

COMPANY REGISTRATION NUMBER: NI068079
CHARITY REGISTRATION NUMBER: 107531

Foundation (Northern Ireland)
Company Limited by Guarantee
Unaudited Financial Statements
28 February 2023

Finegan Gibson Ltd
Chartered accountants
Causeway Tower
9 James Street South
Belfast
BT2 8DN

Foundation (Northern Ireland)

Company Limited by Guarantee

Financial Statements

Year ended 28 February 2023

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Foundation (Northern Ireland)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 28 February 2023

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 28 February 2023.

Reference and administrative details

Registered charity name Foundation (Northern Ireland)

Charity registration number 107531

Company registration number NI068079

Principal office and registered office Carnegie Library
121 Donegall Road
Belfast
BT12 5JL

The trustees

Mr A Leonard (Appointed 1 March 2025)
Mr J Holmes

Independent examiner Paul Dolan FCA
Finegan Gibson Ltd
Causeway Tower
9 James Street South
Belfast
BT2 8DN

Foundation (Northern Ireland)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 28 February 2023

Structure, governance and management

The Northern Ireland Foundation (NIF) is a charitable company limited by guarantee, governed by its Memorandum and Articles of Association. The organisation operates as a membership-based charity with three classes of membership-Individual, Affiliate and Associate-who support the charitable objects and, where applicable, participate in general meetings. Voting rights are reserved to Individual and Affiliate Members.

The charity is overseen by a Board of Directors, who also act as the charity's trustees for the purposes of charity law. Directors are elected by the voting membership at General Meetings in accordance with the governing document, and the Board may appoint individuals to fill casual vacancies until the next election. Each year the Board appoints from among its members a Chair, Vice-Chair, Treasurer and Secretary. The Board of Directors delegate day-to-day operations to the Project Managers and Coordinator, who report directly to the Board. The Trustees retain full responsibility for monitoring performance, financial stewardship, and compliance.

The Board meets regularly and has overall responsibility for strategic direction, governance, financial oversight and compliance. Operational decisions may be delegated to sub-committees or advisory groups where appropriate, though the Board retains ultimate responsibility for all activities. Trustees adhere to the charity's conflict-of-interest policy, and declarations are recorded in the minutes.

The charity's governing document allows the Directors to invite non-voting advisors with relevant expertise to attend Board meetings in an advisory capacity.

The Board also receives reports from the charity's delivery partner, International Communities Organisation (ICO), which supports the implementation of international programmes on behalf of NIF. All expenditure, programme decisions and public-benefit outcomes remain subject to oversight and approval by the Board.

New Trustees are appointed through open advertisement and nomination, ensuring a wide range of relevant skills and perspectives. Each Trustee receives an induction pack outlining governance responsibilities, policies, and current programmes. Ongoing training is provided to ensure Trustees are aware of their duties under the Charities Act (Northern Ireland) 2008 and the Companies Act 2006.

The charity has adopted standard policies covering safeguarding, data protection, equality and diversity, health and safety, and financial control. These policies are kept under review and updated as necessary to ensure continued compliance and best practice.

Foundation (Northern Ireland)

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 28 February 2023

Objectives and activities

Charity's Objectives

The Northern Ireland Foundation (NIF) was established to undertake research and promote educational activities on issues relating to a "Shared Future" in and from Northern Ireland.

Today, its work focuses on sharing lessons from Northern Ireland's reconciliation process to build understanding, trust, and cooperation across divided communities and applying these lessons internationally in contexts where peace, reconciliation, and inclusive governance are urgently needed. The charity hosts and facilitates in dialogues, capacity building initiatives, and training programmes that promote cross-community understanding and share practical knowledge of peacebuilding. In Northern Ireland, NIF continues to anchor its work locally through the restoration of the Carnegie Oldpark Library as a shared community hub for education, enterprise, arts, and civic engagement, embodying the principles of cooperation, inclusion, and mutual respect.

Internationally, and through its delivery partner International Communities Organisation (ICO), NIF shares relevant lessons from Northern Ireland's peace and reconciliation journey to support divided communities abroad. In addition, ICO collaborates with divided communities to highlight issues on the international stage and works with the governments where they reside to find meaningful policy solutions.

Charity's Activities

In Northern Ireland, NIF has continued to anchor its work in community life through the restoration of the Carnegie Oldpark library as a shared community hub. This project embodies the "Shared Future" ethos by bringing together people of all backgrounds for education, enterprise, arts, and civic engagement.

Forum for Cities in Transition

The Northern Ireland Foundation continued to provide secretariat services to the Forum, which is an international network of municipalities in divided societies. The Forum for Cities in Transition brings together protagonists from divided societies. Its guiding principle is that one divided society is in the best position to help another.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 28 February 2023

Objectives and activities *(continued)*

ICO as an agent of NIF

Internationally, through its delivery partner, International Communities Organisation (ICO), NIF has applied lessons from Northern Ireland's peace and reconciliation journey to support divided communities abroad.

- In Kosovo, programmes have focused on minority inclusion in decision-making, economic development through the Economic Prosperity Fund, and structured community consultations, helping to bridge divides between Kosovar Serbs and Albanians.
- In Cameroon, education initiatives have provided free higher-education courses to over 120 students across linguistic and cultural divides, while local councils in Anglophone regions have been supported to strengthen governance and resilience.
- In the Middle East, NIF/ICO has advanced coexistence projects between Jewish and Arab communities, including language exchange, youth sport, cultural initiatives, and cross-community SMEs. Alongside grassroots activities, high-level mediation dialogues and economic projects such as the Holy Land Bond have sought to create conditions for lasting peace and cooperation.
- In Cyprus, NIF/ICO has supported bi-communal dialogue and entrepreneurship, including a major business fair in the UN Buffer Zone, creating space for cooperation across long-standing divides.

Across all of these activities, NIF ensures that expenditure is linked to measurable outcomes, whether in Belfast or abroad. The core principle remains the same: building peace through practical initiatives that bring people, civil society and government together, create opportunities, and support inclusive governance. Trustees have considered the Charity Commission's public benefit guidance and are satisfied that all activities undertaken during the year directly advance the charity's purposes.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 28 February 2023

Achievements and performance

Examples of outputs and outcomes of the charity's Work

- In Kosovo, 1,200 members of the Serb community took part in surveys and consultations, leading to practical recommendations on minority inclusion, while more than 40 Kosovar Albanian and Serb leaders engaged in dialogue events that promoted cooperation. The launch of an *Economic Prosperity Fund* has started building pathways for minority entrepreneurs, linking reconciliation to economic growth.
- In Cameroon, over 120 young people from both Anglophone and Francophone backgrounds completed free higher education courses, while four local councils covering a population of 428,000 benefited from capacity-building programmes to strengthen governance and resilience.
- In the Middle East, the *Good Neighbours* programme engaged over 400 people in cross-community activities such as youth football, language cafés, cultural tours, and community gardening, fostering everyday trust between Jewish and Arab residents. In parallel, the *Holy Land Bond* initiative advanced investment in housing, SMEs, and healthcare for underserved Palestinian communities.
- In Cyprus, more than 200 people from across the island attended a business and networking fair in the UN Buffer Zone, building cooperation between divided communities, while policy dialogues enabled high-level leaders to explore inclusive solutions to long-standing barriers to peace.

Through these projects, the charity has delivered tangible outputs, education courses completed, leaders convened, communities engaged, alongside outcomes such as strengthened trust, increased participation in decision-making, and improved opportunities for disadvantaged groups. Trustees are satisfied that all of these activities provide clear and measurable benefit to the public.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 28 February 2023

Financial review

Financial Results

The Company reported current assets of £10,072 and creditors falling due within one year of £661,920. As a result, the Company was in a net liability position of £651,848 at the year end.

The Company's liabilities are primarily owed to a single creditor. The trustees continue to monitor the Company's financial position closely and remain engaged with the creditor regarding repayment arrangements.

The net liability position reflects historic obligations and limited operating activity during the year. The trustees have considered the financial position carefully in assessing the Company's ability to continue as a going concern and have outlined their plans for financial support within the going concern section of this report.

Policies on programme expenditure

The Foundation has in place a clear programme expenditure and grant-making policy to ensure that all funds are spent responsibly and deliver measurable impact. All grants or programme costs are tied to written agreements that set out objectives, permitted uses, and reporting requirements. Proposals undergo due diligence and are approved against strategic and financial criteria. Expenditure is monitored through narrative and financial reports, with staff oversight, audits, and site visits where appropriate. Strong internal financial controls ensure compliance with charity law and funder obligations, and outcomes are assessed to demonstrate real benefits for communities and to inform future learning.

Information about the contribution made by volunteers

At Foundation (Northern Ireland) volunteers are central to advancing our mission of supporting communities globally to build a more equitable and peaceful future. We involve volunteers in a variety of ways, including through research fellowship programmes that contribute to our peacebuilding agenda, and through specialised internships that focus on areas such as advocacy, digital communications, project coordination, and policy development. These roles allow volunteers to gain valuable experience while meaningfully contributing to NIF's work.

Volunteers are always supervised by a member of staff, who conducts an induction, develops a tailored work programme, and oversees their outputs to ensure a constructive and supportive learning environment. Our recruitment process upholds our commitment to equal opportunities, ensuring fairness, inclusion, and compliance with relevant legal standards. Through this structured approach, volunteers are integrated into NIF's team in a way that both supports their development and strengthens the impact of our organisation.

How expenditure supports the charity's objectives

All expenditure during the year was directed towards advancing the charity's objects as defined in its governing document: undertaking research and promoting educational activities on issues relating to a "Shared Future" in and from Northern Ireland.

- Programme delivery - The majority of funds were spent on project activities such as community programmes in Northern Ireland (e.g. the Carnegie Oldpark initiative) and international initiatives under

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Year ended 28 February 2023

the ICO brand (e.g. minority rights consultations in Kosovo, education access projects in Cameroon, and cross-community dialogue in the Middle East and Cyprus). These directly support education, reconciliation, and building more inclusive societies

- Research and educational outputs - Expenditure also covered research fellowships, policy consultations, and events (such as the House of Lords Kosovo briefing) designed to gather evidence, promote knowledge exchange, and influence policy on peacebuilding and shared futures.
- Capacity building and partnerships - Funds supported training, leadership development, and small grants for community organisations and SMEs, enabling local partners to advance peace and development goals sustainably.
- Operational and governance costs - A small proportion of expenditure was used for governance, compliance, and oversight, ensuring that all activities are properly monitored and align with the charity's objects and public benefit duty.

In this way, every area of expenditure can be traced directly to furthering the charity's aims of education, research, and building a shared future both in Northern Ireland and internationally.

Charity's Public Benefit

The Northern Ireland Foundation (NIF) advances education and understanding relating to peace, reconciliation, and a "Shared Future", rooted in lessons learned in and from Northern Ireland. The benefits flowing from this purpose include increased awareness of positive peacebuilding practices, improved skills for practitioners and community actors, and enhanced cooperation across divided or marginalised groups. These benefits are evidenced through participant feedback, partner evaluations, and regular internal review of our programmes.

When working with individuals and communities affected by conflict or trauma, there is a risk of reinvoking difficult experiences. This risk is managed through robust safeguarding policies and a strict code of conduct for staff and volunteers. Trustees consider that the proven educational and reconciliatory benefits significantly outweigh this limited risk.

The charity's beneficiaries are the general public, both in Northern Ireland and internationally, including participants who attend conferences, exchanges, community programmes, and educational activities. Some private benefit inevitably arises for suppliers of services, but this is incidental and necessary to deliver the charity's purposes. All procurement follows recognised good-practice standards to ensure transparency and value for money.

Reserves Policy

The trustees have considered the charity's need to maintain reserves in accordance with Charity Commission guidance. At the reporting date, the charity does not hold free reserves. As set out in the Statement of Financial Position, the charity is in a net liability position, which primarily reflects amounts owed to a related party for services provided under contract, rather than liabilities arising from routine trading or short-term operational costs.

The trustees recognise the importance of building appropriate reserves over time to support financial resilience and long-term sustainability. However, given the charity's current funding model and stage of development, available resources have been prioritised for programme delivery in furtherance of the charity's charitable objectives.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 28 February 2023

The trustees note that settlement of the related-party liability is expected to be managed over time, including through the planned realisation of assets, and that the creditor has demonstrated ongoing support for the charity's work. The trustees therefore consider that this liability does not present an immediate operational cash-flow risk.

The trustees keep the charity's financial position under regular review and intend to develop a formal reserves policy as income streams become more predictable and levels of unrestricted funding increase. In the interim, financial risk is managed through close oversight of expenditure, careful cash-flow management, and ongoing support from related organisations and partners.

Going Concern

The Company had net liabilities of £651,848. The trustees recognise that this represents a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern.

The Company's liabilities are substantially owed to a single creditor. The Director has indicated an intention to support the Company through the donation of digital copper holdings held via associated entities. These holdings are listed on recognised exchanges and are expected to be realised over time, with proceeds applied toward reducing the outstanding creditor balance.

The creditor has indicated a willingness to consider a structured repayment approach.

Based on the Director's stated commitment to provide financial support and the ongoing cooperation of the principal creditor, the trustees consider it appropriate to prepare the financial statements on a going concern basis. However, the position remains dependent on the successful implementation of the proposed support.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 28 February 2023

Plans for future periods

Over the coming year, the charity intends to strengthen and grow its existing programmes, both in Northern Ireland and internationally, while remaining firmly rooted in its founding purpose of promoting a "Shared Future." A key priority will be to deepen the charity's strategic partnership with its delivery agent, the International Communities Organisation (ICO), to ensure that the experiences and lessons of Northern Ireland's peace process continue to inform practical peacebuilding initiatives abroad.

The charity will expand its efforts to capture, systematise, and share learning from Northern Ireland's legacy, particularly in areas such as disarmament and reintegration, economic revitalisation, inclusive governance, and cross-community/faith dialogue. This expertise will be applied across current programmes in Kosovo, Cameroon, Cyprus, and the Middle East, as well as in any new contexts where communities seek support in rebuilding trust and cooperation.

NIF also aims to increase opportunities for Northern Ireland practitioners, experts, and community leaders to contribute to international work, creating a two-way exchange of knowledge. By drawing more deliberately on Northern Ireland's own experience of conflict transformation, while also learning from global partners. The charity will continue to refine and strengthen its model of reconciliation, peace education, and community empowerment.

These plans are aligned with the charity's objectives and will be developed in line with trustee oversight, available resources, and ongoing assessment of public benefit.

The charity's relationship with related parties

The Northern Ireland Foundation (NIF) is a registered charity. To advance its charitable objectives, NIF established International Communities Organisation (ICO), a not-for-profit company limited by guarantee, which acts as its delivery partner. While ICO is not itself a registered charity, it operates under agreements that make clear it is an agent of NIF when delivering programmes and spending funds. This arrangement allows NIF to draw on ICO's specialist expertise, staff, and international networks, while retaining oversight and accountability for charitable expenditure.

Foundation (Northern Ireland)

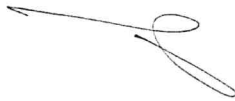
Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 28 February 2023

All funds disbursed to ICO are subject to written agreements setting out purposes, budgets, and reporting requirements. NIF's trustees retain responsibility for ensuring charitable funds are applied properly, receive regular reports on activities and outcomes, and exercise appropriate oversight of ICO's work. This ensures that all expenditure is directed towards NIF's charitable purposes and that proper controls are in place, while enabling effective delivery of impact on the ground.

The trustees' annual report and the strategic report were approved on 26th February 2026 and signed on behalf of the board of trustees by:



Mr J Holmes
Trustee

Foundation (Northern Ireland)

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Foundation (Northern Ireland)

Year ended 28 February 2023

I report to the trustees on my examination of the financial statements of Foundation (Northern Ireland) ('the charity') for the year ended 28 February 2023.

Responsibilities and basis of report

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006. Having satisfied myself that the charity is not subject to audit under company law, and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 65 of the Charities Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission for Northern Ireland under section 65(9)(b) of the Charities Act; and
- to state whether particular matters have come to my attention.

Independent examiner's statement - matter of concern identified

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 18 to the financial statements concerning the charity's ability to continue as a going concern. The charity was in a net liability position of £651,848 at the balance sheet date, with £661,920 within creditors. This liability position because of a large creditor balance owed, along with the matters explained in note 18 to the financial statements, indicate existence of a material uncertainty, which may cast doubt on the charity's ability to continue as a going concern. These financial statements do not include the adjustments that would result if the charity was unable to continue as a going concern.

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

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Foundation (Northern Ireland)

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Independent Examiner's Report to the Trustees of Foundation (Northern Ireland) *(continued)*

Year ended 28 February 2023

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.



Paul Dolan FCA
Independent Examiner

Finegan Gibson Ltd
Causeway Tower
9 James Street South
Belfast
BT2 8DN

26th February 2026

Foundation (Northern Ireland)

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 28 February 2023

		Unrestricted funds	2023 Restricted funds	Total funds	2022 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	112,825	14,050	126,875	26,212
Charitable activities	6	5,713	–	5,713	–
Total income		<u>118,538</u>	<u>14,050</u>	<u>132,588</u>	<u>26,212</u>
Expenditure					
Expenditure on charitable activities	7,8	<u>137,973</u>	<u>14,050</u>	<u>152,023</u>	<u>34,265</u>
Total expenditure		<u>137,973</u>	<u>14,050</u>	<u>152,023</u>	<u>34,265</u>
Net expenditure and net movement in funds					
		<u>(19,435)</u>	<u>–</u>	<u>(19,435)</u>	<u>(8,053)</u>
Reconciliation of funds					
Total funds brought forward		<u>(644,991)</u>	<u>12,578</u>	<u>(632,413)</u>	<u>(624,360)</u>
Total funds carried forward		<u>(664,426)</u>	<u>12,578</u>	<u>(651,848)</u>	<u>(632,413)</u>

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

The notes on pages 15 to 23 form part of these financial statements.

Foundation (Northern Ireland)

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Statement of Financial Position

28 February 2023

	Note	2023 £	2022 £
Current assets			
Cash at bank and in hand		10,072	27,587
Creditors: amounts falling due within one year	13	<u>661,920</u>	<u>660,000</u>
Net current liabilities		<u>651,848</u>	<u>632,413</u>
Total assets less current liabilities		<u>(651,848)</u>	<u>(632,413)</u>
Net liabilities		<u>(651,848)</u>	<u>(632,413)</u>
Funds of the charity			
Restricted funds		12,578	12,578
Unrestricted funds		<u>(664,426)</u>	<u>(644,991)</u>
Total charity funds	15	<u>(651,848)</u>	<u>(632,413)</u>

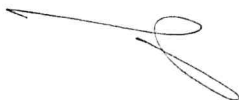
For the year ending 28 February 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

These financial statements were approved by the board of trustees and authorised for issue on 26th February 2026, and are signed on behalf of the board by:



Mr J Holmes
Trustee

The notes on pages 15 to 23 form part of these financial statements.

Foundation (Northern Ireland)

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 28 February 2023

1. General information

The charity is a public benefit entity and a private limited company by guarantee, registered in Northern Ireland. The address of the registered office is Carnegie Library, 121 Donegall Road, Belfast, BT12 5JL.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

In forming our opinion on the financial statements, we have considered the charity's ability to continue as a going concern. The charity is in a £651,848 net liability position at year end, this indicates the existence of a material uncertainty which may cast significant doubt about the charity's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the charity was unable to continue as a going concern.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant Judgements

There are no significant judgements (apart from those involving estimates) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Foundation (Northern Ireland)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 28 February 2023

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

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Notes to the Financial Statements *(continued)*

Year ended 28 February 2023

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

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

Plant and machinery	-	20% straight line
Fixtures and fittings	-	20% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Foundation (Northern Ireland)

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Notes to the Financial Statements *(continued)*

Year ended 28 February 2023

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

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Notes to the Financial Statements *(continued)*

Year ended 28 February 2023

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The company, being a company limited by guarantee, does not have share capital.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations			
Donations	112,825	14,050	126,875

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
Donations	539	25,673	26,212

6. Charitable activities

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Gift aid	5,638	5,638	—	—
Other income	75	75	—	—
	<u>5,713</u>	<u>5,713</u>	<u>—</u>	<u>—</u>

Foundation (Northern Ireland)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 28 February 2023

7. Expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Charitable Activities	136,027	14,050	150,077
Support costs	<u>1,946</u>	<u>–</u>	<u>1,946</u>
	<u>137,973</u>	<u>14,050</u>	<u>152,023</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Charitable Activities	–	–	–
Support costs	<u>5,050</u>	<u>29,215</u>	<u>34,265</u>
	<u>5,050</u>	<u>29,215</u>	<u>34,265</u>

8. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2023 £	Total fund 2022 £
Charitable Activities	150,077	–	150,077	29,215
Governance costs	<u>–</u>	<u>1,946</u>	<u>1,946</u>	<u>5,050</u>
	<u>150,077</u>	<u>1,946</u>	<u>152,023</u>	<u>34,265</u>

9. Independent examination fees

	2023 £	2022 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,920</u>	<u>–</u>

10. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023 £	2022 £
Wages and salaries	98,230	–
Social security costs	10,856	–
Employer contributions to pension plans	<u>2,073</u>	<u>–</u>
	<u>111,159</u>	<u>–</u>

The average head count of employees during the year was 3 (2022: Nil).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

Foundation (Northern Ireland)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 28 February 2023

11. Trustee remuneration and expenses

No trustee received any remuneration during the year. No trustees received expenses during the year.

12. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Total £
Cost			
At 1 March 2022 and 28 February 2023	<u>5,683</u>	<u>332</u>	<u>6,015</u>
Depreciation			
At 1 March 2022 and 28 February 2023	<u>5,683</u>	<u>332</u>	<u>6,015</u>
Carrying amount			
At 28 February 2023	<u>—</u>	<u>—</u>	<u>—</u>
At 28 February 2022	<u>—</u>	<u>—</u>	<u>—</u>

13. Creditors: amounts falling due within one year

	2023 £	2022 £
Amounts owed to group undertakings	660,000	660,000
Accruals and deferred income	<u>1,920</u>	<u>—</u>
	<u>661,920</u>	<u>660,000</u>

14. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £2,073 (2022: £Nil).

Foundation (Northern Ireland)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 28 February 2023

15. Analysis of charitable funds

Unrestricted funds

	At 1 March 2022	Income	Expenditure	At 28 February 2023
	£	£	£	£
General funds	(644,991)	118,538	(137,973)	(664,426)

	At 1 March 2021	Income	Expenditure	At 28 February 2 022
	£	£	£	£
General funds	(640,480)	539	(5,050)	(644,991)

Restricted funds

	At 1 March 2022	Income	Expenditure	At 28 February 2023
	£	£	£	£
Restricted Donation	12,578	14,050	(14,050)	12,578

	At 1 March 2021	Income	Expenditure	At 28 February 2 022
	£	£	£	£
Restricted Donation	16,120	25,673	(29,215)	12,578

16. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Current assets	(2,506)	12,578	10,072
Creditors less than 1 year	(661,920)	–	(661,920)
Net liabilities	(664,426)	12,578	(651,848)

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Current assets	15,009	12,578	27,587
Creditors less than 1 year	(660,000)	–	(660,000)
Net liabilities	(644,991)	12,578	(632,413)

Foundation (Northern Ireland)

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 28 February 2023

17. Foundation NI expenses

Foundation NI Expenses

In the year ICO paid expenses on behalf of NIF to the total of £29,922. These expenses will not be reimbursed.

18. Going concern

The Company had net liabilities of £651,848. The trustees recognise that this represents a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. The Company's liabilities are substantially owed to a single creditor. The Director has indicated an intention to support the Company through the donation of digital copper holdings held via associated entities. These holdings are listed on recognised exchanges and are expected to be realised over time, with proceeds applied toward reducing the outstanding creditor balance. The creditor has indicated a willingness to consider a structured repayment approach. Based on the Director's stated commitment to provide financial support and the ongoing cooperation of the principal creditor, the trustees consider it appropriate to prepare the financial statements on a going concern basis. However, the position remains dependent on the successful implementation of the proposed support.

Foundation (Northern Ireland)

Company Limited by Guarantee

Management Information

Year ended 28 February 2023

The following pages do not form part of the financial statements.

Foundation (Northern Ireland)
Company Limited by Guarantee
Detailed Statement of Financial Activities
Year ended 28 February 2023

	2023	2022
	£	£
Income and endowments		
Donations and legacies		
Donations	<u>126,875</u>	<u>26,212</u>
Charitable activities		
Gift aid	5,638	—
Other income	<u>75</u>	<u>—</u>
	<u>5,713</u>	<u>—</u>
Total income	<u><u>132,588</u></u>	<u><u>26,212</u></u>

Foundation (Northern Ireland)

Company Limited by Guarantee

Notes to the Detailed Statement of Financial Activities

Year ended 28 February 2023

	2023	2022
	£	£
Expenditure on charitable activities		
Charitable Activities		
<i>Activities undertaken directly</i>		
Wages/salaries	98,230	–
Employer's NIC	10,856	–
Pension costs	2,073	–
Rates & water	174	–
Light & heat	2,057	–
Repairs & maintenance	29,091	–
Events	6,311	–
Other costs	425	–
Subscriptions	860	–
	<u>150,077</u>	<u>–</u>
Support costs		
Charitable Activities	–	29,215
Governance costs		
Overhead costs	–	5,050
Independent Examination Fee	1,920	–
Legal and other professional fees	26	–
	<u>1,946</u>	<u>5,050</u>
Expenditure on charitable activities	<u>152,023</u>	<u>34,265</u>
Net expenditure	<u>(19,435)</u>	<u>(8,053)</u>
