

*NI Charities Commission Reference Number : NIC103665*

# **TOWNSEND STREET SOCIAL OUTREACH CENTRE**

**Report and Financial Statements**

**for the year ended 31st March 2023**

## Townsend Street Social Outreach Centre

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## Townsend Street Social Outreach Centre

### Charity Information

#### REFERENCE AND ADMINISTRATIVE INFORMATION

**Charity Name** Townsend Street Social Outreach Centre  
**Charity Registration Number** NIC103665  
**Operational Address** 32 Townsend Street  
Belfast  
BT13 2ES

#### MANAGEMENT INFORMATION

**Directors** Dr Paul Darragh *(Chair)*  
Rev Jack Lamb  
Mrs Barbara Hamilton  
Mr Danny Fleming  
Miss Ruth Pritchard  
Mr Peter Darragh

#### OTHER INFORMATION

**Independent Examiner** Diamond & Skillen  
Chartered Accountants  
Sinclair House  
89/101 Royal Avenue  
Belfast  
BT1 1FE

**Bankers** Ulster Bank Limited  
185/189 Shankill Road  
Belfast  
BT13 1FH

**Solicitors** Edwards & Co  
28 Hill Street  
Belfast  
BT1 2LA

## **Townsend Street Social Outreach Centre Trustees' Report for the year ended 31st March 2023**

The Board of Trustees submits its report together with the financial statements for the year ended 31st March 2023.

### **REFERENCE AND ADMINISTRATIVE DETAILS**

The Organisation is a Charity registered with the Charity Commission for Northern Ireland, number NIC103426. The names of the present Trustees, and any past Trustees who served during the year, are given on page 2, together with the names of the charity's external advisors.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### ***Trustees***

The Board of Trustees is responsible for the overall governance of the Charity. Trustees have the power at any time and from time to time to appoint any person to be a Trustee and the total number of Trustees may not be less than six. The maximum number of Trustees is fifteen. Any Trustee appointed shall hold office for a term of three years and shall then be eligible for re-appointment, also for a term of three years. The Board elects one of its number to act as Chairperson for the term at their first meeting following the Chairperson's appointment.

The Board meets at least four times each year where Trustees review strategy and operational performance and set annual operating plans and budgets. New Trustees meet with the Chief Executive who provides them with all the information they need on the work of the Charity which is further enhanced at the meetings of the Board thereafter. Trustees are encouraged to attend appropriate external training events where these will help their role. The Board delegates the exercise of certain tasks in connection with the management and administration of the Charity. This is controlled by requiring regular reporting back to the Board so that all decisions can be ratified in due course.

#### ***Statement of Trustees' Responsibilities and Corporate Governance***

The organisation is a Charity registered with the Charity Commission for Northern Ireland.

The Trustees are responsible for their annual report and for the preparation of financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the net movement in funds of the Charity for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and 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 charity will continue in business.

The Trustees are responsible for ensuring that the Charity keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act (Northern Ireland) 2008. 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 and to provide reasonable assurance that:

- The Charity is operating efficiently and effectively;
- All assets are safeguarded against unauthorised use or disposition and are properly applied;
- Proper records are maintained and financial information used within the Charity, or for publication, is reliable; and
- The Charity complies with relevant laws and regulations.

#### ***Statement of disclosure to our independent examiners***

In so far as the Trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the independent examiner in connection with preparing their report, of which the charity's independent examiner is unaware; *and*
- the Trustees, having made enquiries of fellow trustees and the charity's independent examiner that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a Trustee in order to make themselves aware of any relevant information and to establish that the independent examiner is aware of that information.

#### ***Internal controls***

Internal controls over all forms of commitment and expenditure continue to be reviewed to ensure their effectiveness. Processes are in place to ensure that performance is monitored and the appropriate management information is prepared and reviewed monthly by executive management and quarterly by the Board. The systems of internal control are designed to provide reasonable but not absolute assurances against material misstatement or loss. They include:

- A strategic Plan, Annual Business Plan and Annual Budget approved by the Board;
- A Strategic Plan, Annual Business Plan and Annual Budget approved by the Board;
- Regular consideration by the Board of financial results, variances from budget, non-financial performance indicators and bench marking reviews;
- Delegation of day to day management authority and appropriate segregation of duties; *and*
- Identification and management of risks.

### **Risk Statement**

An internal risk assessment has been undertaken in order to identify the major risks to which the organisation is exposed. These have been identified as:

- Financial - the organisation's funding is uncertain and historic income streams may be at risk. To mitigate against this the Board has formulated a Reserves Policy (see Finance Review below);
- Operational - as an organiser of a variety of events and programmes, the organisation takes great care to ensure the safety of all participants and that the appropriate liability policies are in place;
- Operational - failure to meet targets and objectives specified by our Sponsors and funders.

The Board recognises its responsibility for the management of risk and has in place a Risk Strategy, which categorises risk in terms of severity, likelihood and consequence. The Strategy is reviewed annually and risk is monitored regularly.

### **Risk Management**

The organisation has in place a well-established system of internal controls that governs its operations. These controls have been designed to provide a reasonable assurance against risk and include:

- A Governance Framework;
- Financial Standing Orders and Regulations;
- A long term Strategic Plan, an Annual Business Plan and an Annual Budget for the year, all of which have been approved by the Board;
- Monthly review of financial results by the CEO including variance from budget and variance from cash flow and quarterly review by the Board of these financial performance indicators;
- In depth appraisal by the Board of financial performance, risks and growth objectives;
- Detailed objectives are set annually for all aspects of the organisation's activities. Progress against these objectives is monitored monthly by the CEO and quarterly by the Board against agreed targets and benchmarks;
- Risk assessments, carried out before all activities are undertaken, regularly checked by line managers;
- Scaled authority levels and appropriate segregation of duties; and
- Continual identification and management of risk.
- A new policy and procedure is in place to ensure we meet the requirements of the General Data Protection Regulations.

The Board has a rolling programme to review its Governance Documents and has set up an organisational risk register which allows identified risks to be rated according to the severity, likelihood and impact of the risk occurring.

### **OBJECTS, OBJECTIVES AND PRINCIPAL ACTIVITIES OF THE CHARITY**

The objects for which the Charity is established are to promote the benefit of the inhabitants of the Lower Shankill area without distinction of sex, sexual orientation, race, political, religious or other opinions by associating together the said inhabitants and the local authorities, voluntary and other organisations in a common effort to advance education, health, to preserve and protect health, to promote the welfare of the aged and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the object of improving the conditions of life for the said inhabitants.

Direct benefits which flows from the above purpose is the enhancement of the health, well- being and education of the inhabitants by:

- Providing or assisting in providing counselling, advice and referral services for the aforesaid families and young persons;
- Providing or assisting in securing the provision of social services and educational and recreational facilities within the area of benefit;
- Promote activities and co-operate with other organisations in promoting activities;
- Co-operate to such an extent as may be necessary with voluntary organisations and statutory authorities engaged in the promotion of the objects or any of them;
- Provide or assist in providing classes, meetings and events which would improve the knowledge and skills of the inhabitants of the area;
- Promoting and carrying out, or assisting in so doing research, surveys and investigations and publish the useful results of such;
- Obtain, collect and receive monies and funds by the way of grants, legacies, donations and any other lawful method provided the no permanent trading activities should be undertaken.

### **STATEMENT OF COMPLIANCE WITH THE DUTY TO HAVE REGARD TO THE CHARITY COMMISSION FOR NORTHERN IRELAND'S GUIDANCE ON PUBLIC BENEFIT**

In setting our objectives and planning our activities for the year the Trustees have given careful consideration to the Charity Commission for Northern Ireland's guidance on public benefit to ensure that the activities have helped to achieve the Charity's purpose and provide a benefit to the beneficiaries. No harm and no private benefit flowed from the purposes of the charity

### **ACHIEVEMENTS AND PERFORMANCE**

Townsend Street Social Outreach Centre continues to monitor its Board membership to ensure that it is able to effectively deliver its mission.

The direct benefits can be evidenced through

- the feedback from many of the children and young adults who have received support and counselling when struggling in the education system. The Centre has helped bridge the gap between school, community and family. The counselling has resulted in suicide prevention and improved relationships in families where there have been behavioural difficulties.
- the centre provides a drop in centre for support and counselling.
- the centre provides individual tutoring both in schools and in the centre which results in improved education for each individual.
- young adults are being taught job-skills and preparation of C.Vs in order to improve their lives and welfare.
- children have been helped in attaining the Duke of Edinburgh Award and the John Muir Award for environmental and conservation, resulting in improved life-skills and dignity.
- the feedback from children and adults who have attended the recreational activities including dance, gymnastics and exercise classes held within the Centre and regular arranged trips to the cinema and bowling as well as residential trips especially during the summer.
- in order to receive the grant from the Educational Authority (formally Belfast Education & Library Board) reports detailing benefits to the community are prepared on a monthly basis as well as numbers of sessions provided and receipts of how the Grant was spent.
- the purpose of the Centre does not lead to harm and it ensures that the general public in the form of children, youth and adults benefit by receiving support, counselling, access to activities and training courses. There is no private benefit to Trustees.

### **FINANCIAL REVIEW AND RESULTS FOR THE YEAR**

The Statement of Financial Activities on page 8 is designed to reflect all incoming resources receivable and expenditure incurred during the year irrespective of when income is actually received and payments made. Total realised incoming resources for the year amounted to £112,856 (2022: £109,196). Total resources expended of £87,106 (2022: £120,946) resulted in a net surplus for the year of £25,750 (2022: deficit of £11,750). There was an unrealised loss on investments in the year totalling £12,099 (2022: gain of £13,586). There was no balance on restricted funds at 31st March 2023 (2022: £nil) and the balance on unrestricted funds at the year-end was £807,172 (2022: £793,521) which is represented by £537,573 (2022: £559,859) of designated funds and £269,599 (2022: £233,662) of general fund. The general fund is free and represents the reserves available to the Trustees to help fulfil current and future plans. Breakdowns of the amounts recorded for incoming resources and resources expended are given in notes 3 and 4 to the accounts.

### **OUR SUPPORTERS**

Townsend Street Social Outreach Centre acknowledges that without the strong ongoing commitment and support of many organisations it would not be possible to work effectively towards our vision. We want to thank the organisations that fund the charity and we also want to thank the volunteers who freely give their time to help the charity.

### **RESERVES POLICY**

The Trustees believe that the Charity should hold financial reserves because:

- It has no endowment funding and is currently dependent for income upon Local Government funding from year to year which is subject to review;
- It requires protection against and the ability to continue operating despite unforeseen setbacks; and
- It requires the ability to be able to take advantage of change and opportunities to further its objectives.

The Trustees believe that the level of unrestricted reserves not designated, invested in tangible fixed assets or represented by unrealised gains on investments should be the equivalent of between three and preferably six months' operating costs calculated and reviewed annually. Reserves should be built up to the desired level in stages consistent with the charity's overall financial position and its need to maintain and develop its charitable activities.

The level of such unrestricted reserves stands at £257,500 (2022: £233,662). With operating costs (on unrestricted funds) currently amounting to approximately £87,106 (2022: £120,946) per year, this would mean a target reserve balance of between £21,777 and £43,553 (2022: between £30,236 and £60,473). The current level of reserves therefore exceeds the requirements of the Reserves Policy.

Details of the Charity's funds are shown in Note 17. An analysis of the Charity's net assets between the funds is given in Note 15. The Trustees consider that sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with any restriction imposed.

## **EMPLOYEES**

The Charity aims to be an organisation for which employees enjoy working and where they feel supported and developed. Employees are kept fully informed about its strategy and objectives, as well as day to day news and events. Regular information about the organisation is available through meetings and e-mails. All employees are encouraged to give their views and suggestions on performance and strategy. The Charity supports equal opportunity.

## **MEMBERS OF THE BOARD OF DIRECTORS/TRUSTEES**

The following held office during the year:

Dr Paul Darragh (*Chair*), Rev Jack Lamb, Mrs Barbara Hamilton, Mr Danny Fleming, Miss Ruth Pritchard, Mr Peter Darragh

The principal officers for 2022/2023 were:

*Chair*                      *Treasurer*

Dr Paul Darragh    Miss Ruth Pritchard

## **Independent Examiners**

Diamond & Skillen were appointed as the charity's independent examiners during the year.

These financial statements and this report have been prepared in accordance with 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 Ireland (FRS102) (effective from 1st January 2015) and in accordance with the provisions applicable to companies subject to the small companies regime.

This report was approved by the Board of Trustees on 14th December 2023 and signed on its behalf by:

Dr Paul Darragh  
Chair

**Townsend Street Social Outreach Centre**  
**Independent Examiner's Report to the Trustees of Townsend Street Social Outreach Centre**

I report to the Trustees on my examination of the financial statements of Townsend Street Social Outreach centre for the year ended 31 March 2023, which are set out on pages 3 to 17.

**Respective responsibilities of trustees and examiner**

As the trustees of the charity, you are responsible for the preparation of the accounts in accordance with the Charities Act (Northern Ireland) 2008. You consider that an audit is not required for this year under section 65(3) of the Charities Act (Northern Ireland) 2008 and have requested that an independent examiner's report be prepared.

I report in respect of my examination of the Trustees' accounts carried out under Section 65 of the Charities Act (Northern Ireland) 2008 and in carrying out my examination I have followed all the applicable directions given by the Charities Commission for Northern Ireland.

I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in Ireland.

Having satisfied myself that the charity is not subject to audit under charity or company legislation and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 65 of the Charities Act (Northern Ireland) 2008;
- to follow the procedures laid down in the general Directions given by the Charity Commission for Northern Ireland; and
- to state whether particular matters have come to my attention.

**Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission for Northern Ireland. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**

The charity's gross income in the year was £112,856 (2022: £109,196).

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- accounting records were not kept in respect of the Charity as required by section 63 of the Act;
- the accounts do not accord with those records;
- to prepare accounts which accord with the accounting records and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

-----  
Nigel V Skillen FCA  
Diamond & Skillen  
Fellow of the Institute of Chartered Accountants in Ireland  
Sinclair House  
89/101 Royal Avenue  
Belfast  
BT1 1FE

14th December 2023

**Townsend Street Social Outreach Centre**  
**Statement of Financial Activities (including Income and Expenditure Account) for the**  
**year ended 31st March 2023**

	Notes	Unrestricted Funds £	Restricted funds £	Totals 2023 £	Totals 2022 £
<b>Income</b>					
<i>from donations and legacies</i>					
• Donations	3	11,783	-	<b>11,783</b>	23,080
• Legacies	3	-	-	<b>0</b>	200
• Grants	3	100,923	-	<b>100,923</b>	85,616
<i>from charitable activities</i>					
• Business income and sponsorship	3	-	-	<b>0</b>	-
• Project admin	3	-	-	<b>0</b>	-
<i>from other activities</i>					
• Investment income	3	-	-	<b>0</b>	-
• Sundry income	3	150	-	<b>150</b>	300
<b>Total income</b>		<b>112,856</b>	<b>0</b>	<b>112,856</b>	<b>109,196</b>
<b>Expenditure</b>					
<i>on raising funds</i>					
• Promotional costs	4	-	-	<b>0</b>	-
<i>on charitable activities</i>					
• Employee costs	4	54,224	-	<b>54,224</b>	64,225
• Premises costs	4	7,074	-	<b>7,074</b>	8,178
• Travel & training costs	4	1,391	-	<b>1,391</b>	975
• General administration costs	4	619	-	<b>619</b>	1,048
• Programme costs	4	12,936	-	<b>12,936</b>	35,229
<i>on other items</i>					
• Legal & professional fees	4	675	-	<b>675</b>	675
• Other expenses	4	-	-	<b>0</b>	150
• Depreciation of assets	4	10,187	-	<b>10,187</b>	10,466
<b>Total expenditure</b>		<b>87,106</b>	<b>0</b>	<b>87,106</b>	<b>120,946</b>
<b>Net income / (expenditure) for the year</b>		<b>25,750</b>	<b>0</b>	<b>25,750</b>	<b>(11,750)</b>
<b>Transfers</b>					
• Transfers between funds	10	-	-	<b>0</b>	-
<b>Other recognised gains / (losses)</b>					
• Unrealised gains / (losses) from investments	12	(12,099)	-	<b>(12,099)</b>	13,586
<b>Net movement in funds for the year</b>		<b>13,651</b>	<b>0</b>	<b>13,651</b>	<b>1,836</b>
<i>Reconciliation of funds</i>					
• Fund balances brought fwd at 1st April		793,521	-	<b>793,521</b>	791,685
• <b>Fund balances carried fwd at 31st March</b>		<b>807,172</b>	<b>0</b>	<b>807,172</b>	<b>793,521</b>

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

The notes on pages 11 to 17 form part of these financial statements.

**Townsend Street Social Outreach Centre**  
**Statement of Financial Position (Balance Sheet)**  
**as at 31st March 2023**

	Notes	2023 £	2022 £
<b>Fixed Assets</b>			
• Tangible assets	11	488,684	498,871
• Investments	12	248,889	260,988
		<b>737,573</b>	<b>759,859</b>
<b>Current Assets</b>			
• Receivables	13	-	-
• Cash at bank and in hand		70,676	35,714
		<b>70,676</b>	<b>35,714</b>
<b>Creditors:</b> amounts falling due within one year	14	<b>(1,077)</b>	<b>(2,052)</b>
<b>Net current assets</b>		<b>69,599</b>	<b>33,662</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>807,172</b>	<b>793,521</b>
<b>Creditors:</b> amounts falling due after more than one year		-	-
<b>Net assets</b>		<b>807,172</b>	<b>793,521</b>
<b>The funds of the charity</b>			
<i>Unrestricted income funds:</i>			
• General funds	18	269,599	233,662
• Designated funds (unrealised gains on fixed asset investments)	18	48,889	60,988
• Designated funds (fixed asset holding fund)	18	488,684	498,871
		<b>807,172</b>	<b>793,521</b>
<i>Restricted income funds:</i>			
• None	18	-	-
<b>Total funds</b>		<b>807,172</b>	<b>793,521</b>

The notes on pages 11 to 17 form part of these financial statements.

The Trustees acknowledge their responsibilities for complying with the requirements of the Charities Act (Northern Ireland) 2008 with respect to accounting records and the preparation of accounts.

The financial statements on pages 3 to 17 were approved by the Board of Trustees on 14th December 2023 and signed on their behalf by:

**Dr Paul Darragh**  
Chair of Board of Trustees

**Miss Ruth Pritchard**  
Treasurer

**Townsend Street Social Outreach Centre  
Statement of Cash Flows  
for the year ended 31st March 2023**

	Notes	2023 £	2022 £
Net cash (outflow) / inflow from operating activities	18	34,962	462
Realised returns on investment and servicing of finance	19	-	-
Capital expenditure	11	-	-
<b>Increase in cash for the year</b>		<b>34,962</b>	<b>462</b>
<b>Reconciliation of net cash flow to movement in net funds</b>			
(Decrease) / increase in cash for the year		34,962	462
Net funds at 1st April 2022		35,714	35,252
<b>Net funds at 31st March 2023</b>		<b>70,676</b>	<b>35,714</b>

The notes on pages 11 to 17 form part of these financial statements.

**Townsend Street Social Outreach Centre**  
**Notes forming part of the Financial Statements for the year ended 31st March 2023**

**1. Accounting Policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

**1.1 Basis of preparation**

The financial statements are 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 from 1st January 2015) - (Charities SORP (FRS102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Townsend Street Social Outreach Centre 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 note(s).

**1.2 Reconciliation with previously Generally Accepted Accounting Practice**

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

No restatements were required.

**1.3 Preparation of the accounts on a going concern basis**

The trustees are of the view that as the reserves of the charity are within the requirement of the charity's reserves policy, the immediate future of the charity for the next 12 to 18 months is secure and on that basis the charity is a going concern.

**1.5 Income**

Items of income are recognised and included in the accounts when all of the following criteria are met:

- the charity has entitlement to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity;
- it is probable that the income will be received; *and*
- the amount can be measured reliably

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**Grants receivable**

Grants receivable which relate to the year are credited to income within the Statement of Financial Activities, with unspent balances being carried forward to subsequent years within the relevant fund.

Specific debts are recognised where approved grant expenditure exceeds grant income received to date.

Grant income relating to future periods is carried forward under creditors.

**Gifts in Kind**

In all cases the amount recognised is either a reasonable estimate of the value of the gift or the amount actually realised.

- Assets given for distribution by the charity are included in the Statement of Financial Activities only when distributed.
- Assets given for use by the charity (eg. property for its own occupation) are included in the Statement of Financial Activities as incoming resources when receivable.
- Gifts made in kind but on trust for conversion into cash and subsequent application by the charity are included in the accounting period in which the gift is realised into cash or cash equivalent.

**1.6 Interest receivable**

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

**1.7a Fund accounting - unrestricted funds**

General funds are unrestricted funds which are available for use at the discretion of the director/trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. The fund comprises the accumulated surpluses and deficits of unrestricted income and expenditure.

**1.7b Fund accounting - restricted funds**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of administering such funds are charges against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income and gains are allocated to the appropriate fund.

**Townsend Street Social Outreach Centre**  
**Notes forming part of the Financial Statements for the year ended 31st March 2023**

**1. Accounting Policies (cont'd)**

**1.8 Expenditure and irrecoverable VAT**

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

- Expenditure on raising funds comprises the costs of marketing and promoting the charity and its activities;
- Expenditure on charitable activities includes the direct costs allocated to the performance of activities undertaken to further the purposes of the charity and their associated support costs;
- Expenditure on other items represents those items not falling into any other heading.

The charity is not registered for Value Added Tax and so all items in the financial statements are stated gross of VAT where applicable.

**1.9 Allocation of costs to funds**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

**1.10 Fixed Assets**

Fixed assets are stated at cost less accumulated depreciation.

Expenditure is recognised as capital in nature for:

Fixtures & Fittings	-	Amounts over £1,000
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Depreciation is provided to write off the cost of fixed assets over their anticipated useful lives.

Depreciation is provided at the following rates:

Family Centre	-	2.00% straight line
Fixtures & Fittings	-	25.00% reducing balance

**1.11 Fixed Asset Investments**

Fixed asset investments are recognised in the Statement of Financial Position at market value. Changes in market value are shown in the Statement of Financial Activities as unrealised gains or losses from investments. Realised gains are shown as investment income in the Statement of Financial Activities.

**1.12 Receivables**

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

**1.13 Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.14 Creditors and provisions**

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

**1.15 Pensions**

The amount charged to the Statement of Financial Activities represents the contributions payable by the charity during the year.

**1.16 Transition to FRS 102**

The transition date was 1st April 2020.

On transition to FRS 102:

- the comparative balances were re-stated to allow meaningful comparison between the preceding year and the current year figures.
- The balance of the designated fund (asset holding fund) was restated to take account of all historic depreciation charged against the asset book values. Previously this depreciation had been charged against the general (unrestricted) fund.
- The cash and bank balance as at 31st March 2020 was re-stated to agree with the book balance at that date. The difference relates to outstanding cheques which were previously treated as creditors (the cash basis of accounting) which are now treated as outstanding cheques under FRS102 (the accruals bases of accounting).
- The creditor balance as at 31st March 2020 was re-stated to remove items relating to outstanding/unpresented cheques as above.

The overall fund balance totals were unaltered as a result of the transition to FRS102.

**Townsend Street Social Outreach Centre**  
**Notes forming part of the Financial Statements for the year ended 31st March 2023 (cont'd)**

**2. Legal status of the charity**

The charity is registered\* with the Charity Commission for Northern Ireland (ref: NIC103665).

*\* In light of the Court of Appeal ruling of February 2020 in the case of McKee & Others v Charity Commission for Northern Ireland, and the fact that Townsend Street Social Outreach Centre's initial registration was before May 2019, the registration of Townsend Street Social Outreach Centre with the Charity Commission for Northern Ireland is deemed void. The Charity Commission for Northern Ireland has advised all affected charities that there is no requirement to take any action at this time and it is implementing interim measures whilst a permanent solution is sought. The Department for Communities has given assurance to those charities that were unlawfully registered that they remain charities in law and need do nothing differently in the interim.*

*The NI Charities Commission has advised that "it is also important to be aware that the judgement does not prevent any organisation which is a charity in law from operating as a charity. Whether or not your organisation is a charity in law is determined by the wording of your governing document. Registration, which is required by the law, recognises that you are a charity, but does not make you a charity. This was done when the organisation was established with charitable purposes."*

**3 Income**

	Unrestricted Funds £	Restricted funds £	Totals 2023 £	Totals 2022 £
<i>from donations and legacies</i>				
• Donations received				
• Belfast Interface BIP	-	-	<b>0</b>	-
• CAF	21,000	-	<b>21,000</b>	21,000
• Springboard	5,835	-	<b>5,835</b>	2,080
• Sundry	2,924	-	<b>2,924</b>	-
• Legacies received				
• Inmemory of W Leonard	-	-	<b>0</b>	200
• Subscriptions and Grants received				
• EA Belfast Region	79,147	-	<b>79,147</b>	78,966
• EA Feet on the Street	3,800	-	<b>3,800</b>	6,400
• BGH Jones	-	-	<b>0</b>	250
<i>Total from donations and legacies</i>	<b>112,706</b>	<b>0</b>	<b>112,706</b>	<b>108,896</b>
<i>from charitable activities</i>				
• Sponsorship	-	-	<b>0</b>	-
<i>Total from charitable activities</i>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>from other activities</i>				
• Other income	150	-	<b>150</b>	300
<i>Total from other activities</i>	<b>150</b>	<b>-</b>	<b>150</b>	<b>300</b>
<i>from investments</i>				
• UK bank interest received	-	-	<b>0</b>	-
• Realised gains on investments	-	-	<b>0</b>	-
<i>Total from investments</i>	<b>-</b>	<b>-</b>	<b>0</b>	<b>-</b>
<b>GRAND TOTAL OF INCOME RECEIVED</b>	<b>112,856</b>	<b>0</b>	<b>112,856</b>	<b>109,196</b>

**Townsend Street Social Outreach Centre**  
**Notes forming part of the Financial Statements for the year ended 31st March 2023 (cont'd)**

**4 Expenditure**

	Unrestricted Funds £	Restricted funds £	Totals 2023 £	Totals 2022 £
<i>on raising funds</i>				
• Promotional costs	-	-	0	-
<i>Total on raising funds</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>on charitable activities</i>				
• Employee costs				
• Wages and salaries	44,697	-	44,697	44,118
• Pension costs	9,527	-	9,527	20,107
• Premises costs				
• Rent	-	-	0	-
• Insurance and security	1,740	-	1,740	1,654
• Repairs and maintenance	2,792	-	2,792	1,663
• Cleaning	150	-	150	693
• Light, Heat & Power	2,392	-	2,392	4,168
• Travel and training costs				
• Travel expenses	-	-	0	10
• Minibus costs	1,391	-	1,391	965
• General administration costs				
• Telephone	553	-	553	253
• Postage	-	-	0	13
• Stationery	9	-	9	592
• IT and internet costs	57	-	57	190
• Programme costs				
• Centre equipment	1,703	-	1,703	22,760
• Outings	10,344	-	10,344	10,868
• Catering	813	-	813	493
• Local projects	-	-	0	517
• Activity costs	76	-	76	591
<i>Total on charitable activities</i>	<i>76,244</i>	<i>0</i>	<i>76,244</i>	<i>109,655</i>
<i>on other items</i>				
• Legal & professional fees				
• Accountancy fees	675	-	675	675
• Other expenses				
• PPE supplies	-	-	0	-
• Depreciation	10,187	-	10,187	10,466
• Sundries	-	-	0	150
<i>Total on other items</i>	<i>10,862</i>	<i>0</i>	<i>10,862</i>	<i>11,291</i>
<b>GRAND TOTAL OF EXPENDITURE</b>	<b>87,106</b>	<b>0</b>	<b>87,106</b>	<b>120,946</b>

**5 Staff costs and numbers**

	Unrestricted Funds £	Restricted funds £	Totals 2023 £	Totals 2022 £
Wages and salaries	44,697	-	44,697	44,118
Social Security costs	-	-	0	-
Pension contributions	9,527	-	9,527	20,107
Staff training & travel	-	-	0	10
	54,224	0	54,224	64,235

*No employee received emoluments of more than £60,000*

*The average number of persons, including part-time staff, employed on UK contracts was 9 (1 x full-time, 8 part-time) (2022: 11 - 1 x FT, 10xPT)*

**Townsend Street Social Outreach Centre**  
**Notes forming part of the Financial Statements for the year ended 31st March 2023 (cont'd)**

**6 Trustee remuneration and Related Party Transactions**

Members of the Board of Trustees receive no remuneration for their services. The Trustees of the charity are eligible to receive reimbursement of out of pocket expenses incurred whilst representing the charity. The expenses borne by the charity in 2022/23, paid to the Trustees of the charity were £nil (2022: £nil).

**7 Net incoming resources for the year**

	Unrestricted Funds £	Restricted funds £	Totals 2023 £	Totals 2022 £
<i>Net incoming resources are stated after charging:</i>				
Depreciation on tangible fixed assets	10,187	-	<b>10,187</b>	10,466

**8 Pension costs**

The charity operated defined contribution schemes in respect of its staff. The schemes and their assets are held by independent managers. The pension charge represents contributions due from the charity and amounted to £9,527 (2022: £20,107)

**9 Taxation**

As a charity, Townsend Street Social Outreach Centre is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or 2256 of the Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

**10 Transfers between the funds**

	Unrestricted Funds £	Restricted funds £	Totals 2023 £	Totals 2022 £
No transfers in the year	-	-	<b>0</b>	-
	0	0	<b>0</b>	0

**11 Tangible Fixed Assets**

	Land & Buildings £	Furniture, fixtures & fittings £	Totals £
<b>Cost</b>			
At 1st April 2022	661,581	30,798	692,379
Additions	-	-	0
At 31st March 2023	<b>661,581</b>	<b>30,798</b>	<b>692,379</b>
<b>Depreciation</b>			
At 1st April 2022	163,620	29,888	193,508
Charge for year	9,959	228	10,187
At 31st March 2023	<b>173,579</b>	<b>30,116</b>	<b>203,695</b>
<b>Net Book Value</b>			
At 31st March 2023	<b>488,002</b>	<b>682</b>	<b>488,684</b>
At 31st March 2022	497,961	910	498,871

**Townsend Street Social Outreach Centre**  
**Notes forming part of the Financial Statements for the year ended 31st March 2023 (cont'd)**

**12.1 Market value of investments**

	<b>Totals 2023 £</b>	<b>Totals 2022 £</b>
<b>Market value at 1 April 2022</b>	260,988	247,402
Additions	-	-
Disposals	-	-
Unrealised gains / (losses) on revaluation	(12,099)	13,586
<b>Market value at 31st March 2023</b>	<b>248,889</b>	<b>260,988</b>

**12.2 Analysis of investments**

	<b>Totals 2023 £</b>	<b>Totals 2022 £</b>
UK Unit Trusts	248,889	260,988
Cash held as part of the investment portfolio	-	-
Investments in connected bodies	-	-
Other investments	-	-
<b>Total Market value of fixed asset investments</b>	<b>248,889</b>	<b>260,988</b>

*All investments are held in the UK*

**13 Debtors**

	<b>Totals 2023 £</b>	<b>Totals 2022 £</b>
Prepayments and accrued income	-	-
	<b>0</b>	<b>0</b>

**14 Creditors: amounts falling due within one year**

	<b>Totals 2022 £</b>	<b>Totals 2022 £</b>
Ordinary creditors	<b>(1,749)</b>	(217)
Nett pay account	<b>411</b>	397
HMRC PAYE/NIC payable	<b>1,065</b>	1,197
Pension contributions payable	-	-
Grants received in advance	-	-
Accruals and deferred income	<b>1,350</b>	675
	<b>1,077</b>	2,052

**15 Analysis of charity net assets between funds**

	<b>General fund (unrestricted) £</b>	<b>Asset holding fund (unrestricted) £</b>	<b>Restricted funds £</b>	<b>Totals £</b>
Fixed Assets	-	488,684	-	<b>488,684</b>
Fixed Asset Investments	248,889	-	-	<b>248,889</b>
Current Assets - receivables	-	-	-	<b>0</b>
Current Assets - bank and cash	70,676	-	-	<b>70,676</b>
Current liabilities - payables	(1,077)	-	-	<b>(1,077)</b>
	<b>318,488</b>	<b>488,684</b>	<b>0</b>	<b>807,172</b>

**Townsend Street Social Outreach Centre**  
**Notes forming part of the Financial Statements for the year ended 31st March 2023 (cont'd)**

**16 Financial Commitments**

At 31st March 2023 the charity has no annual commitments under non-cancellable leases nor any other financial commitments that are not recognised in the accounts (2022: £nil). Townsend Street Social Outreach Centre has entered into some long term contracts for the supply of services all of which are cancellable.

**17 Statement of Funds**

	At 1 Apr 22 £	Incoming resources £	Outgoing resources £	Unrealised gains/(losses) £	Transfers £	At 31 Mar 23 £
General reserve	233,662	112,856	(76,919)	-	-	269,599
Unrealised gains	60,988	-	-	(12,099)	-	48,889
Fixed Asset Holding Fund	498,871	-	(10,187)	-	-	488,684
<b>Total unrestricted funds</b>	<b>793,521</b>	<b>112,856</b>	<b>(87,106)</b>	<b>(12,099)</b>	<b>0</b>	<b>807,172</b>
Restricted funds	-	-	-	-	-	0
<b>Total restricted funds</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total funds</b>	<b>793,521</b>	<b>112,856</b>	<b>(87,106)</b>	<b>(12,099)</b>	<b>0</b>	<b>807,172</b>

*The general reserve represents the free funds of the charity which are not designated for particular purposes*

**18 Reconciliation of changes in resources to net cash inflow from operating activities**

	2023 £	2022 £
Net incoming resources before investment income	25,750	(11,750)
Depreciation of assets	10,187	10,466
Decrease / (increase) in debtors	-	450
(Decrease) / increase in creditors	(975)	1,296
<b>Net cash (outflow) / inflow from operating activities</b>	<b>34,962</b>	<b>462</b>

**19 Returns on investment and servicing of finance**

	2023 £	2022 £
UK bank interest received	-	-