

## Belfast South Network Company

### Statement of Financial Activities for the Year Ended 31 December 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Endowment funds £	Total 2022 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	8,698	-	8,698
Charitable activities	4	<u>54,921</u>	-	<u>54,921</u>
Total income		<u>63,619</u>	-	<u>63,619</u>
<b>Expenditure on:</b>				
Charitable activities	5	<u>(88,600)</u>	<u>(42,446)</u>	<u>(131,046)</u>
Total expenditure		<u>(88,600)</u>	<u>(42,446)</u>	<u>(131,046)</u>
Net expenditure		<u>(24,981)</u>	<u>(42,446)</u>	<u>(67,427)</u>
Net movement in funds		(24,981)	(42,446)	(67,427)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>96,058</u>	<u>1,470,446</u>	<u>1,566,504</u>
Total funds carried forward	16	<u><u>71,077</u></u>	<u><u>1,428,000</u></u>	<u><u>1,499,077</u></u>
	Note	Unrestricted funds £	Endowment funds £	Total 2021 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	13,608	-	13,608
Charitable activities	4	<u>57,205</u>	-	<u>57,205</u>
Total income		<u>70,813</u>	-	<u>70,813</u>
<b>Expenditure on:</b>				
Charitable activities	5	<u>(56,862)</u>	<u>(42,446)</u>	<u>(99,308)</u>
Total expenditure		<u>(56,862)</u>	<u>(42,446)</u>	<u>(99,308)</u>
Net income/(expenditure)		<u>13,951</u>	<u>(42,446)</u>	<u>(28,495)</u>
Net movement in funds		13,951	(42,446)	(28,495)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>82,107</u>	<u>1,512,892</u>	<u>1,594,999</u>
Total funds carried forward	16	<u><u>96,058</u></u>	<u><u>1,470,446</u></u>	<u><u>1,566,504</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The notes on pages 13 to 21 form an integral part of these financial statements.

**Belfast South Network Company**  
**(Registration number: NI603341)**  
**Balance Sheet as at 31 December 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	12	1,774,317	1,821,422
<b>Current assets</b>			
Debtors	13	12,958	16,305
Cash at bank and in hand	14	<u>37,846</u>	<u>55,692</u>
		50,804	71,997
<b>Creditors: Amounts falling due within one year</b>	15	<u>(326,044)</u>	<u>(326,915)</u>
<b>Net current liabilities</b>		<u>(275,240)</u>	<u>(254,918)</u>
<b>Net assets</b>		<u>1,499,077</u>	<u>1,566,504</u>
<b>Funds of the charity:</b>			
<b>Endowment</b>		1,428,000	1,470,446
<b>Unrestricted income funds</b>			
Unrestricted		<u>71,077</u>	<u>96,058</u>
<b>Total funds</b>	16	<u>1,499,077</u>	<u>1,566,504</u>

For the financial year ending 31 December 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 11 to 21 were approved by the trustees, and authorised for issue on 25 September 2023 and signed on their behalf by:

*Rev. E. Hyland*  
 .....  
 Reverend E Hyland  
 Chairperson  
 Trustee

## **Belfast South Network Company**

### **Notes to the Financial Statements for the Year Ended 31 December 2022**

#### **1 Charity status**

The charity is limited by guarantee, incorporated in Northern Ireland, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

236-266 Lisburn Road  
Belfast  
BT9 6GF

These financial statements were authorised for issue by the trustees on 25 September 2023.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

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). They also comply with the Companies Act 2006 and Charities Act (Northern Ireland) 2008.

##### **Basis of preparation**

Belfast South Network Company meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### **Going concern**

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

##### **Income and endowments**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

## **Belfast South Network Company**

### **Notes to the Financial Statements for the Year Ended 31 December 2022**

#### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

#### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### ***Expenditure***

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### ***Grant provisions***

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

#### ***Governance costs***

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### ***Government grants***

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

## Belfast South Network Company

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold property	2% straight line
Fixtures and fittings	10% straight line

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

## Belfast South Network Company

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

Endowment funds are funds which the company intends to keep and use for the charity's purposes. The endowment fund in the accounts comprises the company's equity in its freehold property.

#### **Financial instruments**

##### *Classification*

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

##### *Recognition and measurement*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## Belfast South Network Company

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 3 Income from donations and legacies

	Unrestricted funds	Endowment funds	Total 2022	Total 2021
	General £	Permanent £	£	£
Donations and legacies;				
Donations from individuals	60	-	60	630
Legacies	8,211	-	8,211	10,417
Grants, including capital grants;				
Government grants	427	-	427	2,561
	<u>8,698</u>	<u>-</u>	<u>8,698</u>	<u>13,608</u>

#### 4 Income from charitable activities

	Unrestricted funds	Endowment funds	Total 2022	Total 2021
	General £	Permanent £	£	£
Provision of community facilities	<u>54,921</u>	<u>-</u>	<u>54,921</u>	<u>57,205</u>

#### 5 Expenditure on charitable activities

	Unrestricted funds	Endowment funds	Total 2022	Total 2021
Note	General £	Permanent £	£	£
Provision of community facilities	54,384	-	54,384	35,122
Depreciation, amortisation and other similar costs	15,235	42,446	57,681	56,623
Grant funding of activities	10,000	-	10,000	-
Staff costs	7,531	-	7,531	6,113
Governance costs	1,450	-	1,450	1,450
	<u>88,600</u>	<u>42,446</u>	<u>131,046</u>	<u>99,308</u>

## Belfast South Network Company

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 6 Analysis of governance and support costs

##### Governance costs

	Unrestricted	Endowment	Total	Total
	General	Permanent	2022	2021
	£	£	£	£
Independent examiner fees				
Examination of the financial statements	1,450	-	1,450	1,450
	1,450	-	1,450	1,450

#### 7 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2022	2021
	£	£
Depreciation of fixed assets	57,681	56,623

#### 8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 9 Staff costs

The aggregate payroll costs were as follows:

	2022	2021
	£	£
<b>Staff costs during the year were:</b>		
Wages and salaries	7,531	6,113

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022	2021
	No	No
Administrative staff	1	1

No employee received emoluments of more than £60,000 during the year.

## Belfast South Network Company

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 10 Independent examiner's remuneration

	2022 £	2021 £
Examination of the financial statements	<u>1,450</u>	<u>1,450</u>

#### 11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 12 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
<b>Cost</b>			
At 1 January 2022	2,130,901	141,757	2,272,658
Additions	<u>-</u>	<u>10,576</u>	<u>10,576</u>
At 31 December 2022	<u>2,130,901</u>	<u>152,333</u>	<u>2,283,234</u>
<b>Depreciation</b>			
At 1 January 2022	339,368	111,868	451,236
Charge for the year	<u>42,446</u>	<u>15,235</u>	<u>57,681</u>
At 31 December 2022	<u>381,814</u>	<u>127,103</u>	<u>508,917</u>
<b>Net book value</b>			
At 31 December 2022	<u>1,749,087</u>	<u>25,230</u>	<u>1,774,317</u>
At 31 December 2021	<u>1,791,533</u>	<u>29,889</u>	<u>1,821,422</u>

#### 13 Debtors

	2022 £	2021 £
Trade debtors	8,999	16,305
VAT recoverable	<u>3,959</u>	<u>-</u>
	<u>12,958</u>	<u>16,305</u>

#### 14 Cash and cash equivalents

	2022 £	2021 £
Cash at bank	<u>37,846</u>	<u>55,692</u>

## Belfast South Network Company

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 15 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	4,957	5,248
Other loans	321,087	321,087
VAT payable	-	580
	326,044	326,915

#### 16 Funds

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Balance at 31 December 2022 £
<b>Unrestricted</b>				
General	96,058	63,619	(88,600)	71,077
<b>Endowment</b>				
Permanent	1,470,446	-	(42,446)	1,428,000
<b>Total funds</b>	1,566,504	63,619	(131,046)	1,499,077
	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Balance at 31 December 2021 £
<b>Unrestricted</b>				
General	82,107	70,813	(56,862)	96,058
<b>Endowment</b>				
Permanent	1,512,892	-	(42,446)	1,470,446
<b>Total funds</b>	1,594,999	70,813	(99,308)	1,566,504

## Belfast South Network Company

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 17 Analysis of net assets between funds

	Unrestricted General £	Endowment Permanent £	Total funds at 31 December 2022 £
Tangible fixed assets	25,230	1,749,087	1,774,317
Current assets	50,804	-	50,804
Current liabilities	(4,957)	(321,087)	(326,044)
Total net assets	<u>71,077</u>	<u>1,428,000</u>	<u>1,499,077</u>

	Unrestricted General £	Endowment Permanent £	Total funds at 31 December 2021 £
Tangible fixed assets	29,889	1,791,533	1,821,422
Current assets	71,997	-	71,997
Current liabilities	(5,828)	(321,087)	(326,915)
Total net assets	<u>96,058</u>	<u>1,470,446</u>	<u>1,566,504</u>

#### 18 Analysis of net funds

	At 1 January 2022 £	Cash flow £	At 31 December 2022 £
Cash at bank and in hand	55,692	(17,846)	37,846
Debt due within one year	(321,087)	-	(321,087)
Net debt	<u>(265,395)</u>	<u>(17,846)</u>	<u>(283,241)</u>
	At 1 January 2021 £	Cash flow £	At 31 December 2021 £
Cash at bank and in hand	33,726	21,966	55,692
Debt due within one year	(321,087)	-	(321,087)
Net debt	<u>(287,361)</u>	<u>21,966</u>	<u>(265,395)</u>