

Charity No. 1150776 (England and Wales)

THE HONOURABLE THE IRISH SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2019

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

THE HONOURABLE THE IRISH SOCIETY

CONTENTS

	Page
Charity information	1 - 2
Trustees' report	3 - 12
Independent auditor's report	13 - 15
Statement of financial activities	16
Balance sheet	17
Statement of cash flows	18
Notes to the financial statements	19 - 32
Mission statement	33

THE HONOURABLE THE IRISH SOCIETY

CHARITY INFORMATION

Charity registration number	1150776
Registered office	PO Box 270 Guildhall LONDON EC2P 2EJ
Auditor	Irwin Donaghey Stockman LLP 23/25 Queen Street COLERAINE Co Londonderry BT52 1BG
Bankers	Danske Bank Corporate Banking Centre PO Box 183 BELFAST BT1 6JS
Investment managers	Baring Fund Managers Ltd 20 Old Bailey LONDON EC4M 7BF Cazenove Capital Management 1 London Wall Place LONDON EC2Y 5AU
Solicitors	Elliott Duffy Garrett Royston House 34 Upper Queen Street BELFAST BT1 6FD

THE HONOURABLE THE IRISH SOCIETY

CHARITY INFORMATION

List of Trustees 2018-2019

- Governor:** Alderman Sir Andrew Charles Parmley, MusM Hon FGS
- Deputy Governor:** James Henry George Pollard, Deputy (to 01/04/2019)
Peter Gerard Dunphy (from 01/04/2019)
- Aldermen:** Vincent Thomas Keaveny
William Anthony Bowater Russell (to 07/03/2019)
Nicholas Stephen Leland Lyons (from 07/03/2019)
- Commoners:** John David Absalom, Deputy
Roger Arthur Holden Chadwick, OBE, Deputy (to 07/03/2019)
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
Philip Woodhouse, Deputy (from 07/03/2019)
- Officers:**
- Society's Representative
(Northern Ireland) & Secretary:** Edward Montgomery, MBE DL
- Assistant Secretary:** Candya L Farmer

THE HONOURABLE THE IRISH SOCIETY

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 APRIL 2019

The Trustees are pleased to present their annual report and financial statements for the year ended 30 April 2019.

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 – thereby 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, 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 Aldermen and 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 to 31/03/2019); Mr P G Dunphy (Chairman from 01/04/2019); Mr R A H Chadwick, Deputy (to 07/03/2019); Mr S D'O Duckworth, OBE, DL; Alderman V Keaveny; Alderman N S L Lyons (from 07/03/2019); Mr R D Regan, OBE, Deputy (to 31/03/2019); Mr I C N Seaton; and Mr P Woodhouse, Deputy (from 07/03/2019). Common Councilman Mr N Bensted-Smith has been co-opted to the Finance 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 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 2019

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, ACHIEVEMENTS & PERFORMANCE

While still committed to maintaining a full-time presence on the ground in Northern Ireland, ten 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.

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 headed Lower Bann River Environmental Management below.

Highlights of the year were as follows:

- Five visits by Irish Society Trustees to Northern Ireland.
- Two visits to Northern Ireland by City of London Corporation officers and one by the Lord Mayor of London, which were hosted by the Society.
- Several reciprocal visits to the City of London by local authorities from Northern Ireland which were mainly initiated by the Society and provided excellent networking and investment opportunities.
- In a scenario where the Stormont devolved government remains suspended and amid uncertainty over the possible detrimental outcomes of Brexit, the Society's trustees continued to engage positively with politicians, business and community leaders in NI and made introductions to the City of London Corporation to assist, amongst other matters, in promoting a City Deal for Derry City & Strabane District Council.
- 92 one-off small community and individual grants were made from an enlarged budget of **£75,000**. A list of all small grant recipients is available as a separate document on the Society's website.
- Continuing financial support was given to five primary schools, five secondary schools, one special needs school and Ulster University, totalling approximately **£27,500**.
- There was an increased commitment to making multi-year larger grants to good causes, totalling approximately **£56,000**.
- Continuing support grants for fishery environmental / educational work totalling **£18,000**.
- Continuing financial support for NI National Citizen Service programme, totalling **£34,500**.
- Increased support from several Livery Companies and the City of London Corporation to some of the above charitable programmes.
- Lower Bann River management has continued as usual, with fishery conditions during most of 2018-19 being excellent and the second best number of returning salmon since modern counting commenced in 1998.
- The Society's commercial property estate has seen a number of changes over the year, but continues to generate vital revenues for its charitable operations.

THE HONOURABLE THE IRISH SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

1. Visits

The June 2018 visit by Trustees passed off successfully, with the usual school prize-givings and other charitable events attended. The Autumn 2018 visit also coincided with the Walled City 400th Anniversary Conference - *'Unlocking Prosperity Through Heritage-Led Regeneration'*, which enabled Trustees to take an active participation in events – from sponsoring the pre-Conference Dinner to joining workshops and taking part in Q&A sessions plus a live on air discussion on Radio Foyle. 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. A prime example being the Lord Mayor of London's visit to NI in September 2018 covering the "Business of Trust" (facilitated discussion with school pupils at the Playhouse Theatre, outputs from which were fed into the development of a resource for primary and secondary schools) and "A City Region of Opportunities" (a roundtable with local representatives in the Mayor's Parlour at Guildhall, Derry). In November, The Irish Society also sponsored six pupils (three each) from St Mary's and St Cecilia's Colleges, and The Merchant Taylors' Company funded a further three pupils from Foyle College, to join City of London schools and academies participating in an event at Mansion House for the launch of a Business of Trust toolkit for Primary and Secondary Schools to enable the future generation to explore this issue more openly. St Mary's College were *"blown away by our reception at Mansion House and this proved to be very worthwhile venture for all involved"* and St Cecilia's were equally appreciative that the visit *"afforded the students an opportunity that they would not normally have"*. Foyle College also confirmed that *"The pupils thoroughly enjoyed the experience and it has given them a first-hand insight into working life in London"* – providing a good example of making a big impact with a modest grant.

In July 2018, The Irish Society was also pleased to play its part in the City of London Corporation's visit to the Atlantic Link Campus in Coleraine – a 40-acre enterprise zone on the dramatic North Coast with groundbreaking opportunities for digital companies wishing to launch, relocate or expand their business services. The tour reflected the strong relationship between Causeway Coast & Glens Borough Council and the Irish Society, and followed a high profile reception held in London's Guildhall earlier in the year, which showcased the Enterprise Campus to a range of businesses based in the City. The Council has fostered an important connection with the City of London Corporation, and Councillor Brenda Chivers (Mayor) welcomed Catherine McGuinness (City of London's Policy Chairperson) to see another opportunity which highlighted what Causeway Coast & Glens has to offer.

2. Grants

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). On occasion, applications from individuals are also received and considered against set criteria – Guidelines for which are available on the website. 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.

There are relatively few charitable funders operating at a similar 'small grants' level in the geographical area concerned. But, thanks to its cross-community interdenominational 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.

92 small grants were awarded during the year from an available budget of £75,000 – 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. Five applications were received from individuals (the same as last year); 13 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 also increased to £820, up from £725 in the previous year.

THE HONOURABLE THE IRISH SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

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) 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 (32%) and Coleraine (23%). The remaining 45% were from applicants in and around the smaller urban / rural areas of Limavady, Magherafelt and the Glens area (Cushendun, Cushendall etc). 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.

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 total **£20,000** sum will continue to be awarded annually and indefinitely (subject to conditions).
- **The City of London Corporation** again boosted the Society's general grant-making ability by **£25,000** - offsetting reduced income from capital tied up in a potential property development site in Coleraine. This enabled:
 - The first instalment of **£10,000** to be paid to the joint initiative with **Cavell Nurses' Trust** – transforming the lives of nurses, midwives and HCAs. Approx. 25,000 nurses, midwives Health Care Assistant (HCAs) are registered in Northern Ireland, a significant number of who need the Trust's help of a listening ear; practical advice; and, where appropriate, financial support. The Irish Society developed a Memorandum of Understanding with Cavell Nurses' Trust pledging to jointly fund any grants given to NI nurses, midwives, HCAs and those retired from these professions when they are facing a crisis. On learning that the MoU and first annual payment of £10,000 had been approved, John Orchard (Chief Executive of Cavell Nurses' Trust) wrote to say *"This is fantastic news! I'm so pleased we'll be able to support so many more nurses together"*. And feedback in early 2019 indicated that the grant had enabled Cavell to assist 18 nurses, former nurses, midwives and HCAs with small grants, sometimes towards essential equipment purchase but often only for advice and emotional support that was much needed;
 - A contribution of **£10,000** to **The Walled City 400 Years Conference & Events Programme** - working in partnership with the Londonderry Inner City Trust on a series of activities to mark the 400th anniversary of the completion of the Walls of Derry, one of the most significant achievements of the early years of the City of London's involvement in the region; and
 - Funding of **£5,000** per annum for a further three years to **Age Concern Causeway** - a local independent charity providing a large range of services to improve the quality of life for older people across the Causeway area (previously losing its main source of funds and facing closure), to ensure sustainability and continue providing 27 dementia social day care places per week for vulnerable people.

THE HONOURABLE THE IRISH SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

The Society continues to support the **NI National Citizen Service (NCS)** - 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. 2018-19 marks the fourth 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 Drapers**, have done likewise – bringing the 2018-19 commitment to the project to **£34,500** (approx 8% of the whole NI NCS programme's annual cost).

The average cost for each student is nearly £1,300 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.

3. Schools & Education Support

Primary Schools (Ballougy, 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. In addition, the Society made a grant of **£8,000** to Ballougy Primary School to help with the purchase of i-Pads, apps, cases and a lockable re-charging cabinet, together with two electronic whiteboards. ICT is considered absolutely essential for teaching in the modern day (the provision of i-Pads for maths lessons will allow children to improve their numeracy level – a particular weakness identified by Inspectors) and will help the School both retain existing and attract new pupils, which is critical to its survival.

The Irish Society continues its ongoing sponsorship of **Hatchery in the Classroom**. 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 2018-19, the Society's 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 2019

Secondary Schools: The Irish Society was pleased to provide sponsorship of **£3,000** for Causeway Business Education Partnership's Careers Convention in March 2019. 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"*.

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

- **University of Ulster** to present the Irish Society's History Prize of **£250** to Jordan Bertuccelli, a final year student of Ulster University's BA Hons History degree course - chosen to receive the award for the best overall performance in History in the final year.
- **Sandelford School** in Coleraine, meeting severe and complex educational needs of almost 200 pupils from 3-19 years of age. Having learned of their successful application for tickets for pupils to attend The Commonwealth Service at Westminster Abbey on 11 March 2019 (Commonwealth Day), the Irish Society was quick to double its annual grant and offer a donation of **£2,000** towards travel and accommodation expenses for the trip. Taking place in the presence of Her Majesty The Queen, the Service is the largest annual inter-faith celebration in the UK; features a mix of testimonies, readings and musical performances from talented artists across the Commonwealth; and this year reflected the 2019 theme – 'A Connected Commonwealth'. Principal, Mrs Sharon Tennant, wrote to thank the Secretary for the Irish Society's *"most recent kind gift"*, adding that *"We are all very excited that we are able to attend this very special event. This will be the first time that most of the young people are going to travel outside Northern Ireland and without your generosity our attendance would not have been possible"*.
- **Coleraine Grammar School** in October 2018 to present the Annual Founders' Prize of **£250** which was this year split between three students, Ancel Bell, Anna Wallace and Holly Woodhead whose results were equally good at A Level.

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.

LOWER BANN RIVER ENVIRONMENTAL MANAGEMENT

The Society continued with its management of the 38 mile long Lower Bann river and its fisheries this year. Our voluntary sub-committee (Bann Division) maintained its supervision of the fishing and environmental protection operations, as it has done for many years.

One full-time and three part-time members of staff were employed during 2018-19 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 expenditure of over **£100,000** per annum is necessary given the extent and importance of the Lower Bann fisheries to the whole NI economy and environment and as a resource for recreation, tourism and education.

THE HONOURABLE THE IRISH SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

The income from fishing again rose slightly in 2018-19, mainly as a result of the long dry summer in 2018 which benefits Lower Bann game fishing and encouraged anglers to come to the river. However, 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 & Release angling measures presently 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 once again, in November 2018, 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 competition-level fishing platforms 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. And the future looks bright for this stretch of the Lower Bann: the 2019 Bann Bonanza is already being organised; a major redevelopment and extension of facilities between New Ferry and Portglenone is also being planned; and on an even larger scale, the Irish Society is involved in hosting and supporting the European Coarse Angling Championships in June 2019, which will be reported on next year.

COMMERCIAL PROPERTY ESTATE

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

- Ongoing 'soft marketing' of the two development sites at Castleroe, near Coleraine, to potential hotel developers - which has so far proved inconclusive owing to external market factors affecting their decision making.
- Employing planning agents to investigate the possibilities of the two sites and draw up outline plans for commercial / leisure and residential development.
- Completion of a 25 year lease of Victoria Hall at Culmore to a local community group, thus ensuring the continuing use of an otherwise derelict building.
- Commencing investigations and discussions as to the future re-leasing of a trout farm in Co. Tyrone.
- Negotiating renewals of leases of four small shops in Coleraine town centre, two of which require a new tenant.
- Renewals of shooting rights licences with several gun clubs and beginning a further new one with a commercial wind farm.
- Attempts to make Cutts House available for letting opportunities during the July 2019 Open [Golf] Championship, being held in nearby Portrush.

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 26 and page 31).

THE HONOURABLE THE IRISH SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

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.

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. 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 sufficient income to pay for the Society's charitable purposes and management each year, while maintaining the overall value of the Society's assets, so that it may continue to achieve its charitable objectives into the future. The Trustees aim to spend increased resources each year on charitable activities based on budgeted income and expenditure, while at the same time maintaining sufficient reserves to meet any expected capital requirements.

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.

As 30 April 2019 free reserves amounted to £11,122,977 (2018: £11,267,758) - see Balance Sheet at page 17.

REVIEW OF CHARITABLE ACTIVITIES IN THE YEAR

The net deficit in the year to 30 April 2019 was £112,222 (2018: net surplus of £195,133). The higher figure in 2018 was mainly due to more favourable investment market conditions prevailing than in 2019; respective unrealised losses were £129,438 in 2019 compared with unrealised gains of £141,338 in 2018. Charitable expenditure amounted to £585,303 (2018: £522,171).

THE HONOURABLE THE IRISH SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

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, based on the following strategies:

- The Trustees believe 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 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 partner organisations such as Co-operation Ireland, Cavell Nurses Trust 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.

STATEMENT OF THE COURT'S RESPONSIBILITIES

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

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

In preparing these accounts, the Court is required to:

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

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

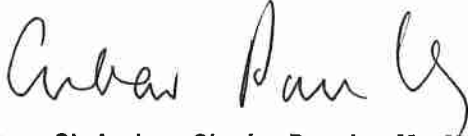
THE HONOURABLE THE IRISH SOCIETY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

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 2019

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 2019 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 2019 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 financial statements 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 Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

THE HONOURABLE THE IRISH SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE HONOURABLE THE IRISH SOCIETY

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters 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.

Responsibilities of Trustees

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 matter

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.

THE HONOURABLE THE IRISH SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE HONOURABLE THE IRISH SOCIETY

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.

Irwin Donaghey Stockman LLP

Irwin Donaghey Stockman LLP

Statutory Auditor

23/25 Queen Street

COLERAINE

Co Londonderry

BT52 1BG

24 July 2019

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 2019

	Notes	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
<u>Income and endowments from:</u>					
Donations and grants	3	25,000	57,500	82,500	78,000
Other trading activities	4	262,366	-	262,366	271,719
Investment income	5	294,724	-	294,724	270,817
Other income	6	3,100	-	3,100	3,346
Total income		585,190	57,500	642,690	623,882
<u>Expenditure on:</u>					
Managing funds	7	40,171	-	40,171	39,816
Charitable activities	8	560,362	24,941	585,303	522,171
Total resources expended		600,533	24,941	625,474	561,987
Trading surplus/(deficit)		(15,343)	32,559	17,216	61,895
Net unrealised gains/(losses) on investments	13	(129,438)	-	(129,438)	133,238
Net movement in funds		(144,781)	32,559	(112,222)	195,133
Fund balances at 1 May 2018		11,346,098	76,065	11,422,163	11,227,030
Fund balances at 30 April 2019		11,201,317	108,624	11,309,941	11,422,163

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 2019

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Tangible assets	14		639,214		651,962
Investment properties	15		3,217,861		3,198,006
Investments	16		7,315,833		7,276,243
			<u>11,172,908</u>		<u>11,126,211</u>
Current assets					
Debtors	18	125,396		131,865	
Cash at bank and in hand		249,175		374,813	
			<u>374,571</u>		<u>506,678</u>
Creditors: amounts falling due within one year	19	(237,538)		(210,726)	
Net current assets			<u>137,033</u>		<u>295,952</u>
Total assets less current liabilities			<u><u>11,309,941</u></u>		<u><u>11,422,163</u></u>
Income funds					
Restricted funds			108,624		76,065
<u>Unrestricted funds</u>					
General unrestricted funds		11,122,977		11,267,758	
Revaluation reserve		78,340		78,340	
			<u>11,201,317</u>		<u>11,346,098</u>
			<u><u>11,309,941</u></u>		<u><u>11,422,163</u></u>

The financial statements were approved by the Trustees on 24 July 2019


Trustee

THE HONOURABLE THE IRISH SOCIETY

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 APRIL 2019

	Notes	2019		2018	
		£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	24		(188,406)		(130,010)
Investing activities					
Purchase of tangible fixed assets		(2,903)		(293)	
Purchase of investment property		(19,855)		-	
Purchase of other investments		(200,000)		-	
Proceeds on disposal of other investments		-		13,500	
Schroders fees deducted at source		(9,198)		(9,147)	
Investment income		294,724		270,817	
Net cash generated from investing activities			62,768		274,877
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(125,638)		144,867
Cash and cash equivalents at beginning of year			374,813		229,946
Cash and cash equivalents at end of year			249,175		374,813

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2019

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, 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 2019

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 2019

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 2019

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.

1.12 Taxation

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

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.

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

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.

Critical judgements

Valuation of investment properties

Investment properties are valued at the value obtained independently during the year ended 30 April 2016. No further external valuations have been obtained since this date, as it is the Society's policy to obtain external valuations every 5 years. The Trustees have reviewed the valuations and compared them to current market values. The Trustees do not consider there to be a material difference in the valuations and as such there have been no changes to the valuations contained within the financial statements.

3 Donations and grants

	Unrestricted funds	Restricted funds	Total	Total
	2019 £	2019 £	2019 £	2018 £
Donations and grants	25,000	57,500	82,500	78,000
For the year ended 30 April 2018	<u>25,000</u>	<u>53,000</u>		<u>78,000</u>
Donations and gifts				
Livery company - Drapers	-	14,000	14,000	14,000
Livery company - Clothworkers	-	20,000	20,000	10,000
Livery company - Girdlers	-	-	-	1,000
City of London	25,000	-	25,000	25,000
Clothworkers to NCS	-	-	-	5,500
Drapers to NCS	-	6,000	6,000	6,000
Mercers to NCS	-	6,500	6,500	5,500
City of London to NCS	-	11,000	11,000	11,000
	<u>25,000</u>	<u>57,500</u>	<u>82,500</u>	<u>78,000</u>

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2019

4 Other trading activities

	Unrestricted funds	Total
	2019	2018
	£	£
Commercial property rent	122,547	135,999
Fishing, coarse, game and sporting	139,819	135,720
	<u>262,366</u>	<u>271,719</u>

5 Investment income

	Unrestricted funds	Total
	2019	2018
	£	£
Dividends - equities	294,724	270,817
	<u>294,724</u>	<u>270,817</u>

6 Other income

	Unrestricted funds	Total
	2019	2018
	£	£
Other income	3,100	3,346
	<u>3,100</u>	<u>3,346</u>

7 Managing funds

	Unrestricted funds	Total
	2019	2018
	£	£
Investment management fees	40,171	39,816
	<u>40,171</u>	<u>39,816</u>

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

8 Charitable activities

	Education	Community	Environmental	Total	Total
	Development	Development	Protection & Improvement	2019	2018
	£	£	£	£	£
Grant funding of activities (see note 9)	103,886	59,418	23,090	186,394	203,479
Share of support costs (see note 10)	64,568	64,561	193,684	322,813	264,256
Share of governance costs (see note 10)	15,219	15,219	45,658	76,096	54,436
	<u>183,673</u>	<u>139,198</u>	<u>262,432</u>	<u>585,303</u>	<u>522,171</u>
Analysis by fund					
Unrestricted funds	170,852	127,078	262,432	560,362	
Restricted funds	12,821	12,120	-	24,941	
	<u>183,673</u>	<u>139,198</u>	<u>262,432</u>	<u>585,303</u>	
For the year ended 30 April 2018					
Unrestricted funds	132,027	146,043	220,166		498,236
Restricted funds	9,244	14,691	-		23,935
	<u>141,271</u>	<u>160,734</u>	<u>220,166</u>		<u>522,171</u>

9 Grants payable

	Education	Community	Environmental	Total	2018
	Development	Development	Protection & Improvement		
	£	£	£	£	£
Grants to institutions:					
Advisory Committee	22,652	25,399	2,340	50,391	48,618
Clothworkers	2,130	7,870	-	10,000	10,000
Drapers	10,416	4,250	-	14,666	13,785
London budget	40,063	21,899	20,750	82,712	95,212
To NCS	27,350	-	-	27,350	32,610
	<u>102,611</u>	<u>59,418</u>	<u>23,090</u>	<u>185,119</u>	<u>200,225</u>
Grants to individuals	1,275	-	-	1,275	3,255
	<u>103,886</u>	<u>59,418</u>	<u>23,090</u>	<u>186,394</u>	<u>203,480</u>

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

9 Grants payable

(Continued)

The Society makes grants for assistance in line with its 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 London grants that the Society paid out during the year can be seen in the Trustees' Report (pages 5-9). Full details of all Advisory Committee, Drapers' and Clothworkers' grants can be found on the Society's website. Grants payable are payments made in furtherance of the charitable objectives of the Society.

10 Support costs

	Support costs	Governance costs	2019	2018
	£	£	£	£
Staff costs	177,892	37,851	215,743	207,363
Depreciation	15,652	-	15,652	15,886
Rent, rates, insurance & utilities	16,435	-	16,435	17,372
Repairs & maintenance	25,584	-	25,584	8,726
Advertising, PR, & printing	1,452	-	1,452	7,006
Telephone	2,199	-	2,199	2,082
Computer & website costs	2,135	-	2,135	2,719
Motor & travel	14,864	-	14,864	13,751
Legal & professional (NI property)	51,244	-	51,244	19,721
Audit & accountancy	1,554	-	1,554	1,372
Bad debt provision	8,608	-	8,608	-
General (office sundries, stationery, subscriptions)	5,194	-	5,194	5,291
Audit fees	-	2,400	2,400	2,400
Accountancy	-	1,600	1,600	1,600
Trustee & executive fees	-	10,578	10,578	12,226
Legal fees (non-property)	-	23,667	23,667	1,177
	322,813	76,096	398,909	318,692
Analysed between				
Charitable activities	322,813	76,096	398,909	318,692

Governance costs includes payments to the auditors of £2,400 (2018- £2,400) for audit fees, and additional accounts preparation work of £1,600 ((2018- £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 (2018: £nil). Expense claims totalling £2,137 (2018: £2,355) were reimbursed by the Society for travel and subsistence on behalf of 8 Trustees (2018: 10 Trustees). In addition, £164 was reimbursed to a co-opted member that is not a Trustee.

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2019

12 Employees

Number of employees

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

	2019 Number	2018 Number
Direct charitable activities	4	3
Administration	2	2
	6	5
	6	5

Employment costs

	2019 £	2018 £
Wages and salaries	165,768	158,593
Social security costs	16,504	16,056
Other pension costs	33,471	32,714
	215,743	207,363
	215,743	207,363

None of the employees was paid more than £60,000 (2018: £nil). No member of the Court received any remuneration.

There were no employees whose annual remuneration was £60,000 or more.

13 Net gains/(losses) on investments

	Unrestricted funds	Total
	2019 £	2018 £
Net unrealised gains/(losses) on investments	(129,438)	127,838
Gain/(loss) on sale of investments	-	5,400
	(129,438)	133,238
	(129,438)	133,238

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

14 Tangible fixed assets

	Leasehold land and buildings £	Motor vehicles and boats £	Furniture and office equipment £	Total £
Cost or valuation				
At 1 May 2018	675,000	44,969	15,851	735,820
Additions	-	290	2,613	2,903
At 30 April 2019	675,000	45,259	18,464	738,723
Depreciation and impairment				
At 1 May 2018	27,000	43,912	12,945	83,857
Depreciation charged in the year	13,500	270	1,882	15,652
At 30 April 2019	40,500	44,182	14,827	99,509
Carrying amount				
At 30 April 2019	634,500	1,077	3,637	639,214
At 30 April 2018	648,000	1,057	2,905	651,962

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 2019, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £556,916 (2018 - £570,164).

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

	2019 £
Fair value	
At 1 May 2018	3,198,006
Additions through external acquisition	19,855
At 30 April 2019	3,217,861

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

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 investments	Cash held by investment manager	Total
	£	£		£
Cost or valuation				
At 1 May 2018	7,253,919	2	22,322	7,276,243
Additions	200,000	-	-	200,000
Unit trust equalisation	(464)	-	-	(464)
Investment gains - unrealised	(129,438)	-	-	(129,438)
Barings investment management costs	(30,972)	-	-	(30,972)
	<u>7,293,045</u>	<u>2</u>	<u>22,322</u>	<u>7,315,369</u>
At 30 April 2019	7,293,045	2	22,322	7,315,369
Carrying amount				
At 30 April 2019	<u>7,293,045</u>	<u>2</u>	<u>22,322</u>	<u>7,315,369</u>
At 30 April 2018	<u>7,253,919</u>	<u>2</u>	<u>22,322</u>	<u>7,276,243</u>

17 Financial instruments

	2019	2018
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	119,467	125,960
Equity instruments measured at cost less impairment	7,315,833	7,276,243
	<u>7,435,300</u>	<u>7,402,203</u>
Carrying amount of financial liabilities		
Measured at amortised cost	212,832	181,636
	<u>212,832</u>	<u>181,636</u>

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2019

18 Debtors

	2019	2018
Amounts falling due within one year:	£	£
Trade debtors	81,724	85,183
Other debtors	37,743	40,777
Prepayments and accrued income	5,929	5,905
	<u>125,396</u>	<u>131,865</u>

19 Creditors: amounts falling due within one year

	2019	2018
	£	£
Other taxation and social security	24,706	29,090
Trade creditors	908	3,314
Other creditors	152,061	137,485
Accruals and deferred income	59,863	40,837
	<u>237,538</u>	<u>210,726</u>

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 £33,471 (2018: £32,714), with an employer's contribution rate of 17.5% of pensionable pay. Employee's contributions were between 5.5% and 12.5% of pensionable pay.

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

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2019

21 Analysis of net assets between funds

	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £	Total 2018 £
Fund balances at 30 April 2019 are represented by:				
Tangible assets	639,214	-	639,214	651,962
Investment properties	3,217,861	-	3,217,861	3,198,006
Investments	7,315,833	-	7,315,833	7,276,243
Current assets/(liabilities)	137,033	-	137,033	295,952
	11,309,941	-	11,309,941	11,422,163

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:

	2019 £	2018 £
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.

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2019 £	2018 £
Aggregate compensation	78,461	77,089

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

THE HONOURABLE THE IRISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2019

24 Cash generated from operations	2019 £	2018 £
(Deficit)/surplus for the year	(112,222)	195,133
Adjustments for:		
Investment income recognised in statement of financial activities	(254,553)	(231,001)
Gain on disposal of investments	-	(5,400)
Fair value gains and losses on investments	129,438	(127,838)
Depreciation and impairment of tangible fixed assets	15,652	15,886
Movements in working capital:		
Decrease in debtors	6,469	1,060
Increase in creditors	26,810	22,150
Cash absorbed by operations	<u>(188,406)</u>	<u>(130,010)</u>



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

or visit our website at:

www.honourableirishsociety.org.uk/