Livery Companies have shown interest in supporting the work of the Irish Society and are encouraged to read this Report and use the link on the back page to follow up.

The Society continues to administer its property in County Londonderry (which includes the fishing rights and bed of the Lower Bann River) and make a wide range of grants for the benefit of the local community. Its ongoing charitable activity includes environmental / heritage asset protection measures, especially in relation to the Lower Bann River – see Section (D) Lower Bann River Environmental Management below.

**Small grants** are made to local 'not-for-profit' organisations which can apply to the Society using a formal yet simple application process – by post or via the Society's website ([www.honourableirishsociety.org.uk](http://www.honourableirishsociety.org.uk)). On occasion, applications from individuals are also received and considered against set criteria – Guidelines for which are available on the website and issued with hard copy application forms. All applications are scrutinised 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: Causeway Coast & Glens Borough Council; Derry City & Strabane District Council; and Mid Ulster District Council. Trustees also participate in LAC meetings when these coincide with a formal visit to Northern Ireland.

**Larger grants** are awarded following consideration by Trustees – sometimes on referral by the LAC; through recommendation by the Secretary; or in response to unforeseen or special circumstances / events. Examples of these include:

- **Age Concern Causeway** (*referral from LAC*): This local independent charity is very active, providing a large range of services to improve the quality of life for older people across the Causeway area, but had been struggling financially following the loss of its main source of funds and was facing closure. Causeway Coast & Glens BC had been helping to secure funds from alternative sources and a grant application was made to the Irish Society in January 2018 seeking £5k per annum over a three year period to ensure sustainability and continue providing 27 dementia social day care places per week for vulnerable people. The LAC referred the matter to Irish Society Trustees to consider a request for annual funding of **£5,000** via the Larger grants programme, and the Court approved this in April 2018,



## THE HONOURABLE THE IRISH SOCIETY

### TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

- **Acorn Fund Flooding Appeal** (*response to unforeseen event*): In the aftermath of very severe flooding in Derry~Londonderry over 22-23 August 2017, the Irish Society responded to an emergency appeal by the Community Foundation for Northern Ireland for relief for people most affected. The Foundation, which helps local communities through impactful grant-making, launched the appeal with £10k of its own money and made a further £10k available to match donations received from the public. Thanks to generous public donations, CFNI very quickly passed its £20k target. The Irish Society's Trustees were shocked by the scale of the situation facing affected communities and were equally swift in their response - making a donation of **£10,000** to the Flood Appeal. A link was also included on the Irish Society's website encouraging visitors to donate to the Acorn Flood Fund. Shauna Kelpie (Acorn Fund Development and Support Officer) advised in October 2017 that the Fund had raised "*over £43k to date, with new donations still arriving in*", and this had enabled support to 23 organisations who'd had their premises and activities devastated by the August flooding. She was keen to stress that the Society's grant-making had an immediate and positive impact.
- **Ballougy Primary School** (*special circumstances*): The Secretary attended a Board of Governors meeting in November 2017 and learned that the School was facing imminent formal inspection. The new Principal had already identified that literacy achievement was below average and believed a teaching aid (Accelerated Reader) would be a huge help. As this is not funded by the education authority, Trustees agreed to replace the traditional £250 contribution at Christmas time with a donation of £900 towards the purchase of the Accelerated Reader programme (including subscription and installation).
- **Foyle College** (*special events*): The College, originally founded in 1617 through the efforts of the Merchant Taylors' Company and the Irish Society, moved to its new site in the Waterside area during 2017 and opened in January 2018. To mark the occasion, the Society granted £10,000 towards the removal of a statue of the 1st Lord Lawrence from the old Duncreggan / Springtown site and its re-erection in a prominent position at the entrance to the new College campus.

The Society has been able to achieve a much greater charitable impact in Northern Ireland in recent years, thanks to the active support of several City Livery Companies and the City of London Corporation:

- **The Worshipful Company of Drapers** increased its annual donation to the Society's small grants programme to **£14,000** per annum, plus a further **£6,000** for the NI National Citizen Service - sponsoring an additional five young people from the county this year.
- **The Clothworkers' Foundation** extended the terms of its sponsorship of the Northern Ireland Fund by adding **£10,000** (previously 'renewable' every year) to its Regular Grants Programme - meaning that the sum will continue to be awarded annually and indefinitely (subject to conditions).
- **The Girdlers' Company** donated **£1,000** towards the cost of the awareness raising event mentioned above.
- **The City of London Corporation** honoured its annual commitment to contribute **£25,000** to the Society's general grant-making ability - offsetting reduced income from capital tied up in a potential property development site in Coleraine. This enabled:
  - A donation of **£10,000** to the emergency appeal by the Community Foundation for Northern Ireland for relief for people most affected by severe flooding in Derry~Londonderry over 22-23 August 2017 (*see Larger grants above*);
  - A contribution of **£5,000** to The Guildhall Organ Festival held in Derry over 19-21 October 2017 (*building on the success of the Gloria! event in June 2016 and aiming to raise awareness of and engage new audiences with the recently restored Guildhall Organ through a schools programme; series of workshops; further master-class sessions; evening concerts and lunch time recitals*); and
  - Sponsorship of **£10,000** for a Regional Armed Forces Day event in Coleraine on 23 June 2018, hosted by Causeway Coast & Glens Borough Council (*and advance commitment being necessary to ensure match-funding by the Council and Ministry of Defence*).

## THE HONOURABLE THE IRISH SOCIETY

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 APRIL 2018

The National Citizen Service is a government-backed programme which seeks to develop life skills in young people aged 15-17 – promoting social cohesion; social mobility; and civic engagement. Teams of up to 12 young people from different (urban and rural) backgrounds work together under expert guidance for a period of some weeks, including a 'residential' to learn team-building and personal skills and taking part in a social action project to address an issue in their local community. Since it started in the UK in 2011, over 300,000 young people have taken part. But, from the outset, participation from Northern Ireland had been restricted due to devolved government budgetary cuts. As a result, in September 2015 the Society entered into this major charitable youth initiative by signing a Memorandum of Understanding with Co-operation Ireland, the delivery body for the NI NCS, in support of its programme to train young people in the North West over the following three years. 2017-18 marks the third year of this collaboration, which has also included engagement by the **City of London Corporation** - match-funding the Irish Society's commitment since 2015. Two of the Livery Companies, **The Mercers'** and **The Clothworkers'**, have done likewise; and **The Worshipful Company of Drapers** was also encouraged to participate this year – bringing the 2017-18 commitment to the project to **£39,000** (approx 10% of the whole NI NCS programme).

The average cost for each student is £1,200 and the funding package put in place by the Irish Society has enabled teams of 30 in Londonderry to complete the Summer programme and 18 young people in Coleraine to complete the Autumn programme in this period. Co-operation Ireland measures the impact of NI NCS through baseline and follow-up surveys at each programme run, with long-term follow up. The headlines of their most recent long-term analysis were shown in the Report of the Summer 2017 (Derry) programme and included quotes from participants as follows:

- *"The highlight of NCS was meeting new people and integrating with different cultures and communities. I learned that it was easier to get to know people than I thought"* Lauryn
- *"What inspired me about NCS was the ability that young people have to make a difference in their own community and the wider area through their own hard work and effort. I have learnt that I am quite a social person when put in a team of my peers. I also work effectively with others of different cultural or ethnic backgrounds"* Jonathan

In March 2018, we also received a grant application from members of the Coleraine team who had planted trees at the Cornfield Project (a 'Grow Wild' initiative bringing under-used land between Millburn and Ballysally back to life) as part of their social community project. They had been horrified to learn that a garden shed on the Cornfield site had been burnt down in an act of arson. The Autumn 2017 Team offered to lend Millburn Community Association their support in reinstating the facility, and the Society's Local Advisory Committee awarded **£400** towards a construction kit for a 6x8 foot shed and materials to decorate the interior and fit small benches inside.

#### **(B) Annual Small Grants Programme in Northern Ireland**

There are relatively few charitable funders operating at a similar 'small grants' level in the geographical area concerned. But, thanks to its cross-community LAC, the Irish Society 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. And this is widely acknowledged by NI politicians from all parties. A summary of the local impact of the Society's grant aid programme for 2017-18 is set out below, including details of individual grantees and what has been achieved.

Just over 100 small grants were awarded during the year from an available budget of £75,000 – an increase on the number paid last year (84), which bears out the Trustees' confidence that - while application levels tend to fluctuate - the Society's ability to reach out to all groups on the basis of need is both flexible and appropriate. Seven applications were from individuals (compared to five in the previous year); nine were considered under The Clothworkers' Company fund (which makes slightly larger grants to charitable groups across the whole of Northern Ireland); and – with a continuing improvement in the Society's finances making more funds available – the average grant size increased to £725 (slightly up on 2016-17).



## THE HONOURABLE THE IRISH SOCIETY

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 APRIL 2018

Repeat grants are not normally made to the same organisation until at least five years has elapsed. However, in response to an increasing number of 'recurring' applications for year on year events such as annual musical or cultural festivals, the Local Advisory Committee agreed in February 2018:

- To offer a larger grant (up to £2,000) to an event which occurs annually and which meets all other usual applicant criteria, and
- Link it to a new three year policy on repeat grants, which would also apply to all grant applicants.
- The recipient to be advised to allocate the funds as it desires over the full three year period, with no requirement to fully account to the LAC for expenditure until the end of that three year period.
- No repeat grants to be made before the three year period has lapsed.

The Trustees again acknowledge with much gratitude donations from The Clothworkers' and The Drapers' Companies, both of which continue to support the Small grants programme. And, in the case of The Clothworkers' Company, enable the Society to reach well beyond its traditional County Londonderry area of operation. Criteria for requests under the Clothworkers' Northern Ireland fund – seeking to support charitable organisations operating in particular areas of disadvantage – is available on the Irish Society's website (see [www.honourableirishsociety.org.uk/charitable-grants/application-overview](http://www.honourableirishsociety.org.uk/charitable-grants/application-overview)) and examples of grants awarded can be found under Grant Examples – Clothworkers' NI Fund.

County Londonderry remains the priority area for the Society's charitable operations. It is predominantly rural with a population of around 250,000 - about half of whom live in the city of Londonderry or close by. Broadly speaking, this year just over half of the grant applications came from Londonderry and Coleraine (30% each). The remaining 40% were from applicants in and around the smaller urban / rural areas of 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, Roman Catholic and Protestant, on a wholly impartial basis – which 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 – eg,

- **SEEDS Children's Ministry - £500** towards training and resources for leaders and volunteers planting the message of salvation through Christ within children throughout the diocese of Derry and Raphoe;
- **Corrymeela - £1,000** towards a festival at their residential facility in Ballycastle aimed at helping promote increased inclusion across the Causeway Coast and Glen's catchment area via community contact, engagement, debate and greater understanding. And attended by c. 1,000 people from all parts of Northern Ireland and further afield; and
- **Harmony North inter-denominational choir - £1,000** to support 80 members participating in the 2017 City of Derry International Choir Festival – enabling them to gain valuable experience of live performances as part of the national youth choir events; be inspired by its outstanding line-up of visiting musicians; and showcase its own achievements on the main stage.

Others, by necessity or definition, are single denomination groups, such as **1st Limavady Boys Brigade - £500** towards costs associated with an eight week active learning course for boys aged 15-18 years, teaching leadership and ownership skills, group presentations and planning outside activities.

Some grants in 2017-18 have also gone to groups helping minority ethnic communities, such as

- **Northwest Migrant Forum, Derry** - protecting the interests of ethnic minorities, asylum seekers and refugees living in the NW region of Northern Ireland and promoting racial harmony, equality and cultural diversity in the area;
- **O-bon on the Foyle Japanese Festival** - working to promote Japanese culture and traditions, and using taiko drumming as a medium for bringing these together; and
- **Tools for Solidarity** - an organisation which provides sheltered placements for local people with disabilities and/or learning difficulties, but takes old tools and sewing machines and refurbishes/recycles them in their Belfast workshop to send to Africa to benefit rural women and people with disabilities (a Clothworkers' NI Fund grant).

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### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 APRIL 2018

However, Trustees have also become aware of a growing trend in applications from charitable / community organisations providing counselling services; dealing with mental health issues; and offering advice on general wellbeing – eg:

- **Bogside & Brandywell Women's Group - £750** towards launching a campaign to raise awareness of domestic abuse; ensure victims have access to support / counselling services; and educate the community (particularly young people) by providing information and promoting early intervention.
- **Derry Well Women - £1,000** towards maintaining an extensive range of interventions related to women's mental health; management of terminal illness; women and children programmes; and numerous other clinics to women of all ethnic origins. (Susan Gibson, Manager of DWW, wrote in January 2018 reporting that the work funded by the Irish Society "has had a dramatic impact on the quality of experience of those women using our services". And, in thanking the Irish Society for making this possible, she commented how working with other funders "has been a real partnership project, bringing together a variety of local / regional community and charitable giving organisations".)
- **Dunloy Development Association - £1,000** to continue running its Active 3G Luncheon Club and provide up to 40 older people with a healthy meal; other activities designed to improve wellbeing and access services; and alleviate both rural and social isolation.
- **Eglinton Building Bridges - £500** towards a day trip to the North Coast for their elderly victim support group members, in an effort to create conditions of healing and recovery and providing an opportunity to become active and improve social integration.
- **La Dolce Vita Project, Derry - £1,000** towards running workshops and focus groups on profiling, safety, support while living with a disability and being a victim of domestic or sexual violence.
- **New Life Community Counselling - £390** to cover the cost of three new tub chairs for their consulting rooms.
- **Newpin NI, Derry - £500** towards the purchase of two computer laptops to help in the delivery of their counselling and group therapy; personal development and self-empowerment programmes; and basic skills training.

Similarly, recognising cuts in local education services that have placed many schools in financial difficulty, the Trustees have not been surprised by the increase in applications from pre-school; primary and secondary school groups. Also, several applications have been received from those that offer after-school supervision and / or extra curricular activities – so vital to working families. Examples include:

- **Ashlea Primary & Nursery School - £500** towards the cost of re-locating their library to an un-used former classroom – enabling existing and limited I.T. facilities to be extended and creating a dedicated computer room.
- **Causeway Preschool, Portrush - £750** to develop their "Home area" (£650 towards replacing items in the play kitchen and £100 to purchase seeds, pots, etc to enable the children to grow their own fruit and vegetables in the garden) and hoping that a combination of activities will stimulate interest in nature and the environment and lead to healthy eating, cooking and living habits.
- **Drumrane Primary School, Dungiven - £736** towards equipping a Special Needs Room for children with autism, including adjustable height tables, chairs, a soft sofa and nature wall display.
- **Kidz Club (after school and holiday childcare), Ballymoney - £1,000** to develop an area outside the classroom to create a space for outdoor activities and place for children to play, have a snack and rest (including the cost of laying paving stones, installing tables and benches, and purchasing a metal storage shed to keep equipment secure when not in use).
- **Little Rascals Community Playgroup, Drumsurn - £480** towards the cost of hiring the hall adjacent to their own premises and services of a professional instructor to provide two 12-week Zumba classes (one for adults and a separate one for young people aged 3-12 years) aimed at promoting healthy attitudes; combatting childhood obesity; improving body co-ordination and cardiovascular fitness; and helping develop community spirit and improve quality of life through socialising with others.
- **Macosquin Community Pre-School - £500** towards the cost of hiring a bus and entrance fees for 24 children, staff and helpers on a day trip to the zoo, enhancing the pupils' curriculum of learning about animals in the classroom environment.



## THE HONOURABLE THE IRISH SOCIETY

### TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

- **Magilligan Community Parent & Toddler Group - £750** towards new educational toys for the children from this rural area outside Limavady, providing an opportunity to socialise with other boys and girls of a similar age, play with new toys, enjoy new sounds and make new friends. (Shirelle McIvor, Programme Manager at Exploring Enterprise Programme, reported that *"The funding we have received from the Honourable Irish Society has made a fantastic difference to our weekly sessions. The children absolutely love playing with the new toys and as a result are playing and interacting more with each other than ever before. The creative art supplies are very much appreciated by the parents. The Committee would like to thank the Honourable Irish Society for their generosity and consequently affording us the opportunity to provide the children with new, exciting and educational toys that can be enjoyed for many years to come".*)
- **Naiscoil Ghleann an Iolair, Garvagh - £558.18** to cover the shopping list of items required for children at this Irish language pre-school to explore and learn about the natural world through the use of magnifying glasses, investigating light, magnets and reflection, and promote the knowledge of and care for the environment.
- **The Nest Out of Schools Club, Claudy - £1,000** towards new equipment (especially items for children with special needs); costs associated with running their summer scheme; and re-decorating to make classrooms more fresh and appealing to newcomers.
- **Rascals PlayStation Childcare Centre** (sole provider of childcare from 2 years 10 months to 12 year olds in the rural area of Ballinamallard) - **£1,250** towards specialised equipment for children who are visually impaired, have autism and/or speech and language problems.
- **St Patrick's & St Joseph's Primary School, Glenullin / Garvagh - £850** towards the purchase of outdoor play equipment for Foundation and Key Stage 1 pupils.
- **Stepping Stones Pre-School Centre, Maghera - £750** to purchase new play equipment for their new childcare unit, to expand the children's creativity and discovery experiences and sensory stimulation, learning and development.
- **Tober Tinys Community Playgroup, Tobermore - £1,000** towards new play equipment to further extend the children's abilities in a safe, caring, learning environment where each is valued and respected equally, and play, learning and creativity is promoted and developed.

Examples of Clothworkers' Fund grants in Northern Ireland include:

- **Harmony North Choir, Belfast:** Established in 2015, this trail-blazing inter-denominational choir comprises 150 young people from nine post-Primary schools in North Belfast. It is an exceptional musical project and unique symbol of unity, bringing young people, staff, parents and the wider community together in harmony and offering a heart-warming model for sustained and ground breaking collaboration between the area's schools. Since inception, the choir has performed in London and Washington DC, at the commemoration of the battle of Messines, Belgium, and at a number of civic and official events in Belfast. They sought support for 80 members of Harmony North to participate in the 2017 City of Derry International Choir Festival, and the Committee approved a grant of **£1,000 from The Clothworkers' NI Fund** to cover the cost of two coaches for the return trip from Belfast to Derry and back home.
- **Newry & Mourne Community Transport, Co. Down** - This charity provides a Door-to-Door Community Transport Service throughout Newry & Mourne and neighbouring areas – Crossmaglen in South Armagh to Annalong in South Down - to those who are in need due to age, sickness, visual impairment, disability (mental or physical), poverty, or because of a lack of availability or other adequate and safe public passenger services. The Irish Society received an application for help with the purchase of reversing cameras for their minibuses, hands-free kit and hi-vis vests for the drivers. A grant of **£1,000 from the Clothworkers' NI Fund** was awarded.

## THE HONOURABLE THE IRISH SOCIETY

### TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

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- **Lisnafin Cross Community Development Association, Derry:** Set up in September 1998, this rural cross community and inter-generational development group represents the interests of three estates situated in the West Ward of Derry City & Strabane District Council. The group wanted to offer two free events for local residents, aged over 60 - a summer bus trip, including lunch and musical entertainment, and a Christmas dinner dance. Both intended to help bring together older people from the three housing estates - and were possibly the only opportunity for some residents to get out to socialise and interact with other people due to limited finances and/or someone to accompany them. A grant of **£800** was awarded. After the Christmas event, Damien Gavigan (Project Co-ordinator at the CCDA) reported that *"We had 51 local pensioners in attendance at our Christmas Dinner Dance in the Fir Trees Hotel. We greatly appreciate your donation which will have made a special Christmas for some of our local older residents"*.
- **Willowbank Limited, Dungannon, Co. Tyrone** - This 'not for profit' voluntary organisation based in Dungannon offers day opportunities, training and support for adults with a physical disability and/or a sensory impairment. The organisation sought assistance with purchasing four computers to enable them to deliver IT courses as part of their community development and empowerment project, using the equipment as a research and learning tool. A grant of **£1,250 from the Clothworkers' NI Fund** was awarded.

#### (C) Schools & Education Support

**Primary Schools (Ballougry, Culmore, D H Christie Memorial, The Irish Society's and Millburn):** Although all are in the state controlled sector, and have been for many years, Trustees continue to maintain a special link and level of financial support for five primary schools in County Londonderry that were originally founded by the Irish Society for both Protestant and Catholic children between the ages of 4 and 11. Each year, the Society contributes to annual prize-giving; Trustees attend these special assemblies in June; and the Governor presents Certificates for each pupil completing their primary education. A donation was also made to each school at Christmas time towards festive events / activities (*with the exception of Ballougry Primary School – see Larger grants above*). In addition, the Society made a grant of **£8,000** (the second of a three year commitment) to Culmore Primary School to help cover the cost of keeping a part-time teacher in post for a further 12 months - another example of how schools in Northern Ireland are having to find 'core' funding from non-statutory sources.

The Irish Society continues its ongoing sponsorship of **Hatchery in the Classroom**, and trustees visited Kilrea Primary School in October 2017 for an update on this cross-community project. Providing an opportunity for primary schools located in the Lower Bann River valley and from different sides of the religious divide to work together, children learn about the life-cycle of Atlantic salmon in a practical and hands-on way; experience 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 conclude 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. In 2017-18, the Society's further enhanced funding of **£8,000** enabled 10 schools to participate in the project – including Killowen and St John's Primary Schools in Coleraine who wrote to say *"thank you to The Honourable The Irish Society for your continued support in funding this invaluable project for our schools. Mark [Patterson], as always, delivered the project brilliantly"*.

In the meantime, over 1,300 primary school children continue to benefit from the Society's support every year.



## THE HONOURABLE THE IRISH SOCIETY

### TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 APRIL 2018**

**Secondary Schools:** The Irish Society was pleased to provide sponsorship of **£3,000** for Causeway Business Education Partnership's Careers Convention in March 2018. Supported by Causeway Coast & Glens Borough Council as part of Enterprise Week 2018, CBEP welcomed over 40 exhibitors and in excess of 1,400 Year 11 and 12 students to yet another of its careers events. The Secretary was also present and reported that, keen to learn more about their options, there was a high level of student engagement with exhibitors drawn from across the UK – the Law Society NI (attending for the first time) proving particularly popular. Universities from England and Northern Ireland were strongly represented. And further education colleges demonstrated again that Apprenticeships and Careers are high on their agenda, offering qualifications in Hairdressing; Performing Arts; Media; Catering; Business and Computing; Engineering; Bricklaying; Joinery and Sports Science among others. Local employers were also out in force, showcasing career opportunities available in the North West. Chairman of CBEP, David Grainger, said it was a "*Fantastic day - great to see the students so engaged with the exhibitors. So much potential in our Borough. Proud of the young people in all our schools*".

In addition, during 2017-18 Trustees have visited:

- **University of Ulster** to undertake a tour of the Magee Campus, including visits to the Intelligent Systems Research Centre (where a number of practical applications of the robotics in which Ulster University is a world leader were demonstrated); the Graduate Entry Medical School project (to learn about this most important and significant project to which they have given their support) and newly-opened Nursing Competency Centre (one of only three such centres in the UK and the only one in Northern Ireland). Trustees also heard the detailed and fascinating historical background which demonstrated that the Irish Society was intimately involved in the beginnings of tertiary education in Derry - evidenced by a silver commemorative trowel presented by the then Governor, John Humphrey, Alderman of London, on his laying the foundation stone of the Magee College Londonderry on 18 August 1856.
- **Northern Regional College**, Coleraine Campus, to present Certificates of Merit and cheques of £150 each to two outstanding students: Deanna Hayleigh Connor (studying a BTEC Level 3 Extended Diploma in Applied Science) and Calvin Patrick Gary Henry (who has succeeded in a BTEC Extended Diploma in Information Technology [Software Design]) and to hear from their respective tutors.
- **Gaelcholáiste Dhoire** – the first Irish-medium secondary school in the North outside of Belfast, based at the former Skinners' castle in Dungiven - to learn more about the need for such a school in the area; its establishment in 2015 (with just 16 pupils) and growth since then (currently boasting 48 pupils from Dungiven, Derry city, South Derry, Dunloy and Strabane).
- **St Mary's College** to attend an annual **Star Programme** event (jointly hosted by their partners in the project, **Lisneal College**) to present the Society's [doubled] grant commitment of **£5,000** for 2017-18, to continue and expand this programme of after school activities.

The Secretary has also visited and presented annual grants or prizes to:

- **University of Ulster** to present the Irish Society's History Prize to Corey McDowell, a final year student of Ulster University's BA Hons History programme - chosen to receive the award for the best overall performance in History in the final year.
- **Sandelford School** in Coleraine, catering 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 – to present the annual grant of **£1,000** towards an item of equipment required for the pupils.
- **Coleraine Grammar School** in September 2017 to present the Annual Founders' Prize of **£500** to Grace Richmond - the top performing A Level student.

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

## THE HONOURABLE THE IRISH SOCIETY

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 APRIL 2018

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##### (D) Lower Bann River Environmental Management

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 2017-18 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 rose further in 2017-18, mainly as a result of the previous year's favourable fishing conditions and an unusually strong run of salmon. In contrast, 2017 saw a much poorer angling season, due to lengthy periods of high river flows from late July caused by the wettest summer for several years, which effectively curtailed fishing. Even so, the 8,500 salmon electronically recorded at the Kilrea fish pass represented the second best figure since the annual count started in 1998, so hope for the future remained. However, the overall picture for fishing remains fragile and recovery from the economic 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. We therefore expect that the 'catch and release' angling measures in place for salmon and sea trout will continue for the foreseeable future. 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, as they must have regard to other stakeholders such as farmers, commercial eel fishermen and the RSPB.

The Irish Society continues to promote angling opportunities on the Lower Bann and, in November 2017, supported the **Bann Bonanza Festival** – a five-day coarse angling event (also sponsored by Waterways Ireland, Mid-Ulster Council, Ted Carter and Champion Feed UK) that has been steadily growing in popularity over the last 10 years. Taking place on Mid-Ulster's angling facility at Portglenone, where there are 89 managed swims over a mile-long stretch, the superb setting of this natural water site and magnificent fishing makes for one of the best winter venues in Ireland. This year, near perfect water levels plus the river running clean made for excellent fishing – improving as the week progressed. In addition to cash prizes, complimented by engraved silver trophy plates for the top three, Ted Carter £100 tackle vouchers were awarded to the top five and Champion Feed prizes were presented to daily winners. SDLP Councillor, Martin Kearney, who lives near the festival site described the event as a welcome boost to the local economy. And the future looks bright for this stretch of the Lower Bann: the 2018 Bann Bonanza is already being organised; a major redevelopment and extension of facilities between New Ferry and Portglenone is also being planned; and the Irish Society hopes to become involved in hosting and supporting the European Coarse Angling Championships in June 2019.

## THE HONOURABLE THE IRISH SOCIETY

### TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2018*

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#### **(E) Commercial Property estate**

The Society owns a number of properties intended to generate investment income to carry out its charitable activities. Following acquisition in 2016-17 of the riverside (former Spanboard factory) site adjacent to the Society's HQ at Castleroe Road, a Property Development Committee was established to review and pursue investment property projects – including Victoria Hall in Culmore (which was surrendered back to the Society in 2015). The Committee has continued to meet regularly (either at Cutts House or via teleconference); potentially interested parties have been interviewed; local expertise (planners, architects, etc) appointed to provide advice and guidance and work up a 'masterplan'; and Trustees have visited the various development sites during the course of the year. In the case of Victoria Hall, the Society has engaged with Culmore Community Partnership to consider future use of the building as a cultural centre - including peace and reconciliation projects, showcasing local history of the area, or similar and a Tenancy at Will or caretaking agreement drawn up in the meantime. Progress is being made, albeit slow, but development and letting opportunities in the Province continue to provide some optimism that the Northern Ireland property market remains on an upward turn following the steep decline in 2007-8 – despite the political vacuum caused by a year-long suspension of the Stormont Executive, and the on-going anxiety over Brexit and its consequences for the Northern Ireland border.

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

- Commencing renewals of leases of four small shops in Coleraine town centre, one of which will require a new tenant;
- Renewals of shooting rights licences with several gun clubs and beginning a new one with a commercial wind farm;
- Plans to make Cutts House available for letting opportunities during the July 2019 Open [Golf] Championship, being held in nearby Portrush;
- Meetings with Derry & Donegal Presbytery (arranged through Rev'd David Latimer of First Derry Presbyterian Church) to consider future use of Strand Road Presbyterian Church, making better commercial use of the heavily-listed buildings while retaining a chaplaincy-type presence for the Presbytery; and
- Further development by tenants of land and the river bed at Cranagh Bay near Coleraine to provide extended leisure, restaurant and water recreation facilities for tourists and locals.

#### **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 (see page 36).

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 2018**

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#### Risk management

Trustees are mindful of the Society's Policy on Risk and elements of the Risk Register are reviewed at every Court meeting on a rolling basis to ensure that all risks are given due consideration and the Register is updated in its entirety over a 12 month period.

- Risks associated with a **fall in income** from, or capital value of, a sizeable asset remain of highest concern. One shop in Coleraine requires a new tenant but the potential income loss is not presently a concern and will hopefully be short-term in any event.
- A fishing rights ownership **dispute** on the River Roe has arisen and, as the Defendant, the Society is fighting it, as not to do so would entail a potential unravelling of local recognition of its ownership in a wider sense. The Secretary is monitoring the legal expenditure on this matter.
- In addition, Trustees continue to give consideration to the potential detrimental impact of **Brexit** on Northern Ireland through its common border with the EU – in particular the affect a 'hard' border could have on tourism from the Republic of Ireland, reducing income from Irish anglers fishing on the Society's waters and visitors using the shops in Londonderry owned by the Society.
- The Society has also been mindful of the **General Data Protection Regulation** (GDPR) and taken steps to formulate a Policy (agreed by Trustees in April 2018) and ensure that all Society Personnel have read, understood and adhere to the principles for processing personal data – regardless of the media by which that data is stored or whether it relates to past or present grant applicants, tenants, trustees, committee members, customers, suppliers, employees, workers or any other Data Subject.
- Consideration has similarly been given to the implementation of **Common Reporting Standards**. However, those who attended an event held by Cazenove Capital Management concluded that the Society cannot be classified as a Financial institution as less than 50% of income is derived from investing in financial assets. It was therefore established that no data collection and subsequent reporting to HMRC is necessary.

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 will continue to be 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.

As above, 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 only in a modest overall increase in Capital values. No further adjustments have been made since that time; the next formal appraisal is due in 2021.

The Society also has an investment portfolio managed on a discretionary basis by external fund managers – Barings Asset Management Limited and Cazenove Capital Management. There are no restrictions on the investments that the Society can make. The portfolios are monitored against targets and the Trustees consider the managers' performance satisfactory overall.

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 2018 free reserves amounted to £11,267,758 (2017: £11,101,690) - see Balance Sheet at page 20.



## THE HONOURABLE THE IRISH SOCIETY

### TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2018*

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#### Review of charitable activities in the year

Net Incoming Resources in the year to 30 April 2018 were £195,133 (2017: £904,476). The lower figure in 2018 was mainly due to less favourable investment market conditions prevailing than in 2017; respective unrealised gains were £127,838 in 2018 compared with £652,514 in 2017. Charitable expenditure amounted to £522,171 (2017: £431,968). Taking into account other recognised gains/losses of £0 (2017: £0) as set out on page 19, this left an overall surplus for the year of £195,133 (2017: surplus of £904,476).

#### 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, larger projects and annual commitments, it is anticipated the number of charitable projects supported by the Society will also increase, as the Trustees wish to ensure that any surpluses are passed on for the benefit of the NI community and are not merely retained within the assets of the Society. Also, the Society has undertaken more PR work in London aimed at encouraging Livery Companies and other City organisations to recognise their historic links with and support the social and economic development of Northern Ireland, and will continue to do so.

- Trustees maintain that the Irish Society could still do more if greater funds were available generally, and they seek to extend working with the London Livery Companies – particularly those with historic connections in County Londonderry. The intention is to expand the number of Livery Companies engaged – not just with the purpose of increasing funding ability but by harnessing their own networks and expertise.
- The Irish Society will also seek to develop connections with philanthropic individuals and organisations, including the Northern Irish diaspora, that may consider the Society as a charitable vehicle for making donations into the Province for specific projects such as the NI National Citizen Service. And in cases where the Society acts to advise or administer in relation to a third party's charitable aims, flexibility to act outside of traditional geographical boundaries is maintained.
- Trustees will also continue to work with organisations such as Co-operation Ireland, London~Derry Connections and The Ireland Funds where their objectives align with the Irish Society's strategy. They will also explore what other organisations might be engaged to further the Society's aims.

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, while generating a surplus of income over expenditure – eg, the 2018 Bann Bonanza and International Fishing Festival in 2019. The Trustees will endeavour 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. And, having made a financial contribution in 2016-17, it will continue to actively participate in the ongoing project led by Waterways Ireland and other local statutory bodies to identify and develop potential in the Lower Bann River for tourism and recreation.

## THE HONOURABLE THE IRISH SOCIETY

### TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 APRIL 2018**

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#### 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 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.



**Alderman Sir Andrew Charles Parmley, MusM Hon FGS**

Governor

Dated: 24 July 2018

# THE HONOURABLE THE IRISH SOCIETY

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF THE HONOURABLE THE IRISH SOCIETY

#### Opinion

We have audited the financial statements of The Honourable The Irish Society (the 'Society') for the year ended 30 April 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 April 2018 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.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Society's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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



# THE HONOURABLE THE IRISH SOCIETY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE HONOURABLE THE IRISH SOCIETY

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#### **Responsibilities of the Court**

As explained more fully in the Statement of the Court's Responsibilities, the court is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

#### **Other matters which we are required to address**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Mr Ian H Donaghey (Senior Statutory Auditor)**  
for and on behalf of Irwin Donaghey Stockman LLP  
**Statutory Auditor**  
23/25 Queen Street  
COLERAINE  
Co Londonderry  
BT52 1BG

24 July 2018

Irwin Donaghey Stockman LLP is eligible for appointment as auditor of the Society by virtue of its eligibility for appointment as auditor of a company under 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 2018

	Notes	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
<b><u>Income and endowments from:</u></b>					
Donations and grants	3	25,000	53,000	78,000	67,000
Other trading activities	4	271,719	-	271,719	263,099
Investment income	5	270,817	-	270,817	261,124
Other income	6	3,346	-	3,346	1,272
<b>Total income</b>		<b>570,882</b>	<b>53,000</b>	<b>623,882</b>	<b>592,495</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	39,816	-	39,816	43,565
Charitable activities	8	498,236	23,935	522,171	431,968
<b>Total resources expended</b>		<b>538,052</b>	<b>23,935</b>	<b>561,987</b>	<b>475,533</b>
Net gains/(losses) on investments	13	133,238	-	133,238	787,514
<b>Net movement in funds</b>		<b>166,068</b>	<b>29,065</b>	<b>195,133</b>	<b>904,476</b>
Fund balances at 1 May 2017		11,180,030	47,000	11,227,030	10,322,554
<b>Fund balances at 30 April 2018</b>		<b>11,346,098</b>	<b>76,065</b>	<b>11,422,163</b>	<b>11,227,030</b>

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 2018

	Notes	£	2018 £	£	2017 £
<b>Fixed assets</b>					
Tangible assets	14		651,962		667,555
Investment properties	15		3,198,006		3,198,006
Investments	16		7,276,243		7,187,173
			11,126,211		11,052,734
<b>Current assets</b>					
Debtors	18	131,865		132,925	
Cash at bank and in hand		374,813		229,946	
			506,678		362,871
<b>Creditors: amounts falling due within one year</b>	19	(210,726)		(188,575)	
Net current assets			295,952		174,296
<b>Total assets less current liabilities</b>			11,422,163		11,227,030
<b>Income funds</b>					
Restricted funds			76,065		47,000
<u>Unrestricted funds</u>					
General unrestricted funds		11,267,758		11,101,690	
Revaluation reserve		78,340		78,340	
			11,346,098		11,180,030
			11,422,163		11,227,030

The financial statements were approved by the Trustees on 24 July 2018



Trustee

## THE HONOURABLE THE IRISH SOCIETY

### STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2018

	Notes	2018		2017	
		£	£	£	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	24		(130,010)		(211,425)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(293)		(1,856)	
Purchase of investment property		-		(5,000)	
Purchase of other investments		-		(2,110,099)	
Proceeds on disposal of other investments		4,353		2,199,543	
Investment income		270,817		261,124	
<b>Net cash generated from investing activities</b>			274,877		343,712
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			144,867		132,287
Cash and cash equivalents at beginning of year			229,946		97,659
<b>Cash and cash equivalents at end of year</b>			374,813		229,946

# THE HONOURABLE THE IRISH SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2018

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### 1 Accounting policies

#### Charity information

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

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with 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)" (as amended for accounting periods commencing from 1 January 2016). The Society is a Public Benefit Entity as defined by FRS 102.

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

The financial statements 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, 2018-19, 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 notes 3 and 8 to the financial statements.

#### 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.



# THE HONOURABLE THE IRISH SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

### 1 Accounting policies

(Continued)

#### 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 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 2016 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.

## THE HONOURABLE THE IRISH SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

#### 1 Accounting policies

(Continued)

##### 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.

##### 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.

##### 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 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).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

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.

# THE HONOURABLE THE IRISH SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

### 1 Accounting policies

(Continued)

#### 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.

#### 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

##### **Derecognition of financial liabilities**

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

# THE HONOURABLE THE IRISH SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

### 1 Accounting policies

(Continued)

#### 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.

#### 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.



## THE HONOURABLE THE IRISH SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2018

#### 3 Donations and grants

	Unrestricted funds	Restricted funds	Total 2018	Total 2017
	£	£	£	£
Donations and grants	25,000	53,000	78,000	67,000
<b>For the year ended 30 April 2017</b>	<b>-</b>	<b>67,000</b>		<b>67,000</b>
<b>Donations and grants</b>				
Livery Company	-	25,000	25,000	20,000
City of London	25,000	-	25,000	25,000
Clothworkers (to NCS)	-	5,500	5,500	5,500
Drapers (to NCS)	-	6,000	6,000	-
Mercers (to NCS)	-	5,500	5,500	5,500
City of London (to NCS)	-	11,000	11,000	11,000
	<u>25,000</u>	<u>53,000</u>	<u>78,000</u>	<u>67,000</u>

#### 4 Other trading activities

	2018	2017
	£	£
Fishing, coarse, game and sporting	135,999	133,106
Commercial property rent	135,720	129,993
Other trading activities	<u>271,719</u>	<u>263,099</u>

#### 5 Investment income

	2018	2017
	£	£
Dividends - equities	<u>270,817</u>	<u>261,124</u>

#### 6 Other income

	2018	2017
	£	£
Other income	<u>3,346</u>	<u>1,272</u>

## THE HONOURABLE THE IRISH SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 30 APRIL 2018**

6 Other income	(Continued)				
7 Raising funds				2018	2017
				£	£
Investment management fees				39,816	43,565
				39,816	43,565
				39,816	43,565
<b>For the year ended 30 April 2017</b>					
Investment management fees					43,565
8 Charitable activities					
	Education	Community	Environmental	Total	Total
		Development	Protection &	2018	2017
			Improvement		
	£	£	£	£	£
Grant funding of activities (see note 9)	77,531	96,996	28,950	203,477	117,227
Share of support costs (see note 10)	52,851	52,851	158,554	264,256	261,840
Share of governance costs (see note 10)	10,887	10,887	32,662	54,436	52,901
	141,271	160,734	220,166	522,171	431,968
	141,271	160,734	220,166	522,171	431,968
<b>Analysis by fund</b>					
Unrestricted funds	132,027	146,043	220,166	498,236	
Restricted funds	9,244	14,691	-	23,935	
	141,271	160,734	220,166	522,171	
	141,271	160,734	220,166	522,171	
<b>For the year ended 30 April 2017</b>					
Unrestricted funds	115,983	97,890	198,095		411,968
Restricted funds	1,724	18,276	-		20,000
	117,707	116,166	198,095		431,968
	117,707	116,166	198,095		431,968

## THE HONOURABLE THE IRISH SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

#### 9 Grants payable

	Education	Community Development	Environmental Protection & Improvement	Total	2017
	£	£	£	£	£
Grants to institutions:					
Advisory Committee	22,970	22,848	2,800	48,618	37,835
Clothworkers	-	10,000	-	10,000	10,000
Drapers	9,094	4,691	-	13,785	10,000
London	43,665	25,397	26,150	95,212	28,947
To NCS	-	32,610	-	32,610	27,500
	<u>75,729</u>	<u>95,546</u>	<u>28,950</u>	<u>200,225</u>	<u>114,282</u>
Grants to individuals	1,805	1,450	-	3,255	2,945
	<u>77,534</u>	<u>96,996</u>	<u>28,950</u>	<u>203,480</u>	<u>117,227</u>

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 16 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.

## THE HONOURABLE THE IRISH SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2018

#### 10 Support costs

	Support costs £	Governance costs £	2018 £	2017 £
Staff costs	170,330	37,033	207,363	202,458
Depreciation	15,886	-	15,886	16,400
Rent, rates, insurance & utilities	17,372	-	17,372	18,516
Repairs & maintenance	8,726	-	8,726	6,855
Advertising, PR, & printing	7,006	-	7,006	6,302
Telephone	2,082	-	2,082	2,029
Computer & website costs	2,719	-	2,719	3,565
Motor & travel	13,751	-	13,751	21,612
Audit & accountancy	1,372	-	1,372	887
General (office sundries, stationery, subscriptions)	5,291	-	5,291	7,232
Legal & professional (NI property)	19,721	-	19,721	12,515
Legal fees (non-property)	-	1,177	1,177	32
Audit fees	-	2,400	2,400	2,629
Accountancy	-	1,600	1,600	1,600
Court & executive fees	-	12,226	12,226	12,109
	<u>264,256</u>	<u>54,436</u>	<u>318,692</u>	<u>314,741</u>
Analysed between				
Charitable activities	<u>264,256</u>	<u>54,436</u>	<u>318,692</u>	<u>314,741</u>

Governance costs includes payments to the auditors of £2,400 (2017- £2,629) for audit fees, and additional accounts preparation work of £1,600 ((2017- £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 (2017: £nil). A total of £2,355 (2017: £8,492) was paid by the Society for travel and subsistence on behalf of 10 Trustees (2017: 10 Trustees).

The figure disclosed in the prior year financial statements incorrectly included figures that were not reimbursed expenses, but expenses paid directly by the Society. This constitutes the reason for the drop in the figure for the reimbursed expenses in the current financial year. The prior year figure should have been £1,482.



## THE HONOURABLE THE IRISH SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2018*

#### 12 Employees

##### Number of employees

The average monthly number of full time equivalent employees during the year was:

	2018 Number	2017 Number
Direct charitable activities	3	4
Administration	2	2
	5	6
	5	6

##### Employment costs

	2018 £	2017 £
Wages and salaries	158,593	159,104
Social security costs	16,056	15,723
Other pension costs	32,714	27,631
	207,363	202,458
	207,363	202,458

None of the employees was paid more than £60,000 (2017: £nil). No member of the Court received any remuneration.

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

	2018 £	2017 £
Revaluation of investments - unrealised	127,838	652,514
Gain/(loss) on sale of investments	5,400	135,000
	133,238	787,514
	133,238	787,514

## THE HONOURABLE THE IRISH SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 30 APRIL 2018**

#### 14 Tangible fixed assets

	Leasehold land and buildings	Motor vehicles and boats	Furniture and office equipment	Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 May 2017	675,000	44,969	15,557	735,526
Additions	-	-	293	293
	<u>675,000</u>	<u>44,969</u>	<u>15,850</u>	<u>735,819</u>
<b>Depreciation and impairment</b>				
At 1 May 2017	13,500	42,885	11,585	67,970
Depreciation charged in the year	13,500	1,027	1,360	15,887
	<u>27,000</u>	<u>43,912</u>	<u>12,945</u>	<u>83,857</u>
<b>Carrying amount</b>				
At 30 April 2018	<u>648,000</u>	<u>1,057</u>	<u>2,905</u>	<u>651,962</u>
At 30 April 2017	<u>661,501</u>	<u>2,083</u>	<u>3,971</u>	<u>667,555</u>

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 2018, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £570,164 (2017 - £583,412).

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

	2018
	£
<b>Fair value</b>	
At 1 May 2017 and 30 April 2018	<u>3,198,006</u>

## THE HONOURABLE THE IRISH SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 30 APRIL 2018**

#### 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. The Trustees did not consider the values to have changed materially since this date of valuation. It is the accounting policy of the company to obtain independent valuations for investment properties every five years.

#### 16 Fixed asset investments

	Listed investments	Other Investment in investments	Cash held by property bond investment manager	Total
	£	£	£	£
<b>Cost or valuation</b>				
At 1 May 2017	7,156,749	2	8,100	7,187,173
Investment gains - unrealised	97,170	-	-	97,170
Disposals	-	-	(8,100)	(8,100)
	<u>7,253,919</u>	<u>2</u>	<u>-</u>	<u>7,276,243</u>
At 30 April 2018	7,253,919	2	-	7,276,243
<b>Carrying amount</b>				
At 30 April 2018	7,253,919	2	-	7,276,243
	<u>7,253,919</u>	<u>2</u>	<u>-</u>	<u>7,276,243</u>
At 30 April 2017	7,156,749	2	8,100	7,187,173
	<u>7,156,749</u>	<u>2</u>	<u>8,100</u>	<u>7,187,173</u>
			<b>2018</b>	<b>2017</b>
			£	£
Investments exceeding 5% of the total market value are as follows:				
Baring Asset Management Targeted Return Fund			3,466,712	3,415,055
Schroder Charity Multi-Asset Fund			3,787,207	3,741,694
			<u>3,466,712</u>	<u>3,415,055</u>
			<u>3,787,207</u>	<u>3,741,694</u>

#### 17 Financial instruments

##### Carrying amount of financial assets

	2018	2017
	£	£
Debt instruments measured at amortised cost	125,960	127,343
Equity instruments measured at cost less impairment	7,276,243	7,187,173
	<u>7,276,243</u>	<u>7,187,173</u>

##### Carrying amount of financial liabilities

Measured at amortised cost	181,636	160,692
	<u>181,636</u>	<u>160,692</u>

## THE HONOURABLE THE IRISH SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2018*

18 Debtors	2018	2017
Amounts falling due within one year:	£	£
Trade debtors	85,183	87,622
Other debtors	40,777	39,721
Prepayments and accrued income	5,905	5,582
	131,865	132,925

All debtor balances relate to unrestricted funds both in 2018 and 2017.

19 Creditors: amounts falling due within one year	2018	2017
	£	£
Other taxation and social security	29,090	27,883
Trade creditors	3,314	3,044
Other creditors	137,485	142,644
Accruals and deferred income	40,837	15,004
	210,726	188,575

Deferred income mainly represents angling income received in advance relating to the 2018/19 accounting period, as well as rental income received in advance and some donations towards events to take place during the 2018/19 accounting period. All creditor balances relate to unrestricted funds both in 2018 and 2017.

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 2018

#### 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 £32,714 (2017: £27,631), 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 contribution's 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 2018 are represented by:			
Tangible assets	651,962	-	651,962
Investment properties	3,198,006	-	3,198,006
Investments	7,276,243	-	7,276,243
Current assets/(liabilities)	295,952	-	295,952
	<u>11,422,163</u>	<u>-</u>	<u>11,422,163</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:

	2018 £	2017 £
Within one year	550	550

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 2018

#### 23 Related party transactions

##### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2018 £	2017 £
Aggregate compensation	77,089	74,314

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

	2018 £	2017 £
Surplus for the year	195,133	904,476
Adjustments for:		
Net investment income	(231,001)	(217,559)
Gain on disposal of investments	(5,400)	(135,000)
Fair value gains and losses on investments	(127,838)	(652,514)
Depreciation and impairment of tangible fixed assets	15,886	16,400
Movements in working capital:		
Decrease/(increase) in debtors	1,060	(21,993)
Increase/(decrease) in creditors	22,150	(105,235)
<b>Cash absorbed by operations</b>	<b>(130,010)</b>	<b>(211,425)</b>



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**Our Mission Statement:**

***'To work in partnership for the economic and social benefit of Northern Ireland'***

**For more information about how to join us in helping communities in Northern Ireland, contact us at:**

**[theirishsociety@btconnect.com](mailto:theirishsociety@btconnect.com)**

**or visit our website at:**

**[www.honourableirishsociety.org.uk/](http://www.honourableirishsociety.org.uk/)**