

**Northern Ireland Community Development
Health Network Ltd**

(company limited by guarantee not having a share capital)

**Report and Financial Statements
for the year ended 31 March 2019**

Company Number: NI034114 (Northern Ireland)
Charity Number: 106078
Ref: 5600/A

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Northern Ireland Community Development Health Network Ltd

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Northern Ireland Community Development Health Network Ltd

Company Information

Chief Executive	Joanne Morgan
Directors	Laura Feeney (Chairperson) Sheelin McKeagney (Vice Chairperson) Patrick McMeekin (Treasurer) Karen Collins (resigned April 2018) Liam Hannaway Arfawn Yasin
Secretary	Joanne Morgan
Company Number	NI034114 (Northern Ireland)
Charity Number	106078
Registered Office	30A Mill Street Newry BT34 1EY
Website	www.cdhn.org
Auditors	PKF-FPM Accountants Limited Chartered Accountants & Statutory Auditors Dromalane Mill The Quays Newry BT35 8QS
Bankers	Danske Bank 58 Hill Street Newry BT34 1AR

Northern Ireland Community Development Health Network Ltd

Trustees' Report for the year ended 31 March 2019

THE TRUSTEES, AS DIRECTORS OF NORTHERN IRELAND COMMUNITY DEVELOPMENT HEALTH NETWORK LTD, PRESENT THEIR REPORT WITH THE FINANCIAL STATEMENTS OF THE CHARITY FOR THE YEAR ENDED 31 MARCH 2019.

The directors are pleased to present their annual directors' report together with the financial statements of the charity for the year ending 31 March 2019, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

Chairperson's Report

Over the past 25 years, CDHN has worked endlessly to ensure that people and communities are at the heart of systems, policy and practice so that our society becomes a place which protects and promotes health and equality. It is unfair that for some people, their health experiences and quality of life are hugely different and determined by the social conditions they are born into and grow up within. This has driven the need for organisations like CDHN to address this social injustice and the largely avoidable health inequalities within our society.

This year marks CDHN's 25th year of working within local communities to equip people with the knowledge, skills and tools for action to ensure a reduction in health inequalities through excellent community development practice. This has not been without its challenges such as the political impasse at Stormont and the current economic climate, with more communities than ever facing poverty and disadvantage.

Creating the conditions for people to thrive is, and continues to be, a core aspect of CDHN's work throughout Northern Ireland. We believe community development remains the most effective way of addressing these largely avoidable differences. CDHN continues to provide policy, practice and financial support within local communities.

As Chairperson, I am delighted and proud to be a part of an organisation that seeks to 'take action' against the avoidable health inequalities that blight our society. I would like to formally thank the CDHN Board, staff and membership for all their hard work and support during the past year. In particular, I would like to thank my fellow Board members for their invaluable support particularly Sheelin McKeagney, Vice Chair and Patrick McMeekin, Treasurer.

I wish to thank all of our funders for their ongoing financial support enabling CDHN staff to continue to provide high quality and sustainable support to our membership who are an inspiration in their unwavering dedication and commitment to ending health inequalities for those living in some of our most marginalised communities.

**Laura Feeney
Chairperson**

Date: 12.11.19



Northern Ireland Community Development Health Network Ltd

Trustees' Report (continued) for the year ended 31 March 2019

Our Purposes and Activities

The Charity's objects are:

- to relieve poverty and sickness;
- to advance the education of the public in the knowledge of community development approaches to health issues and provide training in all of its aspects;
- to improve the planning and delivery of health and social care, particularly amongst those who are or at risk of suffering from poor health due to social and economic circumstances, by carrying out research, disseminating information in health matters and initiative and encouraging the participation of all members of society in discussing and resolving issues relating to health in the community.

The mission of Northern Ireland Community Development and Health Network Ltd is to end health inequalities using a community development approach. By this we mean campaigning, influencing policy and developing best practice work which shows that communities, both geographical and of interest and identity, can define their own health needs and design and implement preventative and radical solutions.

The principal activity of Northern Ireland Community Development and Health Network Ltd is to provide a network encompassing statutory, voluntary and community groups in Northern Ireland for workers concerned with community development and health who wish to share and support each others work.

CDHN Mission

To be the leading organisation championing community development approaches to tackling health inequalities.

To be a centre of expertise that develops best practice, advances knowledge and develops tools for action.

To ensure that communities can define and represent their own health needs and design and implement radical solutions.

Public Benefit

The public benefits that flow from the advancement of community development in health issues are:

- a) To relieve poverty and sickness.

Voluntary and Community Sector organisations are supported to develop the knowledge and skills to understand the effects of poverty on the health of individuals, communities and society within Northern Ireland. They can use this knowledge and skills to develop appropriate interventions and services to address issues caused by poverty which lead to ill health.

- b) To advance the education of the public in the knowledge of community development approaches to health issues and provide training in all of its aspects.

Northern Ireland Community Development Health Network Ltd

Trustees' Report (continued) for the year ended 31 March 2019

Members of the public, specifically those volunteering or in paid employment within a community based organisation have the opportunity to avail of training and support in relation to community development and health. They will understand the factors affecting health in its widest sense and the importance of engaging communities in identifying those factors and developing interventions and activities to address them.

c) To improve the planning and delivery of health and social care, particularly amongst those who are or are at risk of suffering from poor health due to social or economic circumstances, by carrying out research, disseminating information in health matters and initiatives and encouraging the participation of all members of society in discussing and resolving issues relating to health in the community.

Local communities play a key role in the design and delivery of health outcomes; reciprocal relationships exist between policy makers, practitioners, researchers and communities and there is increased capacity to co-design and co-produce decisions and services relating to health.

Achievements in the year ended 31 March 2019

The following projects were undertaken in the year ended 31 March 2019:

Dept of Health Core Grant Project
Building Change Trust
Building the Community Pharmacy Project
NMDC - Needs Analysis
DOH Poverty & Loneliness Screening
Public Health Agency Elevate Programme
Self Care for Minor Ailments Programme
Health Literacy MECC

Community Partnerships

Our Building the Community Partnership project funds community partnerships across NI.

Financial Review

The financial statements are presented in the standard format required by Charities SORP (FRS102) - 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) and the Companies Act 2006.

Northern Ireland Community Development and Health Network Ltd had a successful year in terms of project delivery. For the year ended 31 March 2019 the charity achieved a surplus of £13,714 compared to a small deficit of £1,762 in the previous year.

Total incoming resources for the year ended 31 March 2019 were £623,239 compared with £714,517 in the previous year.

At 31 March 2019 the charity had a reconciled bank balance of £280,252 (2018: £57,625).

Northern Ireland Community Development Health Network Ltd

Trustees' Report (continued) for the year ended 31 March 2019

Pension Scheme Liability

CDHN operates a defined contribution pension scheme for its employees, administered and managed by The Pensions Trust (TPT). Prior to 2013, CDHN participated in TPT Growth Plan Series 3 which guaranteed that a member's money could not fall beneath the value of their contributions. TPT closed this Series in September 2013 with all members automatically transferring to Growth Plan Series 4. Series 4 is a pure defined contribution arrangement. As CDHN has at some time participated in a scheme which provided a form of capital guarantee; in the event that CDHN decides to withdraw from the Growth Plan it will - by law - be required to pay any share of the deficit arising from its participation in Series 3. The scheme deficit has reduced by 27% between September 2014 and September 2017. CDHN is not required to make financial contributions towards TPT's recovery plan and no members are affected.

The most recent estimate of the amount that CDHN would become liable for (under the conditions set out above) was provided in September 2017, for the purposes of FRS102, and amounted to £43,442. A liability has been included in the financial statements for this.

Reserves Policy

The charity's policy is to maintain a level of free reserves which meets the needs of the organisation both at the current time and in the foreseeable future. Free reserves are its total funds excluding restricted funds, designated funds or income funds which can only be released by disposing of fixed assets held for charity use. CDHN hold a minimum of three months reserves.

Northern Ireland Community Development and Health Network Ltd had total reserves of £130,923 at 31 March 2019 (2018: £117,209) and all of these were free reserves.

Plans for Future Periods

CDHN's strategic aims are as follows:

1) Release capacity to improve people's lives and health by:

- advancing knowledge and understanding of community development
- supporting our members to plan, deliver and measure the impact of community development actions
- leading an active and engaged network with members as a key source of CDHN's experience and expertise.

2) Influence change towards a fairer and more equal society by:

- ensuring the key stakeholders know and understand CDHN and engage with its work
- facilitating the network to use its expertise to ensure policy and decision makers understand and value the context of people's lives
- advocating for and supporting the use of community development to change structures and processes that are unfair and unjust

Northern Ireland Community Development Health Network Ltd

Trustees' Report (continued) for the year ended 31 March 2019

Reference and Administrative Details

Charity Number - CCNI	106078
Charity Number - HMRC:	XR72915
Company Number:	NI034114
Registered Office:	30A Mill Street, Newry, BT34 1EY

Our Advisors:

Auditors	PKF-FPM Accountants Limited
Bank	Danske Bank

Directors and Trustees

The Directors of the Charitable Company (the Charity) are its Trustees for the purposes of Charity Law. The Trustees and officers serving during the year and since the year end were as follows:

Executive Committee	Laura Feeney (Chairperson) Sheelin McKeagney (Vice Chairperson) Patrick McMeekin (Treasurer) Karen Collins (resigned April 2018) Liam Hannaway Arfawn Yasin
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Chief Executive	Joanne Morgan
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Structure, Governance and Management

Northern Ireland Community Development and Health Network Ltd is a company limited by guarantee and does not have a share capital. It is governed by a memorandum and articles of association and the liability of each member is limited to an amount not exceeding £1.

Northern Ireland Community Development and Health Network Ltd has an induction programme for new trustees / directors as part of which they receive a copy of the trustees' handbook. A skills audit is carried out as appropriate and trustees are advised of their legal responsibility and requirements with regards to the code of conduct and conflict of interest.

The directors have ultimate legal and financial responsibility for the affairs of Northern Ireland Community Development and Health Network Ltd, although the management of the organisation is generally delegated to the staff, through the Chief Executive. The management committee meet four times a year.

The trustees / directors of the company at 31 March 2019, all of whom have been trustees / directors for the whole of the year ended on that date, unless otherwise stated, are listed on the information page. Trustees / directors appointed to the board retire by rotation every three years.

Risk Management

The directors are in the process of reviewing the major risks which the charity faces and believe that the charity has sufficient resources in the event of adverse conditions. The trustees / directors have also examined other business and operational risks, which the charity faces and confirm that it has established systems to mitigate significant risks.

Northern Ireland Community Development Health Network Ltd

**Trustees' Report (continued)
for the year ended 31 March 2019**

Directors' Responsibilities in relation to the Financial Statements

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

Charity law requires the directors, who are also the trustees, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure for that year. In preparing the financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the charity will continue in business.

The directors / trustees are responsible for keeping proper accounting records which 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.

Statement of Disclosure to our Auditors

In so far as the trustees / directors in office at the date of approving our directors' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware; and
- the directors / trustees, having made enquiries of fellow directors that they ought to have taken, have each taken all steps that he / she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

The auditors, PKF-FPM Accountants Limited, have indicated their willingness to continue in office, and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

By order of the Board


Patrick McMeekin
Director & Treasurer

Date

2/11/19

**Northern Ireland Community Development Health Network Ltd
NI034114**

**Independent Auditors' Report to the Members of
Northern Ireland Community Development Health Network Ltd**
(a company limited by guarantee, not having a share capital)

The 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 auditors' 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 opinion we have formed.

Opinion

We have audited the financial statements of Northern Ireland Community Development Health Network Ltd (the "company") for the year ended 31 March 2019 which comprises the Statement of Financial Activities (Including the Income and Expenditure Account), the Balance Sheet, the Statement of Changes in Funds, the Statement of Cash Flows and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Charities SORP (FRS102) - 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).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 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.

Northern Ireland Community Development Health Network Ltd

Independent Auditors' Report Continued

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

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.

In connection with our audit of the financial statements, 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 this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Northern Ireland Community Development Health Network Ltd

Independent Auditors' Report Continued

Matters on which we are required to report by exception

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

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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law have not been made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Trustees' Report, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating 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.

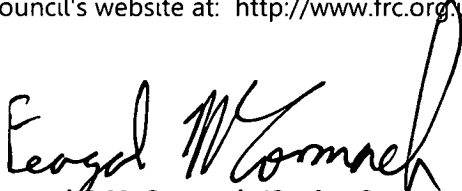
Auditors' responsibilities for the audit of the financial statements

Our objectives are to maintain 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but it 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.

Northern Ireland Community Development Health Network Ltd

Independent Auditors' Report Continued

A further description of our responsibilities for the audit of financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditors' report.



Feargal McCormack (Senior Statutory Auditor)

for and on behalf of

PKF-FPM Accountants Limited

Chartered Accountants &

Statutory Auditors

Dromalane Mill

The Quays

Newry

BT35 8QS

Date

12/11/19

Northern Ireland Community Development Health Network Ltd

**Statement of Financial Activities
for the year ended 31 March 2019**

	Note	Restricted Funds £	Unrestricted Funds £	2019 Total Funds £	2018 Total Funds £
Income from:					
Charitable activities	8	592,095	30,604	622,699	714,385
Investment income	8	-	540	540	132
Total Income		592,095	31,144	623,239	714,517
Expenditure on:					
Charitable Activities	9 & 10	592,095	17,430	609,525	716,279
Total Expenditure		592,095	17,430	609,525	716,279
Net Income / (Expenditure) and Net Movement in Funds for the Year			13,714	13,714	(1,762)
Reconciliation of funds:					
Fund Balances Brought Forward			117,209	117,209	162,413
Fund Balances Carried Forward			130,923	130,923	117,209

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

Northern Ireland Community Development Health Network Ltd

**Balance Sheet
as at 31 March 2019**

	Notes	2019		2018
		£	£	£
Fixed assets				
Tangible assets	4	4,266		3,002
Current assets				
Debtors	5	60,544		266,025
Cash at bank & in hand		280,292		57,625
		<u>340,836</u>		<u>323,650</u>
Creditors: amounts falling due within one year		<u>(170,737)</u>		<u>(166,001)</u>
Net current assets		<u>170,099</u>		<u>157,649</u>
Total assets less current liabilities		<u>174,365</u>		<u>160,651</u>
Long term liabilities				
Provisions	7	(43,442)		(43,442)
Net assets		<u>130,923</u>		<u>117,209</u>
The funds of the charity:	11			
Restricted funds				
Unrestricted funds		<u>130,923</u>		<u>117,209</u>
		<u>130,923</u>		<u>117,209</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and Charities SORP (FRS102).

The notes on pages 18 to 26 form part of these accounts.

The financial statements were approved by the Board and signed on its behalf:



Patrick McMeekin
Director & Treasurer

Date 12/11/19

Company Number:

NI034114 (Northern Ireland)

Northern Ireland Community Development Health Network Ltd

**Statement of Changes in Funds
for the year ended 31 March 2019**

	Note	Restricted Funds £	Unrestricted Funds £	Total Funds £
Year ended 31 March 2018:				
Balance at 1 April 2017		746	118,225	118,971
Net income for the year		-	(1,762)	(1,762)
Transfers		(746)	746	-
Balance at 31 March 2018			117,209	117,209
Year ended 31 March 2019:				
	11			
Net income / (expenditure) for the year		-	13,714	13,714
Transfers			-	-
Balance at 31 March 2019			130,923	130,923

Northern Ireland Community Development Health Network Ltd

**Statement of Cash Flows
as at 31 March 2019**

	Note	2019 £	2018 £
Cash used in operating activities	14	<u>225,492</u>	<u>66,732</u>
Cash flows from investing activities			
Interest income		540	132
Purchase of tangible fixed assets		(3,365)	(2,907)
Cash provided by (used in) investing activities		<u>(2,825)</u>	<u>(2,775)</u>
Cash flows from financing activities			
Cash used in financing activities			
Increase / (decrease) in cash and cash equivalents in the year		<u>222,667</u>	<u>63,957</u>
Cash and cash equivalents at the beginning of the year		57,625	(6,332)
Total cash and cash equivalents at the end of the year		<u>280,292</u>	<u>57,625</u>

Northern Ireland Community Development Health Network Ltd

Notes to the financial statements for the year ended 31 March 2019

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:

a) Basis of preparation

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 (FRS102) and the Companies Act 2006.

Northern Ireland Community Development Health Network Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Going Concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

c) Fund Accounting

Unrestricted funds are funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of restricted funds is set out in the notes to the financial statements. Restricted funds may only be transferred to unrestricted or designated funds once the criteria for restriction have been discharged or no longer apply.

The main funders of Northern Ireland Community Development and Health Network Ltd are the Department of Health and Social Services and Public Safety and the Health and Social Care Board.

d) Income

Earned income is recognised when the charity has entitlement to it and 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 not deferred. Income is deferred only which the charity has to fulfil conditions before becoming entitled to it or where the donor / funder has specified that the income is to be expended in a future period.

Northern Ireland Community Development Health Network Ltd

Notes to the financial statements for the year ended 31 March 2019 continued

e) Donated services and facilities

In accordance with Charities SORP FRS102, the general volunteer time of supporters is not recognised.

f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probably that the settlement will be required and the amount of the obligation can be measured reliably.

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

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

g) 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 back office costs, finance, personnel and governance costs which support the programmes and activities.

h) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. The carrying values of tangible fixed assets are reviewed for impairment when events or circumstances indicate the carrying value may not be recoverable.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixture, fittings and equipment 33% straight line

i) Debtors

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

j) Cash and bank and in hand

Cash at bank and in hand includes cash and short term current accounts.

k) 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.

Northern Ireland Community Development Health Network Ltd

Notes to the financial statements for the year ended 31 March 2019 continued

l) Financial instruments

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

m) Pensions

The charity operated a defined contribution pension scheme for its employees, administered and managed by The Pensions Trust (TPT). Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

During the year ended 31 March 2018 the charity contributed to the personal pension scheme of 10 members of staff. There was no pension provision for any other members of staff. In relation to the 10 members of staff in receipt of pension investment, the company contributes 6% of salary on the basis that each staff member contributed a minimum of 6% of their salary. The pensions were established through separate pension brokers by the individual staff members and the total exposure to the company related to the 6% contributions.

Details of the provision for pension scheme deficit in relation to a capital guarantee scheme participated in by CDHN prior to 2013 is given in Note 16.

n) Taxation

The company is a registered charity and the charitable tax exemptions are therefore being claimed to the extent that income and / or gains are applicable and applied to charitable purposes only. These exemptions will remain in place as long as income and expenditure is applied to charitable purposes only.

o) Limited Liability Agreement

The Executive Committee, on behalf of the company, have entered into a Limited Liability Agreement with their auditors, dated 10 June 2015. The auditors' liability is limited to an amount which is considered fair and reasonable. This has been disclosed in line with companies legislation.

p) Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See Note 4 for the carrying amount of the tangible fixed assets, and Note 1h for the useful economic lives for each class of asset.

Northern Ireland Community Development Health Network Ltd

Notes to the financial statements for the year ended 31 March 2019 continued

2 Net Income / (Expenditure) for the year	2019	2018
	£	£
This is stated after charging:		
Depreciation	2,101	2,032
Auditors' remuneration - Audit fees	3,625	3,816
3 Employee information	2019	2018
	£	£
Wages & salaries	173,827	212,302
Employers NIC	11,389	17,963
Employer pension costs	6,822	12,698
	<u>192,038</u>	<u>242,963</u>

Average monthly number of persons employed by the company during the period:

Staff Numbers:	2019	2018
Full time		
Part Time	7	11
	<u>7</u>	<u>11</u>

There were no employees receiving remuneration of £60K or more.

Pension costs are allocated to activities in proportion to the related staffing costs incurred.

The charity directors / trustees were not paid or did not receive any other benefits for services to the charity, neither were they reimbursed expenses during the year. (2018: £NIL).

Key management personnel received the following remuneration:

	2019	2018
	£	£
Gross Salary	43,387	41,579
Employers NIC	4,674	4,296
Employers Pension	2,681	2,495
	<u>50,742</u>	<u>48,370</u>

4 Tangible fixed assets

	Fixtures, fittings & equipment	Total
	£	£
Cost		
At 1 April 2018	75,621	75,621
Additions	3,365	3,365
At 31 March 2018	<u>78,986</u>	<u>78,986</u>
Depreciation		
At 1 April 2018	72,619	72,619
Charge for year	2,101	2,101
At 31 March 2019	<u>74,720</u>	<u>74,720</u>
Net book values		
At 31 March 2019	4,266	4,266
At 31 March 2018	<u>3,002</u>	<u>3,002</u>

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Notes to the financial statements for the year ended 31 March 2019 continued

5 Debtors: amounts falling due within one year	2019	2018
	£	£
Grant and other debtors	60,544	266,025
	<u>60,544</u>	<u>266,025</u>
6 Creditors: amounts falling due within one year	2019	2018
	£	£
Accruals	5,513	3,828
Trade and other creditors	39,424	152,173
Deferred income	125,800	10,000
	<u>170,737</u>	<u>166,001</u>

7 Provisions

The amount provided for a pension scheme deficit is as follows:

	2019	2018
	£	£
Provision for pension scheme deficit	<u>43,442</u>	<u>43,442</u>

CDHN operates a defined contribution pension scheme for its employees, administered and managed by The Pensions Trust (TPT). Prior to 2013, CDHN participated in TPT Growth Plan Series 3 which guaranteed that a member's money could not fall beneath the value of their contributions. TPT closed this Series in September 2013 with all members automatically transferring to Growth Plan Series 4. Series 4 is a pure defined contribution arrangement. As CDHN has at some time participated in a scheme which provided a form of capital guarantee; in the event that CDHN decides to withdraw from the Growth Plan it will - by law - be required to pay any share of the deficit arising from its participation in Series 3. The scheme deficit has reduced by 27% between September 2014 and September 2017. CDHN is not required to make financial contributions towards TPT's recovery plan and no members are affected. CDHN has no obligations in respect of any other entity leaving the plan.

The most recent estimate of the amount that CDHN would become liable for (under the conditions set out above) was provided in September 2017, for the purposes of FRS102, and amounted to £43,442.

The deficit has been determined by the plan actuary based on various assumptions including:

- the deficit contributions and employer debts that have been paid over the period;
- membership movements such as transfers out and members taking cash at retirement;
- changes in assumptions to reflect changed in insurer pricing; and
- increases / decreased in gilt yields.

Northern Ireland Community Development Health Network Ltd

Notes to the financial statements for the year ended 31 March 2019 continued

8 Income

	Programmes Restricted £	Programmes Unrestricted £	2019 Total £	Programmes Restricted £	Programmes Unrestricted £	2018 Total £
Income from:						
<u>Charitable Activities</u>						
Earned Income	-	16,104	16,104	-	21,274	21,274
HSS Boards & Trusts	5,000	-	5,000	5,000	-	5,000
Management Fees	-	14,500	14,500	-	14,500	14,500
DHSS	35,115	-	35,115	35,143	-	35,143
Queen's University	-	-	-	6,000	-	6,000
Building Change Trust	19,993	-	19,993	13,798	-	13,798
Health & Social Care Board	520,415	-	520,415	596,259	-	596,259
CDHN Contribution to Projects	-	-	-	511	-	511
Training Income	-	-	-	-	20,730	20,730
Public Health Agency	1,042	-	1,042	-	-	-
Newry & Mourne District Council	10,530	-	10,530	1,170	-	1,170
	592,095	30,604	622,699	656,711	56,504	714,385
<u>Investment Income</u>						
Bank Interest	-	540	540	-	132	132
	-	540	540	-	132	132
Total Incoming Resources	592,095	31,144	623,239	656,711	56,636	714,517

Northern Ireland Community Development Health Network Ltd

Notes to the financial statements for the year ended 31 March 2019 continued

9 Cost of Charitable Activities by Fund Type

	Restricted £	Unrestricted £	2019 Total £	Restricted £	Unrestricted £	2018 Total £
Programmes Restricted	592,095	-	592,095	657,881	-	657,881
Programmes Unrestricted	-	17,430	17,430	-	58,398	58,398
	592,095	17,430	609,525	657,881	58,398	716,279

10 Cost of Charitable Activities by Activity Type

	Activities Undertaken Directly £	Support Costs £	Governance Costs £	2019 Total £	Activities Undertaken Directly £	Support Costs £	Governance Costs £	2018 Total £
Programmes Restricted	545,994	42,476	3,625	592,095	617,319	37,724	2,838	657,881
Programmes Unrestricted	11,634	5,796	-	17,430	43,230	14,190	978	58,398
	557,628	48,272	3,625	609,525	660,549	51,914	3,816	716,279

11 Funds

	Restricted Funds £	Unrestricted Funds £	Pension Reserves £	2019 Total £
At 1 April 2018	-	160,651	(43,442)	117,209
Net income / (expenditure) for the year	-	13,714	-	13,714
Transfer	-	-	-	-
At 31 March 2019	-	174,365	(43,442)	130,923

Northern Ireland Community Development Health Network Ltd

Notes to the financial statements for the year ended 31 March 2019 continued

12	Restricted Programme Funds:	Balance at 01/04/18	Incoming Resources	Resources Expenses	Transfers	Balance at 31/03/19
	Department of Health & Social Services & Public Safety	-	35,115	(35,115)	-	-
	Revenue Grant	-	-	-	-	-
	Building Change Trust	-	19,993	(19,993)	-	-
	Building the Community Pharmacy Partnership	-	514,396	(514,396)	-	-
	PHA New Work	-	1,042	(1,042)	-	-
	DOH Poverty & Loneliness	-	5,000	(5,000)	-	-
	Newry & Mourne District Council	-	10,530	(10,530)	-	-
	Self Care Pharmacy	-	6,019	(6,019)	-	-
		-	592,095	(592,095)	-	-

Northern Ireland Community Development Health Network Ltd

Notes to the financial statements for the year ended 31 March 2019 continued

13 Analysis of Net Assets Between Funds

	Restricted Funds	Unrestricted Funds	Total Funds
	£	£	£
Tangible fixed assets	-	4,266	4,266
Cash in bank and in hand	116,643	163,649	280,292
Other net current assets / (liabilities)	(116,643)	6,450	(110,193)
Provision for pension scheme deficit	-	(43,442)	(43,442)
Total	-	130,923	130,923

Analysis of Net Assets Between Funds - previous year

	Restricted Funds	Unrestricted Funds	Total Funds
	£	£	£
Tangible fixed assets	2,370	632	3,002
Cash in bank and in hand	(89,177)	146,803	57,626
Other net current assets / (liabilities)	86,807	13,217	100,024
Provision for pension scheme deficit	-	(43,442)	(43,442)
Total	-	117,209	117,209

14 Reconciliation of net movement in funds to net cash flow from operating activities

	2019 £	2018 £
Net movement in funds	13,714	(1,762)
Add back depreciation charge	2,101	2,032
Deduct interest income	(540)	(132)
Decrease / (increase) in debtors	205,481	(94,455)
Increase / (decrease) in creditors	4,736	161,049
Net cash used in operating activities	225,492	66,732

15 Contingent liabilities

The company has obligations under standard grant letters of offer to repay amounts received as grants, in the breach of or non compliance with the conditions of the agreements. At present, the directors believe that all grant conditions have been complied with and that no liabilities exist.

16 Guarantees and other financial commitments

The company has pension scheme liabilities of £43,442 per the most recent valuation of the pension scheme in September 2017.

17 Legal Status of the Charity

The liability of the members is limited.

Every member of the charity undertakes to contribute to the assets of the company in the event of its being wound up while they are members or within one year thereafter for the payment of the debts and liabilities of the company contracted before they ceased to be members and the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors