

Charity No. 1150776 (England and Wales)

**THE HONOURABLE THE IRISH SOCIETY**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2020**

**Irwin Donaghey Stockman LLP**  
**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 20 Old Bailey LONDON EC4M 7BF  Cazenove Capital Management 1 London Wall Place LONDON EC2Y 5AU
<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 2019-2020

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

**Deputy Governor:** Peter Gerard Dunphy

**Deputy Governor Elect:** Wendy Hyde, Deputy (from 28/01/2020)

**Aldermen:** Nicholas Stephen Leland Lyons  
Vincent Thomas Keaveny (to 05/03/2020)  
Gregory Jones, QC (from 05/03/2020)

**Commoners:** John David Absalom, Deputy  
Simon D'Olier Duckworth, OBE, DL  
Sheriff Christopher Michael Hayward  
Vivienne Littlechild, MBE, JP  
Hugh Fenton Morris, Deputy  
James Henry George Pollard, Deputy  
Richard David Regan, OBE, Deputy  
Ian Christopher Norman Seaton, MBE  
Jeremy Lewis Simons, MSc  
Philip Woodhouse, Deputy

### 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 2020**

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The Trustees are pleased to present their annual report and financial statements for the year ended 30 April 2020.

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)".

### WHO ARE WE?

Established through Royal Charters granted by King James I in 1613 and King Charles II in 1662, The Honourable The Irish Society has since then maintained interests and managed its ownership in land, buildings and rivers for the benefit of the community of County Londonderry and adjoining areas. A Supplemental Charter was granted to the Irish Society on 20 December 2012 – thereby ensuring it was fit for purpose in the 21st century. The Society is registered as a charity with the Charity Commission for England and Wales - Registration number 1150776.

### OBJECTIVES

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 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

Committed to maintaining a strong presence on the ground in Northern Ireland, nine of the Society's serving trustees participated in formal visits there during the year - which provided good opportunities for direct engagement with grant recipients; the education sector; other prominent 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 award 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 & Fisheries Management below.

Significant features of the year included:

- Five separate trips being made by Irish Society Trustees to Northern Ireland, in particular the June 2019 visitation which was very well attended with Rev'd Canon David Parrott (*Guild Vicar at St Lawrence Jewry next Guildhall*) joining as a guest.
- A visit by the Lord Mayor of London and City of London Corporation officers in November 2019, which was partly hosted by the Society.

## THE HONOURABLE THE IRISH SOCIETY

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 APRIL 2020

- Trustees continued to have positive engagement with politicians, business and community leaders in NI, such as facilitating introductions to the City of London Corporation to assist in promoting a City Deal for Derry City & Strabane District Council and the Royal Portrush Open Golf tournament for Causeway Coast & Glens Borough Council.
- An awareness-raising event in London for the Society and two partner organisations from Northern Ireland was planned, which had to be abandoned at the last minute in March 2020 due to the outbreak of the Coronavirus pandemic. It is hoped to reschedule this event for a date in 2021.
- In direct response to the pandemic, un-spent funds in the 2019-20 small grants budget were quickly switched to support Covid-19 emergency relief programmes created by the 3 local authorities in the North-West, Derry City & Strabane District Council, Mid Ulster District Council and Causeway Coast & Glens Borough Council.
- 111 one-off community grants totalling **£93,290** were made from an enlarged budget, an increase of £18,000 on the previous year. The average grant size was £865.
- Continuing financial support was given to five primary schools, five secondary schools, one special needs school and Ulster University, totalling approximately totalling approximately **£35,000** – an increase of £10,000 on the previous year
- A continued commitment to making multi-year larger grants to good causes, totalling approximately **£55,000**.
- Support grants for fishery-related environmental / educational work, totalling **£18,500**.
- Further financial support to the NI National Citizen Service programme, totalling **£34,435**, an increase of £6,000 on the previous year.
- Effective management of the Lower Bann River, despite fishery conditions during most of 2019-20 being difficult and poor weather conditions affecting bookings in the second half of the season ... followed by the impact of Coronavirus in early 2020 which forced all fisheries in NI to remain closed up to and beyond 30th April.
- The Lower Bann successfully staging the European Coarse Fishing Championships in June 2019, with 17 international teams present for what was only the second time this prestigious event had been staged on the island of Ireland. The Society supported the event with prizes and sponsorship totalling **£10,000** along with complimentary angling permits.

#### GRANTS

Applications for **small grants** to local 'not-for-profit' organisations can be made through a formal yet simple process – by post or via the Society's website ([www.honourableirishsociety.org.uk](http://www.honourableirishsociety.org.uk)). 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. 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 City Livery Companies and the City of London Corporation. And Trustees again acknowledge with much gratitude donations from:

- **The Mercers' Company** – continuing to provide **£6,500** per annum towards the NI National Citizen Service programme.
- **The Drapers' Company** - increasing its annual donation to the Society's small grants programme to **£20,000** per annum, plus a further **£10,000** for the NI National Citizen Service and sponsoring an additional eight young people from the county this year.

## THE HONOURABLE THE IRISH SOCIETY

### TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2020*

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- **The Clothworkers' Foundation** – extending 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) and enabling the Society to stretch well beyond its traditional County Londonderry area of operation and reach out to other parts of NI.
- **The City of London Corporation** - again boosting 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 a grant of £25,000 to be made to a new initiative in County Londonderry called the North West Learning Fund. Run by Community Foundation NI with all donations match funded by Stormont's Department for Communities, the Society's contribution was doubled and the total fund achieved through this donation was eventually £100,000. This fund will be used over the next 18 months to support adult learning initiatives in the North West, where a record 37% of the population are termed 'economically inactive' and many have few or no qualifications through which to obtain jobs. The initiative is at an early stage and outcomes will be reported on more fully next year.

#### **Support for the Northern Ireland National Citizen Service**

This government-backed programme - which seeks to develop life skills in young people aged 15-17, promoting social cohesion; social mobility; and civic engagement – offers teams of up to 12 young people from different backgrounds an opportunity to 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. The Society has worked closely with delivery body Co-operation Ireland for five years to date on this major charitable youth initiative, which has also included engagement by the **City of London Corporation** and two of the Livery Companies, **The Mercers** and **The Drapers**.

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 around 40 young people from Londonderry and Coleraine to complete the programme in this latest period.

#### **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. This year the Society made a special contribution of **£10,000** to The Irish Society's Primary School in Coleraine to help with learning resources such as classroom data screens, refurbishments and much-needed improvements to the outdoor play area.

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 the expert guidance of Mark Patterson; 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 2019-20, the Society's funding of **£8,000** enabled 10 schools to participate in the project once again – and there is a waiting list for other schools that wish to join.

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

**Secondary Schools:** During the year, the Irish Society was pleased to renew and increase its provision of sponsorship of Causeway Business Education Partnership's Careers Convention in March 2020 with **£5,000**, enabling the event to take place to the benefit of well over 1,000 children from schools all over the North West.

## THE HONOURABLE THE IRISH SOCIETY

### TRUSTEES' REPORT (CONTINUED)

#### FOR THE YEAR ENDED 30 APRIL 2020

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The Society also continued to support the Star Programme linking Lisneal College and St Mary's College in Londonderry through helping fund with **£5,000** the transport costs for running joint Saturday school events such as horse riding and indoor bowling. This programme helps to break down social and religious barriers and is greatly valued by both schools.

Once again, in October 2019 the Society's trustees visited Sandelford School in Coleraine, where they met staff and pupils at the school which caters for almost 200 pupils with a wide range of special needs, and a donation of **£2,500** was given to help fund new equipment for the children.

#### **Lower Bann River Environmental & Fisheries 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 over watch of the fishing and environmental protection operations, as it has done for many years. The committee welcomed Mr Mark Horton MBE to its membership during the year; as an experienced Rivers Trust manager for Northern Ireland he brings a wealth of knowledge and expertise to the group, especially on whole catchment matters.

One full-time and three part-time members of staff were employed during 2019-20 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 income from fishing again rose in 2019-20 due to hard work by the staff in promoting the opportunities, but the results for game anglers were disappointing after a good start in June and July, when we welcomed a GB tourist fishing group led by members of the Drapers Company. Prolonged spells of wet weather meant flow conditions were too high for angling during much of August, September and October and catches of salmon were greatly down as a result. A highlight of the coarse fishing year was hosting the European Coarse Angling Championships at the newly refurbished and enlarged stretch of competition pegs at Portglenone.

#### **Commercial Property estate**

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

- Continuing work with agents and experts to bring to market the two development sites at Castleroe, near Coleraine. Sadly, Brexit-related factors, political deadlock at Stormont until January 2020 and more general economic woes in Northern Ireland have caused this process to move at a slower pace than wished, but there is confidence that the basic quality of the two sites remains excellent and that the desired aim will come about in due course.
- Ongoing work with the directors of Culmore Community Partnership to bring about the successful refurbishment of Victoria Hall at Culmore, transforming a previously derelict building into a much-needed facility for the local community.
- Pursuing negotiations as to the future re-leasing of a trout farm in Co. Tyrone.
- Negotiating renewals of leases of several shops in Coleraine town centre, two of which have required a new tenant.
- Renewals of sporting rights licences with commercial wind farms and several gun clubs.

While the Coronavirus pandemic has halted any further positive moves on the property portfolio for the time being, the Society's Trustees took the view that it should assist struggling retail tenants by giving a quarter's rent holiday when lockdown started in late March/early April 2020.



# THE HONOURABLE THE IRISH SOCIETY

## TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2020*

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### STRUCTURE, MANAGEMENT AND GOVERNANCE

The Society is administered by a Court of 15 Trustees, which meets at least four times a year. All 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; and are 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 – are 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 P G Dunphy (Chairman); Ms Wendy Hyde (Deputy Chairman, from 28/01/2020); Mr J H G Pollard, Deputy; Mr S D'O Duckworth, OBE, DL; Alderman V Keaveny (to 05/03/2020); Alderman N S L Lyons; Mr I C N Seaton; and Mr P Woodhouse, Deputy. Common Councilman Mr N Bensted-Smith, JP, has been co-opted to the Finance Committee for investment matters.

### 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 pages 23 & 28 respectively).

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. In particular, towards the end of this year, disaster recovery and planning items were reviewed and measures put in place to reduce business interruption due to the Covid-19 pandemic – the Secretary working from home (to re-assess income and expenditure and revise the forecast for 2019-20 and budget for 2020-21) following a period of self-isolation in March; his PA working in isolation at Cutts House; and broadband being installed at the Assistant Secretary's home to enable remote working. 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.

## THE HONOURABLE THE IRISH SOCIETY

### TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2020*

#### 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 last professionally valued as at June 2016 with a value of just over £3m and 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 to be 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 2020 free reserves amounted to £10,547,342 (2019: £11,122,977) - see Balance Sheet at page 14.

#### REVIEW OF CHARITABLE ACTIVITIES IN THE YEAR

The net deficit in the year to 30 April 2020 was £557,259 (2019: net deficit of £112,222). The higher deficit in 2020 was mainly due to less favourable investment market conditions prevailing as a result of the Covid-19 pandemic; respective unrealised losses were £603,579 in 2020 compared with £129,438 in 2019. Charitable expenditure amounted to £580,810 (2019: £585,303).

#### 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.
- Trustees will also continue to work with partner organisations such as Co-operation Ireland, Cavell Nurses Trust and Community Foundation NI 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, especially by bringing the Castleroe sites to fruition. 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 - especially by developing external angling tourism, which has to date been very modest in NI. Work is ongoing with the aim of appointing a tourist angling agent for the first time, to use the less developed trout and smaller river angling available to the Society on the Foyle and Bann tributaries.

## THE HONOURABLE THE IRISH SOCIETY

### TRUSTEES' REPORT (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2020*

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#### STATEMENT OF THE COURT'S RESPONSIBILITIES

The Court is responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and Relevant Financial Reporting Framework. The Court is required to prepare financial statements for each 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 period. In preparing those financial statements, the Court is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable 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 financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Court is responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the Society and to enable them to ensure that the financial statements comply with the Charities Act 2011 and the applicable Charities (Accounts and Reports) Regulations. 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 charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

The Trustees' report was approved by the Court.



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

Governor

Dated: 22 July 2020

## THE HONOURABLE THE IRISH SOCIETY

### INDEPENDENT AUDITOR'S REPORT

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

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#### Opinion

We have audited the financial statements of The Honourable The Irish Society (the 'Society') for the year ended 30 April 2020 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 2020 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 financial statements 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

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##### **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

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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

22 July 2020

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 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
<b><u>Income and endowments from:</u></b>					
Donations and grants	3	25,000	57,500	82,500	82,500
Other trading activities	4	281,854	-	281,854	262,366
Investment income	5	297,598	-	297,598	294,724
Other income	6	3,270	-	3,270	3,100
<b>Total income</b>		607,722	57,500	665,222	642,690
<b><u>Expenditure on:</u></b>					
Managing funds	7	38,092	-	38,092	40,171
Charitable activities	8	541,686	39,124	580,810	585,303
<b>Total resources expended</b>		579,778	39,124	618,902	625,474
<b>Trading surplus/(deficit)</b>		27,944	18,376	46,320	17,216
Net unrealised gains/(losses) on investments	13	(603,579)	-	(603,579)	(129,438)
<b>Net movement in funds</b>		(575,635)	18,376	(557,259)	(112,222)
Fund balances at 1 May 2019		11,201,317	108,624	11,309,941	11,422,163
<b>Fund balances at 30 April 2020</b>		10,625,682	127,000	10,752,682	11,309,941

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 2020**

	Notes	£	2020 £	£	2019 £
<b>Fixed assets</b>					
Tangible assets	14		644,384		639,214
Investment properties	15		3,256,506		3,217,861
Investments	16		6,683,410		7,315,833
			<u>10,584,300</u>		<u>11,172,908</u>
<b>Current assets</b>					
Debtors	17	154,208		125,396	
Cash at bank and in hand		164,538		249,175	
			<u>318,746</u>	<u>374,571</u>	
<b>Creditors: amounts falling due within one year</b>	18	(150,364)		(237,538)	
Net current assets			<u>168,382</u>		<u>137,033</u>
<b>Total assets less current liabilities</b>			<u>10,752,682</u>		<u>11,309,941</u>
<b>Income funds</b>					
Restricted funds			127,000		108,624
<u>Unrestricted funds</u>					
General unrestricted funds		10,547,342		11,122,977	
Revaluation reserve		78,340		78,340	
			<u>10,625,682</u>		<u>11,201,317</u>
			<u>10,752,682</u>		<u>11,309,941</u>

The financial statements were approved by the Trustees on 22 July 2020



Trustee



## THE HONOURABLE THE IRISH SOCIETY

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 APRIL 2020

	Notes	£	2020 £	£	2019 £
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	23		(311,836)		(188,406)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(23,338)		(2,903)	
Proceeds on disposal of tangible fixed assets		833		-	
Purchase of investment property		(38,645)		(19,855)	
Purchase of other investments		-		(200,000)	
Schroders fees deducted at source		(9,249)		(9,198)	
Interest received		297,598		294,724	
<b>Net cash generated from investing activities</b>			227,199		62,768
<b>Net cash used in financing activities</b>			-		-
<b>Net decrease in cash and cash equivalents</b>			(84,637)		(125,638)
Cash and cash equivalents at beginning of year			249,175		374,813
<b>Cash and cash equivalents at end of year</b>			164,538		249,175

# THE HONOURABLE THE IRISH SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

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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.

In making this assessment the Trustees have considered the potential impact of the Covid-19 pandemic on the Society's cash flows and liquidity.

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 2020

### 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 are associated with visits to Northern Ireland.

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 2020

#### 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).

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 2020

### 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 2020

#### 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
	2020 £	2020 £	2020 £	2019 £
Donations and grants	25,000	57,500	82,500	82,500
<b>For the year ended 30 April 2019</b>	<b>25,000</b>	<b>57,500</b>	<b>82,500</b>	<b>82,500</b>
<b>Donations and gifts</b>				
Livery company - Drapers	-	20,000	20,000	14,000
Livery company - Clothworkers	-	10,000	10,000	20,000
City of London	25,000	-	25,000	25,000
Drapers to NCS	-	10,000	10,000	6,000
Mercers to NCS	-	6,500	6,500	6,500
City of London to NCS	-	11,000	11,000	11,000
	<b>25,000</b>	<b>57,500</b>	<b>82,500</b>	<b>82,500</b>

**THE HONOURABLE THE IRISH SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 APRIL 2020**

**4 Other trading activities**

	<b>Unrestricted funds</b>	<b>Total</b>
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Commercial property rent	131,318	122,547
Fishing, coarse, game and sporting	150,536	139,819
Other trading activities	<u>281,854</u>	<u>262,366</u>

**5 Investment income**

	<b>Unrestricted funds</b>	<b>Total</b>
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Dividends - equities	<u>297,598</u>	<u>294,724</u>

**6 Other income**

	<b>Unrestricted funds</b>	<b>Total</b>
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Net gain on disposal of tangible fixed assets	833	-
Other income	2,437	3,100
	<u>3,270</u>	<u>3,100</u>

**7 Managing funds**

	<b>Unrestricted funds</b>	<b>Total</b>
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Investment management fees	<u>38,092</u>	<u>40,171</u>
	<u>38,092</u>	<u>40,171</u>

## THE HONOURABLE THE IRISH SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2020

#### 8 Charitable activities

	Education	Community	Environmental	Total	Total
	Development	Protection &	Improvement	2020	2019
	£	£	£	£	£
Grant funding of activities (see note 9)	132,052	74,598	31,000	237,650	186,394
Share of support costs (see note 10)	57,939	57,935	173,805	289,679	322,813
Share of governance costs (see note 10)	10,696	10,696	32,089	53,481	76,096
	<u>200,687</u>	<u>143,229</u>	<u>236,894</u>	<u>580,810</u>	<u>585,303</u>
<b>Analysis by fund</b>					
Unrestricted funds	183,919	122,573	235,194	541,686	
Restricted funds	16,768	20,656	1,700	39,124	
	<u>200,687</u>	<u>143,229</u>	<u>236,894</u>	<u>580,810</u>	
<b>For the year ended 30 April 2019</b>					
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>

#### 9 Grants payable

	Education	Community	Environmental	Total	2019
	Development	Protection &	Improvement	£	£
	£	£	£	£	£
Grants to institutions:					
Advisory Committee	29,074	24,292	800	54,166	50,391
Clothworkers	10,750	9,250	-	20,000	10,000
Drapers	6,018	11,406	1,700	19,124	14,666
London budget	50,278	29,650	28,500	108,428	82,712
To NCS	34,435	-	-	34,435	27,350
	<u>130,552</u>	<u>74,598</u>	<u>31,000</u>	<u>236,150</u>	<u>185,119</u>
Grants to individuals	1,500	-	-	1,500	1,275
	<u>132,052</u>	<u>74,598</u>	<u>31,000</u>	<u>237,650</u>	<u>186,394</u>



## THE HONOURABLE THE IRISH SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2020

#### 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 3-9). 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	2020	2019
	£	£	£	£
Staff costs	183,596	37,724	221,320	215,743
Depreciation	18,169	-	18,169	15,652
Rent, rates, insurance & utilities	18,215	-	18,215	16,435
Repairs & maintenance	19,482	-	19,482	25,584
Advertising, PR, & printing	587	-	587	1,452
Telephone	1,954	-	1,954	2,199
Computer & website costs	750	-	750	2,135
Motor & travel	16,064	-	16,064	14,864
Legal & professional (NI property)	24,534	-	24,534	51,244
Audit & accountancy	1,814	-	1,814	1,554
Bad debt provision	-	-	-	8,608
General (office sundries, stationery, subscriptions)	4,514	-	4,514	5,194
Audit fees	-	2,400	2,400	2,400
Accountancy	-	1,600	1,600	1,600
Trustee & executive fees	-	9,137	9,137	10,579
Legal fees (non-property)	-	2,620	2,620	23,666
	<u>289,679</u>	<u>53,481</u>	<u>343,160</u>	<u>398,909</u>
Analysed between				
Charitable activities	<u>289,679</u>	<u>53,481</u>	<u>343,160</u>	<u>398,909</u>

Governance costs includes payments to the auditors of £2,400 (2019- £2,400) for audit fees, and additional accounts preparation work of £1,600 ((2019- £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 (2019: £nil). Expense claims totalling £1,967 (2019: £2,137) were reimbursed by the Society for travel and subsistence on behalf of 9 Trustees (2019: 8 Trustees). No money was reimbursed to co-opted members that are not Trustees in the current year (2019: £164).

## THE HONOURABLE THE IRISH SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2020

#### 12 Employees

##### Number of employees

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

	2020 Number	2019 Number
Direct charitable activities	4	4
Administration	2	2
	6	6
	6	6

##### Employment costs

	2020 £	2019 £
Wages and salaries	169,791	165,768
Social security costs	17,230	16,504
Other pension costs	34,299	33,471
	221,320	215,743
	221,320	215,743

No member of the Court received any remuneration.

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2020 Number	2019 Number
£60,0001-£70,000	1	-
	1	-
	1	-

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

	Unrestricted funds	Total
	2020 £	2019 £
Net unrealised gains/(losses) on investments	(603,579)	(129,438)
	(603,579)	(129,438)
	(603,579)	(129,438)

## THE HONOURABLE THE IRISH SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2020

#### 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 2019	675,000	45,259	18,464	738,723
Additions	8,420	12,700	2,218	23,338
Disposals	-	(8,000)	-	(8,000)
At 30 April 2020	<u>683,420</u>	<u>49,959</u>	<u>20,682</u>	<u>754,061</u>
<b>Depreciation and impairment</b>				
At 1 May 2019	40,500	44,182	14,827	99,509
Depreciation charged in the year	13,668	2,175	2,325	18,168
Eliminated in respect of disposals	-	(8,000)	-	(8,000)
At 30 April 2020	<u>54,168</u>	<u>38,357</u>	<u>17,152</u>	<u>109,677</u>
<b>Carrying amount</b>				
At 30 April 2020	<u>629,252</u>	<u>11,602</u>	<u>3,530</u>	<u>644,384</u>
At 30 April 2019	<u>634,500</u>	<u>1,077</u>	<u>3,637</u>	<u>639,214</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 2020, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £551,668 (2019 - £556,916).

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

	2020 £
<b>Fair value</b>	
At 1 May 2019	3,217,861
Additions through external acquisition	38,645
At 30 April 2020	<u>3,256,506</u>

## THE HONOURABLE THE IRISH SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2020

#### 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
	£	£		£
<b>Cost or valuation</b>				
At 1 May 2019	7,293,045	2	22,786	7,315,833
Investment gains - unrealised	(603,579)	-	-	(603,579)
Barings investment management costs	(28,844)	-	-	(28,844)
	<u>6,660,622</u>	<u>2</u>	<u>22,786</u>	<u>6,683,410</u>
At 30 April 2020	6,660,622	2	22,786	6,683,410
<b>Carrying amount</b>				
At 30 April 2020	<u>6,660,622</u>	<u>2</u>	<u>22,786</u>	<u>6,683,410</u>
At 30 April 2019	<u>7,293,045</u>	<u>2</u>	<u>22,786</u>	<u>7,315,833</u>

#### 17 Debtors

	2020	2019
Amounts falling due within one year:	£	£
Trade debtors	111,291	81,724
Other debtors	38,397	37,743
Prepayments and accrued income	4,520	5,929
	<u>154,208</u>	<u>125,396</u>

## THE HONOURABLE THE IRISH SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2020

#### 18 Creditors: amounts falling due within one year

	2020	2019
	£	£
Other taxation and social security	17,634	24,706
Trade creditors	1,759	908
Other creditors	110,298	152,061
Accruals and deferred income	20,673	59,863
	<u>150,364</u>	<u>237,538</u>

#### 19 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 £34,299 (2019: £33,471), 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 2019	31 March 2016
Value of assets (smoothed)	£1,062,901,000	£796,301,000
Value of liabilities	£1,175,715,000	£945,576,000
Funding level of accrued benefits	90%	84%
Investment return on future contributions per annum	9.8%	5.7%
Investment return on accumulated assets per annum	9.8%	5.7%
Pension increases per annum	2.6%	2.4%
Rate of price inflation	2.6%	2.4%

#### 20 Analysis of net assets between funds

	Unrestricted 2020	Restricted 2020	Total 2020	Total 2019
	£	£	£	£
Fund balances at 30 April 2020 are represented by:				
Tangible assets	644,384	-	644,384	639,214
Investment properties	3,256,506	-	3,256,506	3,217,861
Investments	6,683,410	-	6,683,410	7,315,833
Current assets/(liabilities)	41,382	127,000	168,382	137,033
	<u>10,625,682</u>	<u>127,000</u>	<u>10,752,682</u>	<u>11,309,941</u>

## THE HONOURABLE THE IRISH SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 30 APRIL 2020*

**21 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:

	2020	2019
	£	£
Within one year	550	550
	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.

**22 Related party transactions**

**Remuneration of key management personnel**

The remuneration of key management personnel is as follows.

	2020	2019
	£	£
Aggregate compensation	80,078	78,461
	80,078	78,461

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

One of the Irish Society trustees is Chairman (not remunerated) of the Advisory Board of Barings' Targeted Returns Fund, one of the investment vehicles currently used by the Society.

**23 Cash generated from operations**

	2020	2019
	£	£
Deficit for the year	(557,259)	(112,222)
Adjustments for:		
Investment income recognised in statement of financial activities	(259,506)	(254,553)
Gain on disposal of tangible fixed assets	(833)	-
Fair value gains and losses on investments	603,579	129,438
Depreciation and impairment of tangible fixed assets	18,169	15,652
Movements in working capital:		
(Increase)/decrease in debtors	(28,812)	6,469
(Decrease)/increase in creditors	(87,174)	26,810
<b>Cash absorbed by operations</b>	<b>(311,836)</b>	<b>(188,406)</b>
	<b>(311,836)</b>	<b>(188,406)</b>



*The Honourable The Irish Society*

**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:

[office@irishsociety.co.uk](mailto:office@irishsociety.co.uk)

or visit our website at:

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