

Edmund Rice Development
A Company Limited by Guarantee not having
a Share Capital

Report And Financial Statements
for the year ended 31 December 2014

Edmund Rice Development

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Edmund Rice Development

DIRECTORS AND OTHER INFORMATION

Directors	Matthew Breen (Chairperson) Daniel O'Keeffe Francis Hall (UK) (Resigned May 2014) John Cooley (Northern Ireland) Mark McDonnell Anthony O'Keeffe Chris Teh (Sierra Leone) (Resigned May 2014) Alfred Banda (Zambia) (Appointed October 2014) John Casey (Italy) (Appointed October 2014) Dean McGlaughlin (Appointed 28th January 2015)
Company Secretary	L & P Trustee Services Limited
Company Number	463400
Charity Number	CHY 18492
Charity Regulatory Authority Registration Number	20071004
Registered Office	2/3 Terminus Mills Clonskeagh Road Dublin 6
Principal Address	Edmund Rice House North Richmond Street Dublin 1
Auditors	Nexia Smith & Williamson Chartered Accountants and Registered Auditor Paramount Court Corrig Road Sandyford Business Park Dublin 18
Bankers	Bank of Ireland Ballygall Road Finglas Dublin 11
Financial Advisors	L & P Trustee Services Limited 2/3 Terminus Mills Clonskeagh Road Dublin 6

Edmund Rice Development

DIRECTORS' REPORT

for the year ended 31 December 2014

The directors present their report, along with their audited financial statements, for the year ended 31 December 2014.

Introduction

Edmund Rice Development is a fundraising body set up to support the vital work being carried out by Christian Brothers and Edmund Rice people in the developing world. Established in 2008, Edmund Rice Development was a direct response to provide transparency and accountability for fundraising efforts across Europe, and received its charitable status in 2009. The Company raises and provides the funding for work within the regions in greatest need. It also provides in-depth development support to core projects.

VISION, MISSION & CORE FUNCTIONS

Vision

A just world which where the poor and vulnerable are empowered to change their own future.

Mission

To support and enable the global Edmund Rice mission in providing for the education, training and rights of people, especially children, according to the spirit and ideals of Blessed Edmund Rice.

Core Functions

- Proactive Fundraising in Ireland, UK and Europe
- Development support for funded projects
- Receiving funds for ministries, and distributing them to the ministries as per donor requests or ERD directors' allocations
- Financial stewardship and governance of all donations
- Reporting on all donations; and producing communications to current and potential supporters on ongoing activities
- Participation in global fundraising programmes/entities.
- Providing consultancy advice and guidance to other Congregational and European Province Fundraising Entities - as needed and requested by those entities

Structure, Governance & Management

Governing Document

The Charity is a Company Limited by Guarantee without a Share Capital and is governed by the Memorandum and Articles of Association and was incorporated on the 17th October 2008. The Company has been granted tax exemption by the Revenue Commissioners in Ireland and has a tax exemption CHY 463400.

Organisational Structure

The role of the Board of Directors is to determine the policies of the Company and the strategy for the development of these policies to meet such new challenges as may be evident in the future. The Directors are chosen for their personal qualities and their understanding of the Trust. Every Director shall use their best endeavours to promote the objects and interests of the Company and shall observe all the Company's regulations affecting them. The Directors are well informed about the Mission, governing document and history of the charity and meet several times during the year to review developments with regards to the Charity and its activities. When necessary, they seek advice from the Company's professional advisors.

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DIRECTORS' REPORT

for the year ended 31 December 2014

Review of achievements and performance for the year

During 2014, €900,091 was allocated to over 45 Edmund Rice projects and programmes in 14 countries across Africa, Latin America, India and Oceania.

The type of projects and programmes funded included:

- Schools: Construction and refurbishment; water, sanitation and hygiene programs; feeding programs; teaching salaries; books and materials; student scholarships
- Youth: Sports projects, computer literacy training; life skills courses
- Skills training: Equipment, libraries, training
- Special needs children: Education, occupational and physical therapy; family and community involvement
- Street children: Education of, and advocacy for
- Health: HIV/AIDS counselling, support and prevention; mothers and babies programs
- Micro-finance projects
- Training and spirituality of brothers and leaders
- Human rights and advocacy - Support of Edmund Rice International's (ERI) grass-roots training programme and its work with the United Nations.

A full list of projects funded is listed on pages 20-21 of this report.

During the period, institutional funding levels amounted to €910,426. In addition, a further €746,980 in multi-annual funding pledges were secured in 2014 for payment in the 2015-16 period (these will be reflected in the relevant accounts for those years).

Relationships with core funding agencies were strengthened, and the Irish government's missionary funding agency, Mísean Cara, remained a major source of funding for the Company.

Private donor income of €240,431 was received during the year.

ERD also provided direct fundraising and other services to Edmund Rice Bicentennial Trust - donations received in the UK and internationally were received there. In 2014, Edmund Rice Development formally assumed administrative responsibility for Edmund Rice Bicentennial Trust's operations. 'Edmund Rice Development' became the trading name for Edmund Rice Bicentennial Trust.

The following is a brief summary of other fundraising and related achievements for 2014:

- Funding was distributed to all four African Districts, India, Latin America and Edmund Rice International during 2014.
- As per the 'ERD Business Plan 2014-16', ERD refocused its activities in 2014 on proactive fundraising activities to generate funds for Our Way into the Future project funding; Training and Capacity-building; 16 Core Projects that are in line with best-practice development principles; Co-funding of agency grants; Advocacy activities for 2015+.
- In 2014 ERD produced the 'ERD Funding Policy' outlining such items as: Criteria for ERD funded projects; how to apply for funding from ERD; stewardship responsibilities of funding recipients etc.
- ERD established the West Africa Ebola Relief Fund in late 2014 to generate support for the relief efforts of Brothers and Edmund Rice people in Liberia and Sierra Leone. €51,748 was raised in 2014 for the fund, and it continued to generate funding into 2015.

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DIRECTORS' REPORT

for the year ended 31 December 2014

- Dublin GAA Footballer, Ciaran Kilkenny travelled with Edmund Rice Development to visit ERD Core Projects in Zambia. On his return, Ciaran spoke about his experience to national and local print, TV and radio media and also gave the keynote speech at the ERD Big Match Dinner.
- ERD Big Match Dinner in September 2014 was held for corporate and individual supporters to generate support for ERD missions. The dinner was attended by over 400 people and generated a profit of €45,019 for four projects, including the West Africa Ebola Relief Fund and Edmund Rice International.
- ERD Multi-media library was established with the compilation of up to date photographic and video materials of ERD's current projects. Access to the database was given to relevant Edmund Rice network personnel. Exhibition Canvases depicting the work of the projects were produced and are on permanent display in Edmund Rice House, these are due to be toured in 2015.
- ERD was represented at two seminars in Rome and Cape Town and was an active member of a working group for collaboration in fundraising of global Edmund Rice representatives and organisations.
- In 2014, ERD produced the first 'ERD/ERBT Donor Impact Report' detailing the impact of all funding raised and allocated to projects during 2013. The report was distributed to all donors, volunteers and supporters and is available for download from the ERD website.
- ERD's Mission Month Programme generated 10 new school partnerships in. During mission month of October, booklets were distributed to schools and community groups outlining current project profiles and funding needs.
- ERD site visits took place to Nairobi, Kenya; to Lusaka, Mazabuka and Kabwe, Zambia and to Cape Town, South Africa.
- ERD's reporting processes were fully reviewed and internal database upgraded to allow for better monitoring and tracking of all project funding and reports.

Plans for the future

Edmund Rice Development continues to work towards the fulfilment of the organisation's Business Plan 2014-2016. In 2015 this will entail continuing to work closely with project managers and Christian Brother leadership teams towards full compliance with new financial governance standards, and the funding of priority projects benefitting those in need. In addition, ERD also continues to work alongside other development bodies, such as Edmund Rice Foundation Australia to harmonise approaches to funding and governance across the Christian Brothers and Edmund Rice network.

KEY ELEMENTS OF ERD BUSINESS PLAN 2014-16:

Funding Areas: ERD will focus on raising funds for the following four funding areas:

- i) Our Way into the Future - the Congregation's vision and strategy for life and mission into the future. Funding will support the training of the new implementation team and of Brothers for new Mission and Hub Communities, also in time, the set-up and running costs of new Hubs and Communities.
- ii) Ministries: A group of 'Core Projects' which are in line with the Our Way into the Future vision, have a leadership structure and three year development plan. ERD will also continue to receive donations for all ministries, and to distribute this funding to any Edmund Rice/Christian Brothers project as per the wishes of individual donors.
- iii) Edmund Rice People: Training, Spirituality and Formation costs of Brothers and Edmund Rice people working with the poor of the developing world.
- iv) Advocacy: Human Rights and Advocacy activities and programmes of Edmund Rice International and those working with the poor of the developing world.

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DIRECTORS' REPORT

for the year ended 31 December 2014

Building Donor Support: ERD will seek to develop support for all of the above areas by proactively engaging with more funding agencies, Brothers, past pupils, schools and other friends through a wide range of events and fundraising initiatives.

The Directors intend to manage the company as efficiently and effectively as possible in order to achieve the goals of the Business Plan and aims of the charity to continue to give support to future projects.

Financial review

During the year, the charity received income of €1,610,857 (2013: €1,835,707). Expenditure totalled €1,342,057 (2013: €1,794,060), consisting of cost of charitable activities of €1,265,574 (2012: €1,727,512) and costs associated with generating funds and supporting the charity. Net incoming resources for the year totalled €268,800 (Net incoming resources 2013: €41,650). At 31 December 2014 the charity had a surplus of €643,156 (Surplus 2013: €374,356) which were unrestricted.

Operational Costs

ERD receives 100% funding to support its administration and costs of raising funds from Edmund Rice Bicentennial Trust Limited ("ERBT"). Donors can be assured that 100% of the funds they donate to ERD will be distributed directly to the projects and those in the field.

Related Party

Edmund Rice Bicentennial Trust Limited is a separately established company limited by guarantee and not having a share capital. It is a registered charity with the UK Charity Commissioner under charitable number 1098358. Br Daniel O'Keeffe is a director of both ERD and Edmund Rice Bicentennial Trust Limited.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the financial statements in accordance with applicable Irish law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland.

Company law requires the Directors to prepare financial statements for each financial year which 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 year. In preparing these financial statements the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and 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 confirm that they have complied with the above requirements in preparing the financial statements.

Edmund Rice Development

DIRECTORS' REPORT

for the year ended 31 December 2014

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and with Irish Statute comprising the Companies Acts 1963 to 2013, and all Regulations to be construed as one with those Acts. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Board

Matthew Breen

Daniel O'Keeffe

Date: 6 May 2015

INDEPENDENT AUDITOR'S REPORT

to the Members of Edmund Rice Development

We have audited the financial statements of Edmund Rice Development for the year ended 31 December 2014 which comprise the Income and Expenditure account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 7, the directors are responsible for the preparation of the financial statements giving a true and fair view.

Our responsibility is to audit the financial statements and express an opinion in accordance with International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Accounting Practice Board's Ethical Standards for Auditors.

Scope of the audit

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the director's report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the state of the company's affairs as at 31 December 2014, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with the requirements of the Companies Acts 1963 to 2013.

Matters on which we are required to report by the Companies Acts 1963 to 2013

- We have obtained all of the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion proper books of account have been kept by the company.
- The financial statements are in agreement with the books of account.

INDEPENDENT AUDITOR'S REPORT to the Members of Edmund Rice Development

Matters on which we are required to report by exception

We have nothing to report to you in respect of the provisions in the Companies Acts, 1963 to 2013 which require us to report to you if, in our opinion the disclosures of directors' remuneration and transactions specified by law are not made.



Daniel Holland

For and on behalf of

NEXIA SMITH & WILLIAMSON

Chartered Accountants and Registered Auditor

Paramount Court

Corrig Road

Sandyford Business Park

Dublin 18

Date : 19 May 2015

Edmund Rice Development

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2014

		Unrestricted funds 2014 €	Restricted funds 2014 €	Total funds 2014 €	Total funds 2013 €
Incoming resources					
Incoming resources from generated funds					
Donations received		564,079	1,046,778	1,610,857	1,835,707
Activities for generating funds					
Bank interest received		-	-	-	3
Total incoming resources	Sch. 1	<u>564,079</u>	<u>1,046,778</u>	<u>1,610,857</u>	<u>1,835,710</u>
Resources expended					
Charitable activities	Sch. 2	365,483	900,091	1,265,574	1,727,514
Governance costs	Sch. 3	76,483	-	76,483	66,546
Total resources expended		<u>(441,966)</u>	<u>(900,091)</u>	<u>(1,342,057)</u>	<u>(1,794,060)</u>
Net movement of funds in year		<u>122,113</u>	<u>146,687</u>	<u>268,800</u>	<u>41,650</u>
Total funds brought forward		109,690	264,666	374,356	332,706
Total funds carried forward		<u><u>231,803</u></u>	<u><u>411,353</u></u>	<u><u>643,156</u></u>	<u><u>374,356</u></u>

The company's income and expenses all relate to continuing operations.

Approved by the board on 6 May 2015 and signed on its behalf by

Matthew Breen

Daniel O'Keeffe

Edmund Rice Development

A Company Limited by Guarantee not having a Share Capital

BALANCE SHEET

as at 31 December 2014

	Notes	2014 €	2013 €
Current Assets			
Debtors	4	269,995	482
Cash at bank and in hand		540,451	441,274
		<u>810,446</u>	<u>441,756</u>
Creditors: Amounts falling due within one year	5	(167,290)	(67,400)
Net Current Assets		<u>643,156</u>	<u>374,356</u>
Total Assets less Current Liabilities		<u>643,156</u>	<u>374,356</u>
Funds			
Accumulated Reserves	6	<u>643,156</u>	<u>374,356</u>

Approved by the board on 6 May 2015 and signed on its behalf by

Matthew Breen

Daniel O'Keeffe

Edmund Rice Development

CASH FLOW STATEMENT

for the year ended 31 December 2014

	Notes	2014 €	2013 €
Net cash inflow from operating activities	8	99,177	44,477
Returns on investments and servicing of finance	8	-	3
Movement in cash in the year		<u>99,177</u>	<u>44,480</u>
Reconciliation of net cash flow to movement in net funds (Note 8)			
Movement in cash in the year		99,177	44,480
Net funds at 1 January 2014		441,274	396,794
Net funds at 31 December 2014		<u>540,451</u>	<u>441,274</u>

Edmund Rice Development

ACCOUNTING POLICIES

for the year ended 31 December 2014

Basis of Preparation

The financial statements have been prepared in accordance with generally accepted accounting principles in Ireland and Irish statute comprising the Companies Acts, 1963 to 2013. They comply with the financial reporting standards of the Accounting Standards Board, as promulgated by the Institute of Chartered Accountants in Ireland. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Accounting Convention

The accounts are prepared under the historical cost convention.

Revenue recognition

Revenue is derived from donations received. Revenue is recognised when it is capable of reliable measurement and the principle risks and rewards of ownership have passed to the company. Donations received are recognised in income on a cash receipts basis.

Donations paid

Donations to support various ministries and projects are recognised when the payments are made.

Expenditure

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Unrestricted Funds

Unrestricted Funds are donated and other incoming resources receivable or generated for the objects of the charity without further purpose and are available as general funds.

Restricted Funds

Restricted Funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the purpose intended, together with a fair allocation of management and support costs.

Edmund Rice Development

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2014

1. STATUS

The Company is limited by guarantee not having a share capital. The liability of the members is limited.

Every member of the company undertakes to contribute to the assets of the company in the event of it's being wound up while they are members or within one year thereafter for the payment of the debts and liabilities of the company contracted before they ceased to be members and the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors among themselves such amount as may be required, not exceeding €2.

2. EMPLOYEES AND REMUNERATION

Number of employees

The average number of persons employed during the year was as follows:

	2014 Number	2013 Number
Number of employees	4	4

The staff costs are comprised of:

	2014 €	2013 €
Wages and salaries	243,459	213,354
Social welfare costs	25,568	25,946
Pension costs	1,484	9,204
	<u>270,511</u>	<u>248,504</u>

3. TAXATION

The company is not liable to Corporation Tax as it has been granted exemption from taxation by the Revenue Commissioners.

4. DEBTORS

	2014 €	2013 €
Prepayments and accrued income	6,755	482
Accrued income	263,240	-
	<u>269,995</u>	<u>482</u>

Edmund Rice Development

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2014

5. CREDITORS	2014	2013
Amounts falling due within one year	€	€
Accruals and deferred income	<u>167,290</u>	<u>67,400</u>

6. RETAINED RESERVES	€	€
	2014	2013
At 1 January	374,356	332,706
Surplus for the year	<u>268,800</u>	<u>41,650</u>
At 31 December	<u>643,156</u>	<u>374,356</u>

7. RELATED PARTY TRANSACTIONS

Edmund Rice Development received a total of €460,000 from Edmund Rice Bicentennial Trust, a UK registered charitable organisation whose purpose is to provide financial support for the work of the Christian Brothers in the less industrialised world. This was an unrestricted donation to the company to be used for the purpose of its mission (2013:€450,000).

The parties are related as they share a common director, Daniel O'Keeffe.

8. CASH FLOW STATEMENT

8.1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2014	2013
	€	€
Net movement of funds in year	268,800	41,647
Movement in debtors	(269,513)	11,861
Movement in creditors	<u>99,890</u>	<u>(9,031)</u>
Net cash inflow from operating activities	<u>99,177</u>	<u>44,477</u>

8.2 CASH FLOW STATEMENT	2014	2013
	€	€
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	<u>-</u>	<u>3</u>

Edmund Rice Development

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2014

8.3 ANALYSIS OF CHANGES IN NET FUNDS

	Opening balance	Cash flows	Closing balance
	€	€	€
Cash at bank and in hand	441,274	99,177	540,451
Net funds	<u>441,274</u>	<u>99,177</u>	<u>540,451</u>

9. MISEAN CARA

Edmund Rice Development receives funding and provides financial support in respect of projects for and on behalf of Miseen Cara. The amounts received and expended in the financial year were as follows:

		€ 2014	€ 2013
Opening balance b/f		230,107	171,825
Total Miseen Cara receipts		879,864	997,198
Total Miseen Cara disbursed	Prior Yr	(230,107)	(171,825)
Total Miseen Cara disbursed	Current Yr	(390,679)	(767,091)
Closing balance c/f		<u>489,185</u>	<u>230,107</u>

11. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors on 6 May 2015.