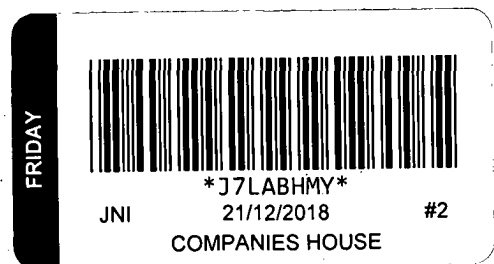


Charity number: NIC104471
Company number: NI023358

THE RESOURCE CENTRE DERRY
(A company limited by guarantee)

Trustees' report and financial statements
for the year ended 31 March 2018



THE RESOURCE CENTRE DERRY
(A company limited by guarantee)

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THE RESOURCE CENTRE DERRY
(A company limited by guarantee)

Legal and administrative information

HMRC Charity number XR175222
Charity Number NIC104471
Company registration number NI023358

Business address Racecourse Road
Carnhill
Derry BT48 8BA

Registered office Racecourse Road
Carnhill
Derry BT48 8BA

| | | |
|-----------------|------------------|----------------------------|
| Trustees | M Bradley | |
| | G Graham | |
| | J Doherty | |
| | B Feeney | |
| | M Quinn | |
| | M Hamilton | |
| | K Cradden | |
| | Sr. A O'Neill | Appointed 29 June 2017 |
| | C McCaughan | Appointed 21 December 2017 |
| | Fr. MF McCaughey | Appointed 21 December 2017 |
| | Rev. Miller | Appointed 21 December 2017 |

Secretary M Quinn

Key management personnel

| | |
|------------------------|------------|
| Daycare manager | H Doherty |
| Welfare rights manager | J McKinney |
| Finance manager | G Logue |
| Care manager | P McCarron |

Auditors McDaid McCullough Moore
28/32 Clarendon Street
Derry BT48 7HD

Bankers First Trust Bank
Meadowbank
Strand Road
Derry BT48 7TN

Solicitors Mark McFeely
Brendan Kearney & Co
4 Clarendon Street
Derry BT48 7ES

THE RESOURCE CENTRE DERRY

(A company limited by guarantee)

Report of the trustees for the year ended 31 March 2018

The trustees present their report and the financial statements for the year ended 31 March 2018. The trustees who served during the year and up to the date of this report are set out on page 2. This report is prepared in accordance with Accounting and Reporting by Charities: Statement Of Recognised 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).

Structure, governance and management

Governing document

The organisation is a charitable company limited by guarantee not having a share capital (company registration number NI023358). It is recognised as a charity by HM Revenue and Customs (registration number XR175222) and was registered as a charity by the NI Charities Commission in February 2016 (registration number NIC104471). The Trusts governing document is its Memorandum and Articles of Association dated 15 December 1989.

Organisational structure

The charitable company is managed by the trustees. Trustees are chosen based on their skills and professional backgrounds so as to ensure a wide range of experience is represented on the Board. Trustees meet monthly to review performance, determine strategies, assess risk and plan future policies.

The trust is managed daily by a daycare manager, care manager, welfare rights manager, finance manager and senior employees. The senior employees report daily to the trustees and the various managers ensuring the smooth operation of the Centre. The senior management are responsible for ensuring that the Centre complies with all relevant regulations including food hygiene and health & safety requirements for both patrons of the centre and staff.

The Resource Centre is an equal opportunities employer committed to positive policies on recruitment, training and career development for staff members (and potential staff members) regardless of marital status, religion, colour, race, ethnic origin or disability. The Resource Centre also accommodates patrons with disabilities by providing easily accessible entry and exit.

Appointment and training of trustees

New trustees are nominated by current trustees and from nominations proposed by Derry City & Strabane District Council. Induction and training of new trustees is provided by existing trustees and employees. Most trustees due to their experience and backgrounds are already familiar with the work of the Resource Centre.

Principal risks and uncertainties

The management has conducted its own review of the major risks to which the company is exposed and systems have been established to mitigate those risks. The trustees continually monitor their exposure to financial risk. Given the size of the company, the trustees have not delegated the responsibility of monitoring financial risk to a sub committee. The policies set by the trustees are implemented by department managers and the finance department.

The financial viability and sustainability of the Resource Centre is a major risk recognised. The trustees continually strive to source additional or new funding to enhance the facilities and services available at the centre. Diversification of activities to place less reliance on public funding is sought and has been achieved by generating income from services such as The Handyman Service and The Community Shop.

Business and financial risk is managed by ensuring appropriate staff, with the necessary experience, are in place and budgets and forecasts prepared and reported on monthly. The reporting network makes use of an established IT system which includes a general accounting package which is continuously updated and maintained.

THE RESOURCE CENTRE DERRY

(A company limited by guarantee)

Report of the trustees for the year ended 31 March 2018

The Resource Centres' principal financial assets includes cash, grant debtors and trade creditors. Associated risks include credit risk and liquidity risk. To minimize credit risk the trustees have implemented policies that require appropriate credit checks on potential customers before transactions take place. To minimize liquidity risk material purchases are carefully planned to ensure appropriate cash flows exist to meet operational costs.

Internal risks are minimised by the implementation of controls and procedures for authorisation of all transactions.

Pay Policy for Key Management Personnel

The trustees consider the department managers and senior staff as the key management personnel of the charity responsible for operating The Resource Centre. The trustees receive no remuneration and were not reimbursed for expenses during the year. The pay of senior staff is set by the trustees and reviewed annually and is normally increased by inflation. The trustees benchmark in setting salaries is based on the salaries of other key management personnel in similar comparable organisations.

Volunteers

The charitable company is grateful for the efforts of its twenty five volunteers who are involved in various activities including collection and distribution of meals (meals on wheels) and general help in the social centre.

Related parties

The Resource Centre works closely with Shantallow Community Support Partnership (a partnership between The Resource Centre and WHSCT) and 4RS Recycling C.I.C., a recycling and training company, in meeting its aims and objectives.

Trustee Mary Hamilton is also a councillor of Derry City & Strabane District Council with whom The Resource Centre has a close working relationship. The company continues to receive annual funding from Derry City & Strabane District Council towards operating costs.

Objectives and activities

Charitable objects and public interest

The principal objective of the charitable company is to operate a day centre for the benefit of the public. The Trust/charitable company was established to provide public benefit by undertaking voluntary work in education, social services and similar activities. The Trustees considered guidance from the Charity Commission for Northern Ireland in relation to public benefit statement.

To achieve this objective The Resource Centre Derry provides daycare facilities, counselling, advice and information services, educational courses, training facilities for the long term unemployed and a social centre for the community. The general public, male and female, young and old have access to a wide range of facilities, advice and information.

Public benefit

How our activities deliver public benefit

Our main activities are set out below. All our charitable activities are undertaken to further our aims of providing public benefit.

Day centre and related facilities

The main objective of the charity is the provision of a social centre. During the year, due to continued funding from WHSCT, the day centre has operated successfully and provided hot meals to the aged at the centre and the housebound via the Meals on Wheels facility. The Centre continuously provides a valuable social amenity to the area and uses local volunteers in all aspects of its daily business. Funding from the Department for Communities (formerly DSD) ensures employment for three drivers, who transport the patrons to and from the Centre and for a care manager, who looks after their needs whilst at the Centre. The Centre management also provides transport for excursions and day trips. During the year the centre also provided entertainment (bingo and music), hairdressing facilities and other recreational activities.

THE RESOURCE CENTRE DERRY

(A company limited by guarantee)

Report of the trustees for the year ended 31 March 2018

Counselling and advice service

Funding from Derry City & Strabane District Council during the year also facilitated an information, counselling and advice service with several employees provided to the public specifically for counselling on various aspects of social welfare, training and advice on the new universal credit regulations.

Training programmes

The Resource Centre successfully participated on the Foyle Community Work Programme during the year. This programme provides training and employment opportunities for the young and long term unemployed.

Other services

Other facilities provided during the year included a respite service for carers (with funding provided by the WHSCT), provision of employees to carry out general household maintenance for those in need (The Handyman Service), operation of a community shop where donated goods from the public are recycled and provision of low cost rental and catering facilities for the community.

Little Amigos

The centre also provides an after school playgroup.

Ethos family support programme

The Ethos (Education, Training, Health & Outreach Support) programme funded by the WHSCT and Department for Communities provides a family support network via the Greater Shantallow Area Partnership organisation.

General

The Resource Centre has successfully operated in the area for forty seven years. It has continuously generated income from its own fundraising and from other initiatives such as The Community Shop, The Handyman Service, from managing the Shantallow Community Support Partnership and by providing hire and catering facilities at low cost. It continues to provide employment for the area and is a focal point of the community in Carnhill.

The trustees believe they are therefore meeting the public benefit test by increasing the accessibility of the centre to everyone in the locality from the young to the elderly and all patrons of the centre by provision of the facilities and services outlined.

Achievements and Performance

During the year the principal objective of providing public benefit was advanced by the provision of a day centre and ancillary activities for the Shantallow/Carnhill area. The centre continued to provide in-house and external catering, advice services, social activities, training opportunities, management services, employment and provision of hire facilities used by external groups such as dance and yoga classes and for hire by individuals.

Specific achievements during the year included 24 children using the Little Amigos after school programme, 11 trainees from the Community Works Programme gaining work experience at the Resource Centre and 192 nursery places were provided via the Surestart programme. The meals and wheels service delivered 9,808 hot meals and meals were also provided to The Acorn Centre and food donated to the Simon community. The Resource Centre also distributes food vouchers for use at the Foyle Food Bank. The Welfare Rights service had 2,352 referrals and provided valuable training on the roll out of universal credit changes. Average weekly daycare users during the year amounted to 22 and the carers respite service averaged 13 per week during the year.

THE RESOURCE CENTRE DERRY

(A company limited by guarantee)

Report of the trustees

for the year ended 31 March 2018

Financial review

Income for the Resource Centre during the year increased from £739,938 to £913,931 an increase of £173,993. The increase in income was principally a result of obtaining unrestricted income from gift aid of £53,004 and one off restricted grants received of £169,850. Revenue expenditure for the year decreased from £799,789 to £756,734. The reduction in expenditure principally arose due to a reduction in wage costs, in particular in relation to training projects and a reduction in costs for most Resource Centre projects. However the cost reduction did not reduce the services provided by the Centre and shows the commitment of the Trustees in providing an effective service and facility for the patrons of the Resource Centre. The resulting surplus at 31 March was £157,197 (2017 - deficit £59,851). Net assets increased from £1,109,749 to £1,266,496. The trustees are satisfied with the performance and results of the charitable company during the year.

Annual funding received by the Resource Centre from Western Health & Social Care Trust, the Department for Communities and Derry City & Strabane District Council continues to be vital to the operation of the centre.

Reserves

The Trustees have examined the charity's requirements for reserves taking into account the risks that the Trust has recognised. The reserve requirement is estimated to be at least six months of expenditure. Currently annual revenue expenditure of the Resource Centre is approximately £757,000 equating to monthly expenditure of approximately £63,083. Unrestricted reserves at 31 March 2018 amount to £564,535.

Restricted capital reserves at the balance sheet date amount to £562,465 and have arisen principally as a result of the renovation of St. Brigids Parish Centre and the refurbishment of the main RCD building.

Investments and investment policy

The Memorandum and Articles of Association authorises the Trustees to make investments. Balance sheet investments represent low risk bank deposits.

Principal funding sources:

The principal funding sources of the Centre during the year includes

- Western Health & Social Care Trust - funding for the operation of the Day Centre, Meals on Wheels service, Carers Support Service, Little Amigos after school creche and The Ethos Programme;
- Derry City & Strabane District Council - Information, counselling & advice service; and
- Department for Communities - funding for driver wages, senior manager and the Ethos Programme.

The provision of existing services and facilities and continued employment opportunities is dependent on the continued support of the funders outlined above.

THE RESOURCE CENTRE DERRY

(A company limited by guarantee)

Report of the trustees

for the year ended 31 March 2018

Plans for future periods

The Trustees are satisfied with the performance of the charitable company during these difficult times. The Trustees future aims for The Resource Centre are:

- to continue the activities outlined above;
- maintain the financial viability of the Centre;
- ensure the Resource Centre is accessible to everyone;
- secure additional funding for new projects; and
- to co-operate with other bodies to develop programmes and provide additional facilities and services.

The Trust continues to receive funding from Western Health & Social Care Trust, the Department for Communities and Derry City & Strabane District Council.

Fixed assets

The charity continues to improve facilities at the Resource Centre. Improvements during the year included the provision of a computer suite to provide training by the welfare/advice department on the new universal credit changes.

Statement as to disclosure of information to auditors

We, the trustees of the charitable company, who held office at the date of approval of these financial statements, each confirm, as far as we are aware, that :

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as trustees in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare 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 2015 (FRS 102);
- 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 charity will continue in operation.

THE RESOURCE CENTRE DERRY
(A company limited by guarantee)

Report of the trustees
for the year ended 31 March 2018

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which 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.

Auditors

A resolution proposing that McDaid McCullough Moore be reappointed as auditors of the charity will be put to the Annual General Meeting.

Small company provisions

This report has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

This report was approved and authorised for issue by the Trustees on 31 July 2018 and signed below on its behalf.



M Quinn
Trustee

THE RESOURCE CENTRE DERRY

(A company limited by guarantee)

Independent auditors' report to the members of THE RESOURCE CENTRE DERRY

We have audited the charitable company financial statements of THE RESOURCE CENTRE DERRY for the year ended 31 March 2018 which comprise the statement of financial activities, the charitable company statement of financial position, the statement of cash flows, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 charitable 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.

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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.

THE RESOURCE CENTRE DERRY

(A company limited by guarantee)

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under section 65(2) of the Charities Act (Northern Ireland) 2008 and report in accordance with regulations made under section 66 of that Act.

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

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

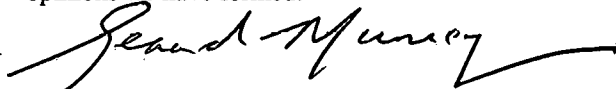
THE RESOURCE CENTRE DERRY
(A company limited by guarantee)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations (Northern Ireland) 2015. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Gerard Murray (Senior Statutory Auditor)
For and behalf of McDaid McCullough Moore
Chartered Accountants and
Statutory Auditor

28/32 Clarendon Street
Derry BT48 7HD

31 July 2018

THE RESOURCE CENTRE DERRY

(A company limited by guarantee)

Statement of financial activities (incorporating the income and expenditure account)

For the year ended 31 March 2018

| | Notes | Unrestricted revenue funds £ | Restricted revenue funds £ | Restricted capital funds £ | 2018 Total £ | Unrestricted revenue funds £ | Restricted revenue funds £ | Restricted capital funds £ | 2017 Total £ |
|--|--------|---------------------------------------|-------------------------------------|-------------------------------------|--------------------|---------------------------------------|-------------------------------------|-------------------------------------|--------------------|
| Income | | | | | | | | | |
| Donations | 2 | 3,342 | - | - | 3,342 | 2,359 | - | - | 2,359 |
| Income from charitable activities | 5 | - | 611,185 | 6,972 | 618,157 | - | 450,527 | - | 450,527 |
| Other fundraising activities | 3 | 291,945 | - | - | 291,945 | 286,234 | - | - | 286,234 |
| Income from investments | 4 | 487 | - | - | 487 | 818 | - | - | 818 |
| Total income | | <u>295,774</u> | <u>611,185</u> | <u>6,972</u> | <u>913,931</u> | <u>289,411</u> | <u>450,527</u> | <u>-</u> | <u>739,938</u> |
| Expenditure | | | | | | | | | |
| Expenditure on fundraising activities | 6 | 112,090 | - | - | 112,090 | 146,743 | - | - | 146,743 |
| Expenditure on charitable activities | 7 | 164,372 | 461,927 | 18,345 | 644,644 | 159,579 | 476,865 | 16,602 | 653,046 |
| Total expenditure | | <u>276,462</u> | <u>461,927</u> | <u>18,345</u> | <u>756,734</u> | <u>306,322</u> | <u>476,865</u> | <u>16,602</u> | <u>799,789</u> |
| Net income/(expenditure) for the year | | 19,312 | 149,258 | (11,373) | 157,197 | (16,911) | (26,338) | (16,602) | (59,851) |
| Total funds brought forward | 19 -21 | 545,223 | (9,312) | 573,838 | 1,109,749 | 562,134 | 17,026 | 590,440 | 1,169,600 |
| Total funds carried forward | 19 -21 | <u>564,535</u> | <u>139,946</u> | <u>562,465</u> | <u>1,266,946</u> | <u>545,223</u> | <u>(9,312)</u> | <u>573,838</u> | <u>1,109,749</u> |

The notes on pages 15 to 27 form an integral part of these financial statements.

THE RESOURCE CENTRE DERRY
(A company limited by guarantee)

Company No. NI023358

Statement of financial position
as at 31 March 2018

| | Notes | £ | 2018 £ | £ | 2017 £ |
|---|---------|-----------------|------------------|-----------------|------------------|
| Fixed assets | | | | | |
| Tangible fixed assets | 15 | | 675,050 | | 700,222 |
| Current assets | | | | | |
| Stock | | 1,168 | | 1,673 | |
| Debtors | 16 | 121,728 | | 84,119 | |
| Bank and cash | | 518,488 | | 380,795 | |
| | | <u>641,384</u> | | <u>466,587</u> | |
| Creditors: amounts falling due within one year | 17 | <u>(49,488)</u> | | <u>(57,060)</u> | |
| Net current assets | | | 591,896 | | 409,527 |
| Net assets | | | <u>1,266,946</u> | | <u>1,109,749</u> |
| Funds | | | | | |
| Unrestricted | 19 | | 564,535 | | 545,223 |
| Restricted | 20 - 21 | | 702,411 | | 564,526 |
| Total charity funds | | | <u>1,266,946</u> | | <u>1,109,749</u> |

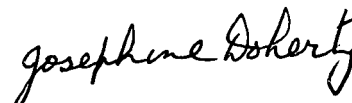
The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The financial statements were approved and authorised by the board on 31 July 2018 and signed on its behalf by



M Quinn
Trustee

J Doherty
Trustee



The notes on pages 15 to 27 form an integral part of these financial statements.

THE RESOURCE CENTRE DERRY
(A company limited by guarantee)

Statement of cash flows

for the year ended 31 March 2018

| | 2018 | 2017 |
|--|----------|----------|
| Notes | £ | £ |
| Cash flows from operating activities | | |
| Net incoming/(outgoing) resources for the year | 157,197 | (59,851) |
| <i>Adjustments for:</i> | | |
| Interest receivable | (487) | (818) |
| Loss on disposal of fixed assets | (148) | - |
| Depreciation and impairment etc. | 32,638 | 32,620 |
| <i>Changes in:</i> | | |
| Stocks | 505 | 402 |
| Trade and other debtors | (37,609) | 71,100 |
| Trade and other creditors | (7,571) | (13,424) |
| Cash used in operating activities | 144,525 | 30,029 |
| Interest received | 487 | 818 |
| Net cash used in operating activities | 145,012 | 30,847 |
| Cash flows from investing activities | | |
| Net purchase/sales of tangible fixed assets | (7,319) | (37,174) |
| Net increase in cash and cash equivalents | 137,693 | (6,327) |
| Net increase in cash and cash equivalents | 137,693 | (6,327) |
| Cash and cash equivalents at 1 April 2017 | 380,795 | 387,122 |
| Cash and cash equivalents at at 31 March 2018 | 518,488 | 380,795 |

THE RESOURCE CENTRE DERRY
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2018

1. Accounting Policies

1.1. Accounting convention and basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The Resource Centre Derry is a private company limited by guarantee, registered in Northern Ireland. The address of the registered office is Racecourse Road, Carnhill, Derry BT48 8BA.

The financial statements have been prepared under the historic cost convention and 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 January 2015) and the Companies Act 2006.

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

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainty exists. The trustees have considered the level of funds held and the expected level of income and expenditure for twelve months from authorising these financial statements.

The principal factors underlying this judgement are

- the continued support of principal funders; and
- current financial performance.

1.2. Fund accounting

The funds of the charitable company consist of restricted funds and unrestricted funds.

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.3. Capital funds

Capital funds are restricted funds retained for the benefit of the charity as a capital fund.

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(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 March 2018

1.4. Income

Income is included in the statement of financial activities when the charity is entitled to the income, any performance conditions attached to the income have been met and the amount can be quantified with reasonable accuracy. Income is included in the financial statements inclusive of value added taxation. The following specific policies are applied to particular categories of income:

Capital grants are recognised in the year in which they are receivable and treated as restricted funds with depreciation on the relevant asset charged directly to the restricted fund in the statement of financial activities.

Revenue grants are recognised as income when receivable.

Income from fundraising trading activities is recognised when the services have been provided.

Income from investments is recognised when receivable.

1.5. Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure is included in the financial statements inclusive of value added taxation which cannot be recovered and is reported as part of the expenditure to which it relates. Expenditure is split between restricted and unrestricted expenditure. Unrestricted expenditure relate to the management and general administration of the charity and restricted expenditure is as set out in the letters of offer.

Expenditure on fundraising trading activities are costs incurred in operating the social centre, shop and handyman service.

Redundancy/termination payments are recognised when there is a legal obligation to make a payment, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include general management and administration costs and depreciation. Overhead support costs are apportioned on a project basis.

1.6. Donated goods and services

The value of services provided free by volunteers and goods donated are not included in the financial statements. Volunteers provide services in all areas of the Centre operations including delivering Meals on Wheels and Daycare.

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1.7. Tangible fixed assets and depreciation

Tangible fixed assets with a life expectancy of greater than one year, are stated initially at cost and subsequently at cost less accumulated depreciation and impairment losses.

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

| | | |
|----------------------------------|---|------------------------|
| Buildings | - | 2% - 20% straight line |
| Plant and machinery | - | 10% straight line |
| Fixtures, fittings and equipment | - | 25% straight line |
| Motor vehicles | - | 20% straight line |

Land is not depreciated.

1.8. Impairment of 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 reviewed for possible reversal at each reporting date.

1.9. Stock

Stock is valued at the lower of cost and net realisable value on a first in first out basis. Net realisable value is based on actual or estimated selling price less further costs expected to be incurred to completion and disposal.

1.10. Defined contribution pension schemes

The pension costs charged in the financial statements represent contributions to a defined contribution scheme. The assets of the scheme are held separately from the charitable company.

The amounts charged to the Statement of Financial Activities represents contributions payable by the charity during the year.

1.11. Debtors and creditors receivable/payable within one year

Debtors & prepayments are recognised at the settlement amount due after any trade discount.

Creditors are recognised where the charity has a present obligation resulting from a past event that will result in a payment to a third party and the amount can be reliably estimated.

1.12. Financial instruments

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

1.13. Judgements and key sources of uncertainty

In applying company accounting policies, the Trustees are required to make judgements and estimates on an ongoing basis about the carrying value of company assets and liabilities. If revision is required, the revision is recognised in that period together with future periods if necessary.

The depreciation charge in respect of tangible fixed assets is based on the estimated useful life of each group of assets. Revision of estimated useful life of each grouping will affect the estimates charged in the Statement of Financial Activities.

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Notes to the financial statements
for the year ended 31 March 2018

2. Donations

| | Unrestricted funds £ | 2018 Total £ | 2017 Total £ |
|-----------|-------------------------------------|-----------------------------|-----------------------------|
| Donations | 3,342 | 3,342 | 2,359 |
| | <u>3,342</u> | <u>3,342</u> | <u>2,359</u> |

3. Other fundraising activities

| | Unrestricted funds £ | 2018 Total £ | 2017 Total £ |
|----------------|-------------------------------------|-----------------------------|-----------------------------|
| Income from: | | | |
| Surestart | 68,157 | 68,157 | 60,936 |
| Handyman | 14,025 | 14,025 | 16,426 |
| Other | 100,040 | 100,040 | 110,926 |
| Social centre | 45,115 | 45,115 | 40,705 |
| Rent | 20,365 | 20,365 | 18,675 |
| Shop donations | 44,243 | 44,243 | 38,566 |
| | <u>291,945</u> | <u>291,945</u> | <u>286,234</u> |

4. Income from investments

| | Unrestricted funds £ | 2018 Total £ | 2017 Total £ |
|--------------------------|-------------------------------------|-----------------------------|-----------------------------|
| Bank interest receivable | 487 | 487 | 818 |
| | <u>487</u> | <u>487</u> | <u>818</u> |

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Notes to the financial statements
for the year ended 31 March 2018

5. Income from charitable activities

| | Restricted funds £ | Capital funds £ | 2018 Total £ | 2017 Total £ |
|---|-----------------------------------|--------------------------------|-----------------------------|-----------------------------|
| WHSCT- Carers support | 13,625 | - | 13,625 | 13,135 |
| Derry City & Strabane D. C- Advice Services | 63,834 | - | 63,834 | 71,067 |
| WHSCT - Daycare | 86,818 | - | 86,818 | 83,696 |
| Dept. for Communities - Drivers | 37,254 | - | 37,254 | 38,453 |
| Dept. for Communities - Senior managers | 31,337 | - | 31,337 | 30,389 |
| Derry City & Strabane D C- Advice Services - Note | - | 6,972 | 6,972 | - |
| WHSCT - Meals on wheels | 10,388 | - | 10,388 | 12,731 |
| Ethos income - WHSCT & Dept. for Communities | 97,471 | - | 97,471 | 85,849 |
| Little Amigos | 37,449 | - | 37,449 | 24,000 |
| Advice NI - Welfare rights | 3,000 | - | 3,000 | 750 |
| Other restricted grants | 170,516 | - | 170,516 | - |
| Foyle Community works | 59,493 | - | 59,493 | 90,457 |
| | <u>611,185</u> | <u>6,972</u> | <u>618,157</u> | <u>450,527</u> |

6. Expenditure on fundraising activities

| | Unrestricted funds £ | 2018 Total £ | 2017 Total £ |
|----------------|-------------------------------------|-----------------------------|-----------------------------|
| Costs for: | | | |
| Social centre | 49,514 | 49,514 | 55,485 |
| Handyman | 11,487 | 11,487 | 47,865 |
| Community shop | 51,089 | 51,089 | 43,393 |
| | <u>112,090</u> | <u>112,090</u> | <u>146,743</u> |

THE RESOURCE CENTRE DERRY
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Notes to the financial statements
for the year ended 31 March 2018

7. Costs of charitable activities - by fund

| | | | | As restated | |
|--|--------------------|------------------|--------------------------|----------------|----------------|
| | Unrestricted funds | Restricted funds | Capital Restricted funds | 2018 Total | 2017 Total |
| | £ | £ | £ | £ | £ |
| Training | 17,471 | 59,493 | - | 76,964 | 112,274 |
| WHSCT Day Centre/Meals on wheels | 15,056 | 97,206 | - | 112,262 | 116,613 |
| Dept. for Communities - Drivers | 11,101 | 37,254 | - | 48,355 | 48,047 |
| Derry City Council/Advice NI - Advice Services | 18,931 | 66,834 | - | 85,765 | 92,111 |
| WHSCT-Carers support | 3,349 | 13,625 | - | 16,974 | 16,687 |
| Dept. for Communities-Senior manager | 11,478 | 31,337 | - | 42,815 | 39,534 |
| Little Amigos | - | 29,122 | - | 29,122 | 34,725 |
| Ethos | - | 93,335 | - | 93,335 | 101,462 |
| Other | 86,986 | 33,721 | 18,345 | 139,052 | 91,593 |
| | <u>164,372</u> | <u>461,927</u> | <u>18,345</u> | <u>644,644</u> | <u>653,046</u> |

8. Auditors' remuneration

| | 2018 | 2017 |
|--|--------------|--------------|
| | £ | £ |
| Auditors' remuneration - audit of the financial statements | <u>6,000</u> | <u>6,000</u> |
| Auditors' remuneration - other fees: | | |
| - Non audit services | <u>3,500</u> | <u>3,500</u> |

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Notes to the financial statements
for the year ended 31 March 2018

9. Analysis of support/administration costs

| | 2018 | 2017 |
|---|----------------|----------------|
| | £ | £ |
| Staff costs | 43,468 | 96,573 |
| Rates, heat & light | 18,089 | 16,178 |
| Repairs and maintenance | 24,798 | 22,501 |
| Insurance | 13,653 | 12,702 |
| Cleaning | 4,187 | 5,405 |
| Motor and travelling costs | 1,708 | 1,582 |
| Auditors' remuneration (Governance cost) | 6,000 | 6,000 |
| Legal and professional fees (Governance cost) | 18,692 | 5,458 |
| General expenses | 7,916 | 788 |
| Telephone | 1,627 | 4,057 |
| Printing, postage, stationery & advertising | 8,750 | 7,450 |
| Staff training | 6,213 | 3,278 |
| Depreciation and impairment etc | 32,491 | 32,620 |
| Bank charges | 1,297 | 1,139 |
| | <u>188,889</u> | <u>215,731</u> |

Allocation of support costs to projects

| | £ |
|----------------------------------|----------------|
| WH SCT - Daycare | 22,152 |
| DC & SDC - Welfare rights | 18,066 |
| WH SCT - Little Amigos | - |
| WH SCT - Ethos | - |
| Foyle Community works - Training | 15,179 |
| WH SCT - Carers support | 3,477 |
| Dept. for Communities - Drivers | 9,505 |
| Dept. for Communities - Managers | 7,995 |
| WH SCT - Meals on wheels | 2,650 |
| Advice NI - Welfare Rights | 584 |
| Other | 109,281 |
| | <u>188,889</u> |

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Notes to the financial statements
for the year ended 31 March 2018

10. Net incoming/(outgoing) resources for the year

| | 2018 | 2017 |
|---|---------------|---------------|
| | £ | £ |
| Depreciation/profit or loss on disposals | 32,639 | 32,421 |
| Profit on disposal of tangible fixed assets | (148) | - |
| | <u>32,491</u> | <u>32,421</u> |

11. Employees

| Employment costs | 2018 | 2017 |
|------------------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 439,948 | 490,100 |
| Employers national insurance | 25,528 | 30,112 |
| Pension costs | 2,537 | 2,880 |
| Redundancy costs | - | 25,000 |
| | <u>468,013</u> | <u>548,092</u> |

No employee received emoluments of more than £60,000 (2017 : None).

Number of employees

The average monthly numbers of employees during the year, calculated on the basis of full time equivalents, was as follows:

| | 2018 | 2017 |
|------------------------|-----------|-----------|
| | Number | Number |
| Project related wages | 29 | 30 |
| Administrative wages | 5 | 5 |
| | <u>34</u> | <u>35</u> |
| Employee status | | |
| Full time | 24 | 29 |
| Part time | 10 | 6 |
| | <u>34</u> | <u>35</u> |

Trustees expenses & remuneration

The trustees were not paid during the year for their services.

The trustees were not paid or reimbursed for expenses during the year.

12. Key management personnel remuneration

The key management personnel of the company are listed on page 2. Total remuneration for the year ended 31 March 2018 of key management personnel was £110,367 (2017 : £119,116).

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Notes to the financial statements
for the year ended 31 March 2018

13. Pension costs

The company operates a defined contribution pension scheme in respect of its employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to

| | 2018 | 2017 |
|----------------|--------------|--------------|
| | £ | £ |
| Pension charge | <u>2,537</u> | <u>2,880</u> |

14. Taxation

The Resource Centre Derry is a charitable company for tax purposes and is exempt from corporation tax on its charitable activities. Accordingly, there is no taxation charge in these accounts.

| 15. Tangible fixed assets | Freehold land and buildings £ | Plant and machinery £ | Fixtures, fittings and equipment £ | Motor vehicles £ | Total £ |
|----------------------------------|--|--------------------------------------|---|---------------------------------|--------------------|
| Cost | | | | | |
| At 1 April 2017 | 891,189 | 57,403 | 166,000 | 47,681 | 1,162,273 |
| Additions | - | - | 7,470 | - | 7,470 |
| Disposals | - | (34,129) | - | (18,253) | (52,382) |
| At 31 March 2018 | <u>891,189</u> | <u>23,274</u> | <u>173,470</u> | <u>29,428</u> | <u>1,117,361</u> |
| Depreciation | | | | | |
| At 1 April 2017 | 213,519 | 57,403 | 143,451 | 47,678 | 462,051 |
| Charge for the year | 23,448 | - | 9,191 | - | 32,639 |
| On disposals | - | (34,129) | - | (18,250) | (52,379) |
| At 31 March 2018 | <u>236,967</u> | <u>23,274</u> | <u>152,642</u> | <u>29,428</u> | <u>442,311</u> |
| Net book values | | | | | |
| At 31 March 2018 | <u>654,222</u> | <u>-</u> | <u>20,828</u> | <u>-</u> | <u>675,050</u> |
| At 31 March 2017 | <u>677,670</u> | <u>-</u> | <u>22,549</u> | <u>3</u> | <u>700,222</u> |

Depreciable assets included in land and buildings at 31 March 2018 was £879,189.

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Notes to the financial statements
for the year ended 31 March 2018

16. Debtors

| | 2018 £ | 2017 £ |
|-------------------------------|----------------|---------------|
| Grant debtors | 20,523 | 33,242 |
| Other debtors and prepayments | 101,205 | 50,877 |
| | <u>121,728</u> | <u>84,119</u> |

17. Creditors: amounts falling due within one year

| | 2018 £ | 2017 £ |
|-------------------------------------|---------------|---------------|
| Trade creditors & accruals | 43,530 | 52,397 |
| Taxes and social security creditors | 5,958 | 4,663 |
| | <u>49,488</u> | <u>57,060</u> |

18. Analysis of net assets between funds

| | Unrestricted funds £ | Restricted funds £ | Restricted capital funds £ | Total funds £ |
|---|----------------------------|--------------------------|----------------------------------|---------------------|
| Fund balances at 31 March 2018 as represented by: | | | | |
| Tangible fixed assets | 112,585 | - | 562,465 | 675,050 |
| Current assets | 492,303 | 149,081 | - | 641,384 |
| Current liabilities | (40,353) | (9,135) | - | (49,488) |
| | <u>564,535</u> | <u>139,946</u> | <u>562,465</u> | <u>1,266,946</u> |

19. Unrestricted funds

| | 01 April 2017 £ | Income £ | Expenditure £ | 31 March 2018 £ |
|-----------------|-----------------------|-------------|------------------|-----------------------|
| General Reserve | 545,223 | 295,774 | (276,462) | 564,535 |

Purposes of unrestricted funds

Unrestricted funds are funds that are utilized at the discretion of the trustees in furtherance of the objects of the charity. Included in unrestricted funds are donations, income from the handyman project, income from rent and management, social centre and shop income, investment income and sundry one off unrestricted grants.

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Notes to the financial statements
for the year ended 31 March 2018

20. Restricted funds

| | 01 April 2017 | Income | Expenditure | 31 March 2018 |
|---------------------------------|------------------|----------------|------------------|------------------|
| | £ | £ | £ | £ |
| Little Amigos | (5,176) | 37,449 | (29,122) | 3,151 |
| Foyle Community Works Programme | - | 59,493 | (59,493) | - |
| WHSCT-Daycare | - | 86,818 | (86,818) | - |
| Derry City Council/Advice NI | - | 63,834 | (63,834) | - |
| WHSCT - Carers support | - | 13,625 | (13,625) | - |
| Department for Communities | - | 68,591 | (68,591) | - |
| WHSCT - Meals on wheels | - | 10,388 | (10,388) | - |
| Other restricted grants | - | 173,516 | (36,721) | 136,795 |
| Ethos programme | (4,136) | 97,471 | (93,335) | - |
| | <u>(9,312)</u> | <u>611,185</u> | <u>(461,927)</u> | <u>139,946</u> |

Purposes of restricted funds

The Foyle Community Works Programme provides training and employment opportunities for the young and long term unemployed.

Income from Western Health and Social Care Trust is to provide daycare facilities at the centre including provision of hot meals, excursions and entertainment for the elderly.

Income from Derry City & Strabane District Council / Advice NI funds are utilised to provide an Information and Tribunal Advice Service.

The aim of the WHSCT Sitting Service fund is to facilitate the provision of a respite service at home for carers in the community.

The income from the Department for Communities is to fund salaries for a senior manager and transport drivers.

The aim of the meals on wheels program is to provide hot meals to those in need who cannot travel to the centre at Carnhill.

The aim of the Ethos programme is to provide a family support network.

The aim of the Little Amigos programme is to provide an after school playgroup.

Other sundry restricted funds are received by the Resource Centre to be used for specific purposes as outlined in the Letter of Offer.

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Notes to the financial statements
for the year ended 31 March 2018

21. Restricted capital funds

| | At 01 April 2017 £ | Income £ | Expenditure £ | At 31 March 2018 £ |
|---|-----------------------------|--------------|------------------|-----------------------------|
| Sundry restricted funds | 103,277 | 6,972 | (5,366) | 104,883 |
| St Brigids Parish Hall renovation grant | 342,019 | - | (7,250) | 334,769 |
| Resource Centre refurbishment grant | 128,542 | - | (5,729) | 122,813 |
| | <u>573,838</u> | <u>6,972</u> | <u>(18,345)</u> | <u>562,465</u> |

Purposes of capital funds

Sundry restricted funds represent income received from funders for purchase of specific fixed assets to facilitate the operations of the day centre. The fund balances are reduced by the amount of depreciation charged.

Income received from the Department for Communities represents grant income for the renovation of St Brigids Parish Hall. The fund balance is reduced by the amount of depreciation charged.

Income received from Northside Development Trust represents grant income for the renovation of the main RCD building at Carnhill. The fund balance is reduced by the amount of depreciation charged.

22. Contingent liabilities

Capital grants could be repayable in certain circumstances as laid out in the Letter of Offer.

23. Related party transactions

The trustees of The Resource Centre Derry are also directors of 4RS Recycling C.I.C. Net transactions with 4RS Recycling C.I.C during the year was £88,601 (2017 - £97,760). At 31 March 2018 4RS Recycling C.I.C owed the Resource Centre Derry £70,669 (2017 - £42,775).

Transactions with Shantallow Community Support Partnership, a partnership between The Resource Centre Derry and WHSCT during the year was £68,157 (2017 - £69,469). At the balance sheet date Shantallow Community Support Partnership owed The Resource Centre £3,520 (2017 - £5,565).

The trustees are also directors of St. Bridgets Community Bingo Limited. Transactions with St. Bridgets Community Bingo Limited was £23,520. At the balance sheet date £23,520 was owed to the Resource Centre.

Trustee M Hamilton, is also a councillor of Derry City & Strabane District Council. Funding of £70,806 (2017 - £71,067) was provided by the council during the year. At the balance sheet date £11,984 (2017 - £23,926) was owed to the Resource Centre by Derry City & Strabane District Council.

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Notes to the financial statements
for the year ended 31 March 2018

24. Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainty exist. The trustees have considered the level of funds and the expected level of income and expenditure for twelve months from authorising these financial statements.

25. Company limited by guarantee

The company is limited by guarantee not having a share capital.

Every member of the company undertakes to contribute to the assets / liabilities of the company in the event of the same being wound up while he/she is a member, or within one year after he/she ceases to be a member, for payments of the debts and liabilities of the company contracted before he/she ceases to be a member, and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories amongst themselves, such amount as maybe required not exceeding one pound.