

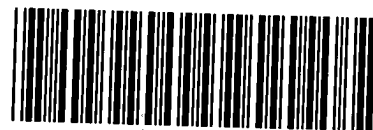
**Company Registration No. NI030353**

**CENTRE FOR COMPETITIVENESS (NI) LIMITED**

**ANNUAL REPORT AND FINANCIAL  
STATEMENTS**

**FOR THE YEAR ENDED 31 March 2021**

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# **CENTRE FOR COMPETITIVENESS (NI) LIMITED**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS 2021**

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# **CENTRE FOR COMPETITIVENESS (NI) LIMITED**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS 2021**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

See page 2 for names of directors who served during the year and since the year end.

#### **SECRETARY**

Mr Robert Barbour

#### **REGISTERED OFFICE**

The Innovation Centre  
NI Science Park  
Queens Road  
Belfast  
BT3 9DT

#### **BANKERS**

Ulster Bank Limited  
11-16 Donegall Square East  
Belfast

#### **SOLICITORS**

DWF (Northern Ireland) Limited  
42 Queen Street  
Belfast

#### **INDEPENDENT AUDITOR**

Deloitte (NI) Limited  
27-45 Great Victoria Street,  
Lincoln Building  
Belfast  
BT2 7SL

# **CENTRE FOR COMPETITIVENESS (NI) LIMITED**

## **DIRECTORS' REPORT**

The directors present their report and the audited financial statements for the year ended 31 March 2021.

This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

## **ACTIVITIES**

The company's principal activity is the identification and encouragement of actions, and the provision of services, which accelerate the growth and strengthen the competitiveness of organisations in the Private, Public and Voluntary Sectors in the UK and Ireland.

The company is limited by guarantee.

## **REVIEW OF THE BUSINESS AND RESULTS FOR THE YEAR**

The results for the year ended 31 March 2021 show a slight deterioration from the previous year, with a loss of £46,103 (2020: Loss of £34,320). Turnover has decreased by £223,077 and administrative expenditure has decreased by £178,204. The deficit carried forward amounts to £73,255 (2020: deficit £27,152). As a not-for-profit organisation, no dividends have been paid or proposed in the current or prior year.

## **DIRECTORS**

The directors who held office during the year, and up to the date of signing, unless otherwise stated, are as follows:

Mr S L Kingon  
Mr R Barbour  
Mr D H Duffy  
Dr P Madden  
Mr B O'Hare  
Mr B McAreavey

Mr J Irwin  
Mr A Robinson  
Mr J O'Mahoney  
Mr D Watson  
Mr P Stapleton  
Mr J O'Neill

There are no directors' indemnities.

## **CENTRE FOR COMPETITIVENESS (NI) LIMITED**

### **DIRECTORS' REPORT (CONTINUED)**

#### **GOING CONCERN**

The directors of the company have appraised the financial loss in the 2020/21 accounts as being as a consequence of the Covid-19 pandemic during the past eighteen months. In Q/1 and Q/2 of FY 2021/22 revenues have improved, with a sizeable, profitable contract now in place for the remainder of the year. The business has also implemented a cost reduction plan including the relocation to new offices. As a result of this, the business is on a solid trajectory for a return to profitability during the fiscal year. The business has also now commenced repayment of the bounce back loan obtained to manage during the Covid pandemic, which, is now deemed to be under greater control with the roll out of vaccinations.

Having considered the risks, the current economic environment, forecasts, and cash reserves, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

#### **AUDITOR**

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

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

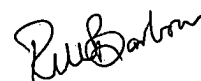
The confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Deloitte (NI) Limited have expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed as reappointed as auditor in the absence of an Annual General Meeting.

Innovation Centre  
Northern Ireland Science Park  
Queens Road  
Belfast

BT3 9DT

By order of the board  
Mr R Barbour



Director  
Date 24 November 2021

## **CENTRE FOR COMPETITIVENESS (NI) LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

#### **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRE FOR COMPETITIVENESS (NI) LIMITED**

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion the financial statements of Centre for Competitiveness (NI) Limited:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of income and retained earnings;
- the balance sheet; and
- the related notes 1 to 14.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRE FOR COMPETITIVENESS (NI) LIMITED**

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identifies and assesses the risks of material misstatement of the entity's financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the auditor's opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. The auditor includes an explanation in the auditor's report of the extent to which the audit was capable of detecting irregularities, including fraud;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- Concludes on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If the auditor concludes that the use of the going concern basis of accounting is appropriate and no material uncertainties have been identified, the auditor reports these conclusions in the auditor's report. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRE FOR COMPETITIVENESS (NI) LIMITED**

The auditor's conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included: UK Companies Act, accounting standards and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included: Health and Safety at Work Act, Employment Law and General Data Protection Regulation.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the following areas, and our specific procedures performed to address them are described below:

- Recoverability of trade debtors:
  - We selected a sample from the aged debtors listing and agreed to post year end bank payments.
  - We confirmed whether the invoices issued pre and post year end have been allocated correctly to provide assurance over cut-off.
  - We performed a debtor aging analysis to identify the percentage of year end debt that is highly aged.
- Revenue Recognition – pinpointed to accrued income:
  - We recalculated a sample of accrued income based on membership periods and ensured the correct amount of revenue was accrued in accordance with FRS 102.
  - We reviewed board minutes to ensure that the board is presented with and reviews management accounts (which contain accrued income calculations).

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRE FOR COMPETITIVENESS (NI) LIMITED**

**Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)**

- **Going Concern:**
  - We reviewed 2021/2022 financial forecasts in comparison to actuals for the year to date.
  - We compared prior year forecasts to prior year actuals.
  - We reviewed cash projections for 2021/22 financial year.
  - We reviewed management's going concern assessment.
  - We reviewed post year end board minutes.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

### **Report on other legal and regulatory requirements**

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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

#### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

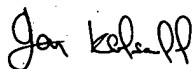
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CENTRE FOR COMPETITIVENESS (NI) LIMITED**

### **Use of our report**

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



Ian Kelsall  
for and on behalf of Deloitte (NI) Limited  
Chartered Accountants and Statutory Auditor  
Belfast, United Kingdom  
25 November 2021

# **CENTRE FOR COMPETITIVENESS (NI) LIMITED**

## **STATEMENT OF INCOME AND RETAINED EARNINGS** **Year ended 31 March 2021**

|  | <b>Note</b> | <b>2021</b><br><b>£</b> | <b>2020</b><br><b>£</b> |
|--|-------------|-------------------------|-------------------------|
| <b>TURNOVER</b>                                  |             | 232,328                 | 455,405                 |
| Administrative expenses                          |             | (313,832)               | (487,476)               |
| <b>OPERATING LOSS)</b>                           |             | (81,504)                | (32,071)                |
| Other Income / (Costs)                           | 4           | 30,841                  | (2,249)                 |
| <b>LOSS BEFORE TAXATION</b>                      | 5           | (50,663)                | (34,320)                |
| Tax on loss                                      |             | -                       | -                       |
| <b>LOSS FOR THE FINANCIAL YEAR</b>               |             | (50,663)                | (34,320)                |
| <b>(Deficit)/retained profit at 1 April 2020</b> |             | (27,152)                | 7,168                   |
| <b>Deficit at 31 March 2021</b>                  |             | (77,815)                | (27,152)                |

All results in the current and prior year are derived from continuing operations.

There are no recognised gains or losses for the current or prior financial years other than as stated in the profit and loss account and accordingly, no Statement of Comprehensive Income has been presented.

The notes on pages 12 to 19 form part of these financial statements.

# CENTRE FOR COMPETITIVENESS (NI) LIMITED

## BALANCE SHEET As at 31 March 2021

|  | Note | 2021<br>£        | 2020<br>£        |
|--|------|------------------|------------------|
| <b>FIXED ASSETS</b>  |      |                  |                  |
| Tangible assets  | 7    | 1,783            | 5,920            |
| Investments  | 8    | 83               | 83               |
|  |      | <u>1,866</u>     | <u>6,003</u>     |
| <b>CURRENT ASSETS</b>  |      |                  |                  |
| Debtors  | 9    | 81,058           | 136,848          |
| Cash at bank and in hand                                       |      | <u>41,647</u>    | <u>5,882</u>     |
| <b>Total current assets</b>                                    |      | <u>122,705</u>   | <u>142,730</u>   |
| <b>CREDITORS: amounts falling due within one year</b>          | 10   | <u>(160,372)</u> | <u>(175,885)</u> |
| <b>NET CURRENT (LIABILITIES)/ASSETS</b>                        |      | <u>(37,667)</u>  | <u>(33,155)</u>  |
| <b>CREDITORS: amounts falling due after more than one year</b> | 11   | <u>(42,014)</u>  | <u>-</u>         |
| <b>TOTAL ASSETS LESS TOTAL LIABILITIES</b>                     |      | <u>(77,815)</u>  | <u>(27,152)</u>  |
| <b>CAPITAL AND RESERVES</b>                                    |      |                  |                  |
| Profit and loss account  | 13   | <u>(77,815)</u>  | <u>(27,152)</u>  |

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

The accounts have been prepared in accordance with the provisions of section 1A of FRS 102.

These financial statements of the Centre for Competitiveness (NI) Limited, No. NI030353, were approved by the Board of Directors on 24 November 2021.

Signed on behalf of the Board of Director



.....  
Mr R Barbour



.....  
Mr S L Kingon

# **CENTRE FOR COMPETITIVENESS (NI) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 March 2021**

### **1. ACCOUNTING POLICIES**

The principal accounting policies adopted are summarised below. They have all been applied consistently throughout the year and the preceding year, unless otherwise stated.

#### **Basis of accounting**

Centre for Competitiveness (NI) Limited is a company incorporated in the United Kingdom under the Companies Act 2006.

The Company is a private company limited by guarantee and is registered in Northern Ireland. The address of the registered office is given on page 1.

The financial statements have been prepared under the historical cost convention and are in accordance Section 1A of Financial Reporting Standard 102 (FRS 102) "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council.

#### **Going Concern**

The directors of the company have appraised the financial loss in the 2020/21 accounts as being as a consequence of the Covid-19 pandemic during the past eighteen months. In Q/1 and Q/2 of FY 2021/22 revenues have improved, with a sizeable, profitable contract now in place for the remainder of the year. The business has also implemented a cost reduction plan including the relocation to new offices. As a result of this, the business is on a solid trajectory for a return to profitability during the fiscal year. The business has also now commenced repayment of the bounce back loan obtained to manage during the Covid pandemic, which, is now deemed to be under greater control with the roll out of vaccinations.

Having considered the risks, the current economic environment, forecasts, and cash reserves, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

#### **Turnover**

Turnover includes provision of business services to private and public sector clients; income, including government and quasi government grants, generated directly from project activities after deduction of discounts and value added tax; and members' subscriptions and sponsorships.

#### **Tangible fixed assets**

Fixed assets are shown at cost less depreciation. Depreciation is provided on cost in annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

|                    |  |
|--------------------|--|
| Computer equipment | 33 $\frac{1}{3}$ % per annum straight line |
| Office equipment   | 33 $\frac{1}{3}$ % per annum straight line |
| Website            | 33 $\frac{1}{3}$ % per annum straight line |

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

## **CENTRE FOR COMPETITIVENESS (NI) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 March 2021**

#### **1. ACCOUNTING POLICIES (Cont'd)**

##### **Financial instruments**

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

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

##### *Financial assets and liabilities*

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

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

The company only has financial assets and liabilities of the kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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

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

##### **Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

##### *Financial assets*

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

# **CENTRE FOR COMPETITIVENESS (NI) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 March 2021**

### **1. ACCOUNTING POLICIES (Cont'd)**

#### **Impairment of assets (Cont'd)**

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

#### **Grants**

Revenue grants receivable are credited directly to the profit and loss account. Capital grants receivable are credited to a deferred grant account and amortised through the profit and loss account in proportion to the depreciation written off the respective assets.

#### **Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to non-depreciable property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset. In other cases, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.



# **CENTRE FOR COMPETITIVENESS (NI) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 March 2021**

### **1. ACCOUNTING POLICIES (Cont'd)**

#### **Taxation (Cont'd)**

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

#### **Leases**

The rentals for assets held under operating lease are charged to the profit and loss account in equal annual amounts over the lease term.

#### **Foreign Currency**

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Exchange differences are recognised in profit or loss in the period in which they arise except for exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income.

#### **Pensions**

Retirement benefits to employees in the company are provided by a defined contribution pension scheme, whereby the assets of the scheme are held separately from those of the company in an independently administered fund. The company contributions are accounted for by charging costs against profits as payments accrue.

### **2. COMPANY STATUS**

Centre for Competitiveness (NI) Limited is a company limited by guarantee and every member undertakes to contribute to the assets of the company in the event of it being wound up, while being a member or within one year after ceasing to be a member, such amount as may be required not exceeding £1.

### **3. CRITICAL ACCOUNTING JUDGEMENTS**

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

# CENTRE FOR COMPETITIVENESS (NI) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2021

### 3. CRITICAL ACCOUNTING JUDGEMENTS (continued)

The following are the critical judgements that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

#### Revenue recognition and accrued income

Revenue earned on projects which span multiple accounting periods, together with the associated accrued income, are recognised by reference to the stage or percentage of completion of the project at the end of the reporting period.

#### Bad Debts

The Bad Debt provision is judged on the length of time the debt has been outstanding, together with management's assessment of the likelihood that the debt will be recovered.

### 4. Other Income / (Costs)

|                                       | 2021<br>£     | 2020<br>£      |
|---------------------------------------|---------------|----------------|
| Job Retention Scheme receivable       | 13,538        | -              |
| Grants                                | 17,168        | -              |
| Government Grant Income               | 1,017         | -              |
| Interest receivable                   | 4             | 2              |
| Interest payable and similar expenses | (886)         | (2,251)        |
|                                       | <u>30,841</u> | <u>(2,249)</u> |

### 5. LOSS BEFORE TAXATION

Loss before taxation is stated after charging:

|  | 2021<br>£ | 2020<br>£ |
|--|-----------|-----------|
| Depreciation of tangible fixed assets  | 4,346     | 2,896     |
| Fees payable to the company's auditor for the audit of the company's annual accounts | 5,880     | 5,600     |
| Foreign exchange gains   | 659       | 1,041     |
| Rentals under operating leases   | 960       | 960       |
|  | <u></u>   | <u></u>   |

### 6. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

One director received emoluments in the year ended 31 March 2021 (2020 – one).

|  | 2021<br>£     | 2020<br>£     |
|--|---------------|---------------|
| <b>Director's remuneration</b>                 |               |               |
| Emoluments (excluding pension contributions)   | <u>84,685</u> | <u>82,153</u> |
| Company contributions to money purchase scheme | <u>-</u>      | <u>-</u>      |

# CENTRE FOR COMPETITIVENESS (NI) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2021

### 6. INFORMATION REGARDING DIRECTORS AND EMPLOYEES (Cont'd)

|                                    | 2021<br>No | 2020<br>No |
|------------------------------------|------------|------------|
| Average number of persons employed |            |            |
| No. of employees                   | 4          | 5          |

### 7. TANGIBLE FIXED ASSETS

|                   | COMPUTER<br>EQUIPMENTS | OFFICE<br>EQUIPMENTS | WEBSITE | TOTAL<br>ASSETS |
|-------------------|------------------------|----------------------|---------|-----------------|
|                   | T                      | T                    |         |                 |
| COST              | £                      | £                    | £       | £               |
| 1 April 2020      | 7,880                  | 1,824                | 18,522  | 28,226          |
| Additions         | 208                    | -                    | -       | 208             |
| 31 March 2021     | 8,088                  | 1,824                | 18,522  | 28,434          |
| DEPRECIATION      |                        |                      |         |                 |
| 1 April 2020      | 7,552                  | 1,823                | 12,931  | 22,306          |
| Charge for year   | 302                    | 1                    | 4,042   | 4,345           |
| 31 March 2021     | 7,854                  | 1,824                | 16,973  | 26,651          |
| NBV 31 March 2021 | 234                    | -                    | 1,549   | 1,783           |
| NBV 31 March 2020 | 328                    | 1                    | 5,591   | 5,920           |

### 8. INVESTMENTS

|                        | 2021<br>£ | 2020<br>£ |
|------------------------|-----------|-----------|
| Subsidiary undertaking | 83        | 83        |
|                        | 83        | 83        |

In April 2011 the company subscribed for 100 shares at €1 each in The Centre for Competitiveness Ireland Limited, a company, registered in the Republic of Ireland. Centre for Competitiveness (NI) Limited is the sole shareholder in this company. As at 31 March 2021, the share capital remained unpaid. The results of the wholly owned subsidiary, Centre for Competitiveness Ireland Limited have not been consolidated on the grounds that it is a small group under section 398 of the Companies Act 2006. The subsidiary is currently dormant.

# **CENTRE FOR COMPETITIVENESS (NI) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 March 2021**

### **9. DEBTORS**

|                                | <b>2021</b>   | <b>2020</b>    |
|--------------------------------|---------------|----------------|
|                                | <b>£</b>      | <b>£</b>       |
| Trade debtors                  | 66,267        | 90,393         |
| Prepayments and accrued income | 14,791        | 46,455         |
|                                | <u>81,058</u> | <u>136,848</u> |

All amounts are due within one year.

### **10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                 | <b>2021</b>    | <b>2020</b>    |
|---------------------------------|----------------|----------------|
|                                 | <b>£</b>       | <b>£</b>       |
| Overdraft                       | -              | 12,874         |
| Trade creditors                 | 24,633         | 72,922         |
| Other taxes and social security | 47,244         | 35,402         |
| Bounceback Loan                 | 7,986          | -              |
| Accruals                        | 25,215         | 26,131         |
| Deferred income                 | 55,294         | 28,556         |
|                                 | <u>160,372</u> | <u>175,885</u> |

### **11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

|                 | <b>2021</b>   | <b>2020</b> |
|-----------------|---------------|-------------|
|                 | <b>£</b>      | <b>£</b>    |
| Bounceback Loan | 42,014        | -           |
|                 | <u>42,014</u> | <u>-</u>    |

Interest is accrued at a rate of 2.5% per annum. Loans under the Bounce Back Loan Scheme are payable over a fixed six-year term.

The bounce back loan scheme provides the lender a full (100%) government-backed guarantee against the outstanding balance of the facility (both capital and interest).

# CENTRE FOR COMPETITIVENESS (NI) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2021

### 12. FINANCIAL INSTRUMENTS

The carrying values of the Company's financial assets and liabilities carried at fair value are summarised by category below:

|   | 2021<br>£      | 2020<br>£      |
|---|----------------|----------------|
| <b>Financial assets at fair value</b>                             |                |                |
| Measured at undiscounted amount receivable                        |                |                |
| • Trade and other debtors (note 9)                                | 66,267         | 90,393         |
| • Cash and cash equivalents                                       | 41,647         | 5,882          |
|   | <u>107,914</u> | <u>96,275</u>  |
| <b>Equity instruments measured at cost less impairment</b>        |                |                |
| • Fixed asset investments in unlisted equity instruments (note 8) | 83             | 83             |
|   | <u>83</u>      | <u>83</u>      |
| <b>Financial liabilities at fair value</b>                        |                |                |
| Measured at undiscounted amount payable                           |                |                |
| • Trade and other creditors (note 11)                             | 121,877        | 108,324        |
| • Overdraft   | -              | 12,874         |
|   | <u>121,877</u> | <u>121,198</u> |

### 13. CAPITAL AND RESERVES

The profit and loss reserve represents cumulative profits or losses.

### 14. COMMITMENTS

The following commitments are repayable under non-cancellable operating leases:

|                           | 2021<br>£  | 2020<br>£    |
|---------------------------|------------|--------------|
| <b>Expiring:</b>          |            |              |
| Within one year           | 960        | 960          |
| Between one to five years | -          | 960          |
|                           | <u>960</u> | <u>1,920</u> |

## **CENTRE FOR COMPETITIVENESS (NI) LIMITED**

### **ADDITIONAL INFORMATION (UNAUDITED)**

The additional information, which comprises the trading profit and loss account and the related notes 1 to 6 has been prepared from the accounting records of the company. While it does not form part of the statutory financial statements, it should be read in conjunction with them.

## **CENTRE FOR COMPETITIVENESS (NI) LIMITED**

### **TRADING PROFIT AND LOSS ACCOUNT** **Year ended 31 March 2021**

|  | <b>Note</b> | <b>2021</b><br><b>£</b> | <b>2020</b><br><b>£</b> |
|--|-------------|-------------------------|-------------------------|
| <b>INCOME (INCLUDING GRANT INCOME)</b> | <b>1</b>    | <b>232,328</b>          | <b>455,405</b>          |
| <b>LESS: OVERHEAD EXPENSES</b>         |             |                         |                         |
| Office                                 | 2           | (241,380)               | (354,075)               |
| Events and publicity                   | 3           | (48,654)                | (70,262)                |
| Travel and subsistence                 | 4           | (10,125)                | (22,684)                |
| General                                | 5           | (13,310)                | (11,007)                |
| Financial                              | 6           | (363)                   | (29,448)                |
|  |             | <b>313,832</b>          | <b>487,476</b>          |
| <b>OPERATING (LOSS)/PROFIT</b>         |             | <b>(81,504)</b>         | <b>(32,071)</b>         |

# **CENTRE FOR COMPETITIVENESS (NI) LIMITED**

## **NOTES TO THE TRADING PROFIT AND LOSS ACCOUNT**

**Year ended 31 March 2021**

|   | 2021<br>£      | 2020<br>£      |
|---|----------------|----------------|
| <b>1. INCOME</b>                        |                |                |
| Members subscriptions                   | 82,331         | 98,120         |
| Business Improvement Services           | 56,171         | 222,787        |
| EFQM & Awards                           | 29,001         | 50,102         |
| SIG Projects                            | 64,825         | 84,395         |
|   | <u>232,328</u> | <u>455,405</u> |
| <b>2. OFFICE EXPENSES</b>               |                |                |
| Wages and salaries                      | 150,319        | 182,336        |
| Seconded and self employed              | 27,539         | 74,028         |
| Social Security costs                   | 13,204         | 18,166         |
| Other pension costs                     | 4,112          | 5,331          |
| Office                                  | 46,206         | 74,215         |
|   | <u>241,380</u> | <u>354,075</u> |
| <b>3. EVENTS AND PUBLICITY EXPENSES</b> |                |                |
| Conferences, Seminars, Briefings        | -              | 5,790          |
| External services                       | 46,072         | 64,147         |
| PR/Publications                         | 2,582          | 325            |
|   | <u>48,654</u>  | <u>70,262</u>  |



## **CENTRE FOR COMPETITIVENESS (NI) LIMITED**

### **NOTES TO THE TRADING PROFIT AND LOSS ACCOUNT**

**Year ended 31 March 2021**

|   | <b>2021</b>   | <b>2020</b>   |
|---|---------------|---------------|
|   | <b>£</b>      | <b>£</b>      |
| <b>4. TRAVEL AND SUBSISTENCE EXPENSES</b> |               |               |
| Travel and subsistence                    | 10,125        | 22,684        |
|   | <u>10,125</u> | <u>22,684</u> |
| <b>5. GENERAL EXPENSES</b>                |               |               |
| Audit and accountancy                     | 8,965         | 6,661         |
| Depreciation – Computer equipment         | 302           | 524           |
| Depreciation – Office Equipment           | 1             | 91            |
| Depreciation – Website                    | 4,042         | 3,731         |
|   | <u>13,310</u> | <u>11,007</u> |
|   | <u>13,310</u> | <u>11,007</u> |
| <b>6. FINANCIAL EXPENSES</b>              |               |               |
| Provision for Bad Debts                   | (3,552)       | 28,424        |
| Bad Debt Write Off                        | 4,574         | 2,065         |
| (Gain) / loss on exchange                 | (659)         | (1,041)       |
|   | <u>363</u>    | <u>29,448</u> |
|   | <u>363</u>    | <u>29,448</u> |