

# Financial Statements

## Northern Ireland Trade Union Educational & Social Centre Limited

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For the Year Ended 31 December 2017

Charity number: NIC103294



Registered number: NI018888

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## Reference and Administrative Details of the Company, its Trustees and Advisers

For the Year Ended 31 December 2017

<b>Trustees</b>	J Bowers B Mackin K Doherty (appointed 23 June 2017) M Gray (appointed 23 June 2017) P Mackle (appointed 23 June 2017) W McMullan (appointed 23 July 2017) A Molloy (appointed 23 June 2017) N Scott (appointed 23 June 2017)
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<b>Company registered number</b>	NI018888
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<b>Charity registered number</b>	NIC103294
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<b>Registered office</b>	45 - 47 Donegall Street Belfast BT1 2FG
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<b>Company secretary</b>	B Mackin
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<b>Accountants</b>	Grant Thornton (NI) LLP Chartered Accountants 12-15 Donegall Square West Belfast BT1 6JH
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<b>Bankers</b>	Ulster Bank Limited 161 - 163 Upper Lisburn Road Finaghy Belfast BT10 0LJ
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# **Independent Examiner's Report**

**For the Year Ended 31 December 2017**

## **Independent Examiner's Report to the Trustees of Northern Ireland Trade Union Educational & Social Centre Limited**

We report on the financial statements of the company for the year ended 31 December 2017 which are set out on pages 4 to 11.

This report is made solely to the company's Trustees, as a body, in accordance with section 65(3)(a) of the Charities Act Northern Ireland 2008 and regulations made under section 66 of that Act. Our work has been undertaken so that we might state to the company's those matters we are required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's Trustees, as a body, for our work or for this report.

### **Respective Responsibilities of charity trustees and Examiner**

As the company's Trustees (and also the trustees of the company for the purpose of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006. Having satisfied ourselves that the company is not subject to audit under company law, and is eligible for independent examination.

It is our responsibility to:

- examine the financial statements under section 65 of the Charities Act;
- follow the procedures laid down in the general Directions given by the Charity Commission for Northern Ireland under section 65(9)(b) of the Act; and
- state whether particular matters have come to our attention.

### **Basis of Independent Examiner's Report**

We have examined your company financial statements as required under section 65 of the Charities Act and our examination was carried out in accordance with the general Directions given by the Charity Commission for Northern Ireland under section 65(9)(b) of the Charities Act.

Our examination included a review of the accounting records kept by the company and a comparison of the accounts presented with those records. It also included consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as company Trustees concerning any such matters.

Our role is to state whether any material matters have come to our attention giving us cause to believe:

1. That accounting records were not kept in accordance with section 386 of the Companies Act 2006.
2. That the accounts do not accord with those accounting records.
3. That the accounts do not comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland.
4. That there is further information needed for a proper understanding of the accounts to be reached.

## Independent Examiner's Report (continued)

For the Year Ended 31 December 2017

### Independent Examiner's Statement

Since your company's gross income exceeded £250,000, your independent examiner must be a member of a listed body. We can confirm that we are qualified to undertake the examination as a registered member firm of Chartered Accountants Ireland.

We have completed our examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission for Northern Ireland, we have found no matters that require drawing to your attention.

Signed:



Dated: 22 June 2018

**Grant Thornton (NI) LLP**

Chartered Accountants

12-15 Donegall Square West  
Belfast  
BT1 6JH

Northern Ireland Trade Union Educational & Social Centre Limited  
(A Company Limited by Guarantee)  
Registered number: NI018888

## Balance Sheet

As at 31 December 2017

	Note	£	2017 £	£	2016 £
<b>Fixed assets</b>					
Tangible assets	2	-		314	
Investment property	3	603,948		591,878	
Total tangible assets			603,948		592,192
Investments	4		250,002		115,600
			853,950		707,792
<b>Current assets</b>					
Debtors	5	155,443		293,472	
Cash at bank and in hand		77,821		132,794	
		233,264		426,266	
<b>Creditors: amounts falling due within one year</b>	6	(103,781)		(140,868)	
<b>Net current assets</b>			129,483		285,398
<b>Net assets</b>			983,433		993,190
<b>Charity Funds</b>					
Restricted funds	7		15,433		14,090
Unrestricted funds	7		968,000		979,100
<b>Total funds</b>			983,433		993,190


The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with section 1A of FRS102.

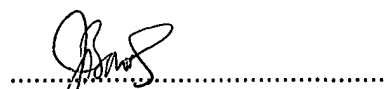
The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the period in question.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The trustees have taken advantage of the exemptions in s444(1) of the Companies Act 2006 from filing their Trustees' Report and the Statement of Financial Activities (incorporating the Profit and Loss Account).

The financial statements were approved and authorised for issue by the Trustees on 22 June 2018 and signed on their behalf, by:

  
B Mackin

  
J Bowers

The notes on pages 5 to 11 form part of these financial statements.

# Notes to the Financial Statements

For the Year Ended 31 December 2017

## **1. Accounting Policies**

### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with sections 1A of FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Northern Ireland Trade Union Educational & Social Centre Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

### **1.2 Company status**

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

The registered office is 45-47 Donegall Street, Belfast, BT1 2FG. The Principal activity of the company is other social work activities without accommodation not elsewhere classified.

### **1.3 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

### **1.4 Income**

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.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

# Notes to the Financial Statements

For the Year Ended 31 December 2017

## 1. Accounting Policies (continued)

### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

### 1.6 Going concern

The Trustees have assessed that the Northern Ireland Trade Union Educational and Social Centre Limited has adequate resources to meet the ongoing costs of the entity for a minimum of 12 months from the date of signing the financial statements.

For this reason the financial statements have been prepared on a going concern basis which presumes the realisation of assets and liabilities in the normal course of business.

### 1.7 Cash flow

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small charitable company.

### 1.8 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and machinery	-	20% straight line
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# Notes to the Financial Statements

For the Year Ended 31 December 2017

## 1. Accounting Policies (continued)

### 1.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities incorporating Income and Expenditure Account.

### 1.10 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

### 1.11 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

### 1.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

### 1.13 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### 1.14 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

# Notes to the Financial Statements

For the Year Ended 31 December 2017

## 1. Accounting Policies (continued)

### 1.15 Critical accounting estimates and areas of judgment

Estimates and judgements are required when applying accounting policies. These are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future, which can involve a high degree of judgement or complexity. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

#### a) Market value of investment properties

Estimates are made in respect of the market value of investment properties. When assessing the market value of these assets, factors including current rent receivable and available data on current market yields and activity are considered.

#### b) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on future investments, economic utilisation and the physical condition of the assets.

## 2. Tangible fixed assets

	Plant and machinery £
<b>Cost</b>	
At 1 January 2017 and 31 December 2017	61,213
<b>Depreciation</b>	
At 1 January 2017	60,899
Charge for the year	314
At 31 December 2017	61,213
<b>Net book value</b>	
At 31 December 2017	-
At 31 December 2016	314

## Notes to the Financial Statements

For the Year Ended 31 December 2017

### 3. Investment property

	Long term leasehold investment property £
<b>Valuation</b>	
At 1 January 2017	591,878
Additions	12,070
At 31 December 2017	<u>603,948</u>

Investment value is stated at the open market value as determined by the trustees.

### 4. Fixed asset investments

	Capital contributions	Total
<b>Cost</b>		
At 1 January 2017	115,600	115,600
Additions at par	2	2
Transfers intra group	134,400	134,400
At 31 December 2017	<u>250,002</u>	<u>250,002</u>

### 5. Debtors

	2017 £	2016 £
Trade debtors	-	23,667
Other debtors	150,779	265,311
Prepayments and accrued income	4,664	4,494
	<u>155,443</u>	<u>293,472</u>

## Notes to the Financial Statements

For the Year Ended 31 December 2017

### 6. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank loans and overdrafts	71,337	48,555
Other creditors	14,887	64,911
Accruals and deferred income	17,557	27,402
	<u>103,781</u>	<u>140,868</u>

The bank loans and overdrafts are secured by an equitable charge and solicitors' undertaking over the company's property at 51 Donegall Street and 45-47 Donegall Street.

### 7. Summary of funds

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Carried forward £
<b>Unrestricted funds</b>					
Designated funds	811,573	-	-	-	811,573
General funds	167,527	69,481	(158,558)	77,977	156,427
	<u>979,100</u>	<u>69,481</u>	<u>(158,558)</u>	<u>77,977</u>	<u>968,000</u>
<b>Restricted funds</b>					
Big Lottery Fund	-	116,033	(123,030)	6,997	-
Department of foreign affairs	1,228	13,502	(8,152)	(6,578)	-
Belfast City Council	-	46,325	(3,366)	(42,959)	-
ICDI	-	-	(434)	434	-
EURES	5,673	21,933	(4,719)	(17,214)	5,673
SOLAS / FAS	-	73,691	(52,774)	(12,869)	8,048
Advice NI	1,401	5,492	(5,181)	-	1,712
Minority Ethnic Development	5,788	-	-	(5,788)	-
	<u>14,090</u>	<u>276,976</u>	<u>(197,656)</u>	<u>(77,977)</u>	<u>15,433</u>
<b>Total funds</b>	<u>993,190</u>	<u>346,457</u>	<u>(356,214)</u>	<u>-</u>	<u>983,433</u>

## Notes to the Financial Statements

For the Year Ended 31 December 2017

### **8. Related party transactions**

The company shares common Trustees with Community Training and Research Centre Limited and Access Skills Ireland Limited.

At the balance sheet date the total amounts due from related undertakings amounted to £149,044 (2016: £260,294) and is reported in other debtors.