

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

**Report And Financial Statements**

for the year ended 31 December 2017

## **Edmund Rice Development**

### **CONTENTS**

	<b>Page</b>
Directors and Other Information	3
Directors' Report	4
Statement of Directors' Responsibilities	10
Independent Auditor's Report	11
Statement Of Financial Activities	13
Balance Sheet	14
Cash Flow Statement	15
Accounting Policies	16
Notes to the Financial Statements	17

## Edmund Rice Development

### DIRECTORS AND OTHER INFORMATION

<b>Directors</b>	John Cooley (Chairperson) Matthew Breen Mark McDonnell Alfred Banda (Zambia) John Casey Dean McGlaughlin Christopher Glavey Karin Bacon Mary Hanson Anthony O'Keeffe (Resigned December 2017) Daniel O'Keeffe RIP (Died July 2017)
<b>Company Secretary</b>	L & P Trustee Services Limited
<b>Company Number</b>	463400
<b>Charity Number</b>	CHY 18492
<b>Charity Regulatory Authority Registration Number</b>	20071004
<b>Registered Office</b>	75 Saint Stephen's Green Dublin 2
<b>Principal Address</b>	Edmund Rice House North Richmond Street Dublin 1
<b>Auditors</b>	Nexia Smith & Williamson Chartered Accountants and Registered Auditor Paramount Court Corrig Road Sandyford Business Park Dublin 18
<b>Bankers</b>	Bank of Ireland Ballygall Road Finglas Dublin 11
<b>Financial Advisors</b>	L & P Trustee Services Limited 75 Saint Stephen's Green Dublin 2

# **Edmund Rice Development**

## **DIRECTORS' REPORT**

for the year ended 31 December 2017

The directors present their report, along with their audited financial statements, for the year ended 31 December 2017.

### **EDMUND RICE DEVELOPMENT**

Edmund Rice Development (ERD) is a development agency dedicated to the liberation of people and communities from poverty and injustice. ERD's core purpose is to support the sustainability of 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.

### **REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR**

2017 was year one 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.

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

1. Source funding and increase donor and partner engagement
2. Collaborate with partners to build mission development capacity
3. Develop and maintain an effective, efficient, accountable organisation

Overleaf is the report from the directors on progress made in 2017 towards the three strategic goals:

# Edmund Rice Development

## DIRECTORS' REPORT

for the year ended 31 December 2017

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

#### Institutional Funding:

€358,510 of funding from agencies, trusts and foundations was secured in 2017, down from €529,706 in 2016. In addition, a further €207,497, in multi-annual funding was approved in 2017 for receipt in the 2018-19 period (these will be reflected in the relevant accounts for those years).

Misean Cara remained the largest of these funders and 2017 saw a significant change in the Misean Cara funding schemes and in the way in which funding applications and impact of project funding are assessed. Responding to these changes placed considerable demand on the resources of ERD and our partners in 2017. Similarly, overall Misean Cara funding levels were reduced given increased demand on fewer resources, and ERD experienced cuts of 10% on all Misean Cara funded applications, including to previously approved multi-annual funding.

The cancellation of the three year multi-annual project St. Martin's construction project after year 1 due to changes at project level further reduced forecasted Misean Cara funding levels in 2017 by €99,981.

Funding of €17,091 was received from the CBERT Trust in 2017 for 6 projects.

#### Private Donor Funding:

Private donor funding activity was affected by staff changes in 2017 and difficulty in recruiting a new fundraiser. Similarly, organisation resources were fully deployed in responding to increased institutional funding requirements and the high level of project support required by several project partners to meet these.

In March 2017, ERD hosted the visit of two missionary brothers from Zambia and visited 12 Edmund Rice Schools in North and South Ireland speaking to over 2,250 students and educators about the Edmund Rice Mission in Zambia today. They also met with institutional funders, school trust representatives, ERD directors and Christian Brother communities. A number of fundraising events were subsequently held to support the Zambian mission.

A direct mail appeal for the Journeying Together programme in Western Zambia raised €17,249.

#### Partner Engagement

In 2017 €414,763 was allocated to 27 Edmund Rice Mission projects and programmes in 9 countries across Africa, Latin America and India.

Work was ongoing with our partners during the year to implement the Project Cycle Management approach to funding. Country Leadership documents outlining detailed financial management, monitoring & evaluation and governance responsibilities and procedures by country were collated.

A workshop was held in Dublin in September 2017 with partners from the African Province, to review partnership agreements and related matters.

In November 2017, an ERD Call for Funding Concept Notes for 2018+ funding received a good response from partners. These concept notes will form the basis of 2018+ partner priority funding needs.

ERD participated in Mission Sustainability Working Party meetings in Dublin and Sydney in 2017 and

## Edmund Rice Development

### DIRECTORS' REPORT

for the year ended 31 December 2017

#### In-country Partner Visits:

- ERD travelled to Sierra Leone and Liberia in June 2017 to conduct monitoring visits
- In May 2017, ERD visited Nairobi, Kenya for monitoring and capacity-building purposes
- ERD Visit to Zambia (including to the Journeying Together Cluster in Western Zambia) in September 2017 to conduct monitoring and also to meet with key staff, communities and leaders
- In October 2017, ERD visited Edmund Rice International for strategic planning and participation in an advocacy workshop with partner

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

An Edmund Rice Mission Capacity Assessment and Response Plan project was undertaken by the Congregation Leadership Group in 2017. ERD collaborated with this project. The Congregation established a Mission Capacity Support Team (MCST) of key global mission personnel to undertake this project. ERD's programme manager was seconded 60% time initially and full-time for the last quarter of 2017 to work for this project. The MCST carried out the assessment of mission capacity at two levels – globally and locally. Subsequently, the MCST developed, and had approved by all stakeholders, a Mission Capacity Development Plan (2018-2020) which includes supporting each Partner Mission Coordinator in creating their local plan for strengthening their local mission development office addressing capacity issues on the ground.

ERD has agreed the continuation of the full time secondment into 2018 and the seconded staff member has been replaced within ERD's core operation for the duration. All costs of the secondment during 2017 and for 2018 are met by the MCST 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 was made available on ERD website highlighting ERD's transparency and accountability, compliance with the Statement of Guiding Principles for Fundraising, the Dóchas Code of Conduct on Imaging and Messages and noting that ERD is currently 'On the Journey' to full compliance with the Governance Code for Community, Voluntary and Charity Organisations.

Please refer also to notes on Organisational Structure below detailing the appointment of new directors and establishment of Governance, Finance and Audit and Development subcommittees of the ERD board.

The ERD website was full reviewed, updated and upgraded in 2017 to reflect the current work of ERD and to ensure the content is optimised for various media platforms.

An in-depth Donor Impact Report was produced to cover the 2015-16 period, detailing the impact of ERD donor support over the two year period. This was widely circulated to all donors and made available publicly on the ERD website.

# Edmund Rice Development

## DIRECTORS' REPORT

for the year ended 31 December 2017

### FINANCIAL REVIEW

#### Results for the Year

The Statement of Financial Activities is set out on page 13.

During the year, total incoming resources amounted to €1,091,206. Total outgoing resources amounted to €841,862 during 2017. Charitable funding of €414,762 was distributed during 2017. In 2017 ERD received funding to support administration and costs of raising funds from Edmund Rice Bicentennial Trust Limited.

At 31 December 2017 the organisation had a surplus of €419,458 which includes restricted reserves of €364,648.

### PLANS FOR THE FUTURE

In 2018, ERD will continue to implement the ERD Strategy 2017- 21 with the following overall core strategic goals:

- **Source Funding and Increase Donor and Partner Engagement:**  
Ensure sufficient funding is sourced in good time to ensure the sustainability of Edmund Rice Mission development projects identified as priority by our partners.
- **Collaborate with partners to build mission development capacity:**  
To achieve maximum impact in the communities in which we work, ERD will work in collaboration with 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.
- **Develop and Maintain an Effective, Efficient, Accountable Organisation:**  
Ensure high standards of governance and management are maintained within ERD in line with sectoral requirements and good practice. The organisation is effective, efficient, accountable and transparent at all times.

The directors approved a detailed 2018 Operational Plan which focuses on the following core objectives for 2018:

- Source funding for all priority development projects as identified by Partners through the ERD Concept Note Call.
- Diversify ERD's funding base further through the cultivation on new institutional and private donors.
- Recruit a new project office and donor development manager and develop a staff wellbeing and retention programme.
- Produce a three year Fundraising and Donor Engagement Strategy and 2018 Implementation Plan to increase private donor funding and donor engagement, and to fulfill donor and public reporting obligations.
- Complete ERD's journey to full compliance with The Governance Code for Community and Voluntary Organisations
- To continue collaborative work with partners to build mission capacity and ensure excellent management, governance and stewardship of all projects funded by ERD.
- Conduct Monitoring/ Evaluation/ Partner visits to projects in Kenya, Bolivia, South Africa and Edmund Rice International.

## Edmund Rice Development

### DIRECTORS' REPORT

for the year ended 31 December 2017

### 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 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 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.

Matt Breen stepped down as chair of the board of directors in 2017, he was replaced as chair by John Cooley, staying on as an ordinary director of the board. Daniel O'Keefe died suddenly during the year RIP – our deepest sympathies extend to his family and friends. Tony O'Keefe resigned from the board having served for seven years and new directors Karin Bacon, Christopher Glavey and Mary Hanson were appointed.

Two new subcommittees of the board were established in 2017 – a new Finance and Audit subcommittee chaired by Dean McGlaughlin (first meeting held in Mar 2018) and a Governance subcommittee (first meeting Nov 2017), chaired by John Cooley. These are in addition to the Development subcommittee established in 2016 and chaired by Matt Breen. From 2018, the subcommittees are expected to meet at least four times a year in advance of full board meetings.

There were five formal meetings of the board of directors held in 2017, and three development subcommittee and one governance subcommittee meeting. The members of the board and the number of meetings attended were as follows:

	Relevant Board Meetings	Attended	Relevant Subcommittee Meetings	Attended
Matthew Breen (Chair to May '17)	5	5	3	3
Alfred Banda	5	3	0	0
John Casey	5	5	0	0
John Cooley (Chair from May '17)	5	4	3	2
Anthony O'Keefe	5	3	0	0
Daniel O'Keefe	2	2	0	0
Mark McDonnell	5	5	1	1
Dean McGlaughlin	5	5	3	3
Karin Bacon	3	2	0	0
Christopher Glavey	3	3	1	1
Mary Hanson	3	3	0	0



## **Edmund Rice Development**

### **DIRECTORS' REPORT**

for the year ended 31 December 2017

#### **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 principal risks affecting the organisation are:

**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:** considers the mission capacity of our partner governing bodies. 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. Br Daniel O'Keeffe (now deceased) was a director of both ERD and Edmund Rice Bicentennial Trust Limited.

#### **Other Relationships**

ERD adheres to the Dóchas Code of Conduct in its use of imagery and messages. The purpose of this Code of Conduct is to provide a framework on which organisations can build when designing and implementing their public communications strategy. It requires signatories to only use images and messages that respectfully and truthfully represent the people featured, maintaining their dignity and communicating solidarity.

#### **Signed on behalf of the Board**

**John Cooley**

**Dean McGlaughlin**

**Date: 15 May 2018**

## **Edmund Rice Development**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

for the year ended 31 December 2017

The directors are responsible for preparing 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.

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;
- follow FRS102 SORP, or otherwise ensure particulars of any material departures are disclosed and explained,
- 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.

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, FRS 102 SORP, the Charities Act 2009 and with Irish Statute comprising the Companies Act 2014, 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**

**John Cooley**

**Dean McGlaughlin**

**Date: 15 May 2018**

# **INDEPENDENT AUDITOR'S REPORT**

## **to the Members of Edmund Rice Development**

### **Report on the audit of the financial statements**

#### **Opinion on the financial statements**

We have audited the financial statements of Edmund Rice Development for the year ended 31 December 2017 which comprise the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Financial Position, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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.

In our opinion the financial statements :

- give a true and fair view of the assets, liabilities and financial position of the Company's affairs as at 31 December 2017 and of its results for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and 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 directors 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.

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, 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.

# INDEPENDENT AUDITOR'S REPORT

## to the Members of Edmund Rice Development

### 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; and
- in our opinion, 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.

In our opinion 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.

### Respective responsibilities

#### Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 10, 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.



**DANIEL HOLLAND**

For and on behalf of

**NEXIA SMITH & WILLIAMSON**

Chartered Accountants and Registered Auditor

Paramount Court

Corrig Road

Sandyford Business Park

Dublin 18

16 May 2018

## Edmund Rice Development

### STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

for the year ended 31 December 2017

	Note	Unrestricted funds 2017 €	Restricted funds 2017 €	Total funds 2017 €	Total funds 2016 €
<b>Incoming resources</b>					
Donations received		420,609	670,597	1,091,206	904,225
<b>Total incoming resources</b>		<u>420,609</u>	<u>670,597</u>	<u>1,091,206</u>	<u>904,225</u>
<b>Resources expended</b>					
Expenditure on charitable activities	2	434,963	406,899	841,862	1,074,781
<b>Total resources expended</b>		<u>(434,963)</u>	<u>(406,899)</u>	<u>(841,862)</u>	<u>(1,074,781)</u>
<b>Net movement of funds in year</b>		<u>(14,354)</u>	<u>263,698</u>	<u>249,344</u>	<u>(170,556)</u>
Total funds brought forward		69,164	100,950	170,114	340,670
<b>Total funds carried forward</b>		<u>54,810</u>	<u>364,648</u>	<u>419,458</u>	<u>170,114</u>

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

Approved by the board on 15 May 2018 and signed on its behalf by

John Cooley

Dean McGlaughlin

## Edmund Rice Development

A Company Limited by Guarantee not having a Share Capital

### BALANCE SHEET

as at 31 December 2017

	Notes	2017 €	2016 €
<b>Current Assets</b>			
Debtors	5	218,561	25,816
Cash at bank and in hand		235,269	175,233
		<u>453,830</u>	<u>201,049</u>
<b>Creditors: Amounts falling due within one year</b>	6	<b>(34,372)</b>	<b>(30,935)</b>
<b>Net Current Assets</b>		<u>419,458</u>	<u>170,114</u>
<b>Total Assets less Current Liabilities</b>		<u>419,458</u>	<u>170,114</u>
<b>Funds</b>			
Accumulated Reserves	7	<u>419,458</u>	<u>170,114</u>

Approved by the board on 15 May 2018 and signed on its behalf by

John Cooley

Dean McGlaughlin

## Edmund Rice Development

### CASH FLOW STATEMENT

For the year ended 31/12/17

	2017	2016
	€	€
<b>Cash flows from operating activities</b>		
(Deficit)/Surplus for the year	249,344	(170,556)
(increase)/decrease in debtors	(192,745)	126,559
Increase in creditors	3,437	(80,355)
Net cash generated from operating activities	<u>60,036</u>	<u>(124,352)</u>
Net increase/(decrease) in cash and cash equivalents	60,036	(124,352)
Net funds 1 January 2017	175,233	299,585
Net funds 31 December 2017	<u>235,269</u>	<u>175,233</u>

## **Edmund Rice Development**

### **ACCOUNTING POLICIES**

for the year ended 31 December 2017

#### **Basis of Preparation**

The financial statements have been prepared in accordance with generally accepted accounting principles in Ireland and Irish statute comprising the Companies Act 2014, the Charities Act 2009 and FRS 102. 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**

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.
- Private Donations - are recognised when received.

In accordance with the Charity SORP (FRS102), volunteer time is not recognised.

#### **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 donations and other incoming resources receivable or generated for the objects of the charity without further purpose 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.

#### **Reserves**

The reserves consist of restricted and unrestricted funds.

General reserves are unrestricted funds which are available for use at the discretion of the directors. A significant portion of the unrestricted funds are designated to provide for various activities in furtherance of the general objectives of the Charity.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been set aside by the company for particular purposes.



## Edmund Rice Development

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017

#### 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. CHARITABLE EXPENDITURE

	Unrestricted 2017	Restricted 2017	Total 2017	Total 2016
	€	€	€	€
Donations disbursed	7,863	406,899	414,762	691,686
Communication, administration, research, fundraising, training & consulting. Manage, monitor & evaluate projects	427,100	-	427,100	383,095
Total	<u>434,963</u>	<u>406,899</u>	<u>841,862</u>	<u>1,074,781</u>

## Edmund Rice Development

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017

#### 3. EMPLOYEES AND REMUNERATION

##### Number of employees

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

	2017 Number	2016 Number
Number of employees	<u>5</u>	<u>4</u>

The staff costs are comprised of:

	2017 €	2016 €
Wages and salaries	255,293	239,365
Social welfare costs	27,631	26,366
Pension costs	9,300	9,300
	<u>292,224</u>	<u>275,031</u>

The number of employees whose remuneration was in excess of €60,000 is indicated in the following table.

Salary in Bands from €60,000	2017 Number	2016 Number
€60,000 - €70,000	-	-
€70,000 - €80,000	1	1
€80,000 - €90,000	-	-
€90,000 - €100,000	1	1

The directors are not remunerated for their services to Edmund Rice Development.

#### 4. TAXATION

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

#### 5. DEBTORS

	2017 €	2016 €
Prepayments and accrued income	489	1,559
Accrued income	218,072	24,257
	<u>218,561</u>	<u>25,816</u>

## Edmund Rice Development

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017

6. CREDITORS	2017	2016
Amounts falling due within one year	€	€
Accruals and deferred income	34,372	30,935

#### 7. RETAINED RESERVES

	2017	2016
	€	€
At 1 January 2017	170,114	340,670
Surplus for the year	249,344	170,556
At 31 December 2017	419,458	170,114

#### 8. RELATED PARTY TRANSACTIONS

Edmund Rice Development received a total of €318,000 (2016: €367,000) 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 also a Trustee of Christian Brother South Central Region. In 2017, Edmund Rice Development provided donations of €182,596 to the Christian Brothers South Central Region.

## Edmund Rice Development

### NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2017

#### 9. MISEAN CARA

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

	€	€
	2017	2016
Opening balance b/f	34,714	181,296
Total Misean Cara funds received and receivable	585,932	386,749
Total Misean Cara disbursed	Prior Yr	(169,745)
Total Misean Cara disbursed	Current Yr	(363,586)
Closing balance c/f	<u>295,509</u>	<u>34,714</u>

#### 10. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors on 15 May 2018.