

**MOURNE HERITAGE TRUST LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2010**

**Co. Reg No. NI 032946**

**PURDY QUINN**  
**Chartered Accountants &**  
**Registered Auditors**  
Northern Bank House  
42 Greencastle Street  
KILKEEL  
BT34 4BH

# MOURNE HERITAGE TRUST LIMITED

## COMPANY INFORMATION

|                                    |  |   |
|------------------------------------|--|---|
| <b>DIRECTORS</b>                   | Mr William Burns<br>Mrs Rosemary Chestnutt -<br>Mr Seamus Doyle<br>Mr Sean Fitzpatrick<br>Ms Isabel Hood -<br>Mrs Elizabeth Ingram<br>Ms Maureen Killen<br>Mr David Maginn<br>Mr William John Martin<br>Mr Sean McCarthy<br>Mr Francis McDowell<br>Mr Martin McMullan<br>Dr Arthur Mitchell -<br>Mr Ciaran Mussen<br>Mrs Camel O'Boyle<br>Mr Desmond Patterson -<br>Mr Jim Saunders<br>Mr David Thompson<br>Mr Ian Watts<br>Mrs Jo Whatmough | Company Treasurer<br><br>Company Secretary<br><br><br><br><br><br><br>Vice Chairman<br><br>Chairman |
| <b>SECRETARY</b>                   | Ms Isabel Hood   |   |
| <b>COMPANY NUMBER</b>              | NI 032946  |   |
| <b>CHARITY REGISTRATION NUMBER</b> | XR 23015   |   |
| <b>REGISTERED OFFICE</b>           | Newcastle Centre, Donard Room<br>10-14 Central Promenade<br>Newcastle<br>Co Down<br>BT33 0AA   |   |
| <b>AUDITORS</b>                    | Purdy Quinn<br>Chartered Accountants & Registered Auditors<br>42 Greencastle Street<br>Kilkeel<br>Co Down<br>BT34 4BH  |   |
| <b>BUSINESS ADDRESS</b>            | Newcastle Centre, Donard Room<br>10-14 Central Promenade<br>Newcastle<br>Co Down<br>BT33 0AA   | 74 Head Road<br>Kilkeel<br>Co Down<br>BT34 4PU  |
| <b>BANKERS</b>                     | Bank of Ireland Ltd<br>19 Greencastle Street<br>Kilkeel<br>Co Down<br>BT34 4BH   |   |
| <b>SOLICITORS</b>                  | McBurney & Co<br>5 Church Square<br>Banbridge<br>Co Down<br>BT32 4AS   |   |

**MOURNE HERITAGE TRUST LIMITED**

**YEAR ENDED 31 MARCH 2010**

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## **MOURNE HERITAGE TRUST LIMITED**

**YEAR ENDED 31 MARCH 2010**

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The Directors present their report and financial statements for the year ended 31 March 2010.

### **Principle Activities and Review of the Business**

The principle activity of the company continued to be that of the protection, conservation and enhancement of the environment, historic buildings and cultural heritage of the Mourne and Slieve Croob area of Outstanding Natural Beauty, for the benefit of the general public.

### **Results**

The results for the year are set out on page 12.

### **Fixed Assets**

The significant changes in fixed assets during the year are explained in note 7 to the financial statements.

### **Reference and Administrative Information**

Charity name: Mourne Heritage Trust Limited  
Charity registration number: XR 23015  
Company registration number: NI 032946

### **Directors**

The following directors have held office since 1 April 2009.

Mr William Burns  
Mrs Rosemary Chestnutt  
Mr Seamus Doyle  
Mr Sean Fitzpatrick  
Mr Isaac Hanna Resigned 290/06/2010  
Ms Isabel Hood  
Mrs Elizabeth Ingram  
Ms Maureen Killen  
Mr David Maginn  
Mr William John Martin  
Mr Ciaran Mussen  
Mr Sean McCarthy  
Mr Francis McDowell  
Mr Martin McMullan  
Dr Arthur Mitchell  
Mrs Carmel O'Boyle  
Mr Desmond Patterson  
Mr Jim Saunders  
Mr David Thompson  
Mr Ian Watts  
Mrs Jo Whatmough

### **Directors' Interests**

The company is a company limited by guarantee and so has no share capital, there are no directors' interests.

### **Chief Executive Officer**

Day to day management of the charity is delegated to the Chief Executive Officer, Mr Martin Carey.

### **Auditors, Bankers and Solicitors**

The names and addresses of the auditors, bankers and solicitors are stated on the Company Information page.

# **MOURNE HERITAGE TRUST LIMITED**

## **YEAR ENDED 31 MARCH 2010 DIRECTORS REPORT (continued)**

### **Structure, Governance and Management**

The Trust is a company limited by guarantee. It is governed by its Articles of Association and Memorandum of Association.

Trustees of Mourne Heritage Trust were originally appointed by Department of Agriculture and Rural Development, Environment and Heritage Service of the Department of Environment, Banbridge, Down and Newry and Mourne District Council and the Northern Ireland Tourist Board. In addition a number of other Mourne interests were appointed by the nominated Trustees after expressions of interest and nominations were sought by public advertisement and a selection procedure was carried out.

One third of the Board of Trustees retires from office each year at the Trust's AGM. The retiring Trustees are eligible for re-election. The Trust then fills the vacated office by electing a person thereto and in default the retiring Trustee, shall if offering himself for re-election, be deemed to have been elected.

Persons other than a retiring Trustee can be eligible for election if recommended by the Board of Trustees or by nomination submitted in writing 21 days before AGM by a member qualified to attend and vote at the meeting.

Voting if necessary is carried out by a membership panel, composed of accredited bodies and other Mourne Interests.

Trustees receive a thorough induction, including receipt of various key documents relating to the operation of the Trust and a briefing with the Chairman and Chief Executive.

The Organisation Structure of the Mourne Heritage Trust is shown in the diagram contained in the Annual Report.

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems are in place to mitigate our exposure to the major risks.

### **Objective and Activities**

The Mourne Heritage Trust is the management body for the Mourne and Slieve Croob Area of Outstanding Natural Beauty, established in 1997, the Trust is a partnership of local and central government, local communities and key stakeholders. The aim of the Mourne Heritage Trust is as follows:

*'To sustain and enhance the environment, rural regeneration, cultural heritage and visitor opportunities of the Mourne Area of Outstanding Natural Beauty and contribute to the well-being of Mourne's communities'.*

The following are the strategic aims as set out in the Trust's Operational Plan 2007-2010:

#### **Performance Area 1:**

##### **Natural Environment Enhancement and Protection**

*'Safeguard, enhance and promote appreciation of the quality and diversity of the landscapes and biodiversity of the Mourne and Slieve Croob Area of Outstanding Natural Beauty and to manage and influence change appropriately'.*

#### **Performance Area 2:**

##### **Visitor Management and Visitor Services**

*'To provide and maintain opportunities for public enjoyment, education and recreation within the Mourne and Slieve Croob AONB in ways which safeguard the environment and protect land management and community interests'.*

# **MOURNE HERITAGE TRUST LIMITED**

## **YEAR ENDED 31 MARCH 2009 DIRECTORS REPORT (continued)**

### **Performance Area 3:**

#### **Built and Cultural Heritage**

*'To identify, promote, safeguard and enhance the built and cultural heritage of the Mourne and Slieve Croob AONB'*

### **Performance Area 4:**

#### **Sustainable Tourism**

*'To promote rural regeneration through the development of appropriate sustainable tourism initiatives in the Mourne and Slieve Croob AONB'*

### **Performance Area 5:**

#### **Creating Awareness and Promoting Understanding**

*'To create awareness and promote greater understanding of the Mourne and Slieve Croob AONB as a unique and special area to local, regional, national and international audiences.'*

The Mourne Heritage Trust also fulfils its Mission Statement by pursuing a number of cross-cutting themes that impact across the areas outlined above and through Strategic Management and Co-ordination activities.

Each key performance area is made up of core operations and priority projects. Core operations are provided from the Trusts on-going core funding, and largely reflect the Trust service level contracts with its core funders. Priority projects are complementary additional activities, which the Trust develops and seeks specific project funding for.

Key Core activities include Countryside Management in which the Trust maintains car parks, public rights of way, stiles, cycle routes, interpretative panels and undertakes weekly litter runs at visitor amenities. A Mourne Ranger Service is provided to monitor countryside access and promote positive links and understanding between landowners, local communities, visitors, business sectors and volunteers. Also important in core activity are visitor servicing through, among other things, publications and the *Mournelive* website, an information service run from the Trust's Newcastle headquarters, and the development of sustainable tourism initiatives with local communities and tourism businesses.

Key Priority Projects include:

*Mourne Signature Project Tourism Development Action Plan* - research and consultation has identified a plan of action for enhancement of tourism infrastructure and services in the area in line with sustainable principles and the Northern Ireland Tourist Board's Strategic Framework for Action. The Trust has been working with partners to implement priority actions including a Mourne Coastal Route, Public Art and Upland Path Projects.

*Biodiversity Programme* - production of a Biodiversity Strategy and action plan for the Mourne area to protect the wildlife it contains.

*Natural Heritage Outreach Programme* - design and implementation of a range of actions and activities to engage members of the community on natural heritage related issues to enhance understanding and appreciation of Mourne's landscape and biodiversity. To deliver practical community based projects and a range of interpretive publications and best practice manuals.

*Active Lifestyles Programme* - provision of a programme of volunteer activity with emphasis on youth and vulnerable adults.

*AONB Management Plan* - production of a management plan as a framework for protection and enhancement of the special qualities of the Mourne AONB.

*Mourne-Cooley-Gullion Geo-Heritage Programme* - development of proposals for cross-border collaboration to enhance access to and interpretation of the shared geological heritage of Mourne, the Cooley Mountains (County Louth) and the Ring of Gullion AONB (County Armagh).

*Landscape Partnership Programme* - Design of a coherent programme of actions to enhance the special qualities of the Mourne Uplands - notably Heather Heathland and Juniper - and tell the story of Mourne Granite and Mourne Water.

# **MOURNE HERITAGE TRUST LIMITED**

## **YEAR ENDED 31 MARCH 2010 DIRECTORS REPORT (continued)**

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Key Objectives and detailed activities and targets in pursuit of these areas are set out in the Trust's Strategic Operational Plan for 2007-2010.

The Mourne Heritage Trust makes a significant use of volunteers in the course of undertaking a wide range of activities. These include the Mourne Conservation Volunteers which offers people the chance to make a practical and worthwhile contribution to the conservation of the environment. There are quarterly programmes issued to the volunteers and advertised in our office and website. This is complemented by Volunteer Rangers, key volunteers who are committed to working at least 10 days per year and initiate and deliver volunteer events. In addition, a number of 3<sup>rd</sup> level students have worked for the Trust in a voluntary capacity as part of research and / or placement programme.

### **Achievements and Performance**

The Trust's main achievements in 2009 -2010 are set out in detail in the accompanying Annual Report. Highlights include the following:

- Weekly maintenance of 19 car parks throughout the Mourne AONB.
- Maintenance of 47 public Rights of Way, Green Lanes and Paths, 7 Way-Marked Cycle Routes, 67 stiles within the High Mournes and inspection of 60 interpretative panels.
- Ongoing inspection and maintenance of 26 electronic pedestrian and vehicle counters at strategic locations throughout the AONB.
- Further Development of the Silent Valley Tree Nursery.
- 16 Mourne Conservation Volunteer Events.
- £12,130 worth of labour from volunteers.
- 96 Active Lifestyles group days for Special Needs Adults groups, Youth Rangers and Adult Volunteers.
- 656 individual Active Lifestyles work days including 556 Special Needs and 63 Youth across 95 Active Lifestyle group days.
- Funding sourced for programme of stone pitching address priority areas suffering from erosion.
- In conjunction with Sport NI, established a Mourne Outdoor Recreation Forum bringing together user groups (walking clubs, mountain runners etc), activity providers, outdoor education groups, NGOs and others to provide a two way means of communication.
- Further Development and promotion of Mourne/Gullion/Cooley Geotourism concept and liaison with potential funders.
- Development of Mourne Access Ranger to complement ongoing Mourne Area Ranger
- Youth Ranger Programme catering for 12 young people and exhibiting strong impacts on personal development.
- Significant work with Safer Mournes Partnership, developing agreed approaches to wildfire management and anti-social behaviour.
- Survey and mapping of genetically distinct Mourne Juniper and development of methodology for propagation.
- Programme of coastal events comprising 'Cool Seas' Roadshow, Beachwatch litter lift events; Seal Survey; Whale Watch and Cranfield Family Fun Days.
- Development of best practice advice and guidelines for mass participation events published on [www.outdooreventsni.com](http://www.outdooreventsni.com)
- Visitor Development Masterplan for the Silent Valley and a Masterplan for upgrade of path network emanating from the Mountain Park.
- Achievement of funding from Big Lottery for retention and expansion of Active Lifestyles Programme until 2014 to cater for a greater range of disadvantaged groups and develop additional volunteer sites
- Visitor site enhancements at Binders Cove Souterrain, Granite Trail, Bloody Bridge, Trassey Track, Leitrim Lodge and Cnocnafeola along with regular repair and improvement of visitor infrastructure at upland car parks.
- Collaboration with the Follies Trust to successfully raise funds for the restoration of Lord Limerick's Follies at Tollymore.
- Further development of a Master plan for a Mourne Coastal Route and Scenic Loops, including signage study.

# **MOURNE HERITAGE TRUST LIMITED**

## **YEAR ENDED 31 MARCH 2010 DIRECTORS REPORT (continued)**

- Award of re-accreditation with the EU Charter for the period 2008 – 2013, becoming the first region in the UK to do so.
- Networking with Mourne Tourism Businesses.
- Achievement of funding for and commissioning of four 'gateway' pieces of public art for Clough, Corbett, Rathfriland and Warrenpoint.
- Mourne Heritage Trust/AONB Related Articles in local and regional press.
- New interpretive guides on key natural heritage features including Mourne Landscapes Guide; Mourne Flora and Fauna Guide; Butterflies and Where to Find Them poster; Red Squirrel Panel and Conservation Handbook; Seal Spotting Poster.
- Comprehensive audit and collation of data undertaken to produce a 'State of the AONB' report.
- Extensive research and consultation Programme resulting in completion of an AONB Management Plan.
- Biodiversity Research Programme including vegetation survey of the Eastern Mournes SAC, invasive species monitoring, wildfire monitoring, review of erosion hot spots in the High Mournes.

### **Financial Review**

The results for the year are set out on page 12.

The Mourne Heritage Trust accounts this year are showing a surplus of £17,007.

### **The Core funders of the Mourne Heritage Trust are detailed below and the amounts they contributed for the year 2009/10: Update**

|                                       |          |
|---------------------------------------|----------|
| - Banbridge District Council          | £ 22,000 |
| - Down District Council               | £ 43,856 |
| - Northern Ireland Environment Agency | £180,084 |
| - Newry and Mourne Council            | £ 21,500 |
| - Northern Ireland Tourism Board      | £ 57,000 |

### **Project Funders for the year 2009/10 are as follows:**

| <b>Projects</b>                        | <b>List of Funders</b>                                       |
|--|--|
| Mourne Public Art                      | Arts Council<br>Northern Ireland Tourist Board               |
| Tollymore Mountain Centre – Public Art | Sport NI   |
| Natural Heritage Outreach Programme    | Heritage Lottery Fund<br>Northern Ireland Environment Agency |
| Active Lifestyles Programme            | Big Lottery<br>Baily Thomas<br>Lloyds TSB                    |
| AONB Management Plan                   | Northern Ireland Environment Agency                          |
| Mourne Pilot Access                    | Northern Ireland Environment Agency                          |

# **MOURNE HERITAGE TRUST LIMITED**

## **YEAR ENDED 31 MARCH 2010 DIRECTORS REPORT (continued)**

### **Pension Fund**

Consistent with many other charities and not for profit organisations, Mourne Heritage Trust Limited ("MHT") partakes in a multi employer defined benefit pension scheme operated by NILGOSC. An actuarial valuation is an assessment, by an Actuary, of the scheme's surplus or deficit at any one point in time. The last formal actuarial valuation of the NILGOSC scheme was carried out as at 31<sup>st</sup> March 2010, and showed a funding shortfall - a deficit.

The pension contribution rates payable by MHT and its employees are set annually by NILGOSC on advice from the Actuary. The changes in rates of contribution reflect the movement in the overall pension funds surplus or deficit. If a deficit increases, then the pension fund contributions payable by MHT will be increased by the Actuary on an annual basis. This is evident, for example, in comparing the pension contributions to NILGOSC during the last three years: 2010 - £37,921, 2009 - £33,459 and 2008 - £23,941.

MHT are currently meeting the increased annual pension contributions set by the Actuary. This represents the organisation's real-time liability with regard to pensions. MHT are meeting their pension fund liabilities as they fall due.

It is possible, on payment of an annual fee to NILGOSC, to obtain the relevant figures for disclosure to enable MHT to comply with Financial Reporting Statement No. 17 Retirement Benefits (FRS 17). This would establish exactly how much of the multi employer scheme deficit related specifically to MHT, solely at the balance sheet date. As the actuarial valuation would change daily because of the range of assumptions it is based on, the Board of MHT considered that the cost of providing this information would outweigh any benefit that might accrue from obtaining it. As the Board chose not to obtain the information Purdy Quinn, as auditors, will have no option but to qualify the audit report with respect to non disclosure of this matter.

The pension fund deficit required to be disclosed by FRS 17 is a volatile long term liability/asset of an organisation. It is not a real time liability and is not required to be settled in full in the short or medium term. As noted above MHT are currently meeting their pension fund liabilities as they fall due by paying their pension contributions, as calculated by the Scheme's Actuary, on a timely basis. If the Board had been able to determine the pension fund deficit the amount would have been disclosed in a separate long term liability account on the Balance Sheet. Non disclosure of the pension deficit has no impact on short and medium term cash flows or the operating activities of the organisation.

The Board believe that the non disclosure of a pension fund deficit has no impact on the ability of MHT to continue as a going concern in the short to medium term.

### **Plans**

In 2006/2007 MHT developed a new Strategic Operational Plan for 2007-2010. Copies of this document are available from [www.mournelive.com](http://www.mournelive.com). A final review has been completed of outcomes against the plan and it is also available from the website.

### **Auditors**

A resolution proposing that Purdy Quinn be reappointed as auditors of the company will be put to the Annual General Meeting.

### **Directors Responsibilities**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

# **MOURNE HERITAGE TRUST LIMITED**

## **YEAR ENDED 31 MARCH 2010 DIRECTORS REPORT (continued)**

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company, ensuring that the assets are properly applied in accordance with charity law and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Audit information**

There is no relevant audit information of which the auditors are unaware.

The directors have taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

### **Small Company Exemptions**

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

Approved by the board on .....  
and signed on its behalf by:

.....  
Mrs Rosemary Chestnutt  
**Treasurer**

# **MOURNE HERITAGE TRUST LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MOURNE HERITAGE TRUST LIMITED**

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We have audited the financial statements of Mourne Heritage Trust Limited for the year ended 31 March 2010 which comprise the Statement of Financial Activities, the Balance Sheet and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed

### **Respective responsibilities of the directors and auditors**

As described in the statement of directors responsibilities on pages 8-9 the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 2006. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatement within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. However, with respect to non-compliance with FRS 17, the evidence available to us was limited because the information required for the implementation of FRS 17 was not obtained. As a result we were unable to obtain sufficient appropriate audit evidence regarding the pension obligations of the Mourne Heritage Trust Limited by using other procedures.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard – Provisions Available for Small Entities, in the circumstances set out in note 18 to the financial statements.

# MOURNE HERITAGE TRUST LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MOURNE HERITAGE TRUST LIMITED

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### **Qualified opinion arising from limitation in scope and from the failure to implement the requirements of FRS 17 'Retirement Benefits'.**

As disclosed in note 11, the Company has not adopted Financial Reporting Standard 17 Retirement Benefits (FRS 17). Accordingly these financial statements include neither a provision for the relevant deficits in the defined benefit pension schemes as at 31 March 2009 and 2010 nor the necessary entries in the Fund Accounts for both years and in the Net Asset Statements as at 31 March 2009 and 2010. In our opinion, such provisions and related disclosures should been made in these financial statements.

Except for the financial effects of the failure to comply with the requirements of FRS 17 referred to above, in our opinion the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the charitable company's state of affairs as at 31 March 2010 and of its incoming resources and application of resources, including its income and expenditure in the year then ended, and have been properly prepared in accordance with the Companies Act 2006.

In respect solely of the limitation on our work relating to the non compliance with FRS 17 we have not obtained all the information and explanations that we considered necessary for the purposes of our audit.

In our opinion the information given in the directors' report is consistent with the financial statements.

-----  
**Catherine J Quinn**  
(Senior Statutory Auditor)

For and on behalf of  
**Purdy Quinn**  
Chartered Accountants &  
Statutory Auditor

Northern Bank House  
42 Greencastle Street  
Kilkeel  
Co Down  
BT34 4BH

# MOURNE HERITAGE TRUST LIMITED

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2010

|  | Notes      | Restricted     | Unrestricted   | TOTAL<br>2010  | TOTAL<br>2009  |
|--|------------|----------------|----------------|----------------|----------------|
|  |            | £              | £              | £              | £              |
| <b>Incoming Resources</b>                              |            |                |                |                |                |
| <b>Voluntary income</b>                                |            |                |                |                |                |
| Grants & donations                                     |            | -              | 180,084        | <b>180,084</b> | <b>180,144</b> |
| Donations  |            | -              | 960            | <b>960</b>     | <b>9,692</b>   |
| <b>Investment Income</b>                               |            | -              | 4              | <b>4</b>       | <b>149</b>     |
| <b>Incoming Resources from Charitable Activities</b>   |            |                |                |                |                |
| Grants and donations                                   |            | -              | 144,356        | <b>144,356</b> | <b>153,113</b> |
| Sales Income   |            | -              | 3,464          | <b>3,464</b>   | <b>3,704</b>   |
| Friends of Mourne                                      |            | -              | 340            | <b>340</b>     | <b>300</b>     |
| Silent Valley Nature Trail                             |            | -              | -              | -              | <b>53,500</b>  |
| Additional Council Services                            |            | 631            | -              | <b>631</b>     | -              |
| Bloody Bridge  |            | 1,092          | -              | <b>1,092</b>   | <b>4,143</b>   |
| Mourne Coastal Route                                   |            | -              | -              | -              | <b>28,000</b>  |
| Mourne Homesteads                                      |            | -              | -              | -              | -              |
| AONB Mgt Plan  |            | 41,144         | -              | <b>41,144</b>  | <b>4,787</b>   |
| Biodiversity Monitoring Equipment Grant                |            | 155            | -              | <b>155</b>     | <b>1,705</b>   |
| Mourne Pilot Ranger                                    |            | 31,626         | -              | <b>31,626</b>  | -              |
| Mourne Gateway Public Art                              |            | 7,556          | -              | <b>7,556</b>   | -              |
| Tollymore Public Art                                   |            | 2,990          | -              | <b>2,990</b>   | -              |
| Causeway Coast & Glens                                 |            | -              | -              | -              | <b>15,252</b>  |
| Active Lifestyles                                      |            | 17,181         | -              | <b>17,181</b>  | <b>16,483</b>  |
| Mourne Rural Cultural Heritage Programme               |            | -              | -              | -              | <b>39,290</b>  |
| Natural Heritage Outreach Programme                    |            | 64,635         | -              | <b>64,635</b>  | <b>41,106</b>  |
| <b>Other Incoming Resources</b>                        |            | -              | 586            | <b>586</b>     | <b>518</b>     |
| <b>Total Incoming Resources</b>                        |            | <b>167,010</b> | <b>329,794</b> | <b>496,804</b> | <b>551,886</b> |
| <b>Resources Expended</b>                              |            |                |                |                |                |
| Fundraising trading: costs of goods sold & other costs | <b>2.2</b> | -              | 7,325          | 7,325          | 6,694          |
| Charitable Activities                                  | <b>2.1</b> | 155,702        | 272,670        | 428,372        | 517,507        |
| Governance Costs                                       | <b>2.3</b> | -              | 44,100         | 44,100         | 43,846         |
| Other recognised (gains) & losses                      | <b>2.4</b> | -              | -              | -              | -              |
| <b>Total Resources Expended</b>                        |            | <b>155,702</b> | <b>324,095</b> | <b>479,797</b> | <b>568,047</b> |
| Net Incoming Resources before Transfers                |            | 11,308         | 5,699          | 17,007         | (16,161)       |
| <b>Transfers</b>                                       |            |                |                |                |                |
| <b>Gross Transfers between Funds</b>                   |            | (92,192)       | 92,192         | -              | -              |
| <b>Net Incoming / Outgoing Resources</b>               |            | (80,884)       | 97,891         | 17,007         | (16,161)       |
| <b>Balance brought forward as at 1 April 2009</b>      |            | <b>158,185</b> | <b>36,964</b>  | <b>195,149</b> | <b>211,310</b> |
| <b>Balance brought forward as at 31 March 2010</b>     |            | <b>77,301</b>  | <b>134,855</b> | <b>212,156</b> | <b>195,149</b> |

# MOURNE HERITAGE TRUST LIMITED

## INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2010

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|  |           | 2010             | 2009             |
|--|-----------|------------------|------------------|
|  | Notes     | £                | £                |
| <b>INCOME</b>                                | <b>3</b>  | 496,800          | 551,737          |
| Project and administrative expenses          |           | <u>(479,420)</u> | <u>(567,484)</u> |
| <b>Operating surplus/(deficit)</b>           | <b>4</b>  | (17,380)         | (15,747)         |
| Other interest receivable and similar income | <b>5</b>  | 4                | 149              |
| Interest payable and similar charges         | <b>6</b>  | <u>(377)</u>     | <u>(563)</u>     |
| <b>Surplus/(Deficit) for the year</b>        | <b>14</b> | <u>17,007</u>    | <u>(16,161)</u>  |

The income and expenditure account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains or losses other than those passing through the income and expenditure account.

# MOURNE HERITAGE TRUST LIMITED

COMPANY NUMBER - NI 032946

## BALANCE SHEET FOR THE YEAR ENDED 31 MARCH 2010

|  |       | 2010            |                | 2009            |                |
|--|-------|-----------------|----------------|-----------------|----------------|
|  | Notes | £               | £              | £               | £              |
| <b>Fixed Assets</b>                                    |       |                 |                |                 |                |
| Tangible assets  | 7     |                 | 59,976         |                 | 64,874         |
| <b>Current Assets</b>                                  |       |                 |                |                 |                |
| Stock  | 8     | 3,862           |                | 1,877           |                |
| Debtors & Prepayments                                  | 9     | 112,237         |                | 125,294         |                |
| Cash at bank and in hand                               |       | 84,092          |                | 48,555          |                |
| VAT  |       | -               |                | -               |                |
|  |       | <u>200,191</u>  |                | <u>175,726</u>  |                |
| <b>Creditors : amounts falling due within one year</b> | 10    | <u>(48,011)</u> |                | <u>(45,451)</u> |                |
| <b>Net current assets/(liabilities)</b>                |       |                 | <u>152,180</u> |                 | <u>130,275</u> |
| <b>Total assets less current liabilities</b>           |       |                 | <u>212,156</u> |                 | <u>195,149</u> |
| <b>Accruals and deferred income</b>                    |       |                 | <u>-</u>       |                 | <u>-</u>       |
|  |       |                 | <u>212,156</u> |                 | <u>195,149</u> |
| <b>Capital Reserves</b>                                |       |                 |                |                 |                |
| Restricted Funds                                       | 14    |                 | 77,301         |                 | 158,185        |
| Unrestricted Funds                                     | 14    |                 | <u>134,855</u> |                 | <u>36,964</u>  |
|  | 15    |                 | <u>212,156</u> |                 | <u>195,149</u> |

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 and authorised for issue by the board on the .....and are signed on its behalf by:

-----  
Desmond Patterson  
Chairman

-----  
Rosemary Chestnutt  
Treasurer

# **MOURNE HERITAGE TRUST LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010**

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### **1. ACCOUNTING POLICIES**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention. The financial statements have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice (Revised 2005)", the Companies Act 2006 and with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently.

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

#### **1.2 Incoming resources**

Turnover represents grants and donations from the government and other bodies, and sundry income from certain activities undertaken by the company.

Interest receivable is recognised when the company is entitled to it.

#### **1.3 Resources expended and apportionment**

The statement of Financial Activities provides an analysis of the resources expended by the charity which are necessary in order to provide its ongoing activities. All expenditure is accounted for on an accruals basis and had been classified under headings that aggregate all costs related to charitable activities, except for the following:

- 1) Advertising and Publication costs are allocated to costs of Fundraising Trading, and
- 2) Governance costs which include:
  - costs associated with constitutional and statutory requirements
  - cost of legal advice

Charitable costs contain both direct charitable costs and support costs. Direct charitable costs include expenses such as specific project costs and associated staff costs, while support costs include administrative and the general running and upkeep costs of the company.

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

#### **1.4 Tangible fixed assets and depreciation**

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life, as follows:

|                                  |   |   |
|----------------------------------|---|---|
| Leasehold improvements           | - | 5% per annum on a straight line basis     |
| Plant and Machinery              | - | 15% per annum on a reducing balance basis |
| Fixtures, fittings and equipment | - | 15% per annum on a reducing balance basis |
| Motor Vehicles                   | - | 25% per annum on a reducing balance basis |

#### **1.5 Stock**

Stock is valued at the lower of cost and net realisable value.

#### **1.6 Pensions**

The pension costs charged in the financial statements represent the contributions payable by the company during the year.

# **MOURNE HERITAGE TRUST LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2010**

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### **1.7 Mourne Homesteads**

In order to preserve Built Heritage, the company runs a non-profit making programme call 'Mourne Homesteads' which restores abandoned traditional dwelling on beautifully-sited parts of the Mourne Area of Outstanding Natural Beauty, thereby providing affordable and attractive homes for local people, while maintaining valuable historical resources and the character of the Mourne landscape. The buildings are selected according to a strict procedure with pre-determined selection criteria.

The available grant-funding required to restore the buildings can only be accessed through this programme and is not directly available to the private owner. Therefore the company enters into an agreement with the owner, by which the company buys the property for a nominal value of £1 and restores the property with assistance from the available grant-funding. The company then sells the property back to the owner for an amount equivalent to the difference between the cost of restoration and the grant-funding received.

The company therefore acts as an intermediary, indirectly providing grant-funding for the restoration of suitable privately-owned properties which would not otherwise be available. In spite of legal title passing to the company, the economic substance of such a transaction is that the company has not acquired any assets. The income from grants and from payments made by the property owners and the costs of restoration are therefore accounted for through the Statement of Financial Activities and the Income and Expenditure Account as incurred. This treatment is in accordance with Financial Reporting Standard 5, "Reporting the substance of transactions".

### **1.8 Accumulated Funds**

Unrestricted funds are funds that are expendable in furtherance of the objectives of the charity.

Restricted funds are subject to specific conditions by the donors as to how they may be used.

Designated funds comprise funds which have been set aside at the discretion of the directors for specific purposes.

# MOURNE HERITAGE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2010

### 2. Resources expended

|  | Restricted<br>Funds | Unrestricted<br>Funds | TOTAL<br>2010  | TOTAL<br>2009  |
|--|---------------------|-----------------------|----------------|----------------|
|  | £                   | £                     | £              | £              |
| <b>2.1 Charitable Expenditure</b>        |                     |                       |                |                |
| Direct Charitable Expenditure            | 150,858             | 54,771                | 205,629        | 326,356        |
| Support costs                            | 4,844               | 217,899               | 222,743        | 191,151        |
|  | <u>155,702</u>      | <u>272,670</u>        | <u>428,372</u> | <u>517,507</u> |
| <b>Direct Charitable Expenditure</b>     |                     |                       |                |                |
| Staff costs                              | 93,851              | 42,752                | 136,603        | 145,819        |
| Friends of Mourne                        | -                   | 2,331                 | 2,331          | 2,683          |
| Ranger                                   | -                   | 9,688                 | 9,688          | 8,240          |
| Mourne Homesteads                        | 2,842               | -                     | 2,842          | 27,672         |
| Silent Valley Nature Trail               | -                   | -                     | -              | 53,577         |
| Bloody Bridge                            | 1,097               | -                     | 1,097          | 5,524          |
| Mourne Coastal Route                     | 125                 | -                     | 125            | 28,000         |
| AONB Management Plan                     | 7,132               | -                     | 7,132          | 678            |
| NITB Signature Project                   | -                   | -                     | -              | 144            |
| Volunteer Co-ordinator                   | 2,782               | -                     | 2,782          | 12,710         |
| Mourne Gateway Public Art                | 7,553               | -                     | 7,553          | -              |
| Mourne Pilot Ranger                      | 13,780              | -                     | 13,780         | -              |
| Causeway Coast & Glens                   | 132                 | -                     | 132            | 1,023          |
| Mourne Rural Cultural Heritage Programme | -                   | -                     | -              | 33,921         |
| Natural Heritage Outreach Programme      | 21,564              | -                     | 21,564         | 6,365          |
|  | <u>150,858</u>      | <u>54,771</u>         | <u>205,629</u> | <u>326,356</u> |
| <b>Support costs</b>                     |                     |                       |                |                |
| Staff costs                              | -                   | 152,363               | 152,363        | 121,509        |
| Motor & travel expenses                  | -                   | 4,420                 | 4,420          | 5,385          |
| Professional fees                        | -                   | 868                   | 868            | 1,342          |
| Insurance                                | -                   | 6,480                 | 6,480          | 6,523          |
| Rentals                                  | -                   | 10,535                | 10,535         | 9,807          |
| Office supplies                          | -                   | 2,311                 | 2,311          | 3,446          |
| Training & workshops                     | -                   | 2,622                 | 2,622          | 2,927          |
| Postage, telephone & electricity         | -                   | 18,570                | 18,570         | 12,790         |
| Vehicle exps, equipment & tools          | 683                 | 13,092                | 13,775         | 16,369         |
| Interest payable                         | -                   | 377                   | 377            | 563            |
| Other costs                              | -                   | 1,025                 | 1,025          | -              |
| Depreciation                             | 4,161               | 5,236                 | 9,397          | 10,490         |
|  | <u>4,844</u>        | <u>217,899</u>        | <u>222,743</u> | <u>191,151</u> |

# MOURNE HERITAGE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2010

### 2. Resources expended (continued)

|   | Restricted<br>Funds | Unrestricted<br>Funds | TOTAL<br>2010 | TOTAL<br>2009 |
|---|---------------------|-----------------------|---------------|---------------|
|   | £                   | £                     | £             | £             |
| <b>2.2 Fundraising trading: costs of goods sold &amp; other costs</b> |                     |                       |               |               |
| Advertising & Publications  | -                   | 7,325                 | 7,325         | 6,694         |
| Hospitality   | -                   | -                     | -             | -             |
|   | -                   | 7,325                 | 7,325         | 6,694         |

|                             | Restricted<br>Funds | Unrestricted<br>Funds | TOTAL<br>2010 | TOTAL<br>2009 |
|-----------------------------|---------------------|-----------------------|---------------|---------------|
|                             | £                   | £                     | £             | £             |
| <b>2.3 Governance costs</b> |                     |                       |               |               |
| Staff costs                 | -                   | 37,545                | 37,545        | 36,251        |
| Director expenses           | -                   | -                     | -             | 1,019         |
| Office rentals & costs      | -                   | 2,148                 | 2,148         | 1,665         |
| Accounting & audit fees     | -                   | 2,133                 | 2,133         | 2,115         |
| Cost of meetings            | -                   | 613                   | 613           | 710           |
| Office supplies & printing  | -                   | 1,661                 | 1,661         | 2,086         |
|                             |                     | 44,100                | 44,100        | 43,846        |

Director expenses include expenses relating to 2 (2009 -1) directors.

|  | Restricted<br>Funds | Unrestricted<br>Funds | TOTAL<br>2010 | TOTAL<br>2009 |
|--|---------------------|-----------------------|---------------|---------------|
|  | £                   | £                     | £             | £             |
| <b>2.4 Other recognised gains/losses</b> |                     |                       |               |               |
| Profit on disposal of an asset           | -                   | -                     | -             | -             |
|  | -                   | -                     | -             | -             |

### 3. Income

The major source of core operating income is grants received from Northern Ireland Environment Agency. Other sources of core operating income include support grants from Banbridge District Council, Down District Council, Newry and Mourne District Council and the Northern Ireland Tourist Board. Project funding is received from the Northern Ireland Environment Agency, Big Lottery Fund, Heritage Lottery Fund, Sport NI, The Arts Council, Baily Thomas and Lloyds TSB.

# MOURNE HERITAGE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2010

|  |   |                                  |   |                           |                     |
|--|---|----------------------------------|---|---------------------------|---------------------|
| <b>4. Operating Surplus/(Deficit)</b>                  |   | <b>2010</b>                      | <b>2009</b>                                       |                           |                     |
|  |   | <b>£</b>                         | <b>£</b>  |                           |                     |
| Operating surplus/(deficit)                            |   |                                  |   |                           |                     |
| Is stated after charging:                              |   |                                  |   |                           |                     |
| Loss/(Profit) on disposal of fixed assets              |   | -                                | -   |                           |                     |
| Operating lease rental – land & buildings              |   | 11,750                           | 11,750  |                           |                     |
| Depreciation of tangible assets                        |   | 9,397                            | 10,490  |                           |                     |
| Auditors' remuneration                                 |   | 2,000                            | 1,800   |                           |                     |
|  |   | <hr/>                            | <hr/>   |                           |                     |
| <b>5. Other Interest Receivable and Similar Income</b> |   | <b>2010</b>                      | <b>2009</b>                                       |                           |                     |
|  |   | <b>£</b>                         | <b>£</b>  |                           |                     |
| Bank Interest  |   | 4                                | 149   |                           |                     |
|  |   | <hr/>                            | <hr/>   |                           |                     |
| <b>6. Interest Payable and Similar Charges</b>         |   |                                  |   |                           |                     |
| Bank Interest  |   | 377                              | 563   |                           |                     |
|  |   | <hr/>                            | <hr/>   |                           |                     |
| <b>7. Tangible Fixed Assets</b>                        |   |                                  |   |                           |                     |
|  | <b>Leasehold<br/>Improve-<br/>ments</b> | <b>Plant &amp;<br/>Machinery</b> | <b>Fixtures,<br/>Fittings &amp;<br/>Equipment</b> | <b>Motor<br/>Vehicles</b> | <b>Total</b>        |
|  | <b>£</b>                                | <b>£</b>                         | <b>£</b>  | <b>£</b>                  | <b>£</b>            |
| <b>Cost</b>  |   |                                  |   |                           |                     |
| At 1 April 2009  | 24,357                                  | 54,212                           | 62,456  | 14,688                    | 155,713             |
| Additions  | -                                       | 3,378                            | 1,121   | -                         | 4,499               |
| Disposals  | -                                       | -                                | -   | -                         | -                   |
| At 31 March 2010                                       | <hr/> 24,357                            | <hr/> 57,590                     | <hr/> 63,577                                      | <hr/> 14,688              | <hr/> 160,212       |
| <b>Depreciation</b>                                    |   |                                  |   |                           |                     |
| At 1 April 2009  | 11,008                                  | 27,076                           | 39,199  | 13,556                    | 90,839              |
| On Disposals   | -                                       | -                                | -   | -                         | -                   |
| Charge for the year                                    | 1,217                                   | 4,324                            | 3,573   | 283                       | 9,397               |
| At 31 March 2010                                       | <hr/> 12,225                            | <hr/> 31,400                     | <hr/> 42,772                                      | <hr/> 13,839              | <hr/> 100,236       |
| <b>Net Book Value</b>                                  |   |                                  |   |                           |                     |
| At 31 March 2010                                       | <hr/> <b>12,132</b>                     | <hr/> <b>26,190</b>              | <hr/> <b>20,805</b>                               | <hr/> <b>849</b>          | <hr/> <b>59,976</b> |
| At 31 March 2009                                       | <hr/> 13,349                            | <hr/> 27,136                     | <hr/> 23,257                                      | <hr/> 1,132               | <hr/> 64,874        |
| <b>8. Stocks</b>                                       |   |                                  |   |                           |                     |
|  |   | <b>2010</b>                      | <b>2009</b>                                       |                           |                     |
|  |   | <b>£</b>                         | <b>£</b>  |                           |                     |
| Finished goods and goods for resale                    |   | 3,862                            | 1,877   |                           |                     |
|  |   | <hr/>                            | <hr/>   |                           |                     |

# MOURNE HERITAGE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2010

| 9. Debtors                 | 2010<br>£      | 2009<br>£      |
|----------------------------|----------------|----------------|
| Debtors and accrued income | 102,636        | 113,922        |
| Other debtors              | 780            | -              |
| Prepayments                | 8,821          | 11,372         |
|                            | <u>112,237</u> | <u>125,294</u> |

  

| 10. Creditors: amounts falling due within one year | 2010<br>£     | 2009<br>£     |
|--|---------------|---------------|
| Bank loans and overdrafts                          | 4             | 23,497        |
| Loan - Architectural Heritage Fund                 | -             | -             |
| Trade creditors                                    | 6,504         | 7,300         |
| Other creditor                                     | 516           | 1,677         |
| Taxes and social security costs                    | -             | 31            |
| Accruals and deferred income                       | 40,987        | 12,946        |
|  | <u>48,011</u> | <u>45,451</u> |

### 11. Pension Costs

The company partakes in a multi employer defined benefit pension scheme operated by NILGOSC.

The pension cost charge represents contributions payable by the company to the NILGOSC fund and amounted to £37,921 (2009 - £33,459).

The rates of contribution for the year to 31 March 2010 are as follows:

- Employees 5.25 – 7.2%
- Mourne Heritage Trust Limited 17%

These accounts do not reflect the disclosure requirement of the Financial Reporting Statement No. 17 Retirement Benefits (FRS 17). The Board considered that the cost of providing this information would outweigh any benefit that might accrue. The last actuarial valuation of the NILGOSC scheme was carried out as at 31<sup>st</sup> March 2010, and showed a funding shortfall.

Had FRS 17 been adopted in full the financial statements on the basis of the advise of the Actuary, the additional disclosures required to be made in the financial statement would have been:

- Main financial assumptions used at the balance sheet date (with comparatives at the beginning and end of the comparative period);
  - rate of increase in salaries;
  - rate of increase for pensions in payment and deferred pensions; and
  - rate used to discount scheme liabilities.
- Fair value of the schemes' assets at the balance sheet date (with comparatives at the beginning and end of the comparative period), analysed into the following classes and disclosed together with the expected rate of return assumed for each class for the pervious, current and subsequent years:
  - equities;
  - bonds; and
  - other.

# MOURNE HERITAGE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2010

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### 11. Pension Costs (continued)

- An analysis of the following amounts which would have been included within the statement of financial activities under FRS 17, with comparatives:
  - the current service cost;
  - any past service costs;
  - any previously unrecognised surplus deducted from past service costs;
  - gains and losses on any settlements or curtailments; and
  - any previous unrecognised surplus deducted from the settlement or curtailment losses.
- Any gains and losses on settlements or curtailments which would have been included as a separate item within the statement of financial activities, with comparatives.
- Any analysis of the following amounts which would have been included as other finance costs, with comparatives:
  - the interest cost; and
  - the expected return on assets in the schemes.
- An analysis of the following amounts which would have been included in the statement of financial activities, with comparatives:
  - the difference between the expected and actual return on assets;
  - experience gains and losses arising on the scheme liabilities; and
  - the effects of changes in the demographic and financial assumptions underlying the present value of the schemes' liabilities.
- For the current and previous periods, disclosure is also required of the following:
  - the difference between the expected and actual return on the schemes' assets, expressed both as an amount and as a percentage of the schemes' assets at the balance sheet date;
  - experience gains and losses arising on the schemes' liabilities expressed both as an amount and as a percentage of the present value of the schemes' liabilities at the balance sheet date; and
  - the total actuarial gain or loss expressed both as an amount and as a percentage of the present value of the schemes' liabilities at the balance sheet date.
- The amount of the fair value of the schemes' assets, the present value of the schemes' liabilities and the resulting surplus or deficit at the balance sheet date, with comparatives.
- An analysis of the movements during the period in the surplus or deficit in the schemes, with comparatives.
- An analysis of the net assets of the Charity and an analysis of its reserves distinguishing the amount relating to the defined benefit asset or liability, with comparatives.

# MOURNE HERITAGE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2010

|  |             |             |
|--|-------------|-------------|
| <b>12. Financial Commitments</b>   | <b>2010</b> | <b>2009</b> |
|  | <b>£</b>    | <b>£</b>    |
| At 31 March 2010 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2010: |             |             |
| Operating leases which expire :  |             |             |
| Within one year – Land & buildings   | -           | 10,870      |
| Within one to two years – Plant & machinery  | 10,734      | -           |
| Within two to five years – Plant & machinery   | -           | 10,450      |
|  | <hr/>       | <hr/>       |

|  |                   |                     |
|--|-------------------|---------------------|
| <b>13. Statement of movements on funds</b> | <b>Restricted</b> | <b>Unrestricted</b> |
|  | <b>Funds</b>      | <b>Funds</b>        |
|  | <b>£</b>          | <b>£</b>            |
| Balance at 1 April 2009                    | 158,185           | 36,964              |
| Retained surplus/(deficit) for the year    | (80,884)          | 97,891              |
| Balance at 31 March 2010                   | <hr/> 77,301      | <hr/> 134,855       |

|   |               |
|---|---------------|
| <b>14. Reconciliation of movements in funds</b>         | <b>2010</b>   |
|   | <b>£</b>      |
| Surplus/(Deficit) for the financial year – Restricted   | (80,884)      |
| Surplus/(Deficit) for the financial year – Unrestricted | 97,891        |
|   | <hr/> 17,007  |
| Surplus/(Deficit) for the financial year                |               |
| Opening Funds – Restricted                              | 158,185       |
| Opening Funds – Unrestricted                            | 36,964        |
|   | <hr/> 195,149 |
| Closing Funds – Restricted                              | 77,301        |
| Closing Funds – Unrestricted                            | 134,855       |
|   | <hr/> 212,156 |

|  |                   |                     |               |
|--|-------------------|---------------------|---------------|
| <b>15. Analysis of net assets between funds</b>    | <b>Restricted</b> | <b>Unrestricted</b> | <b>TOTAL</b>  |
|  | <b>£</b>          | <b>£</b>            | <b>2010</b>   |
|  |                   |                     | <b>£</b>      |
| Fund balances at 31 March 2010 are represented by: |                   |                     |               |
| Tangible fixed assets                              | 30,997            | 28,979              | 59,976        |
| Current assets                                     | 89,702            | 110,489             | 200,191       |
| Creditors : amounts due within one year            | (43,398)          | (4,613)             | (48,011)      |
|  | <hr/> 77,301      | <hr/> 134,855       | <hr/> 212,156 |

### 16. Contingent Liabilities

The company has a liability to refund grant monies received by it, should it fail to comply with the relevant conditions as set out in the letter of offer.

# MOURNE HERITAGE TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2010

| 17. Employees  | 2010<br>Number | 2009<br>Number |
|--|----------------|----------------|
| <b>Number of Employees</b>   |                |                |
| The average monthly number of employees (excluding directors) during the year was: |                |                |
| Staff  | 12             | 12             |
|  | <u>12</u>      | <u>12</u>      |
| <b>Employment Costs</b>  |                |                |
|  | £              | £              |
| Wages & Salaries   | 273,997        | 252,691        |
| Employers NIC  | 18,371         | 17,429         |
| Other Pension Costs  | 37,921         | 33,459         |
|  | <u>330,289</u> | <u>303,579</u> |

There were no employees whose annual emoluments were £60,000 or more.

### 18. Auditors' Ethical Standards

In common with many businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

### 19. Control

The directors are the ultimate controlling party of the company.

### 20. Related Parties

Under the Built Heritage/Mourne Homesteads scheme described in Accounting Policy Note 1.7, the company had previously selected a property owned by one of the directors, Mr William John Martin. Mr Martin had no part in the selection process, and his property was selected according to the programmes' normal criteria. The projected costs for the restoration of this property were £160,360 (2009 - £160,360) with projected grant funding of £115,861 (2009 - £115,861), leaving an owners contribution of £44,499 (2009 - £44,499) to be paid by Mr Martin. During the year to March 2010 deductions of £1,319 were made to the owners contribution. At 31 March 2010, the restoration costs were complete, all grant funding was up to date and Mr Martin owed £4,787 (2009 - £6,106).

### 21. Going Concern Review

The Charity's operating activities, together with the factors likely to affect its future development and position are set out in the Strategic Operational Plan for 2007-2010 referred to in the Directors' Report on pages 4 and 7. The financial position of the charity is detailed in the Financial Statements on page 7.

The Charity is reliant on its Core Funding from a number of third party organisations. The Charity also meets its day to day working capital requirements through an overdraft facility of £20,000 which is due for renewal on 30 June 2011. The current economic conditions create some uncertainty particularly over the ability of the charity to secure core funding and the availability of bank finance in the foreseeable future.

The Charity has already secured the majority of its Core Funding requirement for the financial year ended 31 March 2011. It has commenced the process of submitting requests to core funders for the year ended 31 March 2012. At this stage the Charity has not sought any written commitment that funding for this period will be granted. There are no indications of any problems in obtaining similar funding and service level agreements to those historically negotiated.

# **MOURNE HERITAGE TRUST LIMITED**

## ***NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 MARCH 2010***

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### **21. Going Concern Review (continued)**

The Charity's forecast and projections, taking account of reasonably possible changes in its operating performance, show that the Charity should be able to operate within the level of its current facility. The Charity has historically availed of temporary increases in its overdraft facilities on an ad hoc basis. The Charity will open facility renewal negotiations with the bank in due course and has at this stage not sought any written commitment that they will be renewed. However, the Charity has held discussions with its bankers about its future borrowing needs and no matters have been drawn to its attention to suggest that a renewal may not be forthcoming on acceptable terms.

After making enquiries, the directors have a reasonable expectation that the Charity will have adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and accounts.