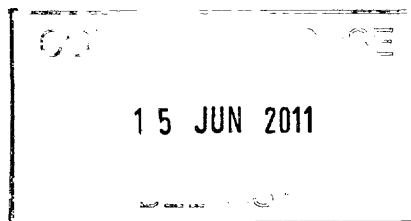
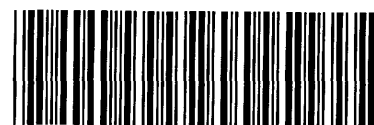


**Council of the Northern Ireland War Memorial
(Incorporated) - The
(A company limited by guarantee)
Annual Report and financial statements
for the year ended 31 January 2011**



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Council of the Northern Ireland War Memorial (Incorporated)

(A company limited by guarantee)

Annual report and financial statements for the year ended 31 January 2011

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Council of the Northern Ireland War Memorial (Incorporated) 1

(A company limited by guarantee)

Reference and administrative details

Council members

Colonel J Hughes CBE TD DL (Patron)
Lt Col C T Hogg MBE UD JP DL (Chairman)
Mrs J Andrew-Steer
Dr B E Barton
Lt Col C Bennett UD
Col W R H Charley OBE JP DL
Rev Canon G A Cheevers
Cdr T I Chrishop
Mrs B M Corry
Mr E Cromie
Flt Lt A J Crowther
Mr J Davies MBE
Mrs C E Doran
Mr R Doherty
Lt Col CW Duncan UD
Major J Guthrie TD
Capt H Mackintosh MBETD
Mr T H McCallum
First Officer V Millington RD

Capt A S P Orr VRD DL
Brig I N Osborne OBE
Mr J F Pim ACWA
Major H J F Potter MBE DL
Cdr D Rankin MBE RD
Col A H Reid OBE TD DL
Lt CDR E M Shanks RD
Col A H Reid OBE TD DL
Chief Officer P Shaw RD DL
Mr N Spence BA ACIS DMS FIIA
Col J M Steele CB OBE TD DL
Lt Col D W F Twigg MBE JP
Mrs C Walker
Cdr H B White VRD
Mr I A Wilson

Directors/Trustees

Lt Col C T Hogg MBE UD JP DL (Chairman)
Flt Lt A J Crowther
Lt Col Mr C W Duncan
Mrs C E Doran
Major H J F Potter MBE DL
Chief Officer P Shaw RD DL
Col J M Steele CB OBE TD DL
Cdr H B White VRD
Mr N Spence BA ACIS DMS FIIA
Mr I A Wilson

Company secretary

J W Hughes

Solicitors

C & J Black
13 Linenhall Street
Belfast
BT2 8AA

Registered and principal office

21 Talbot Street
Belfast
BT1 2LD

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Waterfont Plaza
8 Laganbank Road
Belfast BT1 3LR

Bankers

Northern Bank Limited
Donegall Square West
Belfast
BT1 6JS

Investment Advisers

Cunningham Coates
Barclays Wealth

HM Revenue and Customs Charity Reference Number

XN 47431

Council of the Northern Ireland War Memorial (Incorporated) 2

(A company limited by guarantee)

Trustees' report for the year ended 31 January 2011

The trustees, who are also the directors of the charity for the purposes of the Companies Act 2006, present their annual report and the audited financial statements for the year ended 31 January 2011. The financial statements comply with the current statutory requirements, the governing documents, applicable Accounting Standards in the United Kingdom and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Reference and administrative details

Details of the registered office, trustees, council members, independent advisers and other relevant information are given on page 1.

The charity registration number is XN 47431 and the company registration number is NI 2888.

Structure, Governance and Management

Governing Document

The Council of the Northern Ireland War Memorial - (Incorporated) is a company limited by guarantee governed by its Memorandum and Articles of Association. The Council appoints the Board of Trustees who are responsible to the Council for the day-to-day management of the charity. All decisions are made by the Board of Trustees.

Trustees

The trustees are shown on page 1. The liability of the members is limited to an amount not exceeding £1.

Appointment of trustees

The trustees are appointed by the Council members at the Annual General Meeting. Each year one third of the trustees resign by rotation, though they may stand for re-election.

Trustee induction and training

The Secretary ensures that appropriate induction and training is given to all trustees. Each new trustee is provided with a pack of information about the history of the Council of the Northern Ireland War Memorial - (Incorporated) and their responsibilities, a tour of the gallery and an opportunity to meet all staff.

Organisation

The trustees have overall responsibility for the charity. The Council, which meets twice a year, appoints the trustees to administer the charity and manage its day to day operations.

Risk management and internal control

The Board of Trustees is responsible for ensuring that an effective system of internal financial control is maintained and operated by the Council.

The system of internal financial control is based on a framework of regular management information, administrative procedures, and a system of delegation and accountability.

The Board of Trustees has assessed the major risks to which the Council of the Northern Ireland War Memorial - (Incorporated) is exposed, in particular those related to the operations and finances of the Council, and is satisfied that systems are in place to mitigate any exposure to the major risks.

Council of the Northern Ireland War Memorial (Incorporated) 3

(A company limited by guarantee)

Trustees' report for the year ended 31 January 2011

Investment Powers and Policy

Under the Memorandum and Articles of Association the trustees have the power to invest in any way the Council wishes. The investment policy of the Council of the Northern Ireland War Memorial is as follows:

The Council, having regard to the liquidity requirements of operating the charity, to the needs of a major capital development project and to the reserves policy, will operate a policy of keeping available funds primarily in interest bearing deposits with a limited amount in government stock. The Council should seek to optimise the rate of deposit interest it earns.

Public benefit

The trustees believe that the charitable company provides a public benefit in the preservation of memory of the men and women from Northern Ireland who fought during the World Wars. This is achieved through helping to provide a capital resource which in many cases, is very significant in maintaining the amenities and services for the advancement, relief and benefit of present and former members of the armed forces. The trustees are fully aware of the guidelines coming from the Charity Commission for Northern Ireland. They believe they are operating entirely within those guidelines which have been released so far and look forward with confidence to the development of the Council's work in the province.

Objectives and activities of the Council

The objectives of the Council are 'to provide and maintain as an enduring War Memorial for Northern Ireland a building or buildings which will worthily commemorate the men and women of Northern Ireland who died in the two World Wars 1914 - 1918 and 1939 - 1945, to provide and maintain therein accommodation, amenities and services for the Royal British Legion and other charitable bodies which are established and organised for the advancement, relief and benefit of present and former members of the armed forces, to provide and maintain in at least one building therein accommodation to be known as The Hall of Friendship to commemorate the association of the Armed Forces of the United States of America with Northern Ireland in the 1939 - 1945 War'.

Legal opinion has been sought on the actions which the trustees can take in the furtherance of these objectives.

The principal activities of the Council continue to be those of holding properties and other investments.

Achievements and performance

The accounts have been prepared in accordance with Statement of Recommended Practice (SORP) issued in March 2005.

The trustees have engaged two independent investment managers to administer its portfolio in accordance with a policy of medium risk in optimising capital growth.

An education and outreach officer has been appointed, resulting in many visits from schools and community groups.

The Statements of Financial Activities are set out on page 7.

The investments generated income of £202,246 (2010: £154,257) in the year.

Financial Review

The key financial objective is to ensure financial stability and continuing solvency year on year, so that it can achieve its objectives.

The trustees consider the results to be satisfactory and does not envisage any material change in the nature of the activities in the year to January 2012.

Council of the Northern Ireland War Memorial (Incorporated) 4

(A company limited by guarantee)

Trustees' report for the year ended 31 January 2011

Reserves Policy

The Council has established a policy whereby the uninvested funds not committed or invested in tangible fixed assets (the free reserves) held by the Council should be in excess of one year's resources expended. At this level, the trustees are of the view that they would be able to continue the current activities of the charity in the event of a significant drop in funding. The actual free reserves at 31 January 2011 were £299,438 (2010 £563,423) (total reserves less fixed assets). The reserves policy is reviewed annually by the trustees.

Donations

The Council made charitable donations amounting to £8,191 (2010 £4,950) during the year, principally for the benefit of local communities in which the council operates. No donations for political purposes were made in the year (2010 £nil).

Plans for Future Periods

The Board of Trustees will continue to plan for the delivery of consistent high quality standards in relation to providing and maintaining an enduring War Memorial. Collectively they will ensure that those charged with governance or management of the Council will be made aware of their responsibilities. The charity will demonstrate that it is using its resources to deliver charitable activity and therefore public benefit in the best possible way in these uncertain economic times.

Resources will be managed in a cost effective manner. Expenditure will be strictly monitored and controlled without compromising quality of service. Management structures will be kept under review and monitored to ensure that good governance prevails and exposure of the charity to risk is minimised.

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare 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, of the charitable company for that period. In preparing these financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Council of the Northern Ireland War Memorial (Incorporated) 5

(A company limited by guarantee)

Trustees' report for the year ended 31 January 2011

Statement of disclosure of information to auditors

In so far as the trustees are aware

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

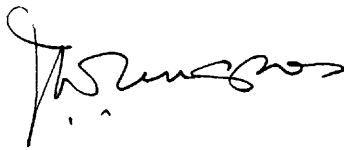
Small companies' exemption

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

Auditors

The auditors, PricewaterhouseCoopers LLP, 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



J W Hughes
Company secretary
Date

Council of the Northern Ireland War Memorial (Incorporated) 6

(A company limited by guarantee)

Independent auditors' report to the members of Council of the Northern Ireland War Memorial (Incorporated)

We have audited the financial statements of Council of the Northern Ireland War Memorial (Incorporated) for the year ended 31 January 2011 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of trustees and auditors

As explained more fully in the statement of trustees' responsibilities set out on page 4, 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 January 2011 and of its net movement of funds for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the Companies Act 2006.

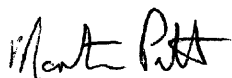
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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



Martin Pitt (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and statutory Auditors
Belfast
Date 26 May 2011

Council of the Northern Ireland War Memorial (Incorporated) 7

(A company limited by guarantee)

Statement of financial activities (incorporating summary income and expenditure account) for the year ended 31 January 2011

	Note	2011 £	2010 £
Incoming resources/ Income			
Incoming resources from generated funds			
Voluntary income		1,070	936
Activities for generating funds			
Property income	4	42,629	45,364
Investment income	5	202,246	154,257
Total incoming resources		245,945	200,557
Resources expended/ Expenditure			
Cost of generating funds:			
Property related expenses	6	18,863	19,923
Costs of managing investments for income generation and capital maintenance	6	35,351	28,611
Charitable activities:			
Operation of gallery	6	201,161	183,184
Governance – audit and accounting	6	3,828	3,566
Total resources expended		259,203	235,284
Net outgoing resources before revaluation and investment asset gains			
		(13,258)	(34,727)
Unrealised gains on investment assets	10	510,574	643,650
Realised gains on investment assets		11,248	82,530
Net movement of funds		508,564	691,453
Total funds brought forward		8,172,387	7,480,934
Total funds carried forward	13	8,680,951	8,172,387

All amounts above relate to the unrestricted continuing operations of the charity

The charity has material no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented

Note of historical cost profits and losses for the year ended 31 January 2011

	2011 £	2010 £
Reported outgoing resources	(13,258)	(34,727)
Realisation of revaluation gains/(losses) of previous years	185,230	(880,664)
	171,972	(915,391)

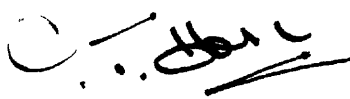
Council of the Northern Ireland War Memorial (Incorporated) 8

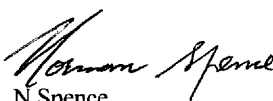
(A company limited by guarantee)

Balance sheet as at 31 January 2011

	Note	2011 £	2010 £
Fixed assets			
Tangible assets	9	2,394,407	2,455,828
Investments	10	5,987,106	5,153,136
		8,381,513	7,608,964
Current assets			
Debtors	11	12,378	8,768
Cash at bank and in hand		302,884	568,656
		315,262	577,424
Creditors, amounts falling due within one year	12	(15,824)	(14,001)
Net current assets		299,438	563,423
Total assets less current liabilities		8,680,951	8,172,387
Net assets		8,680,951	8,172,387
Funds			
Unrestricted funds	13	8,680,951	8,172,387

The financial statements on pages 7 to 15 were approved by the board on *26 May 2011* and were signed on its behalf by


Lt Col C T Hogg MBE UD JP DL
Chairman


N Spence
Trustee

Council of the Northern Ireland War Memorial (Incorporated) 9

(A company limited by guarantee)

Notes to the financial statements for the year ended 31 January 2011

1 Accounting policies

These financial statements have been prepared on the going concern basis under the historical cost convention, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" published in March 2005, the Companies Act 2006 and applicable accounting standards in the United Kingdom

The company has availed itself of and adapted the Companies Act 2006 formats to reflect the special nature of the Council's activities

Cash-flow statement

The Council is exempt from the requirement to publish a cash-flow statement under FRS 1 ("Revised 1996")

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated so as to write off the cost of tangible fixed assets over the expected useful economic lives of the assets concerned. The principal annual rates used are as follows

Leasehold and freehold buildings	-	2%	straight line
Furnishings and equipment	-	20%	straight line

Where the recoverable amount of a fixed asset is found to be below its net book value, the asset is written down to the recoverable figure and the loss on impairment is recognised in the SOFA

Investments

Fixed asset investments are stated in the balance sheet at their market value as at the balance sheet date. Any gain or loss on revaluation is taken to the statement of financial activities. Investment income is included in the profit and loss account on an accruals basis

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The specific bases used are as follows -

Voluntary income

Voluntary income is included in full in the Statement of Financial Activities when received. It is comprised solely of charitable donations

Activities for generating funds

Rental receipts are included in full in the Statement of Financial Activities on the accruals basis

Property income

Property income, which excludes value added tax, is accounted for on the accruals basis

Investment income

Investment income includes bank interest and dividends receivable which are credited to the Statement of Financial Activities in the year in which they are receivable

Council of the Northern Ireland War Memorial (Incorporated) 10

(A company limited by guarantee)

Notes to the financial statements for the year ended 31 January 2011

1 Accounting policies (continued)

Resources expended

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

Cost of generating funds

Property related expenses and costs of managing investments comprise those costs incurred in the running of the War Memorial Building and are accounted for on an accruals basis.

Charitable activities

Charitable expenditure comprises those costs incurred by the Council 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 supply them. Support costs are allocated to their relevant activity based on the income received.

Governance costs

Governance costs include those incurred in the Governance of its assets which are associated with constitutional and statutory requirements.

Irrecoverable Value Added Tax

Any irrecoverable Value Added Tax is charged to the statement of financial activities, or capitalised as part of the cost of the related asset, where appropriate.

Fund accounting

The Council has one type of fund for which it is responsible. A definition of the fund is as follows:

Unrestricted funds

Funds which are expendable at the discretion of the charity in furtherance of the purposes of the Council. In addition to expenditure on activities such funds may be held in order to finance capital investment and working capital.

2 Trustees' emoluments and expenses

The trustees received no emoluments during the year (2010: £nil).

During the year £299 (2010: £510) was reimbursed to one (2010: one) trustee in respect of travelling and sundry expenses incurred.

Council of the Northern Ireland War Memorial (Incorporated) 11

(A company limited by guarantee)

Notes to the financial statements for the year ended 31 January 2011

3 Employee information

	2011	2010
	£	£
Staff costs:		
Wages and salaries	30,012	39,200
Social security costs	1,607	2,742
	31,619	41,942

	Number	Number
The average monthly number of persons employed by the company (excluding trustees and council members) during the year by activity was:		
Administration	3	3

No employee received remuneration of more than £60,000 (2010 £60,000)

Indemnity insurance of £845 (2010 £1,302) for trustees' liability has been purchased by the Council

4 Property income

	2011	2010
	£	£
Office rents	26,204	26,204
Service charges	12,425	15,635
Car park rents	4,000	3,525
	42,629	45,364

5 Investment income

	2011	2010
	£	£
Listed unit trusts	197,820	150,758
Unlisted investments	3,177	3,333
Bank interest	1,249	166
	202,246	154,257

Council of the Northern Ireland War Memorial (Incorporated) 12

(A company limited by guarantee)

Notes to the financial statements for the year ended 31 January 2011

6 Resources expended

	2011	2010
	£	£
Cost of generating funds: Property related expenses		
Repairs and maintenance	2,871	945
Cleaners	3,002	2,597
Agents' commission and letting fees	2,938	2,875
Heat and light	5,441	6,708
Insurance	4,611	5,188
Professional fees	-	1,610
	18,863	19,923
Cost of generating funds: costs of managing investment for income generation and capital maintenance		
Management fee	35,351	28,611
Charitable activities: Operation of Gallery		
Wages and salaries (note 3)	31,619	41,942
Service charge	11,787	15,747
Donation	8,191	4,950
Legal and professional fees	1,645	21,906
Postage	540	436
Council members expenses	299	510
Secretarial expenses	-	585
Stationery	4,806	1,211
Depreciation	78,167	74,818
Telephone	1,502	521
Bank charges	116	163
Miscellaneous	19,248	11,545
Marketing	37,980	8,850
Repairs and maintenance	5,261	-
	201,161	183,184
Charitable activities. Governance		
Professional fees	3,828	3,566
	3,828	3,566
	259,203	235,284

Council of the Northern Ireland War Memorial (Incorporated) 13

(A company limited by guarantee)

Notes to the financial statements for the year ended 31 January 2011

7 Net outgoing resources

	2011 £	2010 £
Net outgoing resources is stated after charging:		
Staff costs (note 3)	31,619	41,942
Depreciation	78,167	74,818
Auditors' remuneration for		
Fees payable to the company's auditor for the audit of the accounts	2,175	2,066

8 Taxation

The Company is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes

The Council is not registered for Value Added Tax and accordingly, all its expenditure is recorded inclusive of any Value Added Tax incurred

9 Tangible assets

	Land and buildings £	Furnishings and equipment £	Total £
Cost			
At 1 February 2010	2,491,763	124,914	2,616,677
Additions	-	16,746	16,746
At 31 January 2011	2,491,763	141,660	2,633,423
Accumulated depreciation			
At 1 February 2010	119,171	41,678	160,849
Charge for the year	49,835	28,332	78,167
At 31 January 2011	169,006	70,010	239,016
Net book amount			
At 31 January 2011	2,322,757	71,650	2,394,407
At 31 January 2010	2,372,592	83,236	2,455,828

Council of the Northern Ireland War Memorial (Incorporated) 14

(A company limited by guarantee)

Notes to the financial statements for the year ended 31 January 2011

10 Investments

	£
Market value brought forward	5,153,136
Additions at cost	857,935
Disposals at carrying value	(534,539)
Unrealised gain on investment assets	510,574
Market value as at 31 January 2011	5,987,106
Historical cost at 31 January 2011	4,929,130

11 Debtors

	2011 £	2010 £
Other debtors	9,204	7,048
Prepayments and accrued income	3,174	1,720
	12,378	8,768

12 Creditors: amounts falling due within one year

	2011 £	2010 £
Accruals and deferred income	15,824	14,001

13 Unrestricted funds

	2011 £	2010 £
Deficit for the year	(13,258)	(34,727)
Profit on revaluation of investments	510,574	643,650
Profit on revaluation realised on investments	11,248	82,530
Net movement in year	508,564	691,453
Opening shareholders funds	8,172,387	7,480,934
Closing shareholders funds	8,680,951	8,172,387

Council of the Northern Ireland War Memorial (Incorporated) 15

(A company limited by guarantee)

Notes to the financial statements for the year ended 31 January 2011

14 Liability of members

The Council of the Northern Ireland War Memorial - (Incorporated) is a company limited by guarantee. The liability of the members is limited to an amount not exceeding £1. Number of members at 31 January 2011 was 29 (2010: 29).

15 Contingent liability

The Council of the Northern Ireland War Memorial - (Incorporated) has one contingent liability at 31 January 2011 (2010: One) -

- A maximum of £90,000 payable to the British Legion from the 10th year of their lease agreement for the Talbot Street property, reduced by an agreed amount in each subsequent year up to and including the 19th year, if the lease agreement is broken by either party.

16 Ultimate controlling party

There is no ultimate controlling party.

17 Related party transactions

Related party transactions amounted to £299 (2010: £510) and related to trustee expenses. There were no other transactions with related parties in the year.

