

COMPANY REGISTRATION NUMBER: NI025793

# **THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**

(A company limited by guarantee)

## **Report and Financial Statements**

**31 MARCH 2016**

**NIC Number: NIC102686  
HMRC Number: NI00460**

**FINEGAN GIBSON LTD**  
Chartered Accountants & Statutory Auditors  
Causeway Tower  
9 James Street South  
Belfast  
BT2 8DN

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**ACCOUNTS**  
**YEAR ENDED 31 MARCH 2016**

| <b>CONTENTS</b>  | <b>PAGE</b> |
|--|-------------|
| Trustees Annual Report   | <b>3</b>    |
| Independent Auditor's Report to the members  | <b>12</b>   |
| Statement of financial activities (incorporating the income and expenditure account) | <b>14</b>   |
| Balance sheet  | <b>15</b>   |
| Statement of cash flows  | <b>16</b>   |
| Notes to the accounts  | <b>17</b>   |

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**

**REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS'  
REPORT)**  
**FOR YEAR ENDED 31ST MARCH 2016**

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2016 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act (NI) 2008, the Companies Act 2006, the Memorandum and Articles of Association, 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).

**REFERENCE AND ADMINISTRATIVE DETAILS**

NIC Charity registration number: NIC102686  
Company registration number: NI025793  
HMRC charity number: NI00460  
Registered office: 17 Loy Street, Cookstown, Co. Tyrone, BT80 8PZ

**Advisors**

Auditors Finegan Gibson Ltd, Causeway Tower, 9 James Street South, Belfast, BT2 8DN  
Bankers First Trust Bank, 2-4 James Street, Cookstown, BT80 8LW

**Directors and Trustees**

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The Trustees and officers serving during the year and since the year end were as follows:

|          |                  |                              |
|----------|------------------|------------------------------|
| Trustees | Clarke Black     | (resigned 30 September 2015) |
|          | Kimberly Addis   |                              |
|          | Patrick Casement |                              |
|          | Liam Flanigan    |                              |
|          | Maire Gallagher  |                              |
|          | Stewart Johnston |                              |
|          | Eileen Kelly     |                              |
|          | Tony McCusker    |                              |
|          | Joe McDonald     |                              |
|          | Edward McVeigh   |                              |
|          | Alan Hunter      |                              |
|          | Wesley Aston     | (appointed 1 October 2015)   |

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**

**REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS' REPORT)**  
**FOR YEAR ENDED 31ST MARCH 2016**

**Key management personnel**

|                                |                |
|--------------------------------|----------------|
| Chief Executive Officer        | Teresa Canavan |
| Director of Corporate Services | Jane Thom      |
| Director of Programmes         | Olga Gallagher |
| Director of Rural Affairs      | Michael Kelly  |

**OBJECTIVES AND ACTIVITIES**

To promote the development of rural and urban areas through assisting and working with individuals, community, voluntary, private and public sectors by delivering a range of economic, social, cultural, farming and environmental projects and programmes in or for the benefit of Northern Ireland or any part of the island of Ireland

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit.

The strategies employed to achieve the charity's aims and objectives are:

- To create practical projects and actions to ensure economic vibrancy and social well-being
- To encourage social and economic entrepreneurship, partnership working and common approaches for all individuals and agencies working in community development
- To make our communities inclusive and attractive places to live by assisting community organisations to develop an interest in local culture, history, arts and traditions

The achievements listed below detail the RDC performance for 2015-2016 in advancing its said objectives.

**ACHIEVEMENTS AND PERFORMANCE**

A full account of RDC's achievements during the year are listed below.

**Strategic Aim 1: Realising the Potential of Rural**

- *Objective 1.1 Maintain, Manage and maximise existing programmes*
- *Objective 1.2 Influence and support the development of the new Rural Development Programme 2014-2020*
- *Objective 1.3 Design and deliver programmes that meet local and regional need*
- *Objective 1.4 Build effective partnerships, alliances and consortium in support of new programmes to meet local and regional need*

***Outputs***

***Farm Family Options Programme***

- *Successful closure of the programme*
- *5 Monthly monitoring reports submitted*
- *Post project evaluation completed*

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL  
(A company limited by guarantee)**

**REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS'  
REPORT)  
FOR YEAR ENDED 31ST MARCH 2016**

*Rural Youth Entrepreneurship (RYE) programme*

- Youth Steering Group held 6 meetings
- 606 Stakeholders registered on Youth Business Network
- 62 Outreach workshops delivered
- 302 young people attending workshops
- Webpage/ Facebook and Twitter updated
- 6 ezines issued
- 65 young people completing Business Action plan
- 8 Networking events delivered
- 12 Communication reports completed
- 4 Quarterly reports completed

*Rural Youth Entrepreneurship (RYE) Connect programme*

- Design and development of promotional material
- Youth Steering Group established
- Planning and attendance at conference in Sisimiut Greenland
- Marketing RYE Connect workshops
- 78 participants attended RYE pre-start workshops
- 65 pre-start Business action plans completed

*UCAN Programme*

- Rural delivery model developed
- Taster sessions held in 2 areas in Mid Ulster
- 5 co-design and taster sessions held
- Youth Participant Steering Group established
- 20 young people completed the 6 week UCAN START programme
- 21 individual needs assessments completed
- 21 individual support plans completed
- Programme of shared activities delivered
- Personal development workshops delivered
- Work placements organised
- 4 Community based projects completed
- 15 CV's developed

*IFI Personal Youth Development Programme (PYDP)*

- Appointed as managing agent for PYDP
- Development of processes and procedures for programme delivery
- Meeting groups and working up proposals

*LAG Formation*

- 4 Consultative partnership, stakeholder group & Monitoring Committee meetings
- 10 sessions with new LAGs to support application process to DARD
- 3 Gender action plans completed
- 10 meetings with new LAG Board members
- 35 meetings with LAGs to agree legal aspects and development of strategies
- 16 training sessions delivered to 375 LAG Board members
- 5 meetings held with Council staff/RSNs/DARD
- Meeting held with LAG Chairs/Managers to input into new Strategic forum

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**

**REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS'  
REPORT)**  
**FOR YEAR ENDED 31ST MARCH 2016**

*Design of programmes*

- 10 tenders secured
- 4 programme applications submitted
- 1 extension secured

*Effective partnerships*

- Transnational partnership developed on RYE Connect programme
- Early Years Cross Border Consortium
- Rural Sector collaboration

**Strategic Aim 2: Sharing information**

- Objective 2.1 Maintain, Manage and develop the Rural Network for Northern Ireland
- Objective 2.2 Create a rural observatory linked to RDC & Rural Network websites
- Objective 2.3 Participate on forums, discussion & working groups in support of the rural agenda
- Objective 2.4 Promote rural development, share practice and disseminate findings

**Outputs**

*Rural Network for Northern Ireland*

- Preparation, submission and award of tender for Network Support Unit 2016-2023 to commence 1<sup>st</sup> April 2016

*Sharing of Information linked to RDC & Rural Network websites*

- RDC website had 7,785 visitors of which 5,818 were unique visitors and 27,996 page reviews
- Rural Network website had 5,217 visitors of which 4,217 were unique visitors and 16,850 page reviews

*Participate on forums, discussion & working groups in support of the rural agenda – meetings attended*

- NIHE Rural Policy Implementation Panel
- Beyond Belfast
- Rural Development Programme Monitoring Committee
- Rural Development Programme Stakeholder Consultative Partnership 2014-2020
- All Ireland Early Years Advisory Group
- NI Multiple Deprivation Measures Steering Group
- Pathway Fund Regional Selection Panel
- NICVA Departmental Monitoring Group
- Ministerial and Assembly Committee

*Promote rural development, share practice and disseminate findings*

- Rural Development Programme projects database maintained with 806 projects detailed

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL  
(A company limited by guarantee)**

**REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS'  
REPORT)  
FOR YEAR ENDED 31ST MARCH 2016**

**Strategic Aim 3: A Centre for Rural Expertise**

*Objective 3.1 Provide rural proofing training and further develop a comprehensive rural proofing service*

*Objective 3.2 Respond to policy consultations and participate in key rural policy debates*

**Outputs**

- *Review carried out of current training*
- *Attendance at Rural Proofing Bill stakeholder group meetings*
- *3 policy consultations submitted*

**Strategic Aim 4: Effective and Efficient Organisation**

*Objective 4.1 To deliver on budget*

*Objective 4.2 Build staff skills for future project proposals*

*Objective 4.3 Achieve ISO*

*Objective 4.4 Embed liP*

*Objective 4.5 Corporate Governance, Board and Organisational development*

*Objective 4.6 Develop our corporate social responsibility*

**Outputs**

*Financial Management*

- *Monthly management reports and cashflow statements produced for Board*
- *Independent strategic review and business plan completed*
- *Annual accounts presented at AGM*
- *Satisfactory assurance in Internal and External audit reports*
- *8 external verification visits carried out*
- *Budget profiles and expenditure reports prepared for funders*
- *Implementation of financial procedures and procurement guidance*
- *Liaise with pension providers*

*Human Resources*

- *Review and update policies and procedures*
- *Training & development policy supporting staff development*
- *6 staff meetings held*

*ISO*

- *Surveillance audit completed*
- *Ongoing monitoring of customer service*

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**

**REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS' REPORT)**  
**FOR YEAR ENDED 31ST MARCH 2016**

*Corporate Governance*

- o *Induction training for 1 new Board member*
- o *Audit Committee training completed*
- o *17 Board and sub-committee meetings serviced*
- o *AGM held 30/09/15*
- o *Approved charity 01/11/15*
- o *Corporate Governance manual reviewed and updated*
- o *Tender process for appointment of Internal and External Auditors completed*
- o *Risk register updated and reviewed by Internal Auditors*
- o *Purchase premises at Loy Street*

*Corporate Social Responsibility*

- o *Preference in favour of social enterprise and use of community venues where possible for training purposes*

**FINANCIAL REVIEW**

The results for the year are set out in the attached financial statements. The total funds held at the end of the year are shown in the notes to the financial statements.

Initial review of the results for the year show an overall deficit of (£205,013) (2015: deficit of £76,498). The sector has experienced a difficult year regarding funding. Time delays in starting new programmes has resulted in RDC bridging the gap from its own resources. RDC also made a lump sum contribution towards the pension deficit of £80,000 (2015: £50,000).

***Investment powers and policy***

The trustees, having regard to the liquidity requirements of the charity, have kept available funds in an interest bearing deposit account and seek to achieve a rate on deposit which matches or exceeds inflation measured by the retail prices index.

RDC purchased the office building in September 2015. This will reduce future overhead costs such as rent.

***Reserves policy and going concern***

Reserves are needed to bridge the timing gap between spending and receiving of income and to cover unplanned temporary shortfalls in income should they arise. Holding adequate reserves safeguards the provision of our services in the event of unexpected significant financial pressures. The trustees consider that the ideal level of reserves would be six months expenditure which for the year ended 31 March 2016 would be £429,411.

Unrestricted reserves at the year end were (£849), however unrestricted reserves (excluding fixed assets, restricted funds, designated funds and defined benefit pension scheme) freely available to spend amounted to £1,137,481. This reserve figure omits a defined benefit pension scheme liability currently valued at £1,331,000 which is classed as long term debt. The trustees have no reason to believe the pension scheme liability will be crystallised in the near future therefore they believe that the going concern assumption is appropriate. They continue to regularly monitor the financial position of the charity and are active in pursuing new and continuing sources of funding to further the charity's charitable purposes.



**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**

**REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS' REPORT)**  
**FOR YEAR ENDED 31ST MARCH 2016**

**PLANS FOR FUTURE PERIODS**

RDC will continue to deliver agreed outputs on current contracts. It will seek to pursue new opportunities to develop programmes in support of its vision of 'a living, working, sustainable and shared countryside'. It will continue to diversify its funding streams and work in partnership with other organisations to benefit rural people and place and in the promotion of rural and urban linkages and the development of rural and urban areas through a range of projects and programmes. It will seek to maximise the use of its property as an outreach centre for the delivery of training and projects. It will continue its commitment to IIP and work to maintain or improve upon its Bronze accreditation.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

*Governing Document*

The RDC is a company limited by guarantee governed by its Memorandum and Articles of Association dated 30 September 2015. The company currently has 11 company directors each of whom agrees to contribute £1 in the event of the charity winding up. RDC is a registered charity with the Charity Commission for Northern Ireland.

*Appointment of trustees*

The Chairman and the Trustees recruit and select new Trustees as needed. This is carried out through an open and transparent recruitment process. New Trustees are selected on the relevance of their professional skills, and their potential to be able to make a helpful contribution to the governance of the charity. On appointment all new Trustees are provided induction training which includes Trustees' legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan, corporate governance arrangements and recent financial performance of the charity.

*Trustee induction and training*

All Trustees complete induction training which covers:-

- RDC's mission and vision
- RDC's strategic aims and objectives
- RDC's core values
- RDC's Memorandum & Articles of Association
- Corporate Governance Manual
- Risk Management Strategy
- Policies & procedures

*Arrangements for setting pay and remuneration of key management personnel*

The directors consider the board of directors, who are the charity's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. Details of directors' expenses and related party transactions are disclosed in note 10 to the accounts.

RDC follows the Northern Ireland Civil Service pay scales for employee remuneration.

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**

**REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS'  
REPORT)**  
**FOR YEAR ENDED 31ST MARCH 2016**

*Organisation structure and how charity makes decisions*

The board of trustees, which can have up to 12 members, administers the charity. The board normally meets bi-monthly and there are 3 sub-committees Finance & General Purposes, Strategy & Policy and Audit which normally meet bi-monthly. A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and direct charitable activities.

*Relationships with related parties*

None of our trustees receive remuneration or other benefit from their work with the charity.

All trustees complete a register of interests form on an annual basis to avoid any potential conflicts of interest.

*Risk management*

The trustees have a risk management strategy which comprises:

- A bi-monthly review of the risk register by the Audit Sub-committee;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

Risks are weighted on likelihood and impact. These are reviewed by the Audit sub-committee and then actions agreed to manage, reduce or eliminate the risk. Recommendations are then made to the Board on how to address key risks.

**TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

The charity trustees (who are also the directors of [Company Name] for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year. Under company law the trustees 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 charity and the income and expenditure of the charity for that period.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL  
(A company limited by guarantee)**

**REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS'  
REPORT)  
FOR YEAR ENDED 31ST MARCH 2016**

departures disclosed and explained in the financial statements; and

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**STATEMENT AS TO DISCLOSURE TO OUR AUDITORS**

Each of the persons who is a trustee at the date of approval of this report confirms that:

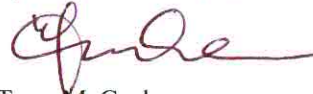
- so far as each trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

**AUDITOR**

Finegan Gibson Ltd are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Registered office:

Signed by order of the trustees



Chair: Tony McCusker

Date: 26 September 2016

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NORTHERN**  
**IRELAND RURAL DEVELOPMENT COUNCIL** *(continued)*

**YEAR ENDED 31 MARCH 2016**

We have audited the accounts of The Northern Ireland Rural Development Council for the year ended 31<sup>st</sup> March 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective January 2016).

This report is made solely to the charity'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 charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR**

As explained more fully in the Trustees' Annual Report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors, including APB Ethical Standard – Provisions Available for Small Entities (Revised), in the circumstances set out in note 26 to the financial statements.

**SCOPE OF THE AUDIT OF THE ACCOUNTS**

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

**OPINION ON ACCOUNTS**

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with applicable accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NORTHERN**  
**IRELAND RURAL DEVELOPMENT COUNCIL (continued)**

**YEAR ENDED 31 MARCH 2016**

**EMPHASIS OF MATTER – GOING CONCERN**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 25 to the financial statements concerning the company's ability to continue as a going concern. As at 31 March 2016, the company had net liabilities of £849 and uncertainty exists regarding future funding and the extent of the company's liabilities in relation to the pension scheme deficit. These conditions, along with the matters explained in note 25 to the financial statements, indicate the existence of a material uncertainty however the directors believe the uncertainties are not such as to cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the accounts are prepared is consistent with the accounts.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report.



CONOR DOLAN FCA  
(Senior Statutory Auditor)  
For and on behalf of  
FINEGAN GIBSON LTD  
Chartered Accountants & Statutory Auditors  
Causeway Tower  
9 James Street South  
Belfast  
BT2 8DN

Date 26 September 2016

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE  
INCOME AND EXPENDITURE ACCOUNT)**

**YEAR ENDED 31 MARCH 2016**

|   | Notes | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total<br>2016<br>£ | Total<br>2015<br>£ |
|---|-------|----------------------------|--------------------------|--------------------|--------------------|
| <b>Income</b>   |       |                            |                          |                    |                    |
| Donations & legacies                                      | 2     | 200                        | -                        | 200                | 2,030              |
| <i>Income from charitable activities</i>                  | 3     |                            |                          |                    |                    |
| Grant funded services                                     |       | -                          | 442,600                  | 442,600            | 988,705            |
| Contractual & SLA services                                |       | 197,735                    | -                        | 197,735            | 581,326            |
| Investment income   | 4     | 7,919                      | -                        | 7,919              | 10,943             |
| Other income  | 5     | 5,356                      | -                        | 5,356              | 11,500             |
| <b>Total Income</b>                                       |       | <u>211,210</u>             | <u>442,600</u>           | <u>653,810</u>     | 1,594,504          |
| <b>Expenditure</b>  |       |                            |                          |                    |                    |
| <i>Expenditure on charitable activities</i>               |       |                            |                          |                    |                    |
| Grant funded services                                     | 6/7   | -                          | (587,371)                | (587,371)          | (1,106,605)        |
| Contractual & SLA services                                | 6/7   | (271,452)                  | -                        | (271,452)          | (559,041)          |
| <b>Other expenditure</b>                                  | 8     | -                          | -                        | -                  | (5,356)            |
| <b>Total expenditure</b>                                  |       | <u>(271,452)</u>           | <u>(587,371)</u>         | <u>(858,823)</u>   | (1,671,002)        |
| <b>Net income/(expenditure)</b>                           |       | <u>(60,242)</u>            | <u>(144,771)</u>         | <u>(205,013)</u>   | (76,498)           |
| Transfers between funds                                   |       | (94,354)                   | 94,354                   | -                  | -                  |
| Actuarial gains/losses on defined benefit pension schemes |       | 480,000                    | -                        | 480,000            | (421,000)          |
| <b>Net movement in funds</b>                              |       | <u>325,404</u>             | <u>(50,417)</u>          | <u>274,987</u>     | (497,498)          |
| <b>Reconciliation of funds</b>                            |       |                            |                          |                    |                    |
| Fund balances at 1 April 2015                             |       | (326,253)                  | 50,417                   | (275,836)          | 221,662            |
| <b>Fund balances at 31 March 2016</b>                     |       | <u>(849)</u>               | <u>-</u>                 | <u>(849)</u>       | <u>(275,836)</u>   |

The Statement of financial activities includes all gains and losses in the year.

All of the above amounts relate to continuing activities.

The notes on pages 17 to 30 form part of these accounts.

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
(A company limited by guarantee)

**BALANCE SHEET**

**AT 31 MARCH 2016**

|  | Note | 2016<br>£               | 2015<br>£        |
|--|------|-------------------------|------------------|
| <b>Fixed assets</b>  |      |                         |                  |
| Tangible assets  | 13   | 192,670                 | 1,670            |
| <b>Current assets</b>  |      |                         |                  |
| Debtors  | 14   | 207,695                 | 392,427          |
| Cash at bank   |      | <u>1,084,553</u>        | <u>1,493,738</u> |
|  |      | 1,292,248               | 1,886,165        |
| <b>Creditors: Amounts falling due within one year</b>          | 15   | <u>(154,767)</u>        | <u>(347,671)</u> |
| <b>Net current assets</b>                                      |      | <b>1,137,481</b>        | 1,538,494        |
| <b>Total assets less current liabilities</b>                   |      | <u><b>1,330,151</b></u> | <u>1,540,164</u> |
| <b>Creditors: Amounts falling due after more than one year</b> | 17   | <b>(1,331,000)</b>      | (1,816,000)      |
| <b>Net assets</b>  |      | <u><b>(849)</b></u>     | <u>(275,836)</u> |
| <b>The funds of the charity:</b>                               |      |                         |                  |
| Unrestricted income funds                                      | 18   | <b>(849)</b>            | (326,253)        |
| Restricted income funds  | 19   | -                       | <u>50,417</u>    |
| <b>Total charity funds</b>                                     |      | <u><b>(849)</b></u>     | <u>(275,836)</u> |

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

Approved by the board of Directors and signed on its behalf by:



Tony McCusker, Chair of trustees on behalf of the trustees

Approved by the trustees on 26 September 2016

The notes on pages 17 to 30 form part of these accounts.

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**

**STATEMENT OF CASH FLOWS**

**YEAR ENDED 31 MARCH 2016**

|  | Note | 2016                | 2015      |
|--|------|---------------------|-----------|
|  |      | £                   | £         |
| <b>Cash used in operating activities</b>                               |      | <b>21 (217,401)</b> | 30,118    |
| <b>Cash flows from investing activities</b>                            |      |                     |           |
| Interest income  |      | 7,919               | 10,943    |
| Purchase of tangible fixed assets                                      |      | (199,703)           | -         |
| <b>Cash provided by (used in) investing activities</b>                 |      | <b>(191,784)</b>    | 10,943    |
| <b>Cash flows from financing activities</b>                            |      | -                   | -         |
| <b>Increase / (decrease) in cash and cash equivalents for the year</b> |      | <b>(409,185)</b>    | 41,061    |
| <b>Cash and cash equivalents at the beginning of the year</b>          |      | <b>1,493,738</b>    | 1,452,677 |
| <b>Total cash and cash equivalents at the end of the year</b>          |      | <b>1,084,553</b>    | 1,493,738 |

The notes on pages 17 to 30 form part of these accounts.



**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

**1. Accounting policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

**Basis of accounting**

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 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.

**Reconciliation with previous Generally Accepted Accounting Practice**

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

At the date of transition in applying the requirement to recognise liabilities arising from employee benefits, a liability was recognised for short-term compensated absence arising from employee entitlement of the charity to paid annual leave. The initial liability recognised at the date of transition was for the holiday entitlement carried forward and for the entitlement arising in the year which was due but not taken. The initial liability was for £21,734. No other restatements were required. In accordance with the requirements of FRS 102 a reconciliation of opening balances is provided.

**Reconciliation of group funds and balances:**

|                                    | <b>1 April<br/>2014</b> | <b>31 March<br/>2015</b> |
|------------------------------------|-------------------------|--------------------------|
|                                    | <b>£</b>                | <b>£</b>                 |
| Fund balances as previously stated | 243,396                 | (254,102)                |
| Short-term compensated absences    | (21,734)                | (21,734)                 |
|                                    | <u>221,662</u>          | <u>(275,836)</u>         |

**Going concern**

The charity reported a net cash inflow of £247,897 for the year and the company had net liabilities at the year-end of (£849) which includes (£849) of unrestricted reserves and £nil of restricted reserves. This is due to the inclusion of the defined benefit pension scheme liability. As stated in note 22, the next formal valuation of the scheme will have an effective date of 31 March 2016 with the results expected early 2017. Following this valuation, the pension scheme trustees may direct participating employers to increase their contributions from March 2016 which would have a negative impact on the company's operating performance.

**The notes on pages 17 to 30 form part of these accounts.**

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL  
(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

The company's operating surplus for the year ended 31 March 2016 was a positive result. The pension scheme deficit is not a short term liability and should be met in the long term by a combination of contributions and the underlying investment performance of the scheme's assets. The directors have no intention of taking any action that would trigger immediate crystallisation of the pension scheme liability.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

**Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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

In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

**Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Restricted funds are funds which the donor has specified are to be solely used for particular areas of the Charity's work.

**Expenditure and irrecoverable VAT**

Expenditure is recognised once there is legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading.
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the related activity.

**The notes on pages 17 to 30 form part of these accounts.**

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL  
(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

**Allocation of support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include office costs, finance, personnel and governance costs which support the Charity's activities. These costs have been allocated between expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 7.

**Operating leases**

Costs in respect of operating leases are charged on a straight-line basis over the lease term.

**Tangible fixed assets**

Individual fixed assets costing £250 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis.

**Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

|                     |                             |
|---------------------|-----------------------------|
| Fixtures & Fittings | – 33.3% straight line basis |
| Freehold property   | – 2% straight line basis    |

**Debtors**

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

**Cash at bank and in hand**

Cash at bank and cash 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.

**Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Pension scheme**

The charitable company operates a defined benefit pension scheme for its employees. Scheme funds are administered by independent trustees. Following the adoption of FRS102 any asset or liability of the pension scheme is recognised in these accounts in accordance with actuary valuations. See note 22 for further disclosure.

**The notes on pages 17 to 30 form part of these accounts.**

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

**2. Donations and legacies**

|                                     | <b>Unrestricted<br/>Funds 2016</b> | <b>Unrestricted<br/>Funds 2015</b> |
|-------------------------------------|------------------------------------|------------------------------------|
|                                     | £                                  | £                                  |
| Subscriptions & other contributions | <u>200</u>                         | <u>2,030</u>                       |

**3. Income from charitable activities**

|  | <b>Grant<br/>funded<br/>services</b> | <b>Contractual<br/>&amp;SLA<br/>services</b> | <b>Total<br/>Funds 2016</b> | <b>Total<br/>Funds 2015</b> |
|--|--------------------------------------|--|-----------------------------|-----------------------------|
|  |                                      |  | £                           | £                           |
| Department of Agriculture & Rural<br>Development |                                      |  |                             |                             |
| - Rural Network                                  | -                                    | 5,449  | 5,449                       | 327,840                     |
| - RYE  | 249,197                              | -  | 249,197                     | 188,662                     |
| - Axis 1   | -                                    | 40,223                                       | 40,223                      | 159,091                     |
| - LAG formation                                  | -                                    | 110,000                                      | 110,000                     | -                           |
| International Fund for Ireland                   |                                      |  |                             |                             |
| - PYDP   | 30,610                               | -  | 30,610                      | -                           |
| SEUPB BRIC                                       | -                                    | -  | -                           | 660,727                     |
| Department of Learning                           | 104,457                              | -  | 104,457                     | -                           |
| Council Strategies                               | -                                    | 19,315                                       | 19,315                      | -                           |
| CFNI   | -                                    | 3,333  | 3,333                       | 8,333                       |
| Axis 1   | -                                    | 18,965                                       | 18,965                      | 75,091                      |
| SLA  | 21,885                               | -  | 21,885                      | 4,497                       |
| European Commission                              | 34,651                               | -  | 34,651                      | -                           |
| POBAL  | -                                    | -  | -                           | 132,006                     |
| Rural Proofing                                   | -                                    | -  | -                           | 375                         |
| ISO Grant  | -                                    | -  | -                           | 2,813                       |
| Village Renewal                                  | -                                    | -  | -                           | 10,446                      |
| Other income                                     | <u>1,800</u>                         | <u>450</u>                                   | <u>2,250</u>                | <u>150</u>                  |
|  | <u>442,600</u>                       | <u>197,735</u>                               | <u>640,335</u>              | <u>1,570,031</u>            |

**4. Investment income**

|                  | <b>Unrestricted<br/>Funds 2016</b> | <b>Unrestricted<br/>Funds 2015</b> |
|------------------|------------------------------------|------------------------------------|
|                  | £                                  | £                                  |
| Deposit accounts | <u>7,919</u>                       | <u>10,943</u>                      |

The notes on pages 17 to 30 form part of these accounts.

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

**5. Other income**

|                        | <b>Unrestricted<br/>Funds 2016</b> | <b>Unrestricted<br/>Funds 2015</b> |
|------------------------|------------------------------------|------------------------------------|
|                        | £                                  | £                                  |
| Corporation tax refund | 5,356                              | -                                  |
| Other income           | -                                  | 11,500                             |
|                        | <u>5,356</u>                       | <u>11,500</u>                      |

**6. Analysis of expenditure on charitable activities**

|                                   | <b>Grant<br/>funded<br/>services</b> | <b>Contractual<br/>&amp; SLA<br/>services</b> | <b>Total 2016</b> | <b>Total 2015</b> |
|-----------------------------------|--------------------------------------|---|-------------------|-------------------|
|                                   | £                                    | £   | £                 | £                 |
| Wages & salaries                  | 306,094                              | 163,784                                       | 469,878           | 543,127           |
| Employer pension contributions    | 30,840                               | 18,902  | 49,742            | 58,348            |
| Pension deficit contributions     | 49,510                               | 30,490  | 80,000            | 50,000            |
| Pension adjustment                | (3,102)                              | (1,901)                                       | (5,003)           | (28,000)          |
| Redundancy costs                  | -                                    | -   | -                 | 68,226            |
| Agency costs                      | -                                    | -   | -                 | 9,034             |
| Council attendance allowance      | 6,200                                | -   | 6,200             | 7,300             |
| Programme Ai Services             | -                                    | 10,789  | 10,789            | 87,075            |
| Grants paid out                   | 71,704                               | -   | 71,704            | 320,239           |
| Programme promotional costs       | 5,318                                | 1,470   | 6,788             | 36,540            |
| Travel & subsistence              | 9,590                                | 4,095   | 13,685            | 21,726            |
| Printing, publishing & stationery | 108                                  | 274   | 382               | 1,224             |
| Legal & professional fees         | -                                    | 800   | 800               | 16,076            |
| Event costs                       | 22,745                               | 6,098   | 28,843            | 29,822            |
| External evaluation               | 5,353                                | -   | 5,353             | -                 |
| Training for beneficiaries        | 8,236                                | -   | 8,236             | 302,402           |
| Study visits                      | 10,294                               | -   | 10,294            | -                 |
| Mentoring support & development   | 98                                   | -   | 98                | 1,000             |
| Telephone & postage               | 4                                    | 272   | 276               | 6,005             |
| Repairs & maintenance             | 2,251                                | 257   | 2,508             | 6,426             |
| Rent & rates                      | 10,851                               | 6,650   | 17,501            | 39,963            |
| Light & Heat                      | 2,143                                | 1,313   | 3,456             | 5,040             |
| Sundry expenses                   | 1,066                                | 471   | 1,537             | 1,028             |
| Bank charges                      | -                                    | 39  | 39                | -                 |
| Governance costs (see note 7)     | 18,982                               | 11,634  | 30,616            | 22,804            |
| Support costs (see note 7)        | 29,086                               | 16,015  | 45,101            | 60,241            |
|                                   | <u>587,371</u>                       | <u>271,452</u>                                | <u>858,823</u>    | <u>1,665,646</u>  |

The notes on pages 17 to 30 form part of these accounts.

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

**7. Analysis of governance and support costs**

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the two key charitable activities undertaken. Refer to the table below for the basis of apportionment and the analysis of support and governance costs.

|                                   | <b>General support</b> | <b>Governance function</b> | <b>2016 Total</b> | <b>2015 Total</b> | <b>Basis of apportionment</b> |
|-----------------------------------|------------------------|----------------------------|-------------------|-------------------|-------------------------------|
|                                   | <b>£</b>               | <b>£</b>                   | <b>£</b>          | <b>£</b>          |                               |
| Travel & subsistence              | 3,608                  | -                          | 3,608             | 2,748             | Allocated on staff time       |
| Training & development            | 863                    | -                          | 863               | 797               | Allocated on staff time       |
| Telephone & postage               | 4,604                  | -                          | 4,604             | 7,910             | Allocated on staff time       |
| Printing, publishing & stationary | 4,357                  | -                          | 4,357             | 6,403             | Allocated on staff time       |
| Cleaning                          | 1,549                  | -                          | 1,549             | 4,589             | Allocated on staff time       |
| Insurance                         | 4,020                  | -                          | 4,020             | 3,673             | Allocated on staff time       |
| Dues & Subscriptions              | 1,047                  | -                          | 1,047             | 2,019             | Allocated on staff time       |
| Repairs & maintenance             | 12,664                 | -                          | 12,664            | 11,866            | Allocated on staff time       |
| Programme promotional costs       | 2,917                  | -                          | 2,917             | 6,090             | Allocated on staff time       |
| Event costs                       | 115                    | -                          | 115               | 260               | Allocated on staff time       |
| Sundry expenses                   | 3,096                  | -                          | 3,096             | 348               | Allocated on staff time       |
| Foreign exchange (gain)/loss      | (2,442)                | -                          | (2,442)           | 8,517             | Allocated on staff time       |
| Depreciation                      | 8,703                  | -                          | 8,703             | 5,021             | Allocated on staff time       |
| Audit services                    | -                      | 7,223                      | 7,223             | 16,023            | Allocated on staff time       |
| Legal & professional fees         | -                      | 22,589                     | 22,589            | 5,661             | Allocated on staff time       |
| Bank charges                      | -                      | 804                        | 804               | 1,120             | Allocated on staff time       |
|                                   | <u>45,101</u>          | <u>30,616</u>              | <u>75,717</u>     | <u>83,045</u>     |                               |

**8. Other expenditure**

|                 | <b>Unrestricted Funds 2016</b> | <b>Unrestricted Funds 2015</b> |
|-----------------|--------------------------------|--------------------------------|
|                 | <b>£</b>                       | <b>£</b>                       |
| Corporation tax | -                              | 5,356                          |
|                 | <u>-</u>                       | <u>5,356</u>                   |

The notes on pages 17 to 30 form part of these accounts.

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

**9. Net incoming resources for the year**

This is stated after charging:

|                                     | <b>2016</b>  | 2015          |
|-------------------------------------|--------------|---------------|
|                                     | £            | £             |
| Depreciation                        | <b>8,703</b> | 5,021         |
| Auditors' remuneration:             |              |               |
| - audit of the financial statements | <b>7,223</b> | 16,023        |
|                                     | <u>7,223</u> | <u>16,023</u> |

**10. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

**Total staff costs were as follows:**

|                                | <b>2016</b>           | 2015           |
|--------------------------------|-----------------------|----------------|
|                                | £                     | £              |
| Wages and salaries             | <b>458,860</b>        | 498,609        |
| Social security costs          | <b>32,752</b>         | 44,517         |
| Employer pension contributions | <b>49,741</b>         | 58,348         |
| Pension deficit                | <b>80,000</b>         | 50,000         |
| Pension adjustment             | <b>(5,003)</b>        | (28,000)       |
| Agency and associate costs     | -                     | 9,034          |
| Redundancy costs               | -                     | 68,226         |
|                                | <u><b>616,350</b></u> | <u>700,734</u> |

No employees were in receipt of remuneration exceeding £60,000 (2015: Nil).

The charity trustees were not paid or received any other benefits from employment with the Charity in the year (2015: £nil). They were reimbursed travel expenses and provided with allowances during the year totalling £8,617 (2015: £10,048). No charity trustee received payment for professional or other services supplies to the charity (2015: £nil).

The key management personnel of the charity comprise the Trustees, Chief Executive, Director of Rural Affairs, Director of Corporate Services and Director of Programmes. The total employee benefits of the key management personnel of the charity total £192,422 (2015: £208,763).

**The notes on pages 17 to 30 form part of these accounts.**

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

**11. Staff numbers**

The average monthly head count during the year were as follows:

|                            | <b>2016</b>      | <b>2015</b> |
|----------------------------|------------------|-------------|
|                            | <b>No</b>        | <b>No</b>   |
| Corporate services         | <b>4</b>         | 4           |
| Programmes and Operations  | <b>5</b>         | 5           |
| Rural and Regional Affairs | <b>7</b>         | 7           |
|                            | <u><b>16</b></u> | <u>16</u>   |

**12. Related party transactions**

None of the board members, members of the key management staff or other related parties has undertaken any material transactions with The Northern Ireland Rural Development Council during the year other than the payment of salaries and reimbursement of expenses as noted in note 10.

**13. Tangible fixed assets**

|                         | <b>Freehold<br/>Property<br/>£</b> | <b>Fixtures &amp;<br/>fittings<br/>£</b> | <b>Total<br/>£</b>    |
|-------------------------|------------------------------------|--|-----------------------|
| <b>Cost</b>             |                                    |  |                       |
| At 1 April 2015         | -                                  | 178,168                                  | 178,168               |
| Additions               | 190,000                            | 9,703                                    | 199,703               |
| Disposals               | -                                  | (102,287)                                | (102,287)             |
| <b>At 31 March 2016</b> | <u><b>190,000</b></u>              | <u><b>85,584</b></u>                     | <u><b>275,584</b></u> |
| <b>Depreciation</b>     |                                    |  |                       |
| 1 April 2015            | -                                  | 176,498                                  | 176,498               |
| Charge for the year     | 3,800                              | 4,903                                    | 8,703                 |
| Elimination on disposal | -                                  | (102,287)                                | (102,287)             |
| <b>At 31 March 2016</b> | <u><b>3,800</b></u>                | <u><b>79,114</b></u>                     | <u><b>82,914</b></u>  |
| <b>Net Book Value</b>   |                                    |  |                       |
| <b>At 31 March 2016</b> | <u><b>186,200</b></u>              | <u><b>6,470</b></u>                      | <u><b>192,670</b></u> |
| At 31 March 2015        | <u>-</u>                           | <u>1,670</u>                             | <u>1,670</u>          |

The notes on pages 17 to 30 form part of these accounts.



**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

**14. Debtors**

|                     | <b>2016</b>           | 2015           |
|---------------------|-----------------------|----------------|
|                     | £                     | £              |
| Trade debtors       | <b>183,823</b>        | 382,125        |
| Prepayments         | <b>3,968</b>          | 2,550          |
| Interest receivable | <b>7,000</b>          | 7,000          |
| Other debtors       | <b>12,904</b>         | 752            |
|                     | <u><b>207,695</b></u> | <u>392,427</u> |

**15. Creditors: Amounts falling due within one year**

|                            | <b>2016</b>           | 2015           |
|----------------------------|-----------------------|----------------|
|                            | £                     | £              |
| Bank overdrafts            | -                     | -              |
| Trade creditors            | <b>63,237</b>         | 192,420        |
| Other creditors            | <b>900</b>            | -              |
| Accruals                   | <b>45,630</b>         | 29,244         |
| Grants received in advance | <b>45,000</b>         | 95,417         |
| Corporation tax            | -                     | -              |
| VAT                        | -                     | 30,590         |
|                            | <u><b>154,767</b></u> | <u>347,671</u> |

**16. Deferred income**

|                          | <b>2016</b>          | 2015          |
|--------------------------|----------------------|---------------|
|                          | £                    | £             |
| Balance at 1 April 2015  | <b>95,417</b>        | 153,507       |
| Amount released in year  | <b>(50,417)</b>      | (108,507)     |
| Amount deferred in year  | -                    | 50,417        |
|                          | <u><b>45,000</b></u> | <u>95,417</u> |
| Balance at 31 March 2016 | <u><b>45,000</b></u> | <u>95,417</u> |

**17. Creditors: Amounts falling due after more than one year**

|                                | <b>2016</b>             | 2015             |
|--------------------------------|-------------------------|------------------|
|                                | £                       | £                |
| Defined benefit pension scheme | <u><b>1,331,000</b></u> | <u>1,816,000</u> |

The notes on pages 17 to 30 form part of these accounts.

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

**18. Unrestricted income funds**

|               | Balance at<br>1 April 2015<br>£ | Income<br>£ | Expenditure<br>£ | Actuarial<br>gain/(loss)<br>£ | Transfers<br>£ | Balance at 31<br>March 2016<br>£ |
|---------------|---------------------------------|-------------|------------------|-------------------------------|----------------|----------------------------------|
| General Funds | (326,253)                       | 211,210     | (271,452)        | 480,000                       | (94,354)       | (849)                            |

**19. Restricted income funds**

|                  | Balance at<br>1 April 2015<br>£ | Income<br>£    | Expenditure<br>£ | Transfers<br>£ | Balance at<br>31 March 2016<br>£ |
|------------------|---------------------------------|----------------|------------------|----------------|----------------------------------|
| SIF/CWSAN        | -                               | 1,800          | (823)            | (977)          | -                                |
| UCAN             | -                               | 104,457        | (126,382)        | 21,925         | -                                |
| New Programmes   | -                               | -              | (33,284)         | 33,284         | -                                |
| IFI PYDP         | -                               | 30,610         | (37,379)         | 6,769          | -                                |
| RYE              | 50,417                          | 219,673        | (277,012)        | 6,922          | -                                |
| RYE Connect      | -                               | 64,319         | (90,594)         | 26,275         | -                                |
| Sperrins Gateway | -                               | 21,885         | (21,897)         | 12             | -                                |
| Muscat Prep      | -                               | (144)          | -                | 144            | -                                |
|                  | <u>50,417</u>                   | <u>442,600</u> | <u>(587,371)</u> | <u>94,354</u>  | <u>-</u>                         |

**20. Analysis of net assets between funds**

|                       | General<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total<br>2016<br>£ | Total<br>2015<br>£ |
|-----------------------|-----------------------|--------------------------|--------------------|--------------------|
| Tangible Fixed Assets | 192,670               | -                        | 192,670            | 1,670              |
| Current Assets        | 1,292,248             | -                        | 1,292,248          | 1,886,165          |
| Liabilities           | (1,485,767)           | -                        | (1,485,767)        | (2,163,671)        |
|                       | <u>(849)</u>          | <u>-</u>                 | <u>(849)</u>       | <u>(275,836)</u>   |

The notes on pages 17 to 30 form part of these accounts.

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

**21. Reconciliation of net movement in funds to net cash flow from operation activities**

|                                  | 2016             | 2015          |
|----------------------------------|------------------|---------------|
|                                  | £                | £             |
| Net movements in funds           | 253,253          | (497,498)     |
| Add back depreciation charge     | 8,703            | 5,021         |
| Deduct bank interest receivable  | (7,919)          | (10,943)      |
| Actuarial (gain)/loss            | (480,000)        | 421,000       |
| Deduct adjustment to pension     | (5,003)          | (69,000)      |
| Decrease/(increase) in debtors   | 184,732          | 489,403       |
| Increase/(decrease) in creditors | (171,167)        | (307,865)     |
|                                  | <u>(217,401)</u> | <u>30,118</u> |

**22. Pension scheme**

The disclosures below relate to the funded liabilities within the Northern Ireland Local Government Officers' Pension Fund ('the fund') which is part of the Local Government Pension Scheme (Northern Ireland) (the 'LGPS') and The Northern Ireland Rural Development Council participates in. The LGPS is a funded defined benefit plan with benefits earned up to 31 March 2015 being linked to final salary. Benefits after 31 March 2016 are based on a Career Average Revalued Earnings scheme. Details of the benefits earned over the period covered by this disclosure are set out in 'The local Government Pension Scheme Regulations (Northern Ireland) 2014' and 'The Local Government Pension Scheme (Amendment and Transitional Provisions) Regulations (Northern Ireland) 2014'.

Under FRS102, The Northern Ireland Rural Development Council is required to account for their share of the underlying assets and liabilities of the scheme.

The funded nature of the LGPS requires participating employers and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid is set out in the LGPS Regulations (Northern Ireland) 2014 and the Fund's Funding Strategy Statement. The last actuarial valuation was at 31 March 2013 and the contributions to be paid until 31 March 2017 resulting from that valuation are set out in the Fund's Rates and Adjustment Certificate. An actuarial valuation of the Fund will be carried out at 31 March 2016 and as part of that valuation a new Rates and Adjustment Certificate will be produced for the three year period from 1 April 2017.

| <b>Key Assumptions</b>            | <b>2016</b>   | <b>2015</b>   |
|-----------------------------------|---------------|---------------|
|                                   | <b>% p.a.</b> | <b>% p.a.</b> |
| Discount rate                     | 3.5           | 3.2           |
| RPI Inflation                     | 2.9           | 2.9           |
| CPI Inflation                     | 1.8           | 1.8           |
| Pension Increases                 | 1.8           | 1.8           |
| Pension accounts revaluation rate | 1.8           | 1.8           |
| Salary increases                  | 3.3           | 3.3           |

The notes on pages 17 to 30 form part of these accounts.

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

The allocation of assets attributable to The Northern Ireland Rural Development Council are analysed as follows:

| <b>Asset Allocation</b> | <b>2016</b>   | <b>2015</b>   |
|-------------------------|---------------|---------------|
|                         | <b>% p.a.</b> | <b>% p.a.</b> |
| Equities                | 71.9          | 73.0          |
| Property                | 13.2          | 12.6          |
| Government bonds        | 5.7           | 5.7           |
| Corporate bonds         | 6.4           | 6.5           |
| Cash                    | 2.3           | 2.0           |
| Other                   | 0.5           | 0.2           |
| <b>Total</b>            | <b>100%</b>   | <b>100%</b>   |

| <b>Reconciliation of funded status to balance sheet</b>  | <b>2016</b>    | <b>2015</b>    |
|--|----------------|----------------|
|  | <b>£m.</b>     | <b>£m</b>      |
| Fair value of assets                                     | 4.566          | 4.397          |
| Present value of funded defined benefit obligation       | 5.897          | 6.213          |
| Funded status  | (1.331)        | (1.816)        |
| Unrecognised asset due to limit in para 64               | 0.0            | 0.0            |
| <b>Asset/(liability) recognised on the balance sheet</b> | <b>(1.331)</b> | <b>(1.816)</b> |

The split of the liabilities at the last valuation between the various categories of members is as follows:

|                     |     |
|---------------------|-----|
| Active members      | 36% |
| Deferred Pensioners | 31% |
| Pensioners          | 33% |

| <b>Amounts recognised in Statement of Financial Activities</b> | <b>2016</b>  | <b>2015</b>  |
|--|--------------|--------------|
|  | <b>£m.</b>   | <b>£m</b>    |
| <b>Operating cost</b>  |              |              |
| Current service cost   | 0.068        | 0.081        |
| Past service cost  | 0.000        | 0.000        |
| Curtailment cost   | 0.000        | 0.000        |
| Settlement cost  | 0.000        | 0.000        |
| <b>Financing cost</b>  |              |              |
| Interest on net defined benefit liability/(asset)              | 0.056        | 0.060        |
| <b>Asset/(liability) recognised on the balance sheet</b>       | <b>0.124</b> | <b>0.141</b> |

| <b>Amounts recognised Actuarial gains/(losses) on the Statement of Financial Activities</b> | <b>2016</b>  | <b>2015</b>    |
|---|--------------|----------------|
|   | <b>£m.</b>   | <b>£m</b>      |
| Assets gains/(losses) arising during the period   | (0.015)      | 0.340          |
| Liability gains/(losses) arising during the period  | 0.495        | (0.661)        |
| <b>Total amount recognised in other comprehensive income</b>                                | <b>0.480</b> | <b>(0.321)</b> |

The notes on pages 17 to 30 form part of these accounts.

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

| <b>Changes to the present value of the defined benefit obligation</b> | <b>2016</b>  | <b>2015</b>  |
|---|--------------|--------------|
|   | <b>£m.</b>   | <b>£m</b>    |
| Opening defined benefit obligation                                    | 6.213        | 5.325        |
| Current service cost  | 0.068        | 0.081        |
| Interest expense on defined benefit obligation                        | 0.197        | 0.227        |
| Contributions by participants   | 0.020        | 0.024        |
| Actuarial (gains)/losses on liabilities                               | (0.495)      | 0.661        |
| Net benefits paid out   | (0.106)      | (0.105)      |
| Past service cost   | 0.000        | 0.000        |
| Curtailment cost  | 0.000        | 0.000        |
| Net increase in liabilities from disposals/acquisitions               | 0.000        | 0.000        |
| Settlements   | 0.000        | 0.000        |
| <b>Closing defined benefit obligation</b>                             | <b>5.897</b> | <b>6.213</b> |

| <b>Changes to the fair value of assets</b>         | <b>2016</b>  | <b>2015</b>  |
|--|--------------|--------------|
|  | <b>£m.</b>   | <b>£m</b>    |
| Opening fair value of assets                       | 4.397        | 3.861        |
| Interest income on assets                          | 0.141        | 0.167        |
| Remeasurement gains/(losses) on assets             | (0.015)      | 0.340        |
| Contributions by the employer                      | 0.129        | 0.110        |
| Contributions by participants                      | 0.020        | 0.024        |
| Net benefits paid out                              | (0.106)      | (0.105)      |
| Net increase in assets from disposals/acquisitions | 0.000        | 0.000        |
| Settlements  | 0.000        | 0.000        |
| <b>Closing defined benefit obligation</b>          | <b>4.566</b> | <b>4.397</b> |

| <b>Actual returns on assets</b> | <b>2016</b>  | <b>2015</b>  |
|---------------------------------|--------------|--------------|
|                                 | <b>£m.</b>   | <b>£m</b>    |
| Interest income on assets       | 0.141        | 0.167        |
| Gain/(loss) on assets           | (0.015)      | 0.340        |
| <b>Actual return on assets</b>  | <b>0.126</b> | <b>0.507</b> |

**23. Legal status of the Charity**

Each of the members of the company has guaranteed to contribute to the assets of the company in the event of the same being wound up to the extent of £1.

**24. Corporation Taxation**

The company was recognised as a charity by HM Revenue and Customs effective 1<sup>st</sup> November 2015. Trading activities prior to this date have been accounted for corporation tax purposes. From 1<sup>st</sup> November 2015 the charitable company's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge accounted from this date forward.

The notes on pages 17 to 30 form part of these accounts.

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL  
(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2016**

**25. Going concern**

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The company had net liabilities of £849 as at 31 March 2016 due to the defined benefit pension scheme liability. As stated in note 22, the next formal valuation of the scheme will have an effective date of 31 March 2016 with the results expected early 2017. Following this valuation, the pension scheme trustees may direct participating employers to increase their contributions from March 2016 which would have a negative impact on the company's operating performance.

The charitable company's surplus after actuarial gains for the year ended 31 March 2016 was a positive result. The pension scheme deficit is not a short term liability and should be met in the long term by a combination of contributions and the underlying investment performance of the scheme's assets. The directors have no intention of taking any action that would trigger immediate crystallisation of the pension scheme liability.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

**26. APB Ethical Standard – Provisions available for small entities**

In common with many other organisations of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

**The notes on pages 17 to 30 form part of these accounts.**

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**  
**MANAGEMENT INFORMATION**  
**YEAR ENDED 31 MARCH 2016**

**The following pages do not form part of the statutory accounts  
which are the subject of the independent auditor's report on page 12/13.**

**The notes on pages 17 to 30 form part of these accounts.**

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**

**DETAILED INCOME & EXPENDITURE**

**YEAR ENDED 31 MARCH 2016**

|   | <b>2016</b>           |   | <b>2015</b>             |
|---|-----------------------|---|-------------------------|
|   | £                     | £ | £                       |
| <b>Income</b>                                 |                       |   |                         |
| <b>Donations and legacies</b>                 |                       |   |                         |
| Subscriptions & other contributions           | 200                   |   | 2,030                   |
|   | <u>200</u>            |   | <u>2,030</u>            |
| <b>Income from charitable activities</b>      |                       |   |                         |
| Department of Agriculture & Rural Development | 404,869               |   | 675,593                 |
| International Fund for Ireland                | 30,610                |   | -                       |
| SEUPB BRIC                                    | -                     |   | 660,727                 |
| Department of Learning                        | 104,457               |   | -                       |
| Council Strategies                            | 19,315                |   | -                       |
| CFNI  | 3,333                 |   | 8,333                   |
| Axis 1  | 18,965                |   | 75,091                  |
| SLA   | 21,885                |   | 4,497                   |
| European Commission                           | 34,651                |   | -                       |
| POBAL   | -                     |   | 132,006                 |
| Rural Proofing                                | -                     |   | 375                     |
| ISO Grant                                     | -                     |   | 2,813                   |
| Village Renewal                               | -                     |   | 10,446                  |
| Other grants                                  | 2,250                 |   | 150                     |
|   | <u>640,335</u>        |   | <u>1,570,031</u>        |
| <b>Income from investments</b>                |                       |   |                         |
| Bank interest                                 | 7,919                 |   | 10,943                  |
|   | <u>7,919</u>          |   | <u>10,943</u>           |
| <b>Other income</b>                           |                       |   |                         |
| Corporation tax refund                        | 5,356                 |   | -                       |
| Other income                                  | -                     |   | 11,500                  |
|   | <u>5,356</u>          |   | <u>11,500</u>           |
| <b>Total Income</b>                           | <u><b>653,810</b></u> |   | <u><b>1,594,504</b></u> |

The notes on pages 17 to 30 form part of these accounts.



**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**  
**DETAILED INCOME & EXPENDITURE**

**YEAR ENDED 31 MARCH 2016**

|   | 2016             | 2015               |
|---|------------------|--------------------|
|   | £                | £                  |
| <b>Expenditure</b>                          |                  |                    |
| <b>Expenditure on charitable activities</b> |                  |                    |
| Wages & salaries                            | (469,878)        | (543,127)          |
| Employer pension contributions              | (49,742)         | (58,348)           |
| Pension deficit contributions               | (80,000)         | (50,000)           |
| Pension adjustment                          | 5,003            | 28,000             |
| Redundancy costs                            | -                | (68,226)           |
| Agency costs                                | -                | (9,034)            |
| Council attendance allowance                | (6,200)          | (7,300)            |
| Programme Ai Services                       | (10,789)         | (87,075)           |
| Grants paid out                             | (71,704)         | (320,239)          |
| Programme promotional costs                 | (9,705)          | (42,630)           |
| Travel & subsistence                        | (17,293)         | (24,474)           |
| Event costs                                 | (28,958)         | (30,082)           |
| External evaluation                         | (5,353)          | -                  |
| Training for beneficiaries                  | (8,236)          | (302,402)          |
| Study visits                                | (10,294)         | -                  |
| Mentoring support & development             | (98)             | (1,000)            |
| Printing, publishing & stationery           | (4,739)          | (7,627)            |
| Telephone & postage                         | (4,880)          | (13,915)           |
| Repairs & maintenance                       | (15,172)         | (18,292)           |
| Rent & rates                                | (17,501)         | (39,963)           |
| Light & Heat                                | (3,456)          | (5,040)            |
| Training & development                      | (863)            | (797)              |
| Cleaning                                    | (1,549)          | (4,589)            |
| Insurance                                   | (4,020)          | (3,673)            |
| Dues & Subscriptions                        | (1,047)          | (2,019)            |
| Sundry expenses                             | (4,633)          | (1,376)            |
| Foreign exchange (gain)/loss                | 2,442            | (8,517)            |
| Depreciation                                | (8,703)          | (5,021)            |
| External audit services                     | (7,223)          | (7,223)            |
| Internal audit services                     | -                | (8,800)            |
| Legal & professional fees                   | (23,389)         | (21,737)           |
| Bank charges                                | (843)            | (1,120)            |
|   | <b>(858,823)</b> | <b>(1,665,646)</b> |

The notes on pages 17 to 30 form part of these accounts.

**THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL**  
**(A company limited by guarantee)**

**DETAILED INCOME & EXPENDITURE**

**YEAR ENDED 31 MARCH 2016**

|   | 2016             |                    | 2015               |
|---|------------------|--------------------|--------------------|
|   | £                | £                  | £                  |
| <b>Other expenditure</b>                                  |                  |                    |                    |
| Corporation tax   | -                | -                  | (5,356)            |
|   | <u>-</u>         | <u>-</u>           | <u>(5,356)</u>     |
| <b>Total Expenditure</b>                                  | <b>(858,823)</b> | <b>(1,671,002)</b> | <b>(1,671,002)</b> |
| Actuarial gains/losses on defined benefit pension schemes | <b>480,000</b>   | <b>480,000</b>     | <b>(421,000)</b>   |
| <b>Net movements in funds</b>                             | <b>274,987</b>   | <b>274,987</b>     | <b>(497,498)</b>   |

The notes on pages 17 to 30 form part of these accounts.