

Charity registration number NIC101444

**THE PRESBYTERIAN CHILDREN'S SOCIETY  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>President</b>	Rev Dr J I Thompson, MBE, TD, DL, BSc, BD, MTh, DMin
<b>Vice President</b>	Mr W N Bennett BSc (Econ) Hons, IPFA
<b>Honorary Secretary</b>	Mr N W Todd, BEd, MA, MSc
<b>Honorary Treasurer</b>	Mr I McMinn, MBE
<b>Governors</b>	Rev Dr L E Carroll, BA, BD, PhD, LLCM Mr B Corry, ACII, DipPFS Mrs H Hamilton, BSc (Econ), ACA Mr C Kerr, QFSM, DL, BA, MSc Rev P A McBride, BEd, BD His Honour J A H Martin, LLB, DipLAW, BL, KC Mrs H Morrow, BA, FCA Rev T C Morrison, BA, BD Mrs J E Wilson, MB, BCh, BAO, MRCGP Mrs V McGuffin, M Inst LM Rev T J Stothers, BSc, BD, MTh Rev M E Donald, BEd, MEd, DipMin, MDIV, CF Mr L Conway, OBE, FCIM, DipSW, CQSW Rev C McKibbin, BD, DipMin
<b>Responsible for day to day administration of the charity</b>	Mr J G Nicholson, BA (Hons)
<b>Charity number</b>	NIC101444
<b>Registered office</b>	Glengall Exchange 3 Glengall Street Belfast BT12 5AB
<b>Auditor</b>	Harbinson Mulholland Centrepont 24 Ormeau Avenue Belfast BT2 8HS
<b>Bankers</b>	Danske Bank Donegall Square West Belfast Co. Antrim Northern Ireland BT1 6JS
<b>Solicitors</b>	Carson McDowell Solicitors Murray House Murray Street Belfast BT1 6DN

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# THE PRESBYTERIAN CHILDREN'S SOCIETY

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# THE PRESBYTERIAN CHILDREN'S SOCIETY

## GOVERNORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2023

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The Governors present their report and the audited financial statements for the year ended 31 December 2023.

The financial statements comply 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).

#### **Purpose and Aims**

The Society's purposes are outlined as follows:

- a. Making Grants for or towards the education and maintenance of children selected as outlined in the grant making procedure. The benefit that flows from this is that the well-being of children and their families is enhanced by basic financial needs being addressed and/or poverty alleviated. An annual means testing procedure ensures families are in need of assistance and therefore will benefit from the financial grants provided. The Society invites applications for the funding of grants to individuals through their ministers. These applications are then reviewed against specific criteria and objectives which are set by the Governors, in accordance with the objects of the Society.
  
- a. In addition to the above, a further purpose is caring for and supporting children in need whether material, physical, mental, emotional and spiritual and promoting their material, physical, mental, emotional and spiritual development whether through their families, Church or community or otherwise howsoever that they may grow to full maturity as individuals and members of society. The benefit that flows from this purpose is that the well-being of families and their children is enhanced by schemes which are financially supported by the Society. The Society's funding provides opportunities for children and their families to develop materially, physically, mentally, emotionally, and spiritually.

#### **Objective, Performance and Achievements**

The 2023 objectives included the following:

- supporting around 910 Presbyterian children and young people by way of quarterly and special grants;
- increasing the quarterly grants (where possible) by at least the inflation rate;
- supporting Presbyterian children and young people by way of exceptional grants;
- supporting eligible Presbyterian families to attend the PCI Family Holiday;
- supporting a programme of educational workshops in partnership with Eden Consultancy for parents, carers and leaders across a range of subjects including autism, behavioural support and anxiety in young people.

There was a substantial level of attainment in relation to major objectives during the year to 31 December 2023.

During 2023 the number of young people being helped by the Society was comparable to the previous year. At 1 January 2023 the number was 889 and at 31 December it was 911.

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
Young people on roll at 1 January	865	851
Added during the year	129	118
Coming off during the year	91	132
	<hr/>	<hr/>
Young people on roll at 31 December	889	851
Young people awaiting selection	22	38
	<hr/>	<hr/>
Total young people being helped	911	889

The backgrounds of young people on the roll as at 31 December were as follows:

	<b>2023</b>		<b>2022</b>	
	<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>
Parents Separated/ Divorced	329	38	329	39
Parent(s) Deceased	172	19	169	20
Single Mothers	113	13	118	14
Parent(s) Disabled/ Chronically ill	92	10	88	10
Parent(s) Unemployed/ Low Income	128	14	108	13
Other	55	6	39	4
	<hr/>		<hr/>	
Total	889	100	851	100

The Governors were once again encouraged by the level of subscription income the Society received from Presbyterian congregations and individuals. Their consistent generosity, despite challenging economic circumstances, continues to inspire and demonstrates an unwavering support from across the Church for the Society's work.

The Board of Governors remain steadfastly committed to developing relevant projects which provide for the appropriate pastoral care and support of Presbyterian children and young people, and to encourage them to achieve their full potential.

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## GOVERNORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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#### Financial review

The net income for the year amounted to £130,599. Comparatively in 2022 this was net expenditure of £40,940.

The income for the year amounted to £1,025,567 (2022 - £862,455).

Grant expenditure to individuals decreased by 1.1% to £679,468 (2022 - £687,500).

In 2023 bequests totalled £187,932 (2022 - £16,727).

The Governors have been encouraged in the economic climate by the level of subscriptions of £351,202 (2022 - £363,948). These subscriptions, together with dividends, interest, and income from other sources, have ensured that the Society remains in a satisfactory financial position to carry out its charitable activities.

Investment management fees decreased by 5.9% to £60,445 (2022 - £64,285), governance costs increased by 13.0% to £139,856 (2022 - £123,755) and fundraising costs increased to £11,199 (2022 - £9,056). Fundraising costs accounted for 3.1% of subscription income (2022 - 2.5%).

#### Investment Policy

The Society's fund managers during the year were Sarasin & Partners LLP who were instructed to pursue a policy of maximising income whilst maintaining some capital growth. This policy is currently performed in accordance with the Society's ethical guidelines which states that there should be no direct investment in any company with a significant interest in alcohol, tobacco, gambling, indiscriminate weaponry or conventional weapons, pornography, or exploitative child labour. The Society's preference is for nil investment in any companies in the above sectors, but the size and complex nature of corporations means they may have unintended exposures to certain sectors. This may be a negligible part of their overall business, or they may be in the process of disposing of these operations. Therefore, the use of the significant interest criteria allows for these practical considerations. The parameters for equity investment uses a definition of significant interest as company that derive up to approximately 10% of turnover from the above list.

#### Reserves Policy

It is the policy of the Society to maintain unrestricted funds which are free reserves of the Society, at a level which equates to approximately one year's unrestricted expenditure. This provides sufficient funds to cover management and administration costs and respond to emergency applications for grants which arise from time to time.

#### Risk Management

The Governors have examined and assessed the major risks to which the Society is exposed, in particular, those related to the operations and finances of the Society and are satisfied that adequate systems are in place to mitigate any exposure to major risks. There is a formal risk assessment and documentation of process.

#### Going Concern

The Governors believe that there are no material uncertainties that cast significant doubt about the Society's ability to continue as a going concern and the financial statements have been prepared on this basis.

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## GOVERNORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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### **Administrative details and Governors**

Please refer to the legal and administrative information page for administrative details and a list of Governors.

### **Structure, Governance and Management**

#### **Governing document**

The Presbyterian Children's Society is registered as a charity with the Charity Commission for Northern Ireland (Registered Charity Number: NIC101444). The Society is governed by Scheme No. 58 under the Education Endowments (Ireland) Act 1885.

#### **Organisation**

A Board of Governors of 18 members has overall responsibility for the charity. Meeting bi-annually, the Board possess the authority to administer the charity and manage its day to day operations. However, daily management of the charity has been delegated to the Executive Secretary who is directly responsible and accountable to the Board.

#### **Appointment of Governors**

There is an informal structure for appointment and training of Governors. In determining the appropriateness of appointing a new Governor the charity considers the skills and willingness to serve of that individual.

#### **Pay policy for Governors and staff**

All Governors give their time freely and did not receive remuneration during the year. The pay of senior staff is reviewed annually.

#### **Related parties**

None of our Governors receive remuneration or any other benefit from their work with the charity. There were no related party transactions during the year.

#### **Plans for future periods**

The Society's work continues to be overseen by the Board of Governors and regular liaison in terms of strategic direction, and any matters critical to the Society's essential work, takes place between the Executive Secretary and the Honorary Officers appointed by the Board.

A formal strategic plan will be considered by the Board at a later date.

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## GOVERNORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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### **Disclosure of information to the auditors**

So far as each person who was a Governor at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Each Governor has taken all steps that he/she is obliged to take as a Governor in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

### **Auditors**

Harbinson Mulholland have expressed their willingness to continue in office as auditors. A resolution proposing their reappointment will be considered at the Society's Annual General Meeting.

The Governors' report was approved by the Board of Governors.



Mr J G Nicholson, BA (Hons)

**Executive Secretary**

Dated: 18-04-2024

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## STATEMENT OF GOVERNORS' RESPONSIBILITIES

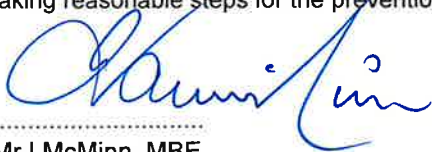
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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Governors are required to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Society and of the net movements in funds of the Society for that period. In preparing those financial statements, the Governors are required to:

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

The Governors are responsible for keeping proper accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Charities Act (Northern Ireland) 2008 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the 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) — (Charities SORP (FRS 102)). They are also responsible for safeguarding the assets of the Society and hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.



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Mr I McMinn, MBE

**Honorary Treasurer**

Dated: *18th April 2024*

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## INDEPENDENT AUDITOR'S REPORT

### TO THE GOVERNORS OF THE PRESBYTERIAN CHILDREN'S SOCIETY

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#### Opinion

We have audited the financial statements of The Presbyterian Children's Society (the 'Society') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, 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 United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act (NI) 2008.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' use of going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Governors with respect to going concern are described in the relevant sections of this report.

#### 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 Governors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

We have nothing to report in this regard.

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE GOVERNORS OF THE PRESBYTERIAN CHILDREN'S SOCIETY

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#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Governors' report; or
- sufficient accounting records have not been kept; 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.

#### **Responsibilities of Governors**

As explained more fully in the statement of Governors' responsibilities, the Governors 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 Governors 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 Governors are responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE GOVERNORS OF THE PRESBYTERIAN CHILDREN'S SOCIETY

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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 Charities Act (NI) 2008, 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.

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE GOVERNORS OF THE PRESBYTERIAN CHILDREN'S SOCIETY

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This report is made solely to the charity's members, as a body, in accordance with section 65 of the Charities Act (NI) 2008. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Angela Craigan

**Angela Craigan (Senior Statutory Auditor)**  
**for and on behalf of Harbinson Mulholland**  
**Chartered Accountants**  
**Statutory Auditor**

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

19/04/24

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Total 2022 £
<b>Income from:</b>					
Donations and legacies	3	191,434	-	191,434	22,075
Charitable activities	4	364,407	-	364,407	376,788
Investments	5	469,240	486	469,726	463,592
<b>Total income and endowments</b>		<b>1,025,081</b>	<b>486</b>	<b>1,025,567</b>	<b>862,455</b>
<b>Expenditure on:</b>					
Raising funds	6	71,644	-	71,644	73,341
Charitable activities	7	823,324	-	823,324	830,054
<b>Total resources expended</b>		<b>894,968</b>	<b>-</b>	<b>894,968</b>	<b>903,395</b>
Net gains/(losses) on investments	12	557,966	-	557,966	(1,618,443)
<b>Net movement in funds</b>		<b>688,079</b>	<b>486</b>	<b>688,565</b>	<b>(1,659,383)</b>
Fund balances at 1 January 2023		11,692,960	22,523	11,715,483	13,374,866
<b>Fund balances at 31 December 2023</b>		<b>12,381,039</b>	<b>23,009</b>	<b>12,404,048</b>	<b>11,715,483</b>

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

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 14 to 23 form part of these financial statements.

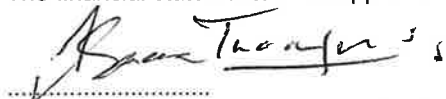
# THE PRESBYTERIAN CHILDREN'S SOCIETY

## BALANCE SHEET

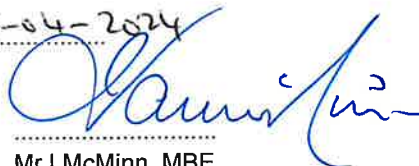
AS AT 31 DECEMBER 2023

	Notes	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		13,913		16,239
Investments	14		11,998,263		11,500,094
			<u>12,012,176</u>		<u>11,516,333</u>
<b>Current assets</b>					
Debtors	15	50,364		6,108	
Cash at bank and in hand		366,885		216,115	
		<u>417,249</u>		<u>222,223</u>	
<b>Creditors: amounts falling due within one year</b>	16	<u>(25,377)</u>		<u>(23,073)</u>	
Net current assets			<u>391,872</u>		<u>199,150</u>
<b>Total assets less current liabilities</b>			<u>12,404,048</u>		<u>11,715,483</u>
<b>Capital funds</b>					
Endowment funds	18		23,009		22,523
<b>Income funds</b>					
Unrestricted funds		12,378,762		11,690,683	
Revaluation reserve		<u>2,277</u>		<u>2,277</u>	
			<u>12,381,039</u>		<u>11,692,960</u>
			<u>12,404,048</u>		<u>11,715,483</u>

The financial statements were approved by the Governors on 18-04-2024



Rev Dr J I Thompson, MBE, TD, DL, BSc, BD, MTh, DMin  
President



Mr I McMinn, MBE  
Honorary Treasurer

The notes on pages 14 to 23 form part of these financial statements.

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

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	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	22		(378,755)		(499,996)
<b>Investing activities</b>					
Purchase of tangible fixed assets		-		(1,161)	
Purchase of investments		(13,238)		(12,463,978)	
Proceeds on disposal of investments		113,793		12,144,530	
Gains/(losses) on investments		(40,756)		379,776	
Dividends and interest received		469,726		463,592	
<b>Net cash generated from investing activities</b>			529,525		522,759
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			150,770		22,763
Cash and cash equivalents at beginning of year			216,115		193,352
<b>Cash and cash equivalents at end of year</b>			366,885		216,115

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The notes on pages 14 to 23 form part of these financial statements.

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## STATEMENT OF CASH FLOWS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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#### 1 Critical accounting estimates and judgements

In the application of the Society's accounting policies, the Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### 2 Accounting policies

##### Charity information

The Presbyterian Children's Society is a charity registered in Northern Ireland. The registered office is Glengall Exchange, 3 Glengall Street, Belfast, BT12 5AB.

##### 2.1 Accounting convention

The financial statements have been prepared in accordance with the Society's Constitution, the Charities Act (Northern Ireland) 2008 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Society is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations (Northern Ireland) 2015 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### 2.2 Going concern

At the time of approving the financial statements, the Governors have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. Thus the Governors continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 2.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Governors in furtherance of their charitable objectives unless the funds have been designated for other purposes. In addition to expenditure on orphans and children, such funds may be held in order to finance capital investment and working capital.

Designated funds are amounts set aside from unrestricted funds which have been 'earmarked' for particular purposes.

Endowment funds are funds given to the charity which must be held permanently by the charity, mainly as investments. Income arising on the endowment fund may be used in accordance with the objects of the endowment. Any capital gains or losses arising on the investments form part of the fund.

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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### 2 Accounting policies

(Continued)

#### 2.4 Income

Income is recognised when the Society is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Society has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Society has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

#### 2.5 Expenditure

Expenditure is recognised once there is a 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 activity headings. Where costs cannot be directly attributed to particular headings they have all been allocated to activities on a basis consistent with the use of the resources. Management and administration costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

#### 2.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Office Equipment	25% Reducing Balance or 20% Straight Line
Computer Equipment	50% Reducing Balance or 20% Straight Line
Ground Rents	0%

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 statement of financial activities.

#### 2.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

#### 2.8 Impairment of fixed assets

At each reporting end date, the Society reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 2.9 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.

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

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#### 2 Accounting policies

(Continued)

##### 2.10 Financial instruments

The Society has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Society's balance sheet when the Society becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the Society's contractual obligations expire or are discharged or cancelled.

##### 2.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Society is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### 2.12 Retirement benefits

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

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 3 Donations and legacies

	Unrestricted funds	Total
	2023	2022
	£	£
Donations and gifts	3,502	5,348
Legacies receivable	187,932	16,727
	<u>191,434</u>	<u>22,075</u>

#### 4 Charitable activities

	2023	2022
	£	£
Subscriptions	351,202	363,948
Estate of James Bell	19	19
Francis Curley Charitable Fund	12,221	11,258
Presbyterian Fire Insurance Trust	164	151
Rents	801	1,412
	<u>364,407</u>	<u>376,788</u>

#### 5 Investments

	Unrestricted funds	Endowment funds	Total	Total
	2023	2023	2023	2022
	£	£	£	£
Income from listed investments	464,514	486	465,000	463,000
Interest receivable	4,726	-	4,726	592
	<u>469,240</u>	<u>486</u>	<u>469,726</u>	<u>463,592</u>
<b>For the year ended 31 December 2022</b>	<u>463,106</u>	<u>486</u>	<u>463,592</u>	<u>463,592</u>

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 6 Expenditure on raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Fundraising and publicity	11,199	9,056
Investment management	60,445	64,285
Total costs	71,644	73,341

### 7 Charitable activities

	2023 £	2022 £
Staff costs	88,585	84,375
Depreciation and impairment	2,324	2,094
Quarterly regular grants	450,426	437,560
Interim grants	16,985	23,220
Summer/Winter bonus	153,170	150,590
Exceptional grants	58,857	76,130
Small groups grant scheme	4,918	15,446
Presbyterian family holiday	10,775	-
	786,040	789,415
Share of support costs (see note 8)	29,965	38,167
Share of governance costs (see note 8)	7,319	2,472
	823,324	830,054

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

### 8 Support costs

	Support costs	Governance costs	2023	2022
	£	£	£	£
Office rent	12,740	-	12,740	14,762
Currency loss	1,283	-	1,283	(1,948)
Printing and stationery	2,269	-	2,269	5,228
Postage	3,633	-	3,633	4,028
Telephone	2,997	-	2,997	2,775
Insurance	1,561	-	1,561	1,343
Miscellaneous office expenses	5,482	-	5,482	11,979
Audit fees	-	2,520	2,520	2,472
Legal and professional	-	4,799	4,799	-
	<u>29,965</u>	<u>7,319</u>	<u>37,284</u>	<u>40,639</u>
Analysed between				
Charitable activities	<u>29,965</u>	<u>7,319</u>	<u>37,284</u>	<u>40,639</u>

### 9 Governors

None of the Governors (or any persons connected with them) received any remuneration or benefits from the Society during the year.

### 10 Employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
	4	4
	<u>4</u>	<u>4</u>
<b>Employment costs</b>	<b>2023</b>	<b>2022</b>
	£	£
Wages and salaries	67,730	63,834
Social security costs	13,118	12,902
Other pension costs	7,737	7,639
	<u>88,585</u>	<u>84,375</u>

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

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 10 Employees (Continued)

##### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	42,486	41,440

#### 11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

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

	Unrestricted funds	Total
	2023 £	2022 £
Revaluation of investments	557,966	(1,618,443)

#### 13 Tangible fixed assets

	Office Equipment £	Computer Equipment £	Ground Rents £	Total £
<b>Cost</b>				
At 1 January 2023	13,943	17,812	21,908	53,663
Disposals	(1,468)	-	-	(1,468)
At 31 December 2023	12,475	17,812	21,908	52,194
<b>Depreciation and impairment</b>				
At 1 January 2023	12,452	12,564	12,408	37,424
Depreciation charged in the year	712	1,613	-	2,325
Eliminated in respect of disposals	(1,468)	-	-	(1,468)
At 31 December 2023	11,696	14,177	12,408	38,281
<b>Carrying amount</b>				
At 31 December 2023	779	3,634	9,500	13,913
At 31 December 2022	1,491	5,248	9,500	16,239

#### 14 Fixed asset investments

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

14 Fixed asset investments	(Continued)	
	Listed investments £	
<b>Cost or valuation</b>		
At 1 January 2023		11,500,094
Additions		13,238
Unrealised gains		598,723
Disposals		(113,792)
		<hr/>
At 31 December 2023		11,998,263
		<hr/>
<b>Carrying amount</b>		
At 31 December 2023		11,998,263
		<hr/> <hr/>
At 31 December 2022		11,500,094
		<hr/> <hr/>
<b>15 Debtors</b>	<b>2023</b>	<b>2022</b>
	£	£
<b>Amounts falling due within one year:</b>		
Other debtors	48,635	4,570
Prepayments and accrued income	1,729	1,538
	<hr/>	<hr/>
	50,364	6,108
	<hr/> <hr/>	<hr/> <hr/>
<b>16 Creditors: amounts falling due within one year</b>	<b>2023</b>	<b>2022</b>
	£	£
Other creditors	398	-
Accruals and deferred income	24,979	23,073
	<hr/>	<hr/>
	25,377	23,073
	<hr/> <hr/>	<hr/> <hr/>

### 17 Retirement benefit schemes

#### Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £7,737 (2022 - £7,639).

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 18 Endowment funds

Endowment funds represent assets which must be held permanently by the Society. Income arising on the endowment funds can be used in accordance with the objects of the Society and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	At 1 January 2023	Incoming resources	At 31 December 2023
	£	£	£
<b>Permanent endowments</b>	22,523	486	23,009
	<u>22,523</u>	<u>486</u>	<u>23,009</u>
<b>Previous year:</b>	<b>At 1 January 2022</b>	<b>Incoming resources</b>	<b>At 31 December 2022</b>
	£	£	£
<b>Permanent endowments</b>	22,037	486	22,523
	<u>22,037</u>	<u>486</u>	<u>22,523</u>

#### 19 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023	Incoming resources	Resources expended	Gains and losses	At 31 December 2023
	£	£	£	£	£
General funds	11,692,960	1,025,081	(894,968)	557,966	12,381,039
	<u>11,692,960</u>	<u>1,025,081</u>	<u>(894,968)</u>	<u>557,966</u>	<u>12,381,039</u>
<b>Previous year:</b>	<b>At 1 January 2022</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Gains and losses</b>	<b>At 31 December 2022</b>
	£	£	£	£	£
General funds	13,352,829	861,969	(903,395)	(1,618,443)	11,692,960
	<u>13,352,829</u>	<u>861,969</u>	<u>(903,395)</u>	<u>(1,618,443)</u>	<u>11,692,960</u>

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2023

#### 20 Analysis of net assets between funds

	Unrestricted funds	Endowment funds	Total	Total
	2023	2023	2023	2022
	£	£	£	£
Fund balances at 31 December 2023 are represented by:				
Tangible assets	13,913	-	13,913	16,239
Investments	11,998,263	-	11,998,263	11,500,094
Current assets/(liabilities)	391,872	-	391,872	199,150
	<u>12,404,048</u>	<u>-</u>	<u>12,404,048</u>	<u>11,715,483</u>

#### 21 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

#### 22 Cash generated from operations

	2023	2022
	£	£
Surplus/(deficit) for the year	688,565	(1,659,383)
Adjustments for:		
Investment income recognised in statement of financial activities	(469,726)	(463,592)
Fair value gains and losses on investments	(557,966)	1,618,443
Depreciation and impairment of tangible fixed assets	2,324	2,094
Movements in working capital:		
(Increase)/decrease in debtors	(44,256)	1,411
Increase in creditors	2,304	1,031
<b>Cash absorbed by operations</b>	<u>(378,755)</u>	<u>(499,996)</u>

# THE PRESBYTERIAN CHILDREN'S SOCIETY

## DETAILED STATEMENT OF FINANCIAL ACTIVITIES

**FOR THE YEAR ENDED 31 DECEMBER 2023**

This page does not form part of the statutory financial statements which are the subject of the independent auditor's report.

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Revenue Income</b>		
Subscriptions	351,201	363,948
Dividends and Interest	465,000	463,000
Charitable rental income	802	1,412
Bank Interest	4,726	592
Estate Of James Bell	19	19
Francis Curley Charitable Fund	12,221	11,258
Pres. Fire Insurance Trust	164	151
	<b>834,133</b>	<b>840,380</b>
<b>Legacies and donations</b>		
Legacies receivable	187,932	16,727
Donations and gifts	3,502	5,348
	<b>191,434</b>	<b>22,075</b>
<b>Total Revenue Income</b>	<b>1,025,567</b>	<b>862,455</b>
<b>Revenue Expenditure</b>		
Quarterly regular grants	450,426	437,560
Interim grants	16,985	23,220
Summer/Winter Bonus	153,170	150,590
Exceptional grants	58,857	76,130
Staff costs	88,585	84,375
Miscellaneous office expenses	5,482	11,979
Office rent	12,740	14,762
Printing and stationery	2,269	5,228
Fundraising	11,199	9,056
Audit fees	2,520	2,472
Postage	3,633	4,028
Telephone	2,997	2,775
Insurance	1,561	1,343
Investment management	60,445	64,285
Depreciation and impairment	2,324	2,094
Presbyterian family holiday	10,775	-
Small groups grant scheme	4,918	15,446
Currency loss	1,283	(1,948)
Legal and professional	4,799	-
	<b>894,968</b>	<b>903,395</b>
<b>Total Revenue Expenditure</b>	<b>894,968</b>	<b>903,395</b>
<b>Net incoming/(outgoing) resources for the year</b>	<b>130,599</b>	<b>(40,940)</b>