

Charity registration number XR21418

Company registration number NI033956 (Northern Ireland)

AN DROICHEAD LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

AN DROICHEAD LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Directors	N McMaster P Ó Duinnín M B Duffy M Canning L Glenn A Martin I McGowan M Engram	(Appointed 19 October 2022) (Appointed 1 June 2022) (Appointed 1 June 2022) (Appointed 1 June 2022) (Appointed 25 May 2023)
Secretary	P Ó Duinnín	
Charity number	XR21418	
Company number	NI033956	
Principal address	Larionad An Droichid 20 Cooke Street BELFAST BT7 2EP	
Registered office	Larionad An Droichid 20 Cooke Street BELFAST BT7 2EP	
Auditor	Kearney & Co 2nd Floor Donegall House 98-102 Donegall Street Belfast BT1 2W	
Bankers	Bank Of Ireland 306-310 Ormeau Road Belfast BT7 2GE	
Solicitors	Hewitt Gilpin Solicitors Thomas House 14-16 James Street South Belfast BT2 7GA	

AN DROICHEAD LIMITED

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AN DROICHEAD LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 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)

Reference and administrative details:

Directors	N McMaster P Ó Duinnín M B Duffy C O'Connell (Resigned 16th May 2023) L Glenn A Martin I McGowan M Canning M Engman (Appointed 25th May 2023)
Secretary	P Deeds (Resigned 23rd August 2023) P Ó Duinnín (Appointed 23rd August 2023)
Charity number	XR21418
Company number	NI033956
Principal address	Larionad An Droichid 20 Cooke Street BELFAST BT7 2EP
Registered office	Larionad An Droichid 20 Cooke Street BELFAST BT7 2EP
Auditor	Kearney & Co Donegall House 2nd Floor 98-102 Donegall Street Belfast BT1 2GW
Bankers	Bank Of Ireland 306-310 Ormeau Road Belfast BT7 2GE
Solicitors	Hewitt Gilpin Solicitors Thomas House 14-16 James Street South Belfast BT2 7GA

AN DROICHEAD LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Objectives and activities

The company's objects are specifically restricted to the promotion of the Irish language, arts and culture, the promotion and advancement of education through the medium of Irish language, and the promotion of the benefit of the inhabitants (*hereinafter called "the beneficiaries"*) who are resident in the South and East Belfast areas in particular but not exclusively (*hereinafter Called the "area of benefit"*) without distinction of age, gender, disability, sexual orientation, nationality, ethnic identity, political or religious opinion, by associating the statutory authorities, community and voluntary organisations and the inhabitants in a common effort to advance education and the promotion of Irish language and culture and to provide facilities in the interests of social welfare for recreation or other leisure-time occupation, with the object of improving the conditions of life for the said beneficiaries and in particular:

- a. to promote the benefit of the public and advance education in all matters relating to the Irish language, arts, music, crafts and Irish cultural heritage;
- b. to establish or secure or assist in the securing of the establishment of arts and cultural facilities and to maintain or manage or co-operate with any statutory authority in the maintenance and management of such facilities for activities promoted by the company in furtherance of the above objects;
- c. to maintain, develop and manage or co-operate with any local education authority or statutory body in the maintenance and management of pre-school, primary school, afterschool and youth facilities educational and recreational facilities through the medium of Irish in the interests of social welfare for children, young people and their parents;
- d. to provide and facilitate training for parents and carers of children in child development, parenting and other appropriate subjects;
- e. to promote or assist in promoting capacity building programmes and projects for the benefit of the inhabitants within the area of benefit who have need of such assistance as a result of their youth, age, disability or infirmity, or social and economic circumstances, in an effort to increase the abilities, skills, self-esteem and self-confidence of such communities in the area of benefit so that their conditions of life may be improved;
- f. to advance any other exclusively charitable purpose as the directors, may from time to time, decide in accordance with the law of charity.

AN DROICHEAD LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

The policies adopted in furtherance of these objects are

1. Inform statutory and voluntary agencies, government, the Irish speaking community, and the general public locally, regionally nationally and internationally and act as a forum for the promotion of discussion of research regarding all issues relevant to the Irish language and to groups, projects and initiatives in the area of benefit.
2. Provision of daycare, playgroup and afterschool facilities onsite through the medium of the Irish language.
3. Monitor and support the provision of educational research, facilities and practical assistance for Irish medium education, arts, community work and training projects in the area of benefit in the furtherance of the objects.
4. Provide, maintain and equip or assist in the provision, maintenance or equipment of facilities designed to carry out the objects of An Droichead.
5. Promote and carry out or assist in promoting and carrying out research, surveys, investigations and translations and publish the useful results thereof the research, collate and disseminate information from statutory, private sector or other sources relevant to the Irish language organisations and the general public, locally, regionally, nationally and internationally.
6. Organise or assist in organising meetings, lectures, classes, exhibitions, drama, talks, workshops, book launches, pamphlets, leaflets or other documents or communications in furtherance of objects.
7. Procure to be written and printed, published, issued, distributed and circulated reports, periodicals, books, pamphlets, leaflets or other documents or communications in furtherance of objects.
8. Obtain, collect and receive money by way of grants, donations, bequests, legacies or other lawful method, and make or disburse grants or loans for charitable purposes in furtherance of the above objects provided that An Droichead shall not undertake any substantial permanent trading activities.
9. Purchase, take on lease or hire, or otherwise acquire any real personal property and any rights or privileges necessary for the promotion of the above objects and construct, maintain or alter any buildings or erections which An Droichead may think necessary for the promotion of the objects.
10. Make any regulations for any property which may be so acquired.
11. Subject to any consents which may for the time being be required by law, sell, let, mortgage, dispose of or turn to account all or any of the property assets of An Droichead with a view to the furtherance of its objects.
12. Subject to such consents as may be required by law, receive money on deposit or loan, or borrow or raise money in such a manner as An Droichead shall think fit to change any part of the property of An Droichead with repayment of the money so borrowed.
13. Invest the moneys of An Droichead not immediately required for the furtherance of the objects in or upon such investments, securities or property as may be thought fit, subject nevertheless to such consents (if any) as may for the time being be imposed or required by law.
14. Recruit and train volunteers with relevant skills to carry out the objects of An Droichead.
15. Employ and pay any person (not being a member of the management committee) to supervise, organise and carry out the work of An Droichead and make all reasonable and necessary provision for the payment of remuneration to employees.
16. Encourage and organise co-operation between An Droichead and government agencies, local authorities, statutory bodies and voluntary and community bodies with similar aims in any part of the world in pursuit of the objects of An Droichead.

AN DROICHEAD LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

The Directors have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Financial review

An Droichead's income from day care fees continues to improve and has exceeded pre-Covid-19 pandemic levels.

Also cash balances have increased, net assets have been maintained and the Charity is able to maintain operating surplus.

An Droichead continues to rely upon grants and day care fees.

The directors plan a significant expansion of the day care provision through an extension of the premises.

The directors will continue with the provision of day care, playgroup facilities at its main site through the medium of the Irish language.

An Droichead has a risk management policy in place under which risks are identified and reviewed by management on a regular basis. Procedures are in place to manage the risks.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Directors consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Directors have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity is a company limited by guarantee incorporated on 2nd April 1998 and registered as a charity with The Charity Commission for Northern Ireland.

The company was established under a Memorandum of Association and is governed by its Articles of Association.

The Directors who served during the year and up to the date of signature of the financial statements were:

N McMaster

K O'Dowd

(Resigned 1 June 2022)

P Ó Duinnín

M B Duffy

S Hannity

(Resigned 1 June 2022)

C O'Connell

(Resigned 16 May 2023)

M Canning

(Appointed 19 October 2022)

L Glenn

(Appointed 1 June 2022)

A Martin

(Appointed 1 June 2022)

I McGowan

(Appointed 1 June 2022)

M Engram

(Appointed 25 May 2023)

AN DROICHEAD LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Recruitment and appointment of management committee

The directors of the company are also charity trustees for the purposes of Charity Law. Under the requirements of the Memorandum and Articles of Association directors are elected at an Annual General Meeting by the members (in person, or through an authorised representative or by proxy).

A retiring director shall, be eligible for re-nomination and election provided that no director shall serve more than four consecutive three year terms on the board. In the case of a retiring director who has served for a total period of twelve consecutive years, he/she shall not be eligible for re-election to serve as a director for any further period until at least 12 months has expired since the end of his/her ninth year in office.

All new directors receive in-house induction and training appropriate to their roles.

None of the Directors has any beneficial interest in the company. All of the Directors are members of the company and guarantee to contribute £1 in the event of a winding up.

Organisational Structure

An Droichead has a Management Committee, made up of Trustees, The Committee meets regularly and are responsible for the strategic direction and policy of the charity. The day to day responsibility for the provision of the services rests with the Chief Executive.

Key management personnel pay rates are agreed by the Trustees.

Auditor

The Board of An Droichead Limited approved re-appointment of Kearney & co as their auditor for the year.

AN DROICHEAD LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Disclosure of information to auditor

Each of the Directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Directors.



P Ó Duinnín

Secretary

Dated: 21 December 2023

AN DROICHEAD LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

The directors, who also act as trustees for the charitable activities of An Droichead Limited, are responsible for preparing the Trustees' 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 Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 charity will continue in operation.

The Directors are responsible for keeping adequate accounting records that 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.

AN DROICHEAD LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE DIRECTORS OF AN DROICHEAD LIMITED

Opinion

We have audited the financial statements of An Droichead Limited (the 'charity') for the year ended 31 March 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 charitable company's affairs as at 31 March 2023 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 United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charity 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 Trustees' use of the 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 a 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 Directors 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 Directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

AN DROICHEAD LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE DIRECTORS OF AN DROICHEAD LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

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

- 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 financial statements 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Directors

As explained more fully in the statement of Trustees' responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Directors are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

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



May Gibbons (Senior Statutory Auditor)
for and on behalf of Kearney & Co

21 December 2023

Chartered Accountants
Statutory Auditor

2nd Floor
Donegall House
98-102 Donegall Street
Belfast
BT1 2W

AN DROICHEAD LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income from:							
Donations and legacies	3	4,420	-	4,420	4,281	-	4,281
Charitable activities	4	657,978	357,392	1,015,370	542,624	267,662	810,286
Other trading activities	5	12,350	-	12,350	478	-	478
Total income		674,748	357,392	1,032,140	547,383	267,662	815,045
Charitable activities	6	626,382	357,392	983,774	525,920	267,662	793,582
Net income and movement in funds		48,366	-	48,366	21,463	-	21,463
Reconciliation of funds:							
Fund balances at 1 April 2022		251,282	-	251,282	229,819	-	229,819
Fund balances at 31 March 2023		299,648	-	299,648	251,282	-	251,282

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

AN DROICHEAD LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	11		509,739		538,446
Current assets					
Debtors	12	183,385		138,811	
Cash at bank and in hand		16,665		2,588	
		200,050		141,399	
Creditors: amounts falling due within one year	14	(61,546)		(54,495)	
Net current assets			138,504		86,904
Total assets less current liabilities			648,243		625,350
Creditors: amounts falling due after more than one year	15		(348,595)		(374,068)
Net assets			299,648		251,282
Income funds					
Unrestricted funds			299,648		251,282
			299,648		251,282

The financial statements were approved by the Directors on 21 December 2023

AN DROICHEAD LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2023

I McGowan
Trustee



Company Registration No. NI033956

AN DROICHEAD LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	19		30,783		(16,199)
Investing activities					
Purchase of tangible fixed assets		-		(19,842)	
Net cash used in investing activities			-		(19,842)
Financing activities					
Repayment of bank loans		(9,367)		(8,862)	
Net cash used in financing activities			(9,367)		(8,862)
Net increase/(decrease) in cash and cash equivalents			21,416		(44,903)
Cash and cash equivalents at beginning of year			(4,751)		40,152
Cash and cash equivalents at end of year			16,665		(4,751)
Relating to:					
Cash at bank and in hand			16,665		2,588
Bank overdrafts included in creditors payable within one year			-		(7,339)

AN DROICHEAD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

An Droichead Limited is a private company limited by guarantee incorporated in Northern Ireland. The registered office is Larionad An Droichid, 20 Cooke Street, BELFAST, BT7 2EP.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

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

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Directors in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity 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 charity 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 charity 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.

1.5 Expenditure

All expenditure is recognised on an accruals basis as a liability and is incurred and classified under headings that aggregate all cost related to the category.

Expenditure on charitable activities are costs incurred on the companies charitable operations including support costs and costs relating to the governance to the company apportioned to charitable activities.

AN DROICHEAD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost 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:

Land & Buildings	2% Straight line
Fixtures & Fittings	25% Straight line
Computers	25% Reducing balance

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.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible 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).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity 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 charity's balance sheet when the charity 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.

AN DROICHEAD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

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 charity's contractual obligations expire or are discharged or cancelled.

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

1.11 Retirement benefits

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

2 Critical accounting estimates and judgements

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised 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.

3 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	1,000	-
Membership fees	3,420	4,281
	<u>4,420</u>	<u>4,281</u>

AN DROICHEAD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Charitable activities

	2023	Charitable income 2023	Total 2023	2022
	£	£	£	£
Sale of goods	-	9,039	9,039	-
Day care fees	402,625	-	402,625	325,460
Other charitable income	-	-	-	12,960
Grants	603,706	-	603,706	471,866
	<u>1,006,331</u>	<u>9,039</u>	<u>1,015,370</u>	<u>810,286</u>
Analysis by fund				
Unrestricted funds	648,939	9,039	657,978	542,624
Restricted funds	357,392	-	357,392	267,662
	<u>1,006,331</u>	<u>9,039</u>	<u>1,015,370</u>	<u>810,286</u>

5 Income from other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Shop income	6,290	478
Sponsorships and social lotteries	6,060	-
	<u>12,350</u>	<u>478</u>

AN DROICHEAD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

6 Charitable activities expenditure

	Charitable Expenditure 2023 £	Charitable Expenditure 2022 £
Staff costs	644,435	483,488
Educational Res & Materials	14,085	30,764
Programme expenses	53,110	30,854
Minibus hire and travel expenses	17,230	9,100
Professional Fees	-	1,000
Other charitable expenditure	106,096	69,991
	<u>834,956</u>	<u>625,197</u>
Share of support costs (see note 7)	142,818	163,385
Share of governance costs (see note 7)	6,000	5,000
	<u>983,774</u>	<u>793,582</u>
Analysis by fund		
Unrestricted funds	626,382	525,920
Restricted funds	357,392	267,662
	<u>983,774</u>	<u>793,582</u>

AN DROICHEAD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	26,330	-	26,330	34,006	-	34,006
Depreciation	28,708	-	28,708	29,692	-	29,692
Training	1,824	-	1,824	1,333	-	1,333
Bank fees & charges	717	-	717	993	-	993
Loan interest	10,374	-	10,374	10,878	-	10,878
Heat, Light & Water	15,428	-	15,428	10,853	-	10,853
Telephone	2,019	-	2,019	1,578	-	1,578
Postage, stationery and advertising	27,255	-	27,255	19,924	-	19,924
Website costs	-	-	-	2,525	-	2,525
Subscriptions	3,191	-	3,191	1,795	-	1,795
Insurance	7,072	-	7,072	6,254	-	6,254
Repairs and maintenance	19,900	-	19,900	43,554	-	43,554
Accountancy fees	-	3,000	3,000	-	2,500	2,500
Audit fees	-	3,000	3,000	-	2,500	2,500
	<u>142,818</u>	<u>6,000</u>	<u>148,818</u>	<u>163,385</u>	<u>5,000</u>	<u>168,385</u>
Analysed between						
Charitable activities	<u>142,818</u>	<u>6,000</u>	<u>148,818</u>	<u>163,385</u>	<u>5,000</u>	<u>168,385</u>

Governance costs includes payments to the auditors of £3,000 (2022- £2,500) for audit fees.

8 Directors

None of the Directors received any remuneration or benefits from the charity during the year.

9 Employees

The average monthly number employees during the year was:

2023	2022
Number	Number
49	48
<u>49</u>	<u>48</u>

AN DROICHEAD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

9	Employees	(Continued)	
	Employment costs	2023	2022
		£	£
	Wages and salaries	541,334	440,459
	Social security costs	108,191	63,752
	Other pension costs	21,240	13,283
		<u>670,765</u>	<u>517,494</u>

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

10 Taxation

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

11 Tangible fixed assets

	Land & Buildings	Fixtures & Fittings	Computers	Total
	£	£	£	£
Cost				
At 1 April 2022	826,565	17,335	46,792	890,692
At 31 March 2023	<u>826,565</u>	<u>17,335</u>	<u>46,792</u>	<u>890,692</u>
Depreciation and impairment				
At 1 April 2022	319,030	9,648	23,567	352,245
Depreciation charged in the year	16,106	9,648	2,954	28,708
At 31 March 2023	<u>335,136</u>	<u>19,296</u>	<u>26,521</u>	<u>380,953</u>
Carrying amount				
At 31 March 2023	<u>491,429</u>	<u>(1,961)</u>	<u>20,271</u>	<u>509,739</u>
At 31 March 2022	<u>507,535</u>	<u>7,687</u>	<u>23,224</u>	<u>538,446</u>

12 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Other debtors	<u>63,385</u>	<u>18,811</u>

AN DROICHEAD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Debtors	(Continued)	
	2023	2022
	£	£
Amounts falling due after more than one year:		
Other debtors	120,000	120,000
	<u>120,000</u>	<u>120,000</u>
Total debtors	183,385	138,811
	<u>183,385</u>	<u>138,811</u>
13 Loans and overdrafts	2023	2022
	£	£
Bank overdrafts	-	7,339
Bank loans	164,226	173,593
	<u>164,226</u>	<u>173,593</u>
	<u>164,226</u>	<u>180,932</u>
Payable within one year	19,740	27,079
Payable after one year	144,486	153,853
	<u>144,486</u>	<u>153,853</u>
Amounts included above which fall due after five years:		
Payable by instalments	77,974	97,714
	<u>77,974</u>	<u>97,714</u>

A debenture over all company assets supported by a Fixed Charge over each Folio held including the AN Droichead Childcare facility at 20 Cooke Street, Belfast, BT7 2EP.

The term of the loan is 15 years, monthly repayments £1,645.

Interest will be variable, being calculated as the greater of the underlying Bank of England base rate plus 3%, or 6%.

14 Creditors: amounts falling due within one year

	Notes	2023	2022
		£	£
Bank loans and overdrafts	13	19,740	27,079
Other taxation and social security		9,874	-
Deferred capital grants		16,106	16,106
Other creditors		15,826	11,310
		<u>61,546</u>	<u>54,495</u>
		<u>61,546</u>	<u>54,495</u>

AN DROICHEAD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

15 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans	13	144,486	153,853
Deferred capital grants		204,109	220,215
		<u>348,595</u>	<u>374,068</u>

16 Retirement benefit schemes

Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £21,240 (2022 - £13,283).

17 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 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
General funds	251,282	674,748	(626,382)	299,648
	<u>251,282</u>	<u>674,748</u>	<u>(626,382)</u>	<u>299,648</u>
Previous year:	At 1 April 2021 £	Incoming resources £	Resources expended £	At 31 March 2022 £
General funds	229,819	547,383	(525,920)	251,282
	<u>229,819</u>	<u>547,383</u>	<u>(525,920)</u>	<u>251,282</u>

18 Related party transactions

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

AN DROICHEAD LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

19	Cash generated from operations	2023 £	2022 £
	Surplus for the year	48,365	21,463
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	28,708	29,692
	Movements in working capital:		
	(Increase) in debtors	(44,574)	(16,440)
	Increase/(decrease) in creditors	14,390	(34,808)
	(Decrease) in deferred income	(16,106)	(16,106)
	Cash generated from/(absorbed by) operations	30,783	(16,199)

20 Analysis of changes in net (debt)/funds

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	2,588	14,077	16,665
Bank overdrafts	(7,339)	7,339	-
	(4,751)	21,416	16,665
Loans falling due within one year	(19,740)	-	(19,740)
Loans falling due after more than one year	(153,853)	9,367	(144,486)
	(178,344)	30,783	(147,561)