Company registration number NI026211 (Northern Ireland)

NORTHERN IRELAND CO-OPERATION OVERSEAS (NI-CO) LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

NORTHERN IRELAND CO-OPERATION OVERSEAS (NI-CO) LTD

COMPANY INFORMATION

Directors	C Sullivan S Fitzpatrick B Brennan K Nelson
Secretary	D Morrissey
Company number	NI026211
Registered office	Landmark House 5 Cromac Quay Belfast BT7 2JD
Auditor	Harbinson Mulholland Centrepoint 24 Ormeau Avenue Belfast Co. Antrim Northern Ireland BT2 8HS
Bankers	Ulster Bank Limited 11-16 Donegall Square East Belfast BT1 5UB

NORTHERN IRELAND CO-OPERATION OVERSEAS (NI-CO) LTD

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NORTHERN IRELAND CO-OPERATION OVERSEAS (NI-CO) LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present the strategic report and financial statements for the year ended 31 March 2023.

Principal activities
Northern Ireland Co-operation Overseas (NI-CO) Ltd is a government owned organisation whose principal activity is to manage and implement international development projects on behalf of Government Departments and other Public Bodies. It operates on a not for profit basis with any surpluses being reinvested to further develop the organisation and the work it carries out for the public sector. The registered address is detailed on company information page. The company's owner and parent undertaking is Invest Northern Ireland, which is a Non Departmental Public Body of the Department for the Economy (formerly the Department of Enterprise Trade and Investment).

Review of the business
The company made a loss before income tax of £46,268 (2022: deficit £48,253) and has a net asset position at 31 March 2023 of £2,629,788 (2022: £2,663,336).

As a not for profit organisation the company does not pay dividends.

The company is unfortunately not a going concern due to the issues more fully explained in the directors' report.

Key performance indicators ("KPIs")
The company's key performance indicators, which are reviewed by the directors on a regular basis, are as follows:

	2023 £	2022 £
Turnover	**10,208,564**	**8,714,541**
Gross profit	**1,286,537**	**1,258,391**
Gross profit/turnover (%)	**12.6%**	**14.4%**

Principal risks and uncertainties
The company's operations expose it to a variety of financial risks that include the effects of changes in debt market prices, foreign exchange risk, credit risk, liquidity risk and interest rate cash flow risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department.

Price risk

The company is exposed to commodity price risk as a result of its operations. However, given the size of the company's operations, the costs of managing exposure to commodity price risk exceed any potential benefits. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature. The company has no exposure to equity securities price risk as it holds no listed or other equity investments.

Foreign exchange risk

While the greater part of the company's revenues, expenses and work in progress are denominated in sterling, the company is exposed to some foreign exchange risk in the normal course of business, principally on income in Euros. While the company has not used financial instruments to date to hedge foreign exchange exposure, this position is kept constantly under review.

Credit risk

The company has implemented policies that require appropriate credit assessments on potential customers before sales are made. The amount of exposure to individual customers is reassessed regularly by the board.

Liquidity risk

The company actively maintains a mixture of long-term and short-term debt finance that is designed to ensure the company has sufficient available funds for operations and planned expansions.

Interest rate cash flow risk

The company has interest bearing assets; being only cash balances, all of which earn interest at variable rate. The company has a policy of maintaining debt at fixed rate to ensure certainty of future interest cash flows. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

By order of the board

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D Morrissey
Secretary

Date: 11/12/23

NORTHERN IRELAND CO-OPERATION OVERSEAS (NI-CO) LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report and financial statements for the year ended 31 March 2023.

Principal activities
The company has delivered projects building efficient, accountable and sustainable public sector institutions capable of managing donor aid effectively and implementing positive change projects for the last 30 years on behalf of the European Union and the United Kingdom Government. The following feedback has been given to the company on its projects from some of our beneficiaries and funders:

"Let me take the opportunity to formally express that the EU has been impressed with the exceptional professionalism, dedication and drive to deliver concrete results on the ground which have characterised yourselves and all involved NI-CO staff in the various EU funded projects we have implemented together."

"The approach in the Turkish Cypriot community deserves special praise and the comprehensive and tailor-made support package for a large number of Turkish Cypriot businesses have been designed and implemented in an exceptional manner, despite a very difficult context. The extraordinary local buy-in from the local stakeholders which have been created through these actions make your achievements all the more impressive."

"I would like to express my appreciation for the EU-funded project Cyber Resilience for Development (Cyber4Dev) which has helped to strengthen cybersecurity resilience for our country, protecting critical infrastructures, and making our people aware of cyber risks. The support provided to the cybersecurity landscape, administered by NI-CO, has certainly been beneficial."

"The first Eurobarometer on reforms ran this year revealed that for Europeans public health is the main area where reforms are necessary. This is exactly what this project has done confirming that our work is aligned with the role and actions that citizens expect the EU to take. Through this project, Cyprus made very good steps for ensuring that its healthcare system will have enough resources, such as staff, equipment, but also rules to ensure their enforcement, to meet the current and future demand for the services that Cyprus citizens expect. Capacity planning is crucial for delivering high-quality care, optimising efficiency, and reducing costs."

"Following the recent radical health reforms, the Ministry of Health, using the knowledge gained in this EU-funded Capacity Planning project, is promoting key adaptations to significantly strengthen its capacity in regulation, supervision, planning and decision-making in order to ensure seamless delivery of quality services to patients without deviations and boundaries. I would like to thank NI-CO for the valuable technical support they offered."

Although the company has always had very positive feedback from its partners as noted above, unfortunately the company is not a going concern and intends to cease all activities on 31st March 2024. The European Union (EU) provided circa. 80% of the historic funding for the company's projects. The remaining circa 20% of funding was provided by the UK Government. Post Brexit, the EU has withdrawn its funding available to Northern Ireland entities for future projects. The directors have endeavoured to secure alternate sources of funding along with a cost reduction strategy including reducing the work force and other cost saving measures. The Board has prepared projections and cashflows but in all scenarios the loss of the major funding has led to the inevitable cessation of the activities of the company. The directors have made the difficult decision to cease all activities on 31st March 2024.

Results and dividends
The results for the year are set out on page 10.

As a not for profit organisation the company does not pay dividends.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

S Holland	(Resigned 30 September 2022)
C Sullivan	
S Fitzpatrick	
B Brennan	
K Nelson	
T Losty	(Resigned 30 September 2022)
G Capper	(Resigned 31 March 2023)

Supplier payment policy

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Auditor

In accordance with the company's articles, a resolution proposing that Harbinson Mulholland be reappointed as auditor of the company will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor
Each director in office at the date of approval of this annual report confirms that:
- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Employees
The company is committed to providing employment practices and policies which recognise the diversity of its workforce and ensure equality of opportunity for employees regardless of gender, race, disability, age, sexual orientation or religious belief.

Employees are kept informed of business change and performance through team meetings and company staff communication sessions, held regularly throughout the year. The business is committed to encouraging staff development and widening skill-sets to improve employee and customer satisfaction.

By order of the board

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D Morrissey
Secretary

Date: 11/12/23

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF NORTHERN IRELAND CO-OPERATION OVERSEAS (NI-CO) LTD

Qualified opinion on financial statements
We have audited the financial statements of Northern Ireland Co-Operation Overseas (NI-CO) Ltd (the 'company') for the year ended 31 March 2023 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion, except for the effects of the matter described in the basis for qualified opinion paragraph, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its 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 Companies Act 2006.

Basis for qualified opinion
Included within creditors is an accrual for ineligible expenditure of £2,075,659. This figure is an estimate based on a percentage of total expenditure as per note 2 to the financial statements. We were unable to obtain sufficient and appropriate audit evidence to support this balance. Any potential misstatement of his balance could also have an impact on the company's corporation tax liability.

In addition, were any adjustment to the creditors balance to be required, the strategic report would also need to be amended.

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 company 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 qualified opinion.

Emphasis of matter - financial statements prepared on a basis other than going concern
We draw attention to note 1.2 to the financial statements which explains that the directors intend to liquidate the company and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern as described in note 1.2. Our opinion is not modified in respect of this matter.

Other information
The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

As described in the basis for qualified opinion section of our report, we were unable to obtain sufficient appropriate audit evidence concerning the accrual for ineligible expenditure. We have concluded that were the other information refers to the creditors balance or related balances, it may be materially misstated for the same reason.

Opinions on other matters prescribed by the Companies Act 2006

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, in our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

Except for the matter described in the basis for qualified opinion section of our report, in the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

Arising solely from the limitation on the scope of our work relating to the accrual for ineligible expenditure referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and/or senior management, and from our commercial knowledge and experience of the sector;

We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation:

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions;

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the company's legal advisors;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF NORTHERN IRELAND CO-OPERATION OVERSEAS (NI-CO) LTD

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Clare McCarrison

Clare McCarrison (Senior Statutory Auditor)
For and on behalf of Harbinson Mulholland

Date: 21 December 2023

Chartered Accountants
Statutory Auditor

Centrepoint
24 Ormeau Avenue
Belfast
Co. Antrim
Northern Ireland
BT2 8HS

NORTHERN IRELAND CO-OPERATION OVERSEAS (NI-CO) LTD

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Revenue	3	10,208,564	8,714,541
Cost of sales		(8,922,027)	(7,456,150)
Gross profit		1,286,537	1,258,391
Distribution costs		(40,629)	(35,312)
Administrative expenses		(1,292,176)	(1,269,391)
Operating loss	4	(46,268)	(46,312)
Finance costs	8	-	(1,941)
Loss before taxation		(46,268)	(48,253)
Income tax income	9	1,029	6,245
Loss for the year		(45,239)	(42,008)
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Revaluation of property, plant and equipment		14,433	14,433
Tax relating to items not reclassified		(2,742)	(2,742)
Total items that will not be reclassified to profit or loss		11,691	11,691
Total other comprehensive income for the year		11,691	11,691
Total comprehensive income for the year		(33,548)	(30,317)

NORTHERN IRELAND CO-OPERATION OVERSEAS (NI-CO) LTD

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	Notes	2023 £	2022 £
Non-current assets			
Property, plant and equipment	10	3,474	1,606,939
Current assets			
Trade and other receivables	12	3,567,327	1,220,938
Cash and cash equivalents		6,316,726	8,970,285
Assets held for sale	14	1,600,000	-
		11,484,053	10,191,223
Current liabilities			
Trade and other payables	15	8,693,398	8,972,198
Net current assets		2,790,655	1,219,025
Non-current liabilities			
Deferred tax liabilities	16	164,341	162,628
Net assets		2,629,788	2,663,336
Equity			
Called up share capital	18	200,000	200,000
Revaluation reserve	19	584,783	573,092
Retained earnings		1,845,005	1,890,244
Total equity		2,629,788	2,663,336

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 11/12/23 and are signed on its behalf by:

K Nelson
Director

Company registration number NI026211

NORTHERN IRELAND CO-OPERATION OVERSEAS (NI-CO) LTD

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2023

	Share capital	Revaluation reserve	Retained earnings	Total
	£	£	£	£
Balance at 1 April 2021	200,000	561,401	1,932,252	2,693,653
Year ended 31 March 2022:				
Loss for the year	-	-	(42,008)	(42,008)
Other comprehensive income:				
Revaluation of property, plant and equipment	-	14,433	-	14,433
Tax relating to other comprehensive income	-	(2,742)	-	(2,742)
Total comprehensive income for the year	-	11,691	(42,008)	(30,317)
Balance at 31 March 2022	200,000	573,092	1,890,244	2,663,336
Year ended 31 March 2023:				
Loss for the year	-	-	(45,239)	(45,239)
Other comprehensive income:				
Revaluation of property, plant and equipment	-	14,433	-	14,433
Tax relating to other comprehensive income	-	(2,742)	-	(2,742)
Total comprehensive income for the year	-	11,691	(45,239)	(33,548)
Balance at 31 March 2023	200,000	584,783	1,845,005	2,629,788

NORTHERN IRELAND CO-OPERATION OVERSEAS (NI-CO) LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Cash flows from operating activities					
Cash absorbed by operations	24		(2,652,092)		(325,029)
Interest paid			-		(1,941)
Income taxes paid			-		(23,476)
Net cash outflow from operating activities			(2,652,092)		(350,446)
Investing activities					
Purchase of property, plant and equipment		(1,467)		-	
Net cash used in investing activities			(1,467)		-
Net decrease in cash and cash equivalents			(2,653,559)		(350,446)
Cash and cash equivalents at beginning of year			8,970,285		9,320,731
Cash and cash equivalents at end of year			6,316,726		8,970,285

1 Accounting policies

Company information

Northern Ireland Co-Operation Overseas (NI-CO) Ltd is a private company limited by shares incorporated in Northern Ireland. The registered office is Landmark House, 5 Cromac Quay, Belfast, BT7 2JD. The company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the United Kingdom and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, except as otherwise stated.

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

The financial statements have been prepared under the historical cost convention except for the revaluation of the building. The principal accounting policies adopted are set out below.

Standards, amendments and interpretations effective in the year to 31 March 2023

New standards that have been adopted in the financial statements for the year ended 31 March 2023 but have not had a significant impact are:

- Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37);
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);
- Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41); and
- references to Conceptual Framework (Amendments to IFRS 3)

Standards, amendments and interpretations that are not yet effective and have not been adopted early by the company

There are a number of standards, amendments to standards and interpretations which have been issued by the IASB that are effective in future accounting periods that the company has decided not to early adopt. The company does not expect any of these to have a significant impact on the financial statements.

The following amendments are effective for the period beginning 1 January 2023:

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2);
- Disclosure of Accounting Estimates (Amendments to IAS 9); and
- Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)

The following amendments are effective for the period beginning 1 January 2024:

- IFRS 16 Leases (Amendment - Liability in a Sale and Leaseback);
- IAS 1 Presentation of Financial Statements (Amendment - Classification of Liabilities as Current or Non-current); and
- IAS 1 Presentation of Financial Statements (Amendment - Non-current Liabilities with Covenants)

1 Accounting policies **(Continued)**

1.2 Going concern

As noted in the Directors Report the company is not a going concern as the company intends to cease all activities on the 31st March 2024 due to a lack of availability of future funding. It has produced its accounts on the cessation basis, as follows:

a. current and non current assets have been reviewed for impairment and written down to their recoverable amounts;

b. any assets held for resale are measured at the lower of carrying amount and fair value less costs to sell, and are presented separately in the statement of financial position under current assets as Non current assets held for sale;

c. any potential creditors greater than one year have been reclassified as creditors due less than one year; and

d. any provisions have been accounted for as required.

The directors had already made the decision prior to 31st March 2023 to offer a voluntary redundancy programme for some of the staff. The amount provided for in relation to those staff is £100,985 and is included within administrative costs.

1.3 Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control of a product or service to a customer.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.4 Property, plant and equipment

Property, plant and equipment 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:

Freehold land and buildings	50 years (The cost of land is not depreciated)
Plant and equipment	4 years

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 the income statement.

1 Accounting policies **(Continued)**

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and losses are recognised in profit or loss.

1.5 Impairment of tangible and intangible assets

At each reporting end date, the company 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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 (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) 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 (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Non-current assets held for sale

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

1.7 Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The resulting calculations under IFRS 13 affected the principles that the company uses to assess the fair value, but the assessment of fair value under IFRS 13 has not materially changed the fair values recognised or disclosed. IFRS 13 mainly impacts the disclosures of the company. It requires specific disclosures about fair value measurements and disclosures of fair values, some of which replace existing disclosure requirements in other standards.

1 Accounting policies **(Continued)**

1.8 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.

1.9 Financial assets

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

Loans and receivables

Trade Receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.10 Financial liabilities

The company recognises financial debt when the company becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or 'other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1 Accounting policies **(Continued)**

1.11 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

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 company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1 Accounting policies **(Continued)**

1.16 Segment reporting

The requirements of IFRS 8 in respect of reporting segmental information are not applicable to the company, as it has neither debt or equity securities traded in a public market nor files its financial statements with a securities commission or other regulatory organisation for the purposes of issuing any class of instruments in a public market.

2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors 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, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Key sources of estimation uncertainty

Provision for ineligible expenditure

The financial statements include a provision against the claw back of income from funded contracts. The provision relates to income from contracts totaling £67,118,708 generated over a number of years. Funding bodies have a period of up to 7 years from completion of the project to re-coup expenditure that they consider to be ineligible.

Directors have made their best estimate of the impact of future potential claw back of income and have included a provision, based on certain assumptions, and stated within accruals.

3 Revenue

	2023	2022
	£	£
Revenue analysed by class of business		
Project income	10,208,564	8,714,541

4 Operating loss

	2023	2022
Operating loss for the year is stated after charging/(crediting):	£	£
Fees payable to the company's auditor for the audit of the company's financial statements	8,075	8,075
Depreciation of property, plant and equipment	19,365	21,953

5 Auditor's remuneration

Fees payable to the company's auditor and associates:	2023 £	2022 £
For audit services		
Audit of the financial statements of the company	8,075	8,075
For other services		
Expenditure verification reports for donor funded projects	19,578	15,484

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
	23	26

Their aggregate remuneration comprised:

	2023 £	2022 £
Wages and salaries	831,919	792,486
Social security costs	71,157	87,517
Pension costs	227,139	231,383
	1,130,215	1,111,386

7 Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	9,118	6,938

8 Finance costs

	2023 £	2022 £
Interest on bank overdrafts and loans	-	1,941

9 Income tax expense

	2023 £	2022 £
Current tax		
UK corporation tax on profits for the current period	-	(325)

9 ***Income tax expense*** **(Continued)**

	2023	2022
	£	£
Deferred tax		
Origination and reversal of temporary differences	(1,029)	(5,920)
Total tax (credit)	(1,029)	(6,245)

The charge for the year can be reconciled to the loss per the income statement as follows:

	2023	2022
	£	£
Loss before taxation	(46,268)	(48,253)
Expected tax charge based on a corporation tax rate of 0% (2022: 0%)	-	-
Adjustment in respect of prior years	-	(325)
Origination and reversal of temporary differences	(1,029)	(5,920)
Taxation credit for the year	(1,029)	(6,245)

In addition to the amount charged to the income statement, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2023	2022
	£	£
Deferred tax arising on:		
Revaluation of property	2,742	2,742

10 **Property, plant and equipment**

	Freehold land and buildings	Plant and equipment	Total
	£	£	£
Cost or valuation			
At 1 April 2021	1,600,000	79,800	1,679,800
Disposals	-	(3,891)	(3,891)
At 31 March 2022	1,600,000	75,909	1,675,909
Additions	-	1,467	1,467
Transfer to held for sale	(1,600,000)	-	(1,600,000)
At 31 March 2023	-	77,376	77,376

10 Property, plant and equipment **(Continued)**

	Freehold land and buildings	Plant and equipment	Total
	£	£	£
Accumulated depreciation and impairment			
At 1 April 2021	-	65,341	65,341
Charge for the year	14,433	7,520	21,953
Eliminated on disposal	-	(3,891)	(3,891)
Eliminated on revaluation	(14,433)	-	(14,433)
At 31 March 2022	-	68,970	68,970
Charge for the year	14,433	4,932	19,365
Eliminated on revaluation	(14,433)	-	(14,433)
At 31 March 2023	-	73,902	73,902
Carrying amount			
At 31 March 2023	-	3,474	3,474
At 31 March 2022	1,600,000	6,939	1,606,939
At 31 March 2021	1,600,000	14,459	1,614,459

The land and building at Landmark House, 5 Cromac Quay, Belfast has been pledged to secure the bank overdraft facility of the company.

Land and building at Landmark House, 5 Cromac Quay, Belfast were revalued at 31 March 2022 by Land & Property Services, independent valuers not connected with the company 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 31 March 2023, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £878,047 (2022 - £892,480).

	2023	2022
	£	£
Cost	1,021,659	1,021,659
Accumulated depreciation	(143,612)	(129,179)
Carrying value	878,047	892,480

11 Contracts with customers

	2023 Period end £	2022 Period end £	2022 Period start £
Contracts in progress			
Contract assets	2,781,237	448,649	298,328

12 Trade and other receivables

	2023 £	2022 £
Trade receivables	653,240	420,604
Contract assets (note 11)	2,781,237	448,649
VAT recoverable	21,459	41,770
Other receivables	67,254	279,568
Prepayments	44,137	30,347
	3,567,327	1,220,938

Trade receivables disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

13 Trade receivables - credit risk

Fair value of trade receivables

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

Expected credit loss assessment

	2023			2022		
	Balance	Rate	Loss allowance	Balance	Rate	Loss allowance
Trade receivables	£	%	£	£	%	£
Over 2 months overdue	-	-	-	31,056	-	-

No other receivable balances are impaired at the reporting end date.

14 Assets and liabilities classified as held for sale

	2023 £	2022 £
Property, plant and equipment	1,600,000	-

14 Assets and liabilities classified as held for sale (Continued)

General Description

On 26th June 2023 the board made the difficult decision to cease all activities of the company on 31st March 2024 due to a lack of availability of future funding.

Assets and liabilities held for sale

In July 2023 the directors began to market the company's current premises in anticipation of their sale prior to the company's cessation on 31st March 2024. A potential buyer has been identified by September 2023 and the contract for sale is expected to complete before 31 March 2024. The building has therefore been classified in current assets as non-current asset for sale. The asset is stated at fair value (Valuation) less costs to sell.

15 Trade and other payables

	2023	2022
	£	£
Trade payables	614,054	555,824
Payments received on account	5,502,876	5,940,522
Accruals	2,515,544	2,475,852
Other payables	60,924	-
	8,693,398	8,972,198

16 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period.

	ACAs	Revaluations	Total
	£	£	£
Liability at 1 April 2021	34,118	131,688	165,806
Deferred tax movements in prior year			
Charge/(credit) to profit or loss	(5,920)	-	(5,920)
Charge/(credit) to other comprehensive income	-	2,742	2,742
Liability at 1 April 2022	28,198	134,430	162,628
Deferred tax movements in current year			
Charge/(credit) to profit or loss	(1,029)	-	(1,029)
Charge/(credit) to other comprehensive income	-	2,742	2,742
Liability at 31 March 2023	27,169	137,172	164,341

Deferred tax assets and liabilities are offset in the financial statements only where the company has a legally enforceable right to do so.

17 Retirement benefit schemes

	2023	2022
Defined contribution schemes	**£**	**£**
Charge to profit or loss in respect of defined contribution schemes	227,139	231,383

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

18 Share capital

	2023	2022	2023	2022
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
Ordinary shares of £1 each	200,000	200,000	200,000	200,000

The total authorised number of ordinary shares is 200,000 (2022: 200,000) with a par value of £1 per share (2022 £1 per share). All issued shares are fully paid.

19 Revaluation reserve

	2023	2022
	£	**£**
At the beginning of the year	573,092	561,401
Revaluation surplus arising in the year	14,433	14,433
Deferred tax on revaluation of PPE	(2,742)	(2,742)
At the end of the year	584,783	573,092

20 Capital risk management

The company's objectives when managing capital were to safeguard the company's ability to continue as a going concern up until the decision was made to cease operations on the 31st March 2024 as noted in the directors report, in order to reinvest in the company and provide benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. Given the size of the company, the directors have not delegated the responsibility of capital risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the finance department.

21 Events after the reporting date

As noted in the Directors' report and also in Note 14 unfortunately the company intends to cease trading on the 31st March 2024. As a result of this decision, 9 staff have been or are being made redundant up to 31 December 2023. The remaining staff of 8 have been served notice of redundancy and will leave the organisation on 31 March 2024. The total estimated costs of redundancy in the year ended 31 March 2024 are £1,194,935.

22 Related party transactions

Remuneration of key management personnel

The remuneration of the key management personnel is set out below in aggregate for each of the categories *specified in IAS 24 Related Party Disclosures.*

	2023	2022
	£	£
Short-term employee benefits	328,293	317,689
Post-employment benefits	49,869	48,572
	378,162	366,261

No guarantees have been given or received.

23 Controlling party

The parent company of Northern Ireland Co-Operation Overseas (NI-CO) Ltd is Invest Northern Ireland and its registered office is Bedford Square, Bedford Street, Belfast, BT2 7ES.

Invest Northern Ireland is both the largest and smallest undertaking for which consolidated financial statements are prepared.

24 *Cash absorbed by operations*

	2023	2022
	£	£
Loss for the year before income tax	(46,268)	(48,253)
Adjustments for:		
Finance costs	-	1,941
Depreciation and impairment of property, plant and equipment	19,365	21,953
Movements in working capital:		
Increase in contract assets	(2,332,588)	(150,321)
Increase in trade and other receivables	(13,801)	(266,806)
(Decrease)/increase in trade and other payables	(278,800)	116,457
Cash absorbed by operations	(2,652,092)	(325,029)