

**LINC RESOURCE CENTRE**

**MANAGEMENT COMMITTEE'S REPORT  
AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2002**

# LINC RESOURCE CENTRE

## COMPANY INFORMATION

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### Management Committee

P Bell  
P McAlister  
N Sommerville  
J Hillen  
T Cullen  
E McDowell  
K Groves  
J Loughran

### Holding Trustees

P McAllister  
I Miles  
C Wood

### Registered office

218 York Street  
Belfast  
BT15 1GY

### Auditors

Moore Stephens  
Chartered Accountants  
Scottish Provident Building  
7 Donegall Square West  
Belfast  
BT1 6JH

### Bankers

Ulster Bank Limited  
202 - 206 York Street  
Belfast  
BT15 2HG

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# LINC RESOURCE CENTRE

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# LINC RESOURCE CENTRE

## MANAGEMENT COMMITTEE'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2002

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The Management Committee present their report and financial statements for the year ended 31 December 2002.

### **Principal activities**

LINC is an acronym for Local Initiatives for Needy Communities and was established in September 1992 by the Church of the Nazarene as a Christian response to identified social needs in North Belfast and East Antrim.

It is an independent voluntary association recognised by the Inland Revenue as having been established for charitable purposes (XR16540) and is based at 218 York Street, Belfast, BT15 1GY

The Constitution defines the charitable objective of LINC as being:-

to promote the benefit and welfare of the inhabitants of Belfast and the region of Northern Ireland (hereinafter called "the area of benefit") without distinction of age, sex, race, political, religious or other opinion, by associating the statutory authorities, voluntary and community organisations and inhabitants in a common effort to relieve poverty, advance education and to provide facilities in the interests of social welfare for recreation and leisure-time occupation with the objective of improving conditions of life for the said inhabitants.

LINC is specifically, though not exclusively, concerned with improving conditions of life for those who live in communities that are caught up in the cycle of alienation, conflict and violence. Our work is set against the background of the Northern Ireland conflict and the transition from violent conflict to democratic exchange.

LINC is dedicated to breaking the cycle of alienation, conflict and violence through the development of sustainable community partnerships. We seek to achieve this through the development of educational programmes, inter-community dialogue and the facilitation of learning groups aimed at developing the capacity of people formerly involved in the conflict, to improve conditions of life in interface communities through the development of effective conflict transformation initiatives.

The charity also works with a number of organisations having similar aims and objects in assisting local communities to break the cycle of alienation, conflict and violence.

### **Organisational structure**

The charity is based at 218 York Street, Belfast and is governed by the Management Committee elected each year at the Annual General Meeting. There is a broad representation of community stakeholders on the Management Committee and essential Line Management and supports are in place and operating successfully.

The following members were elected to serve on the Management Committee at the previous Annual General Meeting:- Rev Philip Bell, Ms Theresa Cullen, Rev Philip McAlister, Mr Eddie McDowell, Mr Ken Groves, Ms Janine Hillen and Mr John Loughran. Staff are represented on the Management Committee in a non-voting capacity by the LINC co-ordinators, Mena and Billy Mitchell.

The Holding Trustees, responsible for the premises during the year, were Rev Ivan Miles, Rev Colin Wood and Rev Philip McAlister. At least one of the Holding Trustees have attended all but one meeting of the Management Committee and all have received regular financial and other reports from the Centre Co-ordinator.

LINC employed four members of staff during the year and funding is in place to maintain their employment until December 2003. It is anticipated that a further funding package will secure employment until December 2006 and that a part-time Programme Co-ordinator will be employed from 1st January 2003.

# LINC RESOURCE CENTRE

## MANAGEMENT COMMITTEE'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2002

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### **Relationship between LINC and related parties**

Although an independent organisation with its own Constitution and Management Structure, LINC is a member of Nazarene Compassionate Ministries International. NCMI is the social action ministry of the Church of the Nazarene. An NCM Board is appointed by the Management Committee to monitor the value base of LINC and ensure that the Christian ethos of the charity is maintained.

### **Review of year 2002**

During the year LINC worked with community-based organisations and with key community influencers with a view to developing their capacity to understand the philosophy that underpins the restorative justice model of conflict transformation. Specifically, we provided educational and training resources for groups and individuals involved in community mediation, crisis intervention and restorative justice programmes.

We also worked closely with ex-prisoner groups from both traditional communities to promote co-operation between nationalist and loyalist communities on social, economic and cultural issues. Our work in this field was aimed at promoting understanding through dialogue, action learning and research.

During the year we developed a small Conflict Transformation Research Library and entered into an agreement with Future Ways (University of Ulster), InterComm (North Belfast) and the Stanford Centre for Conflict & negotiation to develop a peace education and mentoring programme based on the concept of second track peace building. Programme costs for the next three years have already been secured for the programme and core funding for staff and administration costs will be in place in 2003.

### **Reserves**

LINC is seeking to develop a reserve account from its unrestricted funds sufficient to meet basic running costs for three months.

### **Risk management**

No major risks to the charity have been identified.

### **Auditors**

Moore Stephens were appointed auditors to the centre and a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

On behalf of the board

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**T Cullen**

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**E McDowell**

7 July 2003

# LINC RESOURCE CENTRE

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINC RESOURCE CENTRE

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We have audited the financial statements of Linc Resource Centre on pages 4 to 8 for the year ended 31 December 2002. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

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

The Management Committee's responsibilities for preparing the Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Standards are set out in the Statement of Management Committee's Responsibilities.

Our responsibility is to audit the Financial Statements in accordance with relevant legal and regulatory requirements and United Kingdom Audit Standards.

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 relevant legislation. We also report to you if, in our opinion, the Management Committee's Report is not consistent with the Financial Statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the Audited Financial Statements. This other information comprises only the Management Committee's Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the Financial Statements. Our responsibilities do not extend to any other information.

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards 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 Management committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of the charity's affairs as at 31 December 2002 and of the charity's incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Charity's Legislation.

**Moore Stephens**

Chartered Accountants  
**Registered Auditor**

7 July 2003

Chartered Accountants  
Scottish Provident Building  
7 Donegall Square West  
Belfast  
BT1 6JH

# LINC RESOURCE CENTRE

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2002

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2002 £	Total 2001 £
<b>Incoming Resources</b>					
Other income		3,474	-	3,474	5,807
Fees		8,843	-	8,843	16,895
Rent service charge		29,538	-	29,538	26,361
Joseph Rowntree charitable trust		-	-	-	10,000
Interest receivable		2,896	-	2,896	3,989
Atlantic philanthropies		-	-	-	120,500
Community relations grant		-	-	-	3,750
Carrick communities grant		1,040	-	1,040	-
EU CRC grant		-	8,544	8,544	-
IFI grant		-	9,167	9,167	-
CRC 2 grant		-	1,250	1,250	-
		ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
<b>Total Incoming Resources</b>		<b>45,791</b>	<b>18,961</b>	<b>64,752</b>	<b>213,663</b>
		ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
<b>Resources Expended</b>					
Direct charitable expenditure	2.1	17,918	86,982	104,900	106,839
Management and administration of the charity	2.2	21,003	4,636	25,639	35,704
		ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
<b>Total Resources Expended</b>	3.1	<b>38,921</b>	<b>91,618</b>	<b>130,539</b>	<b>142,543</b>
		ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
<b>Net Movement in Funds</b>		<b>6,870</b>	<b>(72,657)</b>	<b>(65,787)</b>	<b>71,120</b>
Balances brought forward at 1 January 2002		697,011	112,750	809,761	765,002
		ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
<b>Balances carried forward at 31 December 2002</b>	<b>8</b>	<b>703,881</b>	<b>40,093</b>	<b>743,974</b>	<b>809,761</b>
		ÍÍÍÍÍÍÍ	ÍÍÍÍÍÍÍ	ÍÍÍÍÍÍÍ	ÍÍÍÍÍÍÍ

The statement of financial activities has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the statement of financial activities.

The notes on pages 6 to 8 form part of these financial statements and should be read in conjunction therewith.

# LINC RESOURCE CENTRE

## BALANCE SHEET AS AT 31 DECEMBER 2002

	Notes	2002		2001	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	4		598,220		595,000
<b>Current assets</b>					
Debtors	5	-		406	
Cash at bank and in hand		147,734		214,355	
<b>Creditors: amounts falling due within one year</b>	6	(1,980)		-	
		ÄÄÄÄÄÄÄ		ÄÄÄÄÄÄÄ	
<b>Net current liabilities</b>			145,754		214,761
			ÄÄÄÄÄÄÄ		ÄÄÄÄÄÄÄ
<b>Total assets less current liabilities</b>			743,974		809,761
			ÍÍÍÍÍÍÍ		ÍÍÍÍÍÍÍ
<b>Funds</b>					
Restricted funds	8		40,093		112,750
Unrestricted funds	8		703,881		697,011
			ÄÄÄÄÄÄÄ		ÄÄÄÄÄÄÄ
<b>Total funds</b>	8		743,974		809,761
			ÍÍÍÍÍÍÍ		ÍÍÍÍÍÍÍ

The financial statements were approved by the Board on 7 July 2003

T Cullen  
Committee member

E McDowell  
Committee member

# LINC RESOURCE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2002

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Charities Commission Statement of Recommended Practice 2000.

#### 1.2 Compliance with accounting standards

The accounts have been prepared in accordance with applicable accounting standards.

#### 1.3 Tangible fixed assets and depreciation

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

Land and buildings Freehold	2% reducing balance
Computer equipment	20% reducing balance
Fixtures, fittings & equipment	20% reducing balance

### 2 Notes to the Statement of Financial Activities

#### 2.1 Direct Charitable Expenditure

	Unrestricted Funds £	Restricted Funds £	Total 2002 £	Total 2001 £
Staff costs	8,756	76,239	84,995	96,305
Training	2,154	3,153	5,307	6,635
Research	-	2,684	2,684	956
Travel	170	1,514	1,684	2,554
Other	6,837	3,392	10,229	389
	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
	17,917	86,982	104,899	106,839
	ÍÍÍÍÍÍÍ	ÍÍÍÍÍÍÍ	ÍÍÍÍÍÍÍ	ÍÍÍÍÍÍÍ

#### 2.2 Management and Administration

	Unrestricted Funds £	Restricted Funds £	Total 2002 £	Total 2001 £
Staff costs	-	-	-	367
Direct costs	7,712	-	7,712	8,578
Professional fees	1,450	2,195	3,645	5,800
Other costs	11,842	2,441	14,282	20,959
	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ	ÄÄÄÄÄÄÄ
	21,004	4,636	25,639	35,704
	ÍÍÍÍÍÍÍ	ÍÍÍÍÍÍÍ	ÍÍÍÍÍÍÍ	ÍÍÍÍÍÍÍ

# LINC RESOURCE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2002

### 3 Notes to the Statement of Financial Activities Cont'd

3.1 Total Resources Expended	Staff costs £	Depreciation £	Other costs £	Total 2002 £	Total 2001 £
Direct charitable expenditure	84,995	-	6,623	91,618	116,851
Management and administration	-	2,055	36,866	38,921	25,692
	AAAAAAAA	AAAAAAAA	AAAAAAAA	AAAAAAAA	AAAAAAAA
	84,995	2,055	43,489	130,539	142,543
	TTTTTTTT	TTTTTTTT	TTTTTTTT	TTTTTTTT	TTTTTTTT
<b>Other costs:</b>				<b>2002</b>	<b>2001</b>
				£	£
Research				2,684	956
Insurance				1,362	1,183
Light and heat				3,491	4,766
Direct costs				7,712	8,578
Repairs and maintenance				3,936	5,174
Telephone and internet				5,516	3,334
Travel and motor expenses				1,684	-
Professional fees				4,845	5,800
Donations and subscriptions				2,480	700
Sundry costs				9,779	15,747
				AAAAAAAA	AAAAAAAA
				43,489	46,238
				TTTTTTTT	TTTTTTTT

### 4 Tangible fixed assets

	Computer Equipment £	Buildings £	Office fixtures £	Total £
<b>Cost/Valuation</b>				
At 1 January 2002	4,000	590,000	1,000	595,000
Additions	1,712	-	3,563	5,275
	AAAAAAAA	AAAAAAAA	AAAAAAAA	AAAAAAAA
At at 31 December 2002	5,712	590,000	4,563	600,275
	AAAAAAAA	AAAAAAAA	AAAAAAAA	AAAAAAAA
<b>Depreciation</b>				
Charge for the year	1,142	-	913	2,055
	AAAAAAAA	AAAAAAAA	AAAAAAAA	AAAAAAAA
At at 31 December 2002	1,142	-	913	2,055
	AAAAAAAA	AAAAAAAA	AAAAAAAA	AAAAAAAA
<b>Net book value</b>				
At 31 December 2002	4,570	590,000	3,650	598,220
	TTTTTTTT	TTTTTTTT	TTTTTTTT	TTTTTTTT
At 31 December 2001	4,000	590,000	1,000	595,000
	TTTTTTTT	TTTTTTTT	TTTTTTTT	TTTTTTTT

Buildings have been included in the Financial Statements at the Management Committee's valuation, based upon the insurers valuation at 1 January 2002. Valuations of Computer equipment and office fixtures and fittings have also been estimated at 1 January 2002.

# LINC RESOURCE CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2002

<b>5</b>	<b>Debtors</b>	<b>2002</b>	<b>2001</b>
		£	£
	Trade debtors	-	406
		↑↑↑↑↑↑↑↑	↑↑↑↑↑↑↑↑

<b>6</b>	<b>Creditors: amounts falling due within one year</b>	<b>2002</b>	<b>2001</b>
		£	£
	Other creditors	1,980	-
		AAAAAAAA	AAAAAAAA
		1,980	-
		↑↑↑↑↑↑↑↑	↑↑↑↑↑↑↑↑

<b>7</b>	<b>Reconciliation of restricted funds</b>			
		<b>Atlantic philanthropies</b>	<b>IFI</b>	<b>CRC</b>
				<b>Total</b>
	Opening balance	112,750	-	-
	Income		9,167	9,794
	Expenditure	(88,934)	-	(2,684)
		AAAAAAAA	AAAAAAAA	AAAAAAAA
	Closing balance	23,816	9,167	7,110
		↑↑↑↑↑↑↑↑	↑↑↑↑↑↑↑↑	↑↑↑↑↑↑↑↑

<b>8</b>	<b>Analysis of fixed assets between funds</b>			
		<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total</b>
		£	£	£
	Fund balances at 31 December 2002 are represented by:			
	Tangible fixed assets	598,220	-	598,220
	Current assets	107,641	40,093	147,734
	Creditors: amounts falling due within one year	(1,980)	-	(1,980)
		AAAAAAAA	AAAAAAAA	AAAAAAAA
		703,881	40,093	743,974
		↑↑↑↑↑↑↑↑	↑↑↑↑↑↑↑↑	↑↑↑↑↑↑↑↑

**LINC RESOURCE CENTRE  
MANAGEMENT INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2002**