

COMPANY REGISTRATION NUMBER: NI025793

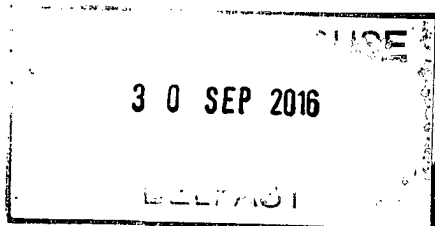
THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL

(A company limited by guarantee)

Report and Financial Statements

31 MARCH 2016

NIC Number: NIC102686
HMRC Number: NI00460



FINEGAN GIBSON LTD
Chartered Accountants & Statutory Auditors
Causeway Tower
9 James Street South
Belfast
BT2 8DN



JNI 30/09/2016 #200
COMPANIES HOUSE

THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL

ACCOUNTS

YEAR ENDED 31 MARCH 2016

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THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL
(A company limited by guarantee)

REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS' REPORT)
FOR YEAR ENDED 31ST MARCH 2016

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2016 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act (NI) 2008, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

REFERENCE AND ADMINISTRATIVE DETAILS

NIC Charity registration number:	NIC102686
Company registration number:	NI025793
HMRC charity number:	NI00460
Registered office:	17 Loy Street, Cookstown, Co. Tyrone, BT80 8PZ

Advisors

Auditors	Finegan Gibson Ltd, Causeway Tower, 9 James Street South, Belfast, BT2 8DN
Bankers	First Trust Bank, 2-4 James Street, Cookstown, BT80 8LW

Directors and Trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law. The Trustees and officers serving during the year and since the year end were as follows:

Trustees	Clarke Black	(resigned 30 September 2015)
	Kimberly Addis	
	Patrick Casement	
	Liam Flanigan	
	Maire Gallagher	
	Stewart Johnston	
	Eileen Kelly	
	Tony McCusker	
	Joe McDonald	
	Edward McVeigh	
	Alan Hunter	
	Wesley Aston	(appointed 1 October 2015)

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REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS' REPORT)
FOR YEAR ENDED 31ST MARCH 2016

Key management personnel

Chief Executive Officer	Teresa Canavan
Director of Corporate Services	Jane Thom
Director of Programmes	Olga Gallagher
Director of Rural Affairs	Michael Kelly

OBJECTIVES AND ACTIVITIES

To promote the development of rural and urban areas through assisting and working with individuals, community, voluntary, private and public sectors by delivering a range of economic, social, cultural, farming and environmental projects and programmes in or for the benefit of Northern Ireland or any part of the island of Ireland

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit.

The strategies employed to achieve the charity's aims and objectives are:

- To create practical projects and actions to ensure economic vibrancy and social well-being
- To encourage social and economic entrepreneurship, partnership working and common approaches for all individuals and agencies working in community development
- To make our communities inclusive and attractive places to live by assisting community organisations to develop an interest in local culture, history, arts and traditions

The achievements listed below detail the RDC performance for 2015-2016 in advancing its said objectives.

ACHIEVEMENTS AND PERFORMANCE

A full account of RDC's achievements during the year are listed below.

Strategic Aim 1: Realising the Potential of Rural

- *Objective 1.1 Maintain, Manage and maximise existing programmes*
- *Objective 1.2 Influence and support the development of the new Rural Development Programme 2014-2020*
- *Objective 1.3 Design and deliver programmes that meet local and regional need*
- *Objective 1.4 Build effective partnerships, alliances and consortium in support of new programmes to meet local and regional need*

Outputs

Farm Family Options Programme

- *Successful closure of the programme*
- *5 Monthly monitoring reports submitted*
- *Post project evaluation completed*

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REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS' REPORT)
FOR YEAR ENDED 31ST MARCH 2016

Rural Youth Entrepreneurship (RYE) programme

- Youth Steering Group held 6 meetings
- 606 Stakeholders registered on Youth Business Network
- 62 Outreach workshops delivered
- 302 young people attending workshops
- Webpage/ Facebook and Twitter updated
- 6 ezines issued
- 65 young people completing Business Action plan
- 8 Networking events delivered
- 12 Communication reports completed
- 4 Quarterly reports completed

Rural Youth Entrepreneurship (RYE) Connect programme

- Design and development of promotional material
- Youth Steering Group established
- Planning and attendance at conference in Sisimiut Greenland
- Marketing RYE Connect workshops
- 78 participants attended RYE pre-start workshops
- 65 pre-start Business action plans completed

UCAN Programme

- Rural delivery model developed
- Taster sessions held in 2 areas in Mid Ulster
- 5 co-design and taster sessions held
- Youth Participant Steering Group established
- 20 young people completed the 6 week UCAN START programme
- 21 individual needs assessments completed
- 21 individual support plans completed
- Programme of shared activities delivered
- Personal development workshops delivered
- Work placements organised
- 4 Community based projects completed
- 15 CV's developed

IFI Personal Youth Development Programme (PYDP)

- Appointed as managing agent for PYDP
- Development of processes and procedures for programme delivery
- Meeting groups and working up proposals

LAG Formation

- 4 Consultative partnership, stakeholder group & Monitoring Committee meetings
- 10 sessions with new LAGs to support application process to DARD
- 3 Gender action plans completed
- 10 meetings with new LAG Board members
- 35 meetings with LAGs to agree legal aspects and development of strategies
- 16 training sessions delivered to 375 LAG Board members
- 5 meetings held with Council staff/RSNs/DARD
- Meeting held with LAG Chairs/Managers to input into new Strategic forum

THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL
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**REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS'
REPORT)**
FOR YEAR ENDED 31ST MARCH 2016

Design of programmes

- 10 tenders secured
- 4 programme applications submitted
- 1 extension secured

Effective partnerships

- Transnational partnership developed on RYE Connect programme
- Early Years Cross Border Consortium
- Rural Sector collaboration

Strategic Aim 2: Sharing information

- Objective 2.1 Maintain, Manage and develop the Rural Network for Northern Ireland
- Objective 2.2 Create a rural observatory linked to RDC & Rural Network websites
- Objective 2.3 Participate on forums, discussion & working groups in support of the rural agenda
- Objective 2.4 Promote rural development, share practice and disseminate findings

Outputs

Rural Network for Northern Ireland

- Preparation, submission and award of tender for Network Support Unit 2016-2023 to commence 1st April 2016

Sharing of Information linked to RDC & Rural Network websites

- RDC website had 7,785 visitors of which 5,818 were unique visitors and 27,996 page reviews
- Rural Network website had 5,217 visitors of which 4,217 were unique visitors and 16,850 page reviews

Participate on forums, discussion & working groups in support of the rural agenda – meetings attended

- NIHE Rural Policy Implementation Panel
- Beyond Belfast
- Rural Development Programme Monitoring Committee
- Rural Development Programme Stakeholder Consultative Partnership 2014-2020
- All Ireland Early Years Advisory Group
- NI Multiple Deprivation Measures Steering Group
- Pathway Fund Regional Selection Panel
- NICVA Departmental Monitoring Group
- Ministerial and Assembly Committee

Promote rural development, share practice and disseminate findings

- Rural Development Programme projects database maintained with 806 projects detailed

THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL
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REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS' REPORT)
FOR YEAR ENDED 31ST MARCH 2016

Strategic Aim 3: A Centre for Rural Expertise

Objective 3.1 Provide rural proofing training and further develop a comprehensive rural proofing service

Objective 3.2 Respond to policy consultations and participate in key rural policy debates

Outputs

- *Review carried out of current training*
- *Attendance at Rural Proofing Bill stakeholder group meetings*
- *3 policy consultations submitted*

Strategic Aim 4: Effective and Efficient Organisation

Objective 4.1 To deliver on budget

Objective 4.2 Build staff skills for future project proposals

Objective 4.3 Achieve ISO

Objective 4.4 Embed liP

Objective 4.5 Corporate Governance, Board and Organisational development

Objective 4.6 Develop our corporate social responsibility

Outputs

Financial Management

- *Monthly management reports and cashflow statements produced for Board*
- *Independent strategic review and business plan completed*
- *Annual accounts presented at AGM*
- *Satisfactory assurance in Internal and External audit reports*
- *8 external verification visits carried out*
- *Budget profiles and expenditure reports prepared for funders*
- *Implementation of financial procedures and procurement guidance*
- *Liaise with pension providers*

Human Resources

- *Review and update policies and procedures*
- *Training & development policy supporting staff development*
- *6 staff meetings held*

ISO

- *Surveillance audit completed*
- *Ongoing monitoring of customer service*

THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL
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REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS' REPORT)
FOR YEAR ENDED 31ST MARCH 2016

Corporate Governance

- *Induction training for 1 new Board member*
- *Audit Committee training completed*
- *17 Board and sub-committee meetings serviced*
- *AGM held 30/09/15*
- *Approved charity 01/11/15*
- *Corporate Governance manual reviewed and updated*
- *Tender process for appointment of Internal and External Auditors completed*
- *Risk register updated and reviewed by Internal Auditors*
- *Purchase premises at Loy Street*

Corporate Social Responsibility

- *Preference in favour of social enterprise and use of community venues where possible for training purposes*

FINANCIAL REVIEW

The results for the year are set out in the attached financial statements. The total funds held at the end of the year are shown in the notes to the financial statements.

Initial review of the results for the year show an overall deficit of (£205,013) (2015: deficit of £76,498). The sector has experienced a difficult year regarding funding. Time delays in starting new programmes has resulted in RDC bridging the gap from its own resources. RDC also made a lump sum contribution towards the pension deficit of £80,000 (2015: £50,000).

Investment powers and policy

The trustees, having regard to the liquidity requirements of the charity, have kept available funds in an interest bearing deposit account and seek to achieve a rate on deposit which matches or exceeds inflation measured by the retail prices index.

RDC purchased the office building in September 2015. This will reduce future overhead costs such as rent.

Reserves policy and going concern

Reserves are needed to bridge the timing gap between spending and receiving of income and to cover unplanned temporary shortfalls in income should they arise. Holding adequate reserves safeguards the provision of our services in the event of unexpected significant financial pressures. The trustees consider that the ideal level of reserves would be six months expenditure which for the year ended 31 March 2016 would be £429,411.

Unrestricted reserves at the year end were (£849), however unrestricted reserves (excluding fixed assets, restricted funds, designated funds and defined benefit pension scheme) freely available to spend amounted to £1,137,481. This reserve figure omits a defined benefit pension scheme liability currently valued at £1,331,000 which is classed as long term debt. The trustees have no reason to believe the pension scheme liability will be crystallised in the near future therefore they believe that the going concern assumption is appropriate. They continue to regularly monitor the financial position of the charity and are active in pursuing new and continuing sources of funding to further the charity's charitable purposes.

THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL
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REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS' REPORT)
FOR YEAR ENDED 31ST MARCH 2016

PLANS FOR FUTURE PERIODS

RDC will continue to deliver agreed outputs on current contracts. It will seek to pursue new opportunities to develop programmes in support of its vision of 'a living, working, sustainable and shared countryside'. It will continue to diversify its funding streams and work in partnership with other organisations to benefit rural people and place and in the promotion of rural and urban linkages and the development of rural and urban areas through a range of projects and programmes. It will seek to maximise the use of its property as an outreach centre for the delivery of training and projects. It will continue its commitment to IIP and work to maintain or improve upon its Bronze accreditation.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The RDC is a company limited by guarantee governed by its Memorandum and Articles of Association dated 30 September 2015. The company currently has 11 company directors each of whom agrees to contribute £1 in the event of the charity winding up. RDC is a registered charity with the Charity Commission for Northern Ireland.

Appointment of trustees

The Chairman and the Trustees recruit and select new Trustees as needed. This is carried out through an open and transparent recruitment process. New Trustees are selected on the relevance of their professional skills, and their potential to be able to make a helpful contribution to the governance of the charity. On appointment all new Trustees are provided induction training which includes Trustees' legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan, corporate governance arrangements and recent financial performance of the charity.

Trustee induction and training

All Trustees complete induction training which covers:-

- RDC's mission and vision
- RDC's strategic aims and objectives
- RDC's core values
- RDC's Memorandum & Articles of Association
- Corporate Governance Manual
- Risk Management Strategy
- Policies & procedures

Arrangements for setting pay and remuneration of key management personnel

The directors consider the board of directors, who are the charity's trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. Details of directors' expenses and related party transactions are disclosed in note 10 to the accounts.

RDC follows the Northern Ireland Civil Service pay scales for employee remuneration.

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**REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS'
REPORT)**
FOR YEAR ENDED 31ST MARCH 2016

Organisation structure and how charity makes decisions

The board of trustees, which can have up to 12 members, administers the charity. The board normally meets bi-monthly and there are 3 sub-committees Finance & General Purposes, Strategy & Policy and Audit which normally meet bi-monthly. A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and direct charitable activities.

Relationships with related parties

None of our trustees receive remuneration or other benefit from their work with the charity.

All trustees complete a register of interests form on an annual basis to avoid any potential conflicts of interest.

Risk management

The trustees have a risk management strategy which comprises:

- A bi-monthly review of the risk register by the Audit Sub-committee;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

Risks are weighted on likelihood and impact. These are reviewed by the Audit sub-committee and then actions agreed to manage, reduce or eliminate the risk. Recommendations are then made to the Board on how to address key risks.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The charity trustees (who are also the directors of [Company Name] for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the income and expenditure of the charity for that period.

In preparing these accounts, 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material

THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL
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**REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS'
REPORT)**
FOR YEAR ENDED 31ST MARCH 2016

departures disclosed and explained in the financial statements; and

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT AS TO DISCLOSURE TO OUR AUDITORS

Each of the persons who is a trustee at the date of approval of this report confirms that:

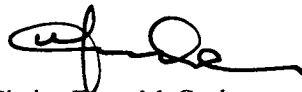
- so far as each trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

AUDITOR

Finegan Gibson Ltd are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Registered office:

Signed by order of the trustees



Chair: Tony McCusker
Date: 26 September 2016

THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NORTHERN
IRELAND RURAL DEVELOPMENT COUNCIL *(continued)***

YEAR ENDED 31 MARCH 2016

We have audited the accounts of The Northern Ireland Rural Development Council for the year ended 31st March 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective January 2016).

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Trustees' Annual Report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors, including APB Ethical Standard – Provisions Available for Small Entities (Revised), in the circumstances set out in note 26 to the financial statements.

SCOPE OF THE AUDIT OF THE ACCOUNTS

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

OPINION ON ACCOUNTS

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with applicable accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NORTHERN
IRELAND RURAL DEVELOPMENT COUNCIL (continued)**

YEAR ENDED 31 MARCH 2016

EMPHASIS OF MATTER – GOING CONCERN

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 25 to the financial statements concerning the company's ability to continue as a going concern. As at 31 March 2016, the company had net liabilities of £849 and uncertainty exists regarding future funding and the extent of the company's liabilities in relation to the pension scheme deficit. These conditions, along with the matters explained in note 25 to the financial statements, indicate the existence of a material uncertainty however the directors believe the uncertainties are not such as to cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the accounts are prepared is consistent with the accounts.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report.



CONOR DOLAN FCA
(Senior Statutory Auditor)
For and on behalf of
FINEGAN GIBSON LTD
Chartered Accountants & Statutory Auditors
Causeway Tower
9 James Street South
Belfast
BT2 8DN

Date 26 September 2016

THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE
INCOME AND EXPENDITURE ACCOUNT)**

YEAR ENDED 31 MARCH 2016

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Income					
Donations & legacies	2	200	-	200	2,030
<i>Income from charitable activities</i>	3				
Grant funded services		-	442,600	442,600	988,705
Contractual & SLA services		197,735	-	197,735	581,326
Investment income	4	7,919	-	7,919	10,943
Other income	5	5,356	-	5,356	11,500
Total Income		211,210	442,600	653,810	1,594,504
Expenditure					
<i>Expenditure on charitable activities</i>					
Grant funded services	6/7	-	(587,371)	(587,371)	(1,106,605)
Contractual & SLA services	6/7	(271,452)	-	(271,452)	(559,041)
Other expenditure	8	-	-	-	(5,356)
Total expenditure		(271,452)	(587,371)	(858,823)	(1,671,002)
Net income/(expenditure)		(60,242)	(144,771)	(205,013)	(76,498)
Transfers between funds		(94,354)	94,354	-	-
Actuarial gains/losses on defined benefit pension schemes		480,000	-	480,000	(421,000)
Net movement in funds		325,404	(50,417)	274,987	(497,498)
Reconciliation of funds					
Fund balances at 1 April 2015		(326,253)	50,417	(275,836)	221,662
Fund balances at 31 March 2016		(849)	-	(849)	(275,836)

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

All of the above amounts relate to continuing activities.

The notes on pages 17 to 30 form part of these accounts.

THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL
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BALANCE SHEET

AT 31 MARCH 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	13	192,670	1,670
Current assets			
Debtors	14	207,695	392,427
Cash at bank		1,084,553	1,493,738
		<u>1,292,248</u>	<u>1,886,165</u>
Creditors: Amounts falling due within one year	15	<u>(154,767)</u>	<u>(347,671)</u>
Net current assets		1,137,481	1,538,494
Total assets less current liabilities		<u>1,330,151</u>	<u>1,540,164</u>
Creditors: Amounts falling due after more than one year	17	(1,331,000)	(1,816,000)
Net assets		<u>(849)</u>	<u>(275,836)</u>
The funds of the charity:			
Unrestricted income funds	18	(849)	(326,253)
Restricted income funds	19	-	50,417
Total charity funds		<u>(849)</u>	<u>(275,836)</u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

Approved by the board of Directors and signed on its behalf by:



Tony McCusker, Chair of trustees on behalf of the trustees

Approved by the trustees on 26 September 2016

The notes on pages 17 to 30 form part of these accounts.

THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL
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STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2016

	Note	£	2016 £	2015 £
Cash used in operating activities		21	(217,401)	30,118
Cash flows from investing activities				
Interest income			7,919	10,943
Purchase of tangible fixed assets			(199,703)	-
Cash provided by (used in) investing activities			(191,784)	10,943
Cash flows from financing activities			-	-
Increase / (decrease) in cash and cash equivalents for the year			(409,185)	41,061
Cash and cash equivalents at the beginning of the year			1,493,738	1,452,677
Total cash and cash equivalents at the end of the year			<u>1,084,553</u>	<u>1,493,738</u>

The notes on pages 17 to 30 form part of these accounts.

THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of accounting

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) and the Companies Act 2006.

Reconciliation with previous 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.

At the date of transition in applying the requirement to recognise liabilities arising from employee benefits, a liability was recognised for short-term compensated absence arising from employee entitlement of the charity to paid annual leave. The initial liability recognised at the date of transition was for the holiday entitlement carried forward and for the entitlement arising in the year which was due but not taken. The initial liability was for £21,734. No other restatements were required. In accordance with the requirements of FRS 102 a reconciliation of opening balances is provided.

Reconciliation of group funds and balances:

	1 April 2014 £	31 March 2015 £
Fund balances as previously stated	243,396	(254,102)
Short-term compensated absences	(21,734)	(21,734)
	<u>221,662</u>	<u>(275,836)</u>

Going concern

The charity reported a net cash inflow of £247,897 for the year and the company had net liabilities at the year-end of (£849) which includes (£849) of unrestricted reserves and £nil of restricted reserves. This is due to the inclusion of the defined benefit pension scheme liability. As stated in note 22, the next formal valuation of the scheme will have an effective date of 31 March 2016 with the results expected early 2017. Following this valuation, the pension scheme trustees may direct participating employers to increase their contributions from March 2016 which would have a negative impact on the company's operating performance.

The notes on pages 17 to 30 form part of these accounts.

THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL
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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

The company's operating surplus for the year ended 31 March 2016 was a positive result. The pension scheme deficit is not a short term liability and should be met in the long term by a combination of contributions and the underlying investment performance of the scheme's assets. The directors have no intention of taking any action that would trigger immediate crystallisation of the pension scheme liability.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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.

In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Restricted funds are funds which the donor has specified are to be solely used for particular areas of the Charity's work.

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:

- Costs of raising funds comprise the costs of commercial trading.
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the related activity.

The notes on pages 17 to 30 form part of these accounts.

THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL
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Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include office costs, finance, personnel and governance costs which support the Charity's activities. These costs have been allocated between expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 7.

Operating leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term.

Tangible fixed assets

Individual fixed assets costing £250 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis.

Depreciation

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

Fixtures & Fittings	– 33.3% straight line basis
Freehold property	– 2% straight line basis

Debtors

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

Cash at bank and in hand

Cash at bank and cash 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.

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 the 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.

Pension scheme

The charitable company operates a defined benefit pension scheme for its employees. Scheme funds are administered by independent trustees. Following the adoption of FRS102 any asset or liability of the pension scheme is recognised in these accounts in accordance with actuary valuations. See note 22 for further disclosure.

The notes on pages 17 to 30 form part of these accounts.

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2. Donations and legacies

	Unrestricted Funds 2016 £	Unrestricted Funds 2015 £
Subscriptions & other contributions	<u>200</u>	<u>2,030</u>

3. Income from charitable activities

	Grant funded services	Contractual &SLA services	Total Funds 2016 £	Total Funds 2015 £
Department of Agriculture & Rural Development				
- Rural Network	-	5,449	5,449	327,840
- RYE	249,197	-	249,197	188,662
- Axis 1	-	40,223	40,223	159,091
- LAG formation	-	110,000	110,000	-
International Fund for Ireland				
- PYDP	30,610	-	30,610	-
SEUPB BRIC	-	-	-	660,727
Department of Learning	104,457	-	104,457	-
Council Strategies	-	19,315	19,315	-
CFNI	-	3,333	3,333	8,333
Axis 1	-	18,965	18,965	75,091
SLA	21,885	-	21,885	4,497
European Commission	34,651	-	34,651	-
POBAL	-	-	-	132,006
Rural Proofing	-	-	-	375
ISO Grant	-	-	-	2,813
Village Renewal	-	-	-	10,446
Other income	1,800	450	2,250	150
	<u>442,600</u>	<u>197,735</u>	<u>640,335</u>	<u>1,570,031</u>

4. Investment income

	Unrestricted Funds 2016 £	Unrestricted Funds 2015 £
Deposit accounts	<u>7,919</u>	<u>10,943</u>

The notes on pages 17 to 30 form part of these accounts.

THE NORTHERN IRELAND RURAL DEVELOPMENT COUNCIL
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5. Other income

	Unrestricted Funds 2016 £	Unrestricted Funds 2015 £
Corporation tax refund	5,356	-
Other income	-	11,500
	<u>5,356</u>	<u>11,500</u>

6. Analysis of expenditure on charitable activities

	Grant funded services £	Contractual & SLA services £	Total 2016 £	Total 2015 £
Wages & salaries	306,094	163,784	469,878	543,127
Employer pension contributions	30,840	18,902	49,742	58,348
Pension deficit contributions	49,510	30,490	80,000	50,000
Pension adjustment	(3,102)	(1,901)	(5,003)	(28,000)
Redundancy costs	-	-	-	68,226
Agency costs	-	-	-	9,034
Council attendance allowance	6,200	-	6,200	7,300
Programme Ai Services	-	10,789	10,789	87,075
Grants paid out	71,704	-	71,704	320,239
Programme promotional costs	5,318	1,470	6,788	36,540
Travel & subsistence	9,590	4,095	13,685	21,726
Printing, publishing & stationery	108	274	382	1,224
Legal & professional fees	-	800	800	16,076
Event costs	22,745	6,098	28,843	29,822
External evaluation	5,353	-	5,353	-
Training for beneficiaries	8,236	-	8,236	302,402
Study visits	10,294	-	10,294	-
Mentoring support & development	98	-	98	1,000
Telephone & postage	4	272	276	6,005
Repairs & maintenance	2,251	257	2,508	6,426
Rent & rates	10,851	6,650	17,501	39,963
Light & Heat	2,143	1,313	3,456	5,040
Sundry expenses	1,066	471	1,537	1,028
Bank charges	-	39	39	-
Governance costs (see note 7)	18,982	11,634	30,616	22,804
Support costs (see note 7)	29,086	16,015	45,101	60,241
	<u>587,371</u>	<u>271,452</u>	<u>858,823</u>	<u>1,665,646</u>

The notes on pages 17 to 30 form part of these accounts.

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7. Analysis of governance and support costs

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the two key charitable activities undertaken. Refer to the table below for the basis of apportionment and the analysis of support and governance costs.

	General support	Governance function	2016 Total	2015 Total	Basis of apportionment
	£	£	£	£	
Travel & subsistence	3,608	-	3,608	2,748	Allocated on staff time
Training & development	863	-	863	797	Allocated on staff time
Telephone & postage	4,604	-	4,604	7,910	Allocated on staff time
Printing, publishing & stationary	4,357	-	4,357	6,403	Allocated on staff time
Cleaning	1,549	-	1,549	4,589	Allocated on staff time
Insurance	4,020	-	4,020	3,673	Allocated on staff time
Dues & Subscriptions	1,047	-	1,047	2,019	Allocated on staff time
Repairs & maintenance	12,664	-	12,664	11,866	Allocated on staff time
Programme promotional costs	2,917	-	2,917	6,090	Allocated on staff time
Event costs	115	-	115	260	Allocated on staff time
Sundry expenses	3,096	-	3,096	348	Allocated on staff time
Foreign exchange (gain)/loss	(2,442)	-	(2,442)	8,517	Allocated on staff time
Depreciation	8,703	-	8,703	5,021	Allocated on staff time
Audit services	-	7,223	7,223	16,023	Allocated on staff time
Legal & professional fees	-	22,589	22,589	5,661	Allocated on staff time
Bank charges	-	804	804	1,120	Allocated on staff time
	<u>45,101</u>	<u>30,616</u>	<u>75,717</u>	<u>83,045</u>	

8. Other expenditure

	Unrestricted Funds 2016	Unrestricted Funds 2015
	£	£
Corporation tax	-	5,356

The notes on pages 17 to 30 form part of these accounts.

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9. Net incoming resources for the year

This is stated after charging:

	2016	2015
	£	£
Depreciation	8,703	5,021
Auditors' remuneration:		
- audit of the financial statements	<u>7,223</u>	<u>16,023</u>

10. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Total staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	458,860	498,609
Social security costs	32,752	44,517
Employer pension contributions	49,741	58,348
Pension deficit	80,000	50,000
Pension adjustment	(5,003)	(28,000)
Agency and associate costs	-	9,034
Redundancy costs	-	68,226
	<u>616,350</u>	<u>700,734</u>

No employees were in receipt of remuneration exceeding £60,000 (2015: Nil).

The charity trustees were not paid or received any other benefits from employment with the Charity in the year (2015: £nil). They were reimbursed travel expenses and provided with allowances during the year totalling £8,617 (2015: £10,048). No charity trustee received payment for professional or other services supplies to the charity (2015: £nil).

The key management personnel of the charity comprise the Trustees, Chief Executive, Director of Rural Affairs, Director of Corporate Services and Director of Programmes. The total employee benefits of the key management personnel of the charity total £192,422 (2015: £208,763).

The notes on pages 17 to 30 form part of these accounts.

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11. Staff numbers

The average monthly head count during the year were as follows:

	2016	2015
	No	No
Corporate services	4	4
Programmes and Operations	5	5
Rural and Regional Affairs	7	7
	<u>16</u>	<u>16</u>

12. Related party transactions

None of the board members, members of the key management staff or other related parties has undertaken any material transactions with The Northern Ireland Rural Development Council during the year other than the payment of salaries and reimbursement of expenses as noted in note 10.

13. Tangible fixed assets

	Freehold Property £	Fixtures & fittings £	Total £
Cost			
At 1 April 2015	-	178,168	178,168
Additions	190,000	9,703	199,703
Disposals	-	(102,287)	(102,287)
At 31 March 2016	<u>190,000</u>	<u>85,584</u>	<u>275,584</u>
Depreciation			
1 April 2015	-	176,498	176,498
Charge for the year	3,800	4,903	8,703
Elimination on disposal	-	(102,287)	(102,287)
At 31 March 2016	<u>3,800</u>	<u>79,114</u>	<u>82,914</u>
Net Book Value			
At 31 March 2016	<u>186,200</u>	<u>6,470</u>	<u>192,670</u>
At 31 March 2015	<u>-</u>	<u>1,670</u>	<u>1,670</u>

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14. Debtors

	2016	2015
	£	£
Trade debtors	183,823	382,125
Prepayments	3,968	2,550
Interest receivable	7,000	7,000
Other debtors	12,904	752
	<u>207,695</u>	<u>392,427</u>

15. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Bank overdrafts	-	-
Trade creditors	63,237	192,420
Other creditors	900	-
Accruals	45,630	29,244
Grants received in advance	45,000	95,417
Corporation tax	-	-
VAT	-	30,590
	<u>154,767</u>	<u>347,671</u>

16. Deferred income

	2016	2015
	£	£
Balance at 1 April 2015	95,417	153,507
Amount released in year	(50,417)	(108,507)
Amount deferred in year	-	50,417
	<u>45,000</u>	<u>95,417</u>
Balance at 31 March 2016	<u>45,000</u>	<u>95,417</u>

17. Creditors: Amounts falling due after more than one year

	2016	2015
	£	£
Defined benefit pension scheme	<u>1,331,000</u>	<u>1,816,000</u>

The notes on pages 17 to 30 form part of these accounts.

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18. Unrestricted income funds

	Balance at 1 April 2015	Income	Expenditure	Actuarial gain/(loss)	Transfers	Balance at 31 March 2016
	£	£	£	£	£	£
General Funds	<u>(326,253)</u>	<u>211,210</u>	<u>(271,452)</u>	<u>480,000</u>	<u>(94,354)</u>	<u>(849)</u>

19. Restricted income funds

	Balance at 1 April 2015	Income	Expenditure	Transfers	Balance at 31 March 2016
	£	£	£	£	£
SIF/CWSAN	-	1,800	(823)	(977)	-
UCAN	-	104,457	(126,382)	21,925	-
New Programmes	-	-	(33,284)	33,284	-
IFI PYDP	-	30,610	(37,379)	6,769	-
RYE	50,417	219,673	(277,012)	6,922	-
RYE Connect	-	64,319	(90,594)	26,275	-
Sperrins Gateway	-	21,885	(21,897)	12	-
Muscat Prep	-	(144)	-	144	-
	<u>50,417</u>	<u>442,600</u>	<u>(587,371)</u>	<u>94,354</u>	<u>-</u>

20. Analysis of net assets between funds

	General Funds	Restricted Funds	Total 2016	Total 2015
	£	£	£	£
Tangible Fixed Assets	192,670	-	192,670	1,670
Current Assets	1,292,248	-	1,292,248	1,886,165
Liabilities	(1,485,767)	-	(1,485,767)	(2,163,671)
	<u>(849)</u>	<u>-</u>	<u>(849)</u>	<u>(275,836)</u>

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YEAR ENDED 31 MARCH 2016

21. Reconciliation of net movement in funds to net cash flow from operation activities

	2016	2015
	£	£
Net movements in funds	253,253	(497,498)
Add back depreciation charge	8,703	5,021
Deduct bank interest receivable	(7,919)	(10,943)
Actuarial (gain)/loss	(480,000)	421,000
Deduct adjustment to pension	(5,003)	(69,000)
Decrease/(increase) in debtors	184,732	489,403
Increase/(decrease) in creditors	(171,167)	(307,865)
	<u>(217,401)</u>	<u>30,118</u>

22. Pension scheme

The disclosures below relate to the funded liabilities within the Northern Ireland Local Government Officers' Pension Fund ('the fund') which is part of the Local Government Pension Scheme (Northern Ireland) (the 'LGPS') and The Northern Ireland Rural Development Council participates in. The LGPS is a funded defined benefit plan with benefits earned up to 31 March 2015 being linked to final salary. Benefits after 31 March 2016 are based on a Career Average Revalued Earnings scheme. Details of the benefits earned over the period covered by this disclosure are set out in 'The local Government Pension Scheme Regulations (Northern Ireland) 2014' and 'The Local Government Pension Scheme (Amendment and Transitional Provisions) Regulations (Northern Ireland) 2014'.

Under FRS102, The Northern Ireland Rural Development Council is required to account for their share of the underlying assets and liabilities of the scheme.

The funded nature of the LGPS requires participating employers and its employees to pay contributions into the Fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid is set out in the LGPS Regulations (Northern Ireland) 2014 and the Fund's Funding Strategy Statement. The last actuarial valuation was at 31 March 2013 and the contributions to be paid until 31 March 2017 resulting from that valuation are set out in the Fund's Rates and Adjustment Certificate. An actuarial valuation of the Fund will be carried out at 31 March 2016 and as part of that valuation a new Rates and Adjustment Certificate will be produced for the three year period from 1 April 2017.

Key Assumptions	2016	2015
	% p.a.	% p.a.
Discount rate	3.5	3.2
RPI Inflation	2.9	2.9
CPI Inflation	1.8	1.8
Pension Increases	1.8	1.8
Pension accounts revaluation rate	1.8	1.8
Salary increases	3.3	3.3

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The allocation of assets attributable to The Northern Ireland Rural Development Council are analysed as follows:

Asset Allocation	2016 % p.a.	2015 % p.a.
Equities	71.9	73.0
Property	13.2	12.6
Government bonds	5.7	5.7
Corporate bonds	6.4	6.5
Cash	2.3	2.0
Other	0.5	0.2
Total	100%	100%

Reconciliation of funded status to balance sheet	2016 £m.	2015 £m
Fair value of assets	4.566	4.397
Present value of funded defined benefit obligation	5.897	6.213
Funded status	(1.331)	(1.816)
Unrecognised asset due to limit in para 64	0.0	0.0
Asset/(liability) recognised on the balance sheet	(1.331)	(1.816)

The split of the liabilities at the last valuation between the various categories of members is as follows:

Active members	36%
Deferred Pensioners	31%
Pensioners	33%

Amounts recognised in Statement of Financial Activities	2016 £m.	2015 £m
Operating cost		
Current service cost	0.068	0.081
Past service cost	0.000	0.000
Curtailment cost	0.000	0.000
Settlement cost	0.000	0.000
Financing cost		
Interest on net defined benefit liability/(asset)	0.056	0.060
Asset/(liability) recognised on the balance sheet	0.124	0.141

Amounts recognised Actuarial gains/(losses) on the Statement of Financial Activities	2016 £m.	2015 £m
Assets gains/(losses) arising during the period	(0.015)	0.340
Liability gains/(losses) arising during the period	0.495	(0.661)
Total amount recognised in other comprehensive income	0.480	(0.321)

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Changes to the present value of the defined benefit obligation

	2016	2015
	£m.	£m
Opening defined benefit obligation	6.213	5.325
Current service cost	0.068	0.081
Interest expense on defined benefit obligation	0.197	0.227
Contributions by participants	0.020	0.024
Actuarial (gains)/losses on liabilities	(0.495)	0.661
Net benefits paid out	(0.106)	(0.105)
Past service cost	0.000	0.000
Curtailment cost	0.000	0.000
Net increase in liabilities from disposals/acquisitions	0.000	0.000
Settlements	0.000	0.000
Closing defined benefit obligation	5.897	6.213

Changes to the fair value of assets

	2016	2015
	£m.	£m
Opening fair value of assets	4.397	3.861
Interest income on assets	0.141	0.167
Remeasurement gains/(losses) on assets	(0.015)	0.340
Contributions by the employer	0.129	0.110
Contributions by participants	0.020	0.024
Net benefits paid out	(0.106)	(0.105)
Net increase in assets from disposals/acquisitions	0.000	0.000
Settlements	0.000	0.000
Closing defined benefit obligation	4.566	4.397

Actual returns on assets

	2016	2015
	£m.	£m
Interest income on assets	0.141	0.167
Gain/(loss) on assets	(0.015)	0.340
Actual return on assets	0.126	0.507

23. Legal status of the Charity

Each of the members of the company has guaranteed to contribute to the assets of the company in the event of the same being wound up to the extent of £1.

24. Corporation Taxation

The company was recognised as a charity by HM Revenue and Customs effective 1st November 2015. Trading activities prior to this date have been accounted for corporation tax purposes. From 1st November 2015 the charitable company's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge accounted from this date forward.

The notes on pages 17 to 30 form part of these accounts.

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25. Going concern

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The company had net liabilities of £849 as at 31 March 2016 due to the defined benefit pension scheme liability. As stated in note 22, the next formal valuation of the scheme will have an effective date of 31 March 2016 with the results expected early 2017. Following this valuation, the pension scheme trustees may direct participating employers to increase their contributions from March 2016 which would have a negative impact on the company's operating performance.

The charitable company's surplus after actuarial gains for the year ended 31 March 2016 was a positive result. The pension scheme deficit is not a short term liability and should be met in the long term by a combination of contributions and the underlying investment performance of the scheme's assets. The directors have no intention of taking any action that would trigger immediate crystallisation of the pension scheme liability.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

26. APB Ethical Standard – Provisions available for small entities

In common with many other organisations of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

The notes on pages 17 to 30 form part of these accounts.