
EDMUND RICE DEVELOPMENT
(A Company Limited by Guarantee)

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

EDMUND RICE DEVELOPMENT
(A Company Limited by Guarantee)

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EDMUND RICE DEVELOPMENT
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FOR THE YEAR ENDED 31 DECEMBER 2020

Directors	John Cooley (Chairperson) Aine De Baroid (Appointed 28 April 2020) John Casey Karin Bacon Dean Mc Glaughlin Alfred Banda Christopher Glavey Joseph Tynan (Appointed 28 April 2020) Matthew Breen (Retired 28 April 2020) Mark Mc Donnell (Retired 28 April 2020)
Head office	Edmund Rice House North Richmond Street Dublin 1
Company registered number	463400
Charity registered number	CHY 18492
Registered office	75 Saint Stephen's Green Dublin 2
Company secretary	L & P Trustee Services Limited
Independent auditors	Nexia Smith & Williamson (Ireland) Limited Chartered Accountants and Statutory Audit Firm 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 75 Saint Stephen's Green Dublin 2

EDMUND RICE DEVELOPMENT
(A Company Limited by Guarantee)

DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors present their report, along with their audited financial statements, for the year ended 31 December 2020.

EDMUND RICE DEVELOPMENT

Edmund Rice Development (ERD) is a development agency dedicated to the liberation of the people and communities from poverty and injustice. ERD's core purpose is to support the sustainability of the Edmund Rice Mission by sourcing funding, building donor engagement and working with our partners in mission to improve development capacity and maximise impact. ERD is fully committed to transparency and accountability, and to an efficient, effective operation that impacts positively on the lives of people made poor.

EDMUND RICE MISSION

Edmund Rice Mission focuses on the liberation of people and communities. Edmund Rice responded to the marginalised of his time. Today, through compassionate presence and seeking mutual transformation, Edmund Rice Mission promotes human rights and fullness of life for all, especially those made poor. Deeply aware of the levels of poverty, vulnerability and exclusion in our world, Edmund Rice Development responds to the lack of:

- awareness of human and environmental rights
- consistent access to basic needs
- access to quality primary and secondary education
- opportunities for livelihoods, employment and entrepreneurship
- access to quality community healthcare
- opportunities for people with disabilities
- protection and respect for 'the earth our home' (Laudato Si)

by supporting Edmund Rice Mission in the three areas of Community Development, Education and Advocacy.

PUBLIC BENEFIT

The Directors consider that the activities and achievements of the Company illustrate that the aims of the Company are carried out for the public benefit. The Directors confirm that they have taken into account the best practice guidance on public benefit when deciding what activities, the Company undertakes.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

2020 was year three of implementation of ERD's Strategy 2017-21 which sets out how ERD will better support Edmund Rice Mission as we work together with our partners for the liberation of people and communities. ERD ensures that people living in poverty are at the centre of everything the organisation does, and every decision made. The strategy represents the organisation's opportunity to build on the good work of the past, and to support Edmund Rice Mission in the three areas of Community Development, Education and Advocacy.

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DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

The ERD Strategy 2017-21 outlined three core strategic goals for the organisation:

Strategic Goal 1: Source funding and increase donor and partner engagement

Institutional Funding:

Misean Cara remained the largest of Project funders in 2020. Over the past few years Misean Cara (MC) funding has been reduced given the increased demand on their fewer resources. However, a number of innovation and emergency funding was received during the year.

Private Donor Funding:

Although private donor funding activity was not a primary focus for ERD in 2020, funds continued to be raised from engagement with donors (through newsletters and other communications) and from unsolicited donations.

Partner Engagement:

In 2020 funds were allocated to 27 Edmund Rice Mission projects and programmes in 9 countries across Africa, Latin America and India. ERD participated in online Mission Capacity Support Team meetings in 2020. Due to the Covid-19 pandemic no in-country partner visits were made. ERD continues to monitor activities remotely and will commence the in-country visits in compliance with the governments Covid-19 guidelines.

Strategic Goal 2: Collaborate with partners to build mission development capacity

The Mission Capacity Development Project 2018-2020 (MCDP) was conducted by Mission Capacity Support Team (MCST) on behalf of the Congregation Leadership Team. This project worked with in-country Mission Development Offices to build capacity of Edmund Rice development projects to achieve greater impact in local communities.

ERD has collaborated with this project by providing for the ongoing full-time secondment of a senior ERD staff member. All costs of the secondment from 2017 to 2020 were met by the MCDP project.

Strategic Goal 3: Develop and maintain an effective, efficient, accountable organisation.

ERD is fully committed to full accountability and transparency and to maintaining an effective and efficient organisation. To ensure ERD continues to be fully compliant with all regulatory, funding and best practice policies, codes and systems a transparency statement is made available on ERD website. During 2020, ERD employees underwent training in Child and Vulnerable Adult Safeguarding Policies

Results for the Year

The Statement of Financial Activities is set out on page 11.

During the year, total incoming resources amounted to €1,025,763. Total outgoing resources amounted to €1,084,087 during 2020. Charitable funding of €794,913 was distributed during 2020. In 2020, ERD received funding of €200,000 to support administration and costs of raising funds from Edmund Rice Bicentennial Trust Limited.

At 31 December 2020, the organisation had a surplus of €525,252, which includes restricted funds of €398,732.

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DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

PLANS FOR THE FUTURE

In 2021, ERD will continue to implement the ERD Strategy 2017- 21 with the following overall core strategic goals and will incorporate the 2019 Operational Plan which focuses on the following core objectives:

- Support partners to source funding for priority development projects, funding will be sourced predominantly from Misesan Cara in 2021 and from a small number committed private donors and supporters.
- Continue collaborative work with partners to build capacity to govern, plan & manage impactful Edmund Rice development projects.
- Conduct Monitoring/ Evaluation/ Partner visits following the set guidelines for Covid-19 restrictions.
- Facilitate development of a forum for collaboration around Edmund Rice Development Projects

STRUCTURE, GOVERNANCE & MANAGEMENT

Governing Document

The Organisation 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 of October 2008 and amended on the 28th of April 2020. It is registered as a charity with the Charity Regulatory Authority, 20071004. 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 Company. Every Director uses their best endeavours to promote the objects and interests of the Company and observes the Company's regulations affecting them. The Directors are well informed about the mission, governing document and history of the organisation and meet several times during the year to review developments with regards to the Organisation and its activities. When necessary, they seek advice from the Company's professional advisors.

Three subcommittees of the board – Finance and Audit; Governance and Development have been active throughout 2020 and advise the Board on these respective matters.

COVID-19 (Coronavirus)

The company continues to deal with the ongoing impact of the Covid-19 pandemic. While this is a constantly changing situation, the Directors are monitoring and following the advice from the Government and the Health Service. This would include, for example, the need for social distancing and so the Edmund Rice Development office is temporarily closed. In addition, meetings are taking place by conference or video calls. The Directors have considered the potential financial impact and believe that there would be minimal to no effect on the Company's ability to continue as a going concern. The Directors and our professional advisors continue to monitor the situation.

Risk Management

The Directors have considered the risks that are material to the organisation and have ensured that there are suitable procedures in place to mitigate these. A full Risk Analysis is incorporated in the ERD Strategy 2017-21 and this is reviewed and updated by the board annually. The board members fulfilled their responsibility by attending the required board and subcommittee meetings.

The principal risks affecting the organisation are:

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DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Governance and management: considers the efficiency of the trustee body. Risks considered include a lack of planning, a Trustee body which lacked sufficient skills or appropriate decision-making procedures. Such risks could include a lack of training / induction or poor stewardship of resources – human, financial and property. As noted above, the Directors address these risks by holding regular board meetings which include the monitoring of actual performance, having meaningful induction / handover for incoming Directors, attending Trustee training days, seeking third party advice as required, etc.

Financial: considers the financial capacity of the organisation and ensuring it has the available financial resources to continue to carry out its activities. This incorporates the management of the operating (day-to-day) position. These risks are mitigated in a variety of ways, including budgeting and cash flow planning.

Capacity: Capacity shortfalls at project level that can cause reputational damage leading to difficulty retaining and building private and institutional donor base. This risk is mitigated by working with our partners to improve the development capacity of project managers, and those in mission coordination and governance roles, to manage and deliver projects in line with standards of good practice in international development and human resource management.

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. Edmund Rice Bicentennial Trust Limited provides financial support to ERD.

Accounting records

To ensure that proper accounting records are kept, the Directors' has employed appropriately qualified accounting personnel and has maintained appropriate computerised accounting systems. The books of account are maintained at the Directors' registered office at 75 Saint Stephen's Green, Dublin.

Political donations

The organisation made no political donations during the year, as defined by the Electoral Act 1997.

Statement on relevant audit information

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Post balance sheet events

Other than disclosed in the financial statements the directors confirm that there have been no events since the end of the financial year which would require adjustment to or disclosure in the financial statements.

**EDMUND RICE DEVELOPMENT
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**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Auditors

The auditors, Nexia Smith & Williamson, (Statutory Auditors) have indicated their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

Signed on behalf of the Board

John Cooley

Christopher Glavey

Date: 23 April 2021

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STATEMENT OF DIRECTOR'S RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law, the Charities Act 2009 and Generally Accepted Accounting Practice in Ireland including FRS102, SORP and the accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland.

Irish law requires the directors to prepare financial statements for each financial year. Under that law, the directors have prepared the financial statements in accordance with FRS 102, The Financial Reporting Standard applicable in the Republic of Ireland. FRS 102 is applied in accordance with the provisions of Companies Act 2014 and with the Statement of Recommended Practice: Accounting and Reporting by Charities, the "Charities SORP". This SORP, second edition issued October 2019, is the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102.

Under Irish law, the directors shall not approve the financial statements unless they are satisfied that they give a true and fair value of the company's asset, liabilities and financial position as at the end of the financial year and the surplus or deficit of the company for the financial 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- assess Edmund Rice Development's ability to continue as a going concern, disclosing, as applicable matters related to going concern.

The directors confirm that they have complied with the above requirements in preparing the financial statements

The directors are responsible for keeping adequate accounting records that are sufficient to:

- Correctly record and explain the transactions of the company;
- Enable, at any time, the assets, liabilities, financial position and surplus or deficit of the company to be determined with reasonable accuracy; and
- Enable the directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

The directors are also responsible for safeguarding the assets of Edmund Rice Development and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014. The directors are responsible for the maintenance and integrity of the corporate and financial information included on Edmund Rice Development website.

Signed on behalf of the board

John Cooley

Christopher Glavey

Date: 23 April 2021

EDMUND RICE DEVELOPMENT
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EDMUND RICE DEVELOPMENT

Opinion

We have audited the financial statements of Edmund Rice Development for the year ended 31 December 2020 which comprise the Statement of Financial Activities (incorporating the Income & Expenditure Account), the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the Republic of Ireland.

In our opinion the financial statement:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the Republic of Ireland'; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (Ireland) require us to report to you where:

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

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EDMUND RICE DEVELOPMENT
(CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Director's Report & Financial Statements, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that in our opinion:

- the information given in the Directors' Report is consistent with the financial statements;
- the Directors' Report has been prepared in accordance with applicable legal requirements.
- we have obtained all the information and explanations which we consider necessary for the purposes of our audit; and
- the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of members' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

EDMUND RICE DEVELOPMENT
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EDMUND RICE DEVELOPMENT
(CONTINUED)

Respective Responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

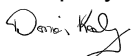
Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: [https://www.iaasa.ie/Publications/ISA-700-\(Ireland\)](https://www.iaasa.ie/Publications/ISA-700-(Ireland)). This description forms part of our Auditors' report.

The purpose of the audit report and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Damien Kealy

Statutory auditor

for and on behalf of

Nexia Smith & Williamson (Ireland) Limited

Chartered Accountants and Statutory Audit Firm

Paramount Court

Corrig Road

Sandyford Business Park

Dublin 18

Date: 21 May 2021

EDMUND RICE DEVELOPMENT
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted funds 2020 €	Restricted funds 2020 €	Total funds 2020 €	Total funds 2019 €
Income from:					
Donations received	5	368,111	657,652	1,025,763	1,486,935
Total income		<u>368,111</u>	<u>657,652</u>	<u>1,025,763</u>	<u>1,486,935</u>
Expenditure on:					
Expenditure on charitable activities	6	4,790	790,123	794,913	791,304
Administration and governance expenses	7	289,174	-	289,174	423,515
Total expenditure		<u>293,964</u>	<u>790,123</u>	<u>1,084,087</u>	<u>1,214,819</u>
Net movement in funds		<u>74,147</u>	<u>(132,471)</u>	<u>(58,324)</u>	<u>272,116</u>
Reconciliation of funds:					
Total funds brought forward		52,373	531,203	583,576	311,460
Net movement in funds		74,147	(132,471)	(58,324)	272,116
Total funds carried forward		<u>126,520</u>	<u>398,732</u>	<u>525,252</u>	<u>583,576</u>

The Statement of Financial Activities includes all gains and losses recognised in the year and relate to continuing operations.

The notes on pages 14 to 25 form part of these financial statements.

EDMUND RICE DEVELOPMENT
(A Company Limited by Guarantee)
REGISTERED NUMBER: 463400

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 €	2019 €
Fixed assets			
Tangible assets	11	-	633
		-	633
Current assets			
Debtors	12	294,630	268,044
Cash at bank and in hand		288,558	436,161
		583,188	704,205
Creditors: amounts falling due within one year	13	(57,936)	(121,262)
Net current assets		525,252	582,943
Total net assets		525,252	583,576
Charity funds			
Restricted funds	14	398,732	531,203
Unrestricted funds	14	126,520	52,373
Total funds		525,252	583,576

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

Approved by the board on and signed on its behalf by

John Cooley

Christopher Glavey

23 April 2021

The notes on pages 14 to 25 form part of these financial statements.

EDMUND RICE DEVELOPMENT
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 €	2019 €
Cash flows from operating activities		
Net cash used in operating activities	(147,603)	177,054
	<hr/>	<hr/>
Net cash (outflow)/inflow brought forward	(147,603)	177,054
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	(147,603)	177,054
Cash and cash equivalents at the beginning of the year	436,161	259,107
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	288,558	436,161
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 14 to 25 form part of these financial statements

EDMUND RICE DEVELOPMENT
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies

1.1 Basis of preparation of financial statements

These financial statements are prepared in accordance with The Financial Reporting Standard applicable in the Republic of Ireland (FRS 102) and Accounting and Reporting by Charities: The Statement of Recommended Practice (SORP) October 2019, applicable to charities preparing their accounts in accordance with FRS 102. The financial statements are also prepared in accordance with the Companies Act 2014.

1.2 Revenue recognition

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies are applied to particular categories of income:

- Institutional Donations - are recognised when a funding agreement is signed and associated conditions have been met.

- Private Donations - are recognised when acknowledged as received by the company.

1.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charity to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

In accordance with the Charity SORP (FRS 102), volunteer time is not recognised.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies (continued)

1.4 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment	-	33%
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1.5 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.6 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.7 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1.8 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

EDMUND RICE DEVELOPMENT
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. 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.

3. Going concern

The directors have carefully considered the impact of Covid-19, noting the widespread disruption to normal activities and the uncertainty over the duration of this disruption and are satisfied that the impact of Covid 19 on the funding and activities of the company will be manageable.

The company has cash and cash equivalents of €288,558 at the 31 December 2020. The directors have considered available resources and have also considered the availability of future funding and the support of its funders. The Directors are in a position to manage the activities of the organisation such that existing funds available to the company, together with committed funding will be sufficient to meet the company's obligations and to continue as a going concern for a period of at least 12 months from the date of signing these financial statements.

On that basis, the directors do not consider that a material uncertainty exists in relation to going concern and have deemed it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result if the company was unable to continue as a going concern.

4. Taxation

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

EDMUND RICE DEVELOPMENT
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

5. Income

	Unrestricted funds 2020 €	Restricted funds 2020 €	Total funds 2020 €	<i>Total funds 2019 €</i>
Donations				
Misean Cara and other agencies	-	654,975	654,975	872,164
Fundraising	-	2,677	2,677	123,192
Private donations	-	-	-	22,500
Income refunded	676	-	676	10,780
Edmund Rice Bicentennial Trust - operation costs	200,000	-	200,000	320,000
MWSP refunds	98,307	-	98,307	86,821
Private donor - fundraising, M&E, & administration fees	1,408	-	1,408	8,433
Institutional funding, monitoring and administration fees	37,643	-	37,643	13,084
Donations received - unrestricted	30,077	-	30,077	29,961
Total 2020	368,111	657,652	1,025,763	1,486,935
<i>Total 2019</i>	<i>469,080</i>	<i>1,017,855</i>	<i>1,486,935</i>	

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6. Expenditure

Charitable expenditure

	Unrestricted funds 2020 €	Restricted funds 2020 €	Total funds 2020 €	<i>Total funds 2019 €</i>
Donations	4,790	790,123	794,913	791,304
<i>Total 2019</i>	<u>22,386</u>	<u>768,918</u>	<u>791,304</u>	

7. Other expenditure

	Unrestricted funds 2020 €	Total funds 2020 €	<i>Total funds 2019 €</i>
Administration and governance expenses	289,174	289,174	423,515
Total 2020	<u>289,174</u>	<u>289,174</u>	<u>423,515</u>
<i>Total 2019</i>	<u>423,515</u>	<u>423,515</u>	

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8. Detailed expenditure

	Unrestricted funds 2020 €	Restricted funds 2020 €	Total funds 2020 €	<i>Total funds 2019 €</i>
Restricted donations	-	790,123	790,123	768,918
Wages & Salaries	175,565	-	175,565	277,099
PRSI	20,997	-	20,997	24,911
Staff pension	16,206	-	16,206	29,246
Staff training	65	-	65	765
Management expenses	1,476	-	1,476	9,139
Rent payable	14,500	-	14,500	14,500
Printing, postage and stationery	3,593	-	3,593	3,779
Telephone	2,596	-	2,596	2,297
Computer costs	1,740	-	1,740	4,307
Reimbursable expenditure	-	-	-	153
Travelling and entertainment	249	-	249	4,344
Financial management	22,570	-	22,570	25,984
Provisions	90	-	90	-
Company secretarial	10,370	-	10,370	11,839
Audit fee	5,832	-	5,832	5,843
Bank charges	1,087	-	1,087	873
Donations	4,790	-	4,790	22,386
Foreign exchange gain / loss	-	-	-	(414)
Depreciation charge	632	-	632	633
Monitoring and evaluation	8,593	-	8,593	-
General expenditure	3,013	-	3,013	8,217
Total 2020	293,964	790,123	1,084,087	1,214,819
<i>Total 2019</i>	<i>445,901</i>	<i>768,918</i>	<i>1,214,819</i>	

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9. Employees and remuneration

	2020	<i>2019</i>
	€	€
Wages and salaries	175,565	277,099
Social welfare costs	20,997	24,911
Pension costs	16,206	29,246
	212,768	331,256

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

	2020	<i>2019</i>
	No.	<i>No.</i>
Employees	4	5

The number of employees whose employee benefits (excluding employer pension costs) exceeded €60,000 was:

	2020	<i>2019</i>
	No.	<i>No.</i>
In the band €70,001 - €80,000	1	1

10. Director's remuneration and expenses

During the year, no Directors received any remuneration or other benefits (*2019 - €NIL*).

11. Tangible fixed assets

	Computer equipment €
Cost or valuation	
At 1 January 2020	1,895
At 31 December 2020	1,895

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11. Tangible fixed assets (continued)

	Computer equipment €
Depreciation	
At 1 January 2020	1,262
Charge for the year	633
At 31 December 2020	1,895
Net book value	
At 31 December 2020	-
<i>At 31 December 2019</i>	633

12. Debtors

	2020 €	2019 €
Due within one year		
Prepayments and accrued income	294,630	268,044
	294,630	268,044

13. Creditors: Amounts falling due within one year

	2020 €	2019 €
Accruals and deferred income	57,936	121,262
	57,936	121,262

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NOTES TO THE FINANCIAL STATEMENTS
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14. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 €	Income €	Expenditure €	Balance at 31 December 2020 €
Unrestricted funds				
General Funds - all funds	29,194	338,034	(587,934)	(220,706)
Reserves	-	30,077	293,970	324,047
Unallocated amounts	23,179	-	-	23,179
	<u>52,373</u>	<u>368,111</u>	<u>(293,964)</u>	<u>126,520</u>
Restricted funds				
Restricted Funds - all funds	<u>531,203</u>	<u>657,652</u>	<u>(790,123)</u>	<u>398,732</u>
Total of funds	<u><u>583,576</u></u>	<u><u>1,025,763</u></u>	<u><u>(1,084,087)</u></u>	<u><u>525,252</u></u>

15. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 €	2019 €
Net income for the period (as per Statement of Financial Activities)	<u>(58,324)</u>	<u>272,116</u>
Adjustments for:		
Depreciation charges	633	633
Movement in debtors	(26,586)	(179,986)
Movement in creditors	(63,326)	84,291
Net cash provided by/(used in) operating activities	<u><u>(147,603)</u></u>	<u><u>177,054</u></u>

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16. Analysis of cash and cash equivalents

	2020	2019
	€	€
Cash in hand	288,558	436,161
Total cash and cash equivalents	288,558	436,161

17. Analysis of Net Debt

	At 1 January 2020	Cash flows	At 31 December 2020
	€	€	€
Cash at bank and in hand	436,161	(147,603)	288,558
	436,161	(147,603)	288,558

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NOTES TO THE FINANCIAL STATEMENTS
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18. Related party transactions

	2020	<i>2019</i>
	€	€
Edmund Rice Bicentennial Trust	200,000	<i>320,000</i>
	200,000	<i>320,000</i>

Edmund Rice Development received a total of €200,000 (2019: €320,000) 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.

The parties are related as they share a common director.

Br Alfred Banda, a Director of Edmund Rice Development, is on the Leadership Team of the Christian Brothers South Central Region (Africa). In 2020, Edmund Rice Development made donations of €98,040 to the South Central Region.

Br Chris Glavey, a Director of Edmund Rice Development, is also a Trustee of the Congregation of Christian Brothers, European Province - Republic of Ireland. In 2020, the Congregation of Christian Brothers, European Province - Republic of Ireland have agreed to waive the rent payable for 2020. This represents a donation to ERD of €14,500 per year.

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19. Miseen 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:

	2020	2019
	€	€
Opening balance b/f	437,319	221,206
Over accrual in funds carried forward	(500)	(3,170)
Total Miseen Cara funds received and receivable	654,975	872,161
Total Miseen Cara disbursed - Prior year	(630,488)	(500,323)
Total Miseen Cara disbursed - Current year	(120,935)	(152,555)
	340,371	437,319

20. Approval of financial statements

The financial statements were approved by the Board of Directors on 23 April 2021