

**Conflict Resolution Services (Ireland)**  
**Company Limited by Guarantee**  
**Unaudited Financial Statements**  
**31 March 2018**



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



# **Conflict Resolution Services (Ireland)**

**Company Limited by Guarantee**

**Financial Statements**

**Year ended 31 March 2018**

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# **Conflict Resolution Services (Ireland)**

**Company Limited by Guarantee**

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

**Year ended 31 March 2018**

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The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2018.

## **Reference and administrative details**

<b>Registered charity name</b>	Conflict Resolution Services (Ireland)
<b>Charity registration number</b>	NIC100220
<b>Company registration number</b>	NI607738
<b>Principal office and registered office</b>	274-276 Falls Road Belfast BT12 6AL Northern Ireland

## **The trustees**

D Bryan	
P Gallagher	
J Lyness	
M Magill	
J Maxwell	
G Ruddy	
J Hamill	(Resigned. 1 May 2017)

<b>Accountants</b>	Finegan Gibson Ltd Chartered accountant Causeway Tower 9 James Street South Belfast BT2 8DN
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# **Conflict Resolution Services (Ireland)**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2018**

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#### **Structure, governance and management**

##### ***Governing Document***

Conflict Resolution Services Ireland is a company limited by guarantee governed by its Memorandum and Articles of Association dated 27/05/2011. Conflict Resolution Services Ireland is a registered charity with the Charity Commission for Northern Ireland.

##### ***Appointment of Trustees***

The Chairman and the Trustees recruit and select new Trustees as needed. New Trustees are recruited on the relevance of their professional skills, and their potential to be able to make a helpful contribution to the governance of the charity. As part of the recruitment process they are made aware of a Trustees' legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity.

Once the potential new Trustee has agreed to be considered for appointment to the role, the Trustees meet to review and to vote on the candidates' suitability for appointment. If there is unanimous agreement, their names are then proposed for appointment and confirmed at the next Annual General Meeting.

##### ***Trustees role and responsibilities***

The Directors, who are the charity's Trustees, comprise the key management personnel of the charity in charge of directing, controlling, running and operating the charity on a day to day basis. Induction training is organised on governance issues to enable new Directors to fulfil their statutory duties.

Directors are responsible for the establishment of policies, systems and procedures for the good governance of the charity and for ensuring that any risks to the charity, including financial, operational and reputational risks, are identified and mitigated by having sound management processes in place.

The main risks identified are financial as the charity is dependent on grant income on an annual basis. This is addressed by budget planning and control. Operational risks are addressed by providing relevant training for volunteers, undertaking risk assessments for the activities carried out and keeping adequate insurance cover for both public and employer liability and protection of assets.

All Directors give of their time freely and do not receive remuneration for this role. Details of expenses are disclosed in note 11 to the accounts.

# **Conflict Resolution Services (Ireland)**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2018**

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#### **Objectives and activities**

The purposes of the charity are

1. To promote conflict resolution and reconciliation, mediation, and peace building for the public benefit with a view to relieving suffering and distress and building and maintaining social cohesion and trust within and between communities.

a) Developing and delivering a mediation service to resolve disputes.

b) Raising awareness of the nature and causes of disputes or conflicts and the means of managing them and in particular, assisting in the development of effective non-violent responses to disputes and conflicts, including those arising from parades through contested areas.

2. To provide for the public benefit mediation and support services for people who are at risk of being socially excluded, including those who may be at risk of punishment outside the criminal justice system, to advance their lives and assist them to integrate into society. In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit.

#### **Strategy**

The strategies employed to achieve the charity's aims and objectives are to: Mediate when individuals are under threat from armed groups.

#### **Threats**

CRSI has continued to respond to individuals who perceived themselves as being under threat, we provided clarity to these perceptions and interventions when needed and we have mediated in neighbourhood disputes. Many of these cases involved threats from armed groups from within Republican communities. Most cases were resolved after mediation but regrettably in a small number, violence was used before we could mediate. That violence can be either 'punishment' beatings or shootings. The implements used to carry out, attacks have included weights bars, baseball bats, hurling sticks, sewer rods, sledgehammers, iron bars, pick axe handles and claw hammers. CRSI regard all such attacks and shootings as wrong.

The biggest single issue that we respond to is those who either are or think they are, under threat from armed groups, due to either alleged drug use or drug dealing. This is particularly true for North Belfast where approximately 50% of those we responded to, were related to drug issues. If we include those who presented as having anti-social behaviour issues, which often had a drug element, this statistic rises to 80%. CRSI staff report similar concerns throughout other republican areas. This reinforces our previously stated belief that if we are to have a significant impact upon the levels of threats that originate from within these areas, we must begin to influence how armed groups view drug related issues.

CRSI, has been advocating for a response to the use of illegal drugs and the misuse of proscribed medication for several years, that recognises these issues as social and medical problems and not criminal justice issues. CRSI, are aware that this is not a popular approach amongst those who would advocate for tougher sentences or indeed punishment attacks. However, CRSI are fully committed to the belief that the so called 'War on Drugs' has failed, and we need to seek alternatives to it. CRSI will continue to engage with dissenting republicans to get them to support such a strategy and in the process end punishment attacks and reactionary policies.

Given that there is a huge financial cost to state responses to paramilitary style punishments not to mention the physical and long-term psychological effects on the victim and their wider family network, the services that CRSI provide have immense added value. From April 2017 to March 2018 CRSI

# **Conflict Resolution Services (Ireland)**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2018**

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have continued to respond to those individuals presenting as under-threat. The clear majority of these 92% have had a positive outcome as a result of our intervention services, with 96% indicating, at the point of referral, that they felt under some type of paramilitary threat. We estimate that in responding to these individuals we have in effect provided support to a greater number of 'others' (primarily family members, including children) who benefit indirectly from the services we provide to the main service user. The majority of those we responded to, are male and within the 18- 26 age range.

#### ***Armed groups***

Many would argue that the main area for concern is the lack of political will to deal with the effects of the war/troubles. There is a widespread perception that working class areas did not benefit from a "peace dividend". Subsequently there has been a proliferation of armed groups in those areas doing "community" policing. CRSI has counted 11-armed group within nationalist areas of Belfast. This fracturing has made the work of CRSI increasingly difficult.

#### ***Political Landscape***

There have been several other changes in the political landscape of these groups. There has been a hardening of militaristic beliefs within some armed groups. Divisions within others have left them politically fragmented and vulnerable to developing military reactive policies in attempts to justify, strengthen or at least sustain their existence.

Others attempt to manage internal disagreements within a structured process, often with the support of 'outsiders' who possess conflict mediation skills and have trust within these groups. CRSI has been centrally located within some of these processes. These changes have created their own peculiar set of difficulties for CRSI staff and how we operationally respond to these challenges.

Despite these challenges we have witnessed many successes in delivering upon our main objectives, engaging with dissenting and militant republicans and impacting upon the 'informal justice system'.

Whilst most cases are closed within several days, demonstrating staff ability to resolve or at least clarify information on behalf of extremely anxious individuals in a relatively short period of time, we are witnessing a protraction within some areas and this appears to be directly related to the earlier difficulties that we have alluded to within some armed groups.

CRSI continues to believe that the best and most effective way to deal with conflict is to involve the protagonists of the conflict in the resolution of it. We are firmly of the view that this requires the development of trusting/non-judgmental relationships and the recognition that this type of intervention can be slow at times and requires patience. The intervention requires the support of those who can bring experience and knowledge to the resolution process.

During this reporting period we have; established relationships with newly formed groups, held several workshops around key political issues such as armed conflict, Irish republicanism in the 21st century, gender in conflict, advancing human rights and the potential to deliver republican political goals via a referendum on Irish unity. We also supported dissenting republicans explore employability and community development. Some of these are listed below; Cherry Picker Accredited Training.

Security Industry License.

Support to obtain a Driving license.

Support to obtain Taxi License.

Housing Advice Training.

# **Conflict Resolution Services (Ireland)**

## **Company Limited by Guarantee**

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

#### **Year ended 31 March 2018**

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Seminar - armed conflict and republicanism in the 21st century.

Seminar - advancing human rights outside the political arena.

Our staff are increasingly becoming skilled at responding to housing related issues and supporting people with their PIP assessments. In addition to this we are seeing the benefits of providing high calibre training and employability support to service users.

We are convinced that this latter initiative will contribute greatly to encouraging those who would support violence to interact with others who would contest these views and over time contribute to the development of a counter narrative than the one which they currently possess.

CRSI believe that the work of our staff in engaging with dissenting republicans in the widest sense, in relation to justice, education, political development, community engagement, employability and the improvement of their mental and physical health is an essential part of creating a democratic society. We are the only group currently attempting to move all the dissident groups in a similar direction, albeit slowly and sensitively.

#### ***Internal***

It has been a difficult year for the staff of CRSI. In late March 2018 a device was thrown at the CRSI premises causing scorch damage to our entrance. This was a sudden traumatic experience for the staff, however fortunately no one was physically injured. Also, in late 2017 CRSI began an internal disciplinary process, leading to a staff dismissal from CRSI. This took up a considerable amount of the organisation's time and focused unwanted media attention on to CRSI.

Furthermore, one of the groups that CRSI had engaged with, for a considerable period of time, to assist in the move away from violence, had its own internal difficulties and this created many challenges for staff. During the year the announcement of a ceasefire by ONH was a welcome development and a justification of the past work of CRSI staff.

The appointment of a new Operations Director in May 2017 coincided with a re-organisation of our policies and procedures and a change over how our finances were managed. This entailed many hours of work to bring our policies and procedures up to date and the development of a Staff Handbook. (See Appendix 1). We believe our Staff Handbook could be a model for other groups across the voluntary and community sector and our thanks go to Viable for their work on our governance.

#### ***Staff Development***

Despite the challenges the staff of CRSI have responded to this year, they have continued to look at ways in which they can develop themselves through formal training and supporting others by delivering training to them. One of our full-time staff and two volunteers have been enrolled into the Community Development degree course at the University of Ulster, a contracted employee is being supported as he progresses through his studies in International Human Rights Law and Transitional Justice. Three members of staff and three volunteers have completed their OCN Level 3 and 4 in NVQ level 3 and 4 in Community Development and Leadership Skills.

#### ***CRSI's relationship with the media***

Since 2013, at least, there have been stories in the media about CRSI, its staff and its activities with "dissident republicans". CRSI has had a policy since 2013 of not engaging with the media. Responding to each and every sensationalist newspaper headline would be counter-productive. Many of the media stories are highly critical of CRSI's contact with "dissident republicans!".

# **Conflict Resolution Services (Ireland)**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2018**

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This perception is somewhat surprising to us, as all the political parties, who have subscribed to the peace process, recognise the importance of engaging with those who would support the continuation of politically motivated violence. In fact, we would not have a peace process, without such dialogue in the past. Engaging with those who support such violence and trying to persuade them to cease punishment shootings and beatings and to engage in political activity in preference to the use of armed force, requires both trust and discretion. We do that against a background of political uncertainty caused by both the collapse of the Stormont Administration and the decision to leave the European Union by Britain. CRSI believes that nothing useful would be served by engaging with the media, preferring to leave such responses to the discretion of our funders.

#### ***Charity Commission***

In September 2018 we were informed that the Charity Commission was conducting an "assessment" of CRSI, based on negative media attention. We have complied with the requests from the Charity Commission and we are looking forward to engaging with them and highlighting the valuable contribution that CRSI plays in moving our society to a less violent position, despite what sections of the media might think. CRSI believe it is important to outline our ethics policy, as it is this, which clearly sets out the belief system to which we operate.

#### ***Ethics***

Conflict Resolution Services (Ireland) is governed by a set of ethical standards. These cover our decision-making processes, ensuring that they are guided by values and knowledge. Ethics are closely related to human and civil rights: Civil rights include, ensuring peoples' physical integrity and safety and the protection from discrimination.

Political rights include natural justice (procedural fairness) in law, such as the rights of the accused, including the right to a fair trial; due process; the right to seek redress or a legal remedy; and rights of participation in civil society and politics. CRS(I) has as its objective the resolution of disputes by peaceful non-violent means. This objective is enshrined in the concept of human and civil rights as set out above. The code of ethics supports the human and civil rights of our clients' staff and volunteers in the work we undertake. CRSI ethics policy covers the conduct of staff, board members and volunteers in terms of: 1 Personal behaviour of staff, volunteers and board members; 2 How we relate to clients and others we engage with.

Our ethics policy outlines our commitment to ensuring that;  
Engagement with CRSI will aim to benefit client's and contribute to their welfare.

It ensures freedom from harm and exploitation.

CRSI does not put clients at risk of harm.

CRSI does not misuse information that has been gained from clients which may be harmful to those clients.

CRSI respects the right to fair treatment, based on the principle of justice. Clients are free to determine the time and extent, as well as the type of information they share or withhold from others.

CRSI in responding to 'vulnerable clients', who are often in a stressful situation, will ensure that the client understands our role and that they have the right to withdraw at any time. Furthermore, where CRSI is dealing with a child or vulnerable adult it will ensure that the carers and/or other responsible adults understand the process and give their consent. Support may be necessary to assist clients who are traumatised and CRSI under its duty of care will ensure that clients are sign-posted to relevant services. Practitioners will have a clear strategy in place to deal with incidents where clients become



# **Conflict Resolution Services (Ireland)**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2018**

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extremely distressed.

All clients have the right to full disclosure of information about CRSI its mission, aims and objectives.

CRSI supports the rights of staff volunteers and Trustees to be members of a political party, however as an organisation we do not support any political party, nor do we promote the activities of any such political groups. CRSI will carry out induction training with all staff and volunteers on our ethics policy. Staff and volunteers are expected to adhere to these principles in undertaking their role within CRSI.

#### ***Current Strategic Thinking***

The decision by referendum for Britain to leave the European Union in June 2016 and the collapse of power sharing in Stormont in January 2017 and the subsequent bitter disagreements between former partners has created huge political uncertainty in the North of Ireland.

It is clear that the Good Friday Agreement is under severe stress. The prospect of border controls has led to some politicians predicting possible border clashes. Against such a possible background CRSI sadly have no illusions that the demilitarisation of society here, will come soon. Nor that the sectarian divisions will soon vanish.

However, by working with those on the margins and trying to develop a culture of mediation and non-violent approaches to issues, we are helping to demilitarise mindsets, to move people towards working within democratic processes and helping to develop a positive approach towards development of both, the individual and the community. We encourage republicans to engage with all sections of society as a way of moving them from the margins towards normal engagement in civilian life.

In getting armed groups to consider non-violent strategies to achieving political ends we are getting these groups to

- 1) addresses the root causes of violence and injustice
- 2) engage in politics which takes account of the range of political views of the people of these islands, underpinned by the principles and values of participation, human rights and equality.

CRSI have developed a joint project with one of the leading youth support providers within the North of Ireland to support young people who are either under threat or who due to their behaviour, are likely to come under threat. Whilst this project is in its infancy, we are hopeful that it will provide another support structure to CRSI and one which we can persuade armed groups to see the value in, particularly in our attempts to get them to move from a criminal understanding/response to drugs to a social/medical intervention model. Our financial and governance update has been developed in conjunction with Vi-Able Corporate Services Ltd. And we are grateful for their support and expertise.

On behalf of the Board, I would like to thank all those who have contributed to the good work that CRSI has achieved over the last year.

#### **Achievements and performance**

All of the above activities have lead to increased community involvement with our client base and has led to a significant reduction in punishment beatings and shooting by some of the armed groups. However, the proliferation of "dissident groups" has made interventions more difficult than before.

# **Conflict Resolution Services (Ireland)**

## **Company Limited by Guarantee**

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

**Year ended 31 March 2018**

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#### **Financial review**

The statement of financial activities on page 9 indicates that the company had outgoing resources of £224,915 which were less than the incoming resources of £258,573 creating a profit of £33,658. The Balance Sheet on page 10 shows that the company had a fund surplus of £122,658 at 31 March 2018 (£89,000 at 31 March 2017).

#### ***Reserve Policy and Going Concern***


Reserves are needed to bridge the timing gap between spending and receiving of income and to cover unplanned temporary shortfalls in income should they arise. Holding adequate reserves safeguards the provision of our services in the event of unexpected significant financial pressures. The trustees consider that a level of reserves would be necessary and are exploring means to secure some. Restricted reserves at 31 March 2018 were £112,334. These are designated reserves retained for the completion of the projects for which they were awarded. Unrestricted reserves at 31 March 2018 were £10,324.

#### **Small company provisions**

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

The trustees' annual report was approved on 15 October 2018 and signed on behalf of the board of trustees by:

G Ruddy  
Trustee



# **Conflict Resolution Services (Ireland)**

## **Company Limited by Guarantee**

### **Independent Examiner's Report to the Trustees of Conflict Resolution Services (Ireland)**

**Year ended 31 March 2018**

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I report on the financial statements for the year ended 31 March 2018, which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes.

#### **Respective responsibilities of trustees and examiner**

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

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

#### **Basis of independent examiner's report**

I have examined your charity accounts as required under section 65 of the Charities Act and my examination was carried out in accordance with the general Directions given by the Charity Commission for Northern Ireland under section 65(9)(b) of the Charities Act. The examination included a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also included consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters.

My role is to state whether any material matters have come to my attention giving me cause to believe:

1. That accounting records were not kept in accordance with section 386 of the Companies Act 2006
2. That the accounts do not accord with those accounting records
3. That the accounts do not comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the 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.
4. That there is further information needed for a proper understanding of the accounts to be reached.

# **Conflict Resolution Services (Ireland)**

**Company Limited by Guarantee**


## **Independent Examiner's Report to the Trustees of Conflict Resolution Services (Ireland) *(continued)***

**Year ended 31 March 2018**

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### **Independent examiner's statement**

I have completed my examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission for Northern Ireland, I have found no matters that require drawing to your attention.



FINEGAN GIBSON LTD  
Chartered accountant

Causeway Tower  
9 James Street South  
Belfast  
BT2 8DN

# Conflict Resolution Services (Ireland)

## Company Limited by Guarantee

### Statement of Financial Activities (including income and expenditure account)

31 March 2018

		Unrestricted funds £	2018 Restricted funds £	Total funds £	2017 Total funds £
	Note				
<b>Income and endowments</b>					
Charitable activities	5	2,625	255,948	258,573	242,807
<b>Total income</b>		<u>2,625</u>	<u>255,948</u>	<u>258,573</u>	<u>242,807</u>
<b>Expenditure</b>					
Expenditure on charitable activities	6,7	643	224,272	224,915	180,799
<b>Total expenditure</b>		<u>643</u>	<u>224,272</u>	<u>224,915</u>	<u>180,799</u>
<b>Net income</b>		<u>1,982</u>	<u>31,676</u>	<u>33,658</u>	<u>62,008</u>
Transfers between funds		3,500	(3,500)	–	–
<b>Net movement in funds</b>		<u>5,482</u>	<u>28,176</u>	<u>33,658</u>	<u>62,008</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		8,342	80,658	89,000	26,992
<b>Total funds carried forward</b>		<u>13,824</u>	<u>108,834</u>	<u>122,658</u>	<u>89,000</u>

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

The notes on pages 13 to 20 form part of these financial statements.

# Conflict Resolution Services (Ireland)

## Company Limited by Guarantee

### Statement of Financial Position

31 March 2018

		2018 £	2017 £
<b>Fixed assets</b>			
Tangible fixed assets	13	3,979	4,973
<b>Current assets</b>			
Debtors	14	27,695	263
Cash at bank and in hand		95,329	88,728
		123,024	88,991
<b>Creditors: amounts falling due within one year</b>	15	4,345	4,964
<b>Net current assets</b>		118,679	84,027
<b>Total assets less current liabilities</b>		122,658	89,000
<b>Net assets</b>		122,658	89,000
<b>Funds of the charity</b>			
Restricted funds		108,834	80,658
Unrestricted funds		13,824	8,342
<b>Total charity funds</b>	17	122,658	89,000

For the year ending 31 March 2018 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

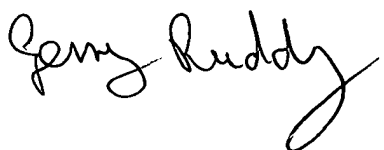
Directors' responsibilities:

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

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

These financial statements were approved by the board of trustees and authorised for issue on 15 October 2018, and are signed on behalf of the board by:

G Ruddy  
Trustee



The notes on pages 13 to 20 form part of these financial statements.

# **Conflict Resolution Services (Ireland)**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements**

**Year ended 31 March 2018**

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#### **1. General information**

The charity is a private company limited by guarantee, registered in Northern Ireland and a registered charity in Northern Ireland. The address of the registered office is 274-276 Falls Road, Belfast, BT12 6AL, Northern Ireland.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act (Northern Ireland) 2008.

#### **3. Accounting policies**

##### **Basis of preparation**

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

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

##### **Going concern**

There are no material uncertainties about the charity's ability to continue.

##### **Disclosure exemptions**

The charity has taken advantage of the exemption in SORP 2015 from the requirement to produce a cash flow statement because it is a small charity.

##### **Judgements and key sources of estimation uncertainty**

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

##### **Fund accounting**

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

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

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

# **Conflict Resolution Services (Ireland)**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements** *(continued)*

**Year ended 31 March 2018**

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#### **3. Accounting policies** *(continued)*

##### **Incoming resources**

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

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

##### **Resources expended**

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

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

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

##### **Tangible assets**

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



# **Conflict Resolution Services (Ireland)**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements** *(continued)*

**Year ended 31 March 2018**

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#### **3. Accounting policies** *(continued)*

##### **Tangible assets** *(continued)*

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

##### **Depreciation**

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

Fixtures and fittings                      -     20% straight line

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

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

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

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

##### **Financial instruments**

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

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

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

Debt instruments are subsequently measured at amortised cost.

# **Conflict Resolution Services (Ireland)**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements** *(continued)*

**Year ended 31 March 2018**

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#### **3. Accounting policies** *(continued)*

##### **Financial instruments** *(continued)*

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

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

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

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

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

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

##### **Defined contribution plans**

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

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

#### **4. Limited by guarantee**

The Charity is a company limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

# Conflict Resolution Services (Ireland)

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

#### 5. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
CFNI	–	12,000	12,000
Northern Ireland Youth Forum	2,625	–	2,625
Seedbed Community Trust	–	10,000	10,000
Joseph Rowntree Charitable Trust	–	70,100	70,100
ICRC	–	34,681	34,681
PIP (International Fund Ireland)	–	129,044	129,044
St Stephens Green Trust	–	–	–
SMP Reclaimed	–	–	–
Belfast City Council	–	123	123
	<u>2,625</u>	<u>255,948</u>	<u>258,573</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
CFNI	–	–	–
Northern Ireland Youth Forum	–	–	–
Seedbed Community Trust	–	–	–
Joseph Rowntree Charitable Trust	–	56,440	56,440
ICRC	–	35,400	35,400
PIP (International Fund Ireland)	–	137,332	137,332
St Stephens Green Trust	–	5,957	5,957
SMP Reclaimed	3,822	–	3,822
Belfast City Council	–	3,856	3,856
	<u>3,822</u>	<u>238,985</u>	<u>242,807</u>

#### 6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Providing Support Activities	–	64,633	64,633
Support costs	643	159,639	160,282
	<u>643</u>	<u>224,272</u>	<u>224,915</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Providing Support Activities	–	45,939	45,939
Support costs	1,980	132,880	134,860
	<u>1,980</u>	<u>178,819</u>	<u>180,799</u>

# Conflict Resolution Services (Ireland)

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

#### 7. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2018	Total fund 2017
	£	£	£	£
Providing Support Activities	64,633	142,708	207,341	178,648
Governance costs	—	17,574	17,574	2,151
	<u>64,633</u>	<u>160,282</u>	<u>224,915</u>	<u>180,799</u>

#### 8. Analysis of support costs

	Analysis of Support Costs	Total 2018	Total 2017
	£	£	£
Staff costs	119,397	119,397	111,828
Premises	22,429	22,429	20,665
General office	882	882	216
Governance costs	17,494	17,494	2,151
	<u>160,202</u>	<u>160,202</u>	<u>134,860</u>

#### 9. Net income

Net income is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation of tangible fixed assets	<u>994</u>	<u>1,020</u>

#### 10. Independent examination fees

	2018	2017
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,870</u>	<u>1,780</u>

#### 11. Staff costs

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

	2018	2017
	£	£
Wages and salaries	111,934	105,632
Social security costs	6,741	6,196
Employer contributions to pension plans	722	—
	<u>119,397</u>	<u>111,828</u>

The average head count of employees during the year was 5 (2017: 5).

# Conflict Resolution Services (Ireland)

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 March 2018

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#### 11. Staff costs *(continued)*

No employee received employee benefits of more than £60,000 during the year (2017: Nil).

#### 12. Trustee remuneration and expenses

No trustees received remuneration throughout the year (2017: £NIL).

#### 13. Tangible fixed assets

	Fixtures and fittings £
<b>Cost</b>	
At 1 April 2017 and 31 March 2018	<u>9,109</u>
<b>Depreciation</b>	
At 1 April 2017	4,136
Charge for the year	994
At 31 March 2018	<u>5,130</u>
<b>Carrying amount</b>	
At 31 March 2018	<u>3,979</u>
At 31 March 2017	<u>4,973</u>

#### 14. Debtors

	2018 £	2017 £
Trade debtors	27,510	–
Other debtors	185	263
	<u>27,695</u>	<u>263</u>

#### 15. Creditors: amounts falling due within one year

	2018 £	2017 £
Social security and other taxes	1,945	2,605
Other creditors	2,400	2,359
	<u>4,345</u>	<u>4,964</u>

#### 16. Pensions and other post retirement benefits

##### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £722 (2017: £Nil).

# Conflict Resolution Services (Ireland)

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

#### 17. Analysis of charitable funds

##### Unrestricted funds

	At 1 April 2017	Income	Expenditure	Transfers	At 31 March 2018
	£	£	£	£	£
General funds	<u>8,342</u>	<u>2,625</u>	<u>(643)</u>	<u>3,500</u>	<u>13,824</u>

##### Restricted funds

	At 1 April 2017	Income	Expenditure	Transfers	At 31 March 2018
	£	£	£	£	£
Joseph Rowntree Charitable Trust	15,027	60,100	(46,080)	–	29,047
ICRC	20,183	34,681	(33,264)	–	21,600
PIP (International Fund for Ireland)	44,509	129,044	(129,917)	–	43,636
St Stephens Green Trust	636	–	–	–	636
Belfast City Council	–	123	–	–	123
Flax Trust	303	–	–	–	303
Creating Space Project	–	32,000	(15,011)	(3,500)	13,489
	<u>80,658</u>	<u>255,948</u>	<u>(224,272)</u>	<u>(3,500)</u>	<u>108,834</u>

#### 18. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2018
	£	£	£
Tangible fixed assets	–	3,979	3,979
Current assets	10,324	112,700	123,024
Creditors less than 1 year	–	(4,345)	(4,345)
<b>Net assets</b>	<u>10,324</u>	<u>112,324</u>	<u>122,658</u>

#### 19. Contingencies

At the date of approval of these Financial Statements the Charity Commission for Northern Ireland are currently conducting an investigation into matters involving CRSI. At this stage it is too early to agree the impact if any, on CRSI and therefore no adjustments have been made to these Financial Statements in respect of this.