

**Waterford Leader Partnership Limited**  
**(a company limited by guarantee and**  
**not having a share capital)**

**Financial Statements**  
**Year ended 31 December 2013**

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## DIRECTORS AND OTHER INFORMATION

### Board of Director

Michael Walsh (Chairperson)  
John Moloney (Vice-Chairperson)  
Eleanor Burns  
John Carey  
Micheál Cosgrove  
Paul Flynn  
Donal Lehane  
John Pratt  
John O'Donnell  
Anika Tyrell  
Garrett Wyse  
Fearghal Reidy  
Cliona Mhic Ghiolla Chuda  
Michael Kirwan  
Damien Geoghan  
Peter Kiely  
Alan Walshe  
James Coughlan

### Solicitor

Joseph P. Gordon & Co.  
The Burgery  
Dungarvan  
Co. Waterford

### Secretary and Registered Office

Eleanor Burns  
John Barry House  
Lismore Business Park  
Lismore  
Co. Waterford

### Bankers

Bank of Ireland &  
Allied Irish Banks  
  
Dungarvan & Lismore  
Co. Waterford

### Statutory Auditors

John B. White & Co.  
Certified Public Accountants and Statutory Auditors  
Dungarvan  
Co. Waterford

### Company Number

189661

### CHY Number

18451

## DIRECTORS' REPORT

The directors present herewith their report and the audited financial statements for the year ended 31 December 2013.

### Statement of Directors' Responsibilities

Irish 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 those financial statements, the directors are required to:-

- select suitable accounting policies and then 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 are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with the Irish Companies Acts, 1963 to 2013. 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.

The company secretary is responsible for all company secretarial work. This includes recording minutes of all meetings, the Annual General Meeting and giving notice of these meetings to all entitled to receive notice as listed in the company register, the maintenance of all statutory records, including submission of the Annual Return to the Companies Registration Office, and ensuring that the company complies with all of the Companies Acts.

### Principal Activities

The company operates as a rural development company and manages a number of socio-economic development programmes. The main objectives of the company are to promote, support, assist and engage in: Social Development; Enterprise Development (to facilitate rural and urban regeneration) and; Community Development (designed to benefit and promote the welfare of local communities or to deal with the causes and consequences of social and economic disadvantage or poverty).

The main areas of activity involve the operation and management of a number of socio-economic development programmes, namely:-

- Rural Development Programme
- Local & Community Development Programme
- Local Employment Service
- Rural Social Scheme
- TUS (Community work Placement Initiative)

### Review of the business and future developments

The Directors acknowledge the result for the year and consider it to be in line with expectations. The company's main source of income consists of allocations from socio-economic development programmes for administration costs. Aside from these allocations for administrative costs, the other source of funds is currently by way of sub-renting of leased premises. The Directors expect the company to match its expenditure costs with appropriate income streams in the next financial year and that the company can continue to operate successfully for the foreseeable future.

### Results for the year and state of affairs as at 31 December 2013

The income and expenditure account for the year and the balance sheet as at 31 December 2013 are set out on pages 10 and 11. The surplus on ordinary activities before taxation amounted to €4,469. After deducting taxation of €nil an amount of €4,469 has been retained by the company.

### Principal Risks and Uncertainties

The directors confirm that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the company and that there has been in place for the year under review and up to the date of approval of these financial statements.

**DIRECTORS' REPORT - continued****Principal Risks and Uncertainties (continued)**

Waterford Leader Partnership Limited is reliant on funding from the socio-economic schemes detailed above and would find it difficult to continue in existence in the event of this funding being withdrawn. The contracts under which the company secures the principal sources of funding are renewed as follows:-

Source	Scheme	Frequency
Pobal	Local & Community Development Programme	Annual
Dept. of the Environment, Community & Local Government	Rural Development Programme	Contract 2009 - 2014
Dept. of Social Protection	Local Employment Service	Annual
	TÚS – community work place initiative	Annual
	Rural Social Scheme	Annual

On the basis of existing contracts in place with the respective bodies, the directors are hopeful of securing funding in the coming year. However, uncertainty exists regarding how government policy will impact on the future administration of some schemes detailed above, particularly in light of the proposed set up of Local Community Development Committees under the Local Government Reform Act, 2014. This may adversely affect the ability of the company to plan and resource its work. The board of directors are aware of these issues and await clarity on their impact. The ongoing scale of operations of the company is dependent on existing contracts being renewed at similar funding levels.

**Reserves Policy**

The directors have also examined the company's requirement to maintain an appropriate level of reserves in light of the main risks to the organisation and have reviewed its policy to generate unrestricted funds not committed or invested in tangible fixed assets, chiefly by way of maximising other income e.g. rental income. The company has received minimal income of a discretionary nature since its incorporation. The directors are considering other activities / programmes that may contribute to the company's reserve. The company maintains a dedicated bank account to hold such reserves.

**Governance**

The company was incorporated, under the Companies Acts 1963 to 2013, as a company limited by guarantee and not having a share capital, on 29<sup>th</sup> May 1992. The liability of the members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up, such amounts as may be required, not exceeding €0.01 each. The company was established under a Memorandum of Association (amended under Special Resolution dated 1<sup>st</sup> September 2008) which established the objects and powers of the company and is governed under the Articles of Association and managed by a board of directors.

**Directors**

In accordance with the Memorandum and Articles of Association the board of directors of the company has a four way membership, comprising of representatives from the following sectors:-

- National Social Partners - 4 directors
- Local Government Sector - 5 directors
- Community & Voluntary Sector - 8 directors
- State Statutory Sector - 6 directors

The directors retire by rotation on a three year cycle (except for the chairperson) and if eligible under the Memorandum of Association may offer themselves for re-election, provided that no person shall be reappointed more than twice and no person shall hold office for more than two consecutive terms. The Chairperson holds office for a three year term.

The directors of the company during the year ended 31 December 2013, all of whom were directors of the company for the year unless otherwise stated, were:-

Michael Walsh; John Moloney; Eleanor Burns; John Carey; Oliver Coffey (resigned 30/09/13); Micheál Cosgrove; Paul Flynn; Donal Lehane; John Pratt; Ray McGrath (resigned 30/09/13); John O'Donnell; Patrick Murphy (resigned 30/09/13); Pat Nugent (resigned 30/09/13); Caroline Bourke Smiddy (resigned 30/09/13); Anika Tyrell; Mary Walsh (resigned 30/09/13); Garrett Wyse; Fearghal Reidy (appointed 24/06/13); Cliona Mhic Ghiolla Chuda (appointed

**DIRECTORS' REPORT - continued**

27/05/13); Michael Kirwan (appointed 30/09/13); Damien Geoghan (appointed 30/09/13); Peter Kiely (appointed 30/09/13); Alan Walshe (appointed 30/09/13); James Coughlan (appointed 01/01/13); Aidan Duane (resigned 17/12/13); Tom Gilligan (resigned 24/06/2013).

**Taxation Status**

The company holds exemption from Corporation Tax, DIRT and Capital Gain Tax under Sections 76, 266 and 609 respectively of the Taxes Consolidation Act 1997.

**Research & Development**

The company did not engage in any research and development activity during the year.

**Proper Books and Records**

To ensure that proper books and accounting records are kept in accordance with Section 202 Companies Act, 1990, appropriately experienced personnel maintain the accounting records on a computerised accounting system. The books are located at John Barry House, Lismore Business Park, Lismore, Co. Waterford.

**Post Balance Sheet Events**

No events have occurred subsequent to the Balance Sheet date, which require disclosure in the financial statements.

**Transactions involving directors**

During the year the Company had arms-length trading transactions with directors as detailed at note 23 to these financial statements. There were no other contracts or arrangements of any significance in relation to the business of the Company in which the Directors had an interest, as defined by the Companies Act, 1990 at any time during the year ended 31 December 2013.

**Statutory Auditors**

The auditor, John White of John B. White & Co. was appointed following the year end and has indicated his willingness to continue in office in accordance with Section 160 (2) of the Companies Act, 1963.

**On behalf of the board**

Michael Walsh  
Chairperson

Eleanor Burns  
Secretary

Micheál Cosgrove  
Director

**Date: 28<sup>th</sup> July 2014**

## **INDEPENDENT AUDITORS' REPORT: To the members of Waterford Leader Partnership Limited**

We have audited the financial statements of Waterford Leader Partnership Limited for the year ended 31 December 2013 on pages 8 to 20 which comprises the Income & 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 Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Certified Public Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the company's members as a body in accordance with the requirements of the Companies Acts, 1963 to 2013. Our audit work has been undertaken so that we might state to the company's members those matters that we are required to state to them in our audit 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's members as a body for our audit work, for this report, or for the opinions we have formed.

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

The directors are responsible for preparing the Directors' Report and, as more fully described on page 3, for preparing the financial statements giving a true and fair view.

Our responsibility, as independent auditor, is to audit and express an opinion on the financial statements in accordance with Irish Law and International Standards on Auditing (UK and Ireland). Those Standards require us to comply with the Auditing Practices Board's [APB's] Ethical Standards for Auditors, including the circumstances set out in note 27 to the financial statements.

### **Scope of the audit of the financial statements**

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 misstatements, 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 Directors 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 the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its result for the year then ended;
- have been properly prepared in accordance with the Irish GAAP; and
- have been 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 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.
- In our opinion the information given in the directors' report on pages 3 to 5 is consistent with the financial statements.

**Matters on which we are required to report by exception**

We have nothing to report 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 the directors' remuneration and transactions specified by law are not made.



John B. White, FCPA

for and on behalf of:

John B. White & Co.

Certified Public Accountant and Statutory Auditor

Dungarvan

Date: 28<sup>th</sup> July 2014



## **ACCOUNTING POLICIES**

The significant accounting policies adopted by the company are as follows:-

### **Basis of preparation**

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in Ireland (GAAP) and Irish statute comprising the Companies Acts, 1963 to 2013, and comply with the Financial Reporting Standards of the Accounting Standards Board, except as detailed hereunder. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those promulgated by the Institute of Certified Public Accountants in Ireland and issued by the Accounting Standards Board.

### **Exceptions:**

Project Payments – Grant advances to beneficiaries are accounted for as payments are made. Amounts authorised at the Balance Sheet date and awaiting payment are disclosed as commitments.

### **Income**

#### **Funding Received – Restricted**

Funds received from various funding agencies are credited to the Funding – Restricted Account in the year of receipt. Where funds received have not been distributed to Projects or allocated to administrative expenses they are included under creditors in the balance sheet.

#### **Funding Received – Unrestricted**

Unrestricted funds represent amounts which are expendable at the discretion of the directors in furtherance of the objectives of the company and which have not been designated for other purposes. Such funds may be held in order to finance working capital, capital expenditure or creation of Reserves under its Reserves Policy.

### **Expenditure**

Projects - Expenditure is recognised when payment is made to the project promoters following receipt of funding from the funding agency.

Administrative Costs – Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes Value Added Tax (VAT) which cannot be recovered and is reported as part of expenditure to which it relates.

### **Tangible assets**

Tangible assets are shown at cost or valuation less accumulated depreciation.

Depreciation is calculated with reference to the above value to write off the asset over their expected useful lives on a straight line basis at the following annual rates:-

	Rate
Office Equipment	25%
Computer Equipment	25%
Leasehold Improvements	10%

### **Impairment of assets**

Assets that are subject to amortisation and depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of (a) an asset's fair value, less costs to sell, and (b) its value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows.

### **Debtors**

Known bad debts are written off and specific provision is made for any material amounts, the collection of which is considered doubtful.

## **ACCOUNTING POLICIES (continued)**

### **Leasing and hire purchase commitments**

Tangible fixed assets, acquired under a lease, which transfers substantially all of the risks and rewards of ownership to the company, are capitalised as a fixed asset. Amounts payable under such leases (finance leases), net of finance charges, are shown as short or medium term borrowings, as appropriate. Finance charges on finance leases are charged to the income and expenditure account over the term of the lease. Assets acquired by hire purchase are similarly treated.

All other leases are operating leases and the annual rentals are charged to the income and expenditure account.

### **Taxation**

No charge for taxation has been provided in the accounts as the company has been granted charitable status by the Revenue Commissioners. The company is not registered for VAT. Irrecoverable VAT is expended as incurred.

### **Stocks**

Stocks are valued on a first in first out (FIFO) basis at the lower of cost and net realisable value. Cost comprises invoice price plus handling and transport costs. Net realisable value comprises the estimated selling price, less selling and distribution costs. Provision is made, where necessary, for obsolete, slow moving and defective stocks.

### **Grants**

Grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions. Capital grants are treated as deferred credits and are credited to the profit and loss account on the same basis as the related tangible assets are depreciated. All other grants are recognised in the income and expenditure account at the time the costs they are intended to compensate are incurred by the company.

### **Pensions**

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The charge to the profit and loss account represents contributions payable by the company to the fund.

**INCOME & EXPENDITURE ACCOUNT**  
**Year ended 31 December 2013**

	Notes	Year ended 31 December 2013 €	Year ended 31 December 2012 €
<b>Income</b>			
Funding Received - Unrestricted	1	1,148,318	1,141,156
<b>Expenditure</b>			
Administrative Expenses		(1,179,679)	(1,178,047)
Other Operating Income	2	<u>35,955</u>	<u>36,202</u>
<b>Operating surplus / (deficit)</b>	3	4,594	(689)
Interest receivable	4	160	456
Interest payable and similar charges	5	<u>(285)</u>	<u>(225)</u>
<b>Surplus / (Deficit) on ordinary activities before taxation</b>		4,469	(458)
Tax on surplus / (deficit) on ordinary activities	6	<u>-</u>	<u>-</u>
<b>Surplus Retained / (Deficit absorbed) for the year</b>		<u>4,469</u>	<u>(458)</u>

**Statement of total recognised gains and losses**

The company has no recognised gains and losses other than those included in the income and expenditure account above and therefore no separate statement of total recognised gains and losses has been presented.

**Note of historic cost profits**

There is no difference between the surplus on ordinary activities before taxation and the surplus retained for the year stated above and their historical cost equivalents.

All activities are considered to be continuing.

**On behalf of the board**

Michael Walsh  
Chairperson

Eleanor Burns  
Secretary

Micheál Cosgrove  
Director

**BALANCE SHEET**  
**31 December 2013**

	Notes	2013 €	2012 As Restated €
<b>Fixed assets</b>			
Tangible assets	8	25,020	23,878
<b>Current assets</b>			
Stocks	9	3,807	-
Debtors	10	42,687	35,449
Bank and cash – Restricted Funds	11	490,875	120,429
Bank and cash – Unrestricted Funds		<u>110,049</u>	<u>98,043</u>
		<u>647,418</u>	<u>253,921</u>
<b>Creditors</b>			
Amounts falling due within one year	12	(76,523)	(46,597)
Restricted Funds Reserve	13	<u>(473,841)</u>	<u>(120,362)</u>
<b>Net current assets</b>		<u>97,054</u>	<u>86,962</u>
<b>Total assets less current liabilities</b>		122,074	110,840
<b>Creditors</b>			
Amounts falling due after more than one year		-	-
Grants	15	(19,775)	(13,010)
		<u>102,299</u>	<u>97,830</u>
<b>Capital and reserves</b>			
Retained Reserves	16	95,569	91,100
Other Reserves: pre-incorporation	17	<u>6,730</u>	<u>6,730</u>
		<u>102,299</u>	<u>97,830</u>

**On behalf of the board**

Michael Walsh  
Chairperson

Eleanor Burns  
Secretary

Micheál Cosgrove  
Director

**CASH FLOW STATEMENT**  
**Year ended 31 December 2013**

	Notes	2013	2012
		€	€
Net cash inflow from operating activities	18	<u>27,246</u>	<u>45,813</u>
<b>Returns on investments and servicing of finance</b>			
Interest received		254	456
Interest paid		<u>(285)</u>	<u>(225)</u>
Net cash (outflow) / inflow from returns on investments and servicing of finance		<u>(31)</u>	<u>231</u>
<b>Taxation</b>			
Corporation tax		<u>-</u>	<u>-</u>
Tax refunded / (paid)		<u>-</u>	<u>-</u>
<b>Capital expenditure</b>			
Purchase of tangible fixed assets		(19,583)	(6,986)
Proceeds from sale of fixed assets		<u>-</u>	<u>-</u>
Net cash outflow from capital expenditure		<u>(19,583)</u>	<u>(6,986)</u>
<b>Cash inflow before use of liquid resources and financing</b>		<u>7,632</u>	<u>39,058</u>
<b>Financing</b>			
Capital Grants Received		<u>18,850</u>	<u>4,980</u>
		<u>18,850</u>	<u>4,980</u>
<b>Increase in cash</b>	20	<u>12,006</u>	<u>44,038</u>

**On behalf of the board**

Michael Walsh  
**Chairperson**

Eleanor Burns  
**Secretary**

Micheál Cosgrove  
**Director**

## NOTES TO THE FINANCIAL STATEMENTS

### 1 Income – Unrestricted Funding

Unrestricted funding comprises of funds received from various grant authorities which are expendable at the discretion of the directors in furtherance of the objectives of the company. All income derives from activities in the Republic of Ireland. The amount of income allocated under each scheme is as follows:-

	Year Ended 31/12/2013	Year Ended 31/12/2012
	€	€
Local & Community Development	240,553	268,017
Local Employment Service	309,776	304,135
Rural Development Programme	445,254	438,177
Rural Social Scheme	23,973	30,361
Tús	128,761	100,466
	<u>1,148,318</u>	<u>1,141,156</u>

### 2 Other Operating Income

	Year ended 31 December 2013	Year ended 31 December 2012
	€	€
Office Rents and overheads recovered	26,820	32,673
Plaques and stickers	9,135	3,529
	<u>35,955</u>	<u>36,202</u>

### 3 Operating surplus / (deficit)

	Year ended 31 December 2013	Year ended 31 December 2012
	€	€
Operating surplus / (deficit) is stated after charging / (crediting):		
(i) Directors' remuneration	<u>-</u>	<u>-</u>
(ii) Auditor's remuneration	<u>12,023</u>	<u>13,899</u>
(iii) Depreciation	<u>18,441</u>	<u>23,593</u>
(iii) Grants amortised	<u>(12,085)</u>	<u>(4,980)</u>

### 4 Interest receivable

	Year ended 31 December 2013	Year ended 31 December 2012
	€	€
Deposit interest receivable	160	456
Other investment income	<u>-</u>	<u>-</u>
	<u>160</u>	<u>456</u>

## NOTES TO THE FINANCIAL STATEMENTS

### 5 Interest payable and similar charges

	Year ended 31 December 2013	Year ended 31 December 2012
	€	€
Interest payable on loans and overdrafts wholly repayable within five years	285	225
Interest payable on all other loans	-	-
	<u>285</u>	<u>225</u>

### 6 Taxation

	Year ended 31 December 2013	Year ended 31 December 2012
	€	€
Corporation tax	-	-
	<u>-</u>	<u>-</u>

Under Section 76 of the Taxes Consolidation Act 1997, the income of the company is exempt from corporation tax. The company is also exempt from Income Tax, DIRT and Capital Gains Tax under Sections 207, 266 and 609 TCA '97 respectively.

### 7 Employees and remuneration

The average number of persons contracted by the company during the financial year was as follows:

	Year ended 31 December 2013	Year ended 31 December 2012
Management	1	1
Administration	14	15
	<u>15</u>	<u>16</u>

	Year ended 31 December 2013	Year ended 31 December 2012
	€	€
The employee costs comprise of:		
Wages and salaries	661,459	686,998
Social Welfare	70,917	73,265
Staff Pension Costs	66,147	65,532
	<u>798,523</u>	<u>825,795</u>

## NOTES TO THE FINANCIAL STATEMENTS

8 Tangible fixed assets	Leasehold Improvements €	L.E.S. Equipment (i) €	Computers & Equipment €	Total €
<b>Cost</b>				
At 31 December 2012	18,774	135,372	142,290	296,436
Additions	-	2,467	17,116	19,583
Disposals	-	-	-	-
<b>At 31 December 2013</b>	<b>18,774</b>	<b>137,839</b>	<b>159,406</b>	<b>316,019</b>
<b>Depreciation</b>				
At 31 December 2012	16,893	133,574	122,091	272,558
Charge for year	1,881	2,236	14,324	18,441
Disposals	-	-	-	-
<b>At 31 December 2013</b>	<b>18,774</b>	<b>135,810</b>	<b>136,415</b>	<b>290,999</b>
<b>Net book amounts</b>				
At 31 December 2012	1,881	1,798	20,199	23,878
<b>Net book amounts</b>				
At 31 December 2013	-	2,029	22,991	25,020

(i) Local Employment Service Equipment – The Dept. of Social Protection retain legal title to fixed assets purchased under the Local Employment Service Programme and which are held at contact points in County Waterford.

(ii) There are no assets held under finance lease, hire purchase or similar contracts included in the tangible fixed asset schedule.

9 Stock	31 December 2013 €	31 December 2012 €
Stock of plaques	3,807	-
	<u>3,807</u>	<u>-</u>

In the opinion of the directors the current replacement cost of stocks does not differ significantly from the amount stated above.

10 Debtors	31 December 2013 €	31 December 2012 €
<b>Amounts falling due within one year</b>		
Debtors & Prepayments	12,690	13,534
Rural Development Programme – WLP internal projects (see (i) below)	29,997	21,915
	<u>42,687</u>	<u>35,449</u>

(i) Funding for 5 internal projects remains outstanding at the year end date. These internal projects were approved for funding by Dept. Environment, Community & Local Government. Of these projects, two had concluded at 31 December 2013, with cumulative funding receivable in the sum of €5,715. The remaining projects were ongoing at the year end.



NOTES TO THE FINANCIAL STATEMENTS

<b>11 Bank and cash - Restricted Funds</b>	<b>31 December 2013</b>	<b>31 December 2012</b>
	€	€
Rural Development Programme	386,491	53,859
Local & Community Development Programme	31,614	26,284
Local Employment Service Training Fund	2,491	2,075
Technical Assistance	15,442	15,442
Local Employment Service	50,393	19,072
Rural Social Scheme	3,577	4,623
Tús Community Placement Initiative	867	(926)
	<u>490,875</u>	<u>120,429</u>
<b>12 Creditors</b>	<b>31 December 2013</b>	<b>31 December 2012</b>
	€	€
<b>Amounts falling due within one year</b>		
Trade Creditors and accruals (see (i) below)	36,682	27,245
Ineligible Project Funding Repayable - RDP	7,605	-
Rural Development Programme – WLP internal projects	12,546	-
PAYE/PRSI	19,690	19,352
	<u>76,523</u>	<u>46,597</u>
(i) Reservation of Title		
Part of the amount owing to creditors may be secured by the reservation by the supplier of legal title to any goods supplied. The amount secured in this way depends on the legal interpretation of the individual contracts and cannot be readily determined.		
<b>13 Restricted Funds Reserve</b>	<b>31 December 2013</b>	<b>31 December 2012</b>
	€	€
Local & Community Development	26,509	25,422
Local Employment Service	44,469	17,153
LES Training Fund	2,491	2,075
Rural Development Programme (see note 14)	383,356	53,386
Pobal Technical Assistance	15,441	15,441
Rural Social Scheme	3,096	4,238
Tús	(1,521)	2,647
	<u>473,841</u>	<u>120,362</u>
<b>14 Rural Development Programme Reserve</b>	<b>31 December 2013</b>	<b>31 December 2012</b>
	€	€
Payment due to Promoters of Approved Projects	350,575	48,204
Grant Advanced for next year	53,250	-
(Deficit) / Surplus of Operating expenses over Grants in current year c/fwd	(20,469)	5,182
	<u>383,356</u>	<u>53,386</u>

## NOTES TO THE FINANCIAL STATEMENTS

<b>15 Grants</b>	<b>Year ended 31 December 2013</b>	<b>Year ended 31 December 2012</b>
	€	€
Opening Balance	13,010	-
Prior Year Adjustment (see note 24)	-	13,010
Received during the year	18,850	4,980
Amortised to the Income & Expenditure Account	(12,085)	(4,980)
Closing Balance	<u>19,775</u>	<u>13,010</u>
<b>16 Retained Reserves</b>	<b>Year ended 31 December 2013</b>	<b>Year ended 31 December 2012</b>
	€	€
Opening Balance	91,100	104,568
Prior Year Adjustment (see note 24)	-	(13,010)
Surplus retained / (deficit absorbed) for the year	<u>4,469</u>	<u>(458)</u>
Closing Balance	<u>95,569</u>	<u>91,100</u>
<b>17 Other Reserves: pre-incorporation</b>	<b>Year ended 31 December 2013</b>	<b>Year ended 31 December 2012</b>
	€	€
Opening balance	6,730	6,730
Movement during the year	<u>-</u>	<u>-</u>
Closing balance	<u>6,730</u>	<u>6,730</u>
The pre-incorporation capital reserve relates to net assets and liabilities taken over by the company on incorporation of the entity which operated at that time.		
<b>18 Reconciliation of operating surplus / (deficit) to net cash flow from operating activities</b>	<b>2013</b>	<b>2012</b>
	€	€
Operating surplus / (deficit)	4,500	(689)
Depreciation charge	18,441	23,593
Grants amortised	(12,085)	(4,980)
Net Movement in Restricted Funds / Reserve	(16,967)	2,031
(Increase) in stocks	(3,807)	-
Decrease / (increase) in debtors	(7,238)	2,126
(Decrease) in creditors	<u>29,926</u>	<u>23,732</u>
Net cash flow from operating activities	<u>27,246</u>	<u>45,813</u>

## NOTES TO THE FINANCIAL STATEMENTS

<b>19 Reconciliation of net cash flow to movement in net funds</b>	<b>2013</b>	<b>2012</b>
	€	€
Increase / (Decrease) in cash during the year	12,006	44,038
(Increase) / Decrease in term loans	-	-
Movement in net funds	12,006	44,038
Net funds at 1 January	98,043	54,005
Net funds at 31 December	110,049	98,043

<b>20 Analysis of changes in net funds</b>	<b>31 December</b>			<b>31 December</b>
	2012	Cash flows	Other Changes	2013
	€	€	€	€
Bank and cash – unrestricted funds	98,043	12,006	-	110,049
Net funds	98,043	12,006	-	110,049

### 21 Commitments

Commitments contracted for at the reporting date but not recognised in the Financial Statements are as follows:-

<b>(a) Restricted Funding – Projects approved and awaiting payment as at 31/12/2013</b>	<b>No. of projects</b>	<b>Amount Approved</b>
		€
Basic Services for Economy & Rural Development	3	387,955
Encouragement of Tourism Activities	17	556,685
Training & Information	5	26,448
Business Creation & Development	20	887,715
Village & Countryside Renewal	6	322,634
Conservation of Rural Heritage	10	160,411
Animation	3	49,598
Implementing Co-operation projects	2	15,880
Adding Value to Agriculture	3	229,700
	<b>69</b>	<b>2,637,026</b>

Payment of approved eligible projects is dependent upon the Promoters meeting all the requirements and conditions as outlined in their Letter of Offer and on receipt of funds from the funding agencies.

### (b) Operating Lease Commitments

The company leases various assets by operating lease. Generally operating leases are short-term with no purchase option. The future aggregated minimum lease payments under non-cancellable operating leases are as follows:-

	<b>31 December</b>	<b>31 December</b>
	2013	2012
	€	€
Not later than 1 year	9,122	3,625
Later than 1 year and not more than 5 years	32,502	9,299
Later than 5 years	1,339	-
	<b>42,963</b>	<b>12,924</b>

**NOTES TO THE FINANCIAL STATEMENTS - continued**

**(c) Business Rental Agreements**

The company had entered the following rental agreements at 31 December 2013:-

- Rental agreement for business premises at Lismore, Co. Waterford for 15 months – effective 01/04/2013. Current annual rent €28,290
- Awaiting rental agreement regarding business premises at Dungarvan, Co. Waterford for 10 years – effective 1/07/2011. Current annual rent €5,000
- Awaiting rental agreement regarding business premises at Carrick-on-Suir, Co. Tipperary for 1 year – effective 1/09/2013. Current annual rent €9,360
- Rental agreement for business premises at Dunhill, Co. Waterford for 1 year – effective 22/07/2013. Current annual rent €4,704.36

**22 Contingent Liabilities**

Funds received or receivable from funding agencies could be repayable if certain circumstances set out in the grant agreements occur. Under agreements between the Company and government funding agencies, various restrictions have been placed on the distribution of funds and non-compliance with the terms of agreements may result in the reimbursement to or withholding of funds by the various agencies.

**23 Related party transactions**

In accordance with the Articles of Association of the Company, no director received any remuneration during the year.

No director has any personal interest in any contract or transaction entered into by the company (2012: €nil).

The company had the following arms length transactions with related parties during the year to 31 December 2013:

Lismore Business Park Limited, a company in which Ms. Eleanor Burns is secretary to, charged rent in the amount of €25,465 (2012: €16,990) to the company during the year. At 31 December 2013 the Company owed an amount of €nil (2012: €nil) to Lismore Business Park Limited.

**24 Prior Year Adjustment**

A prior year adjustment has been included in the financial statements in the current year. This relates to the amortisation of funds received which were used to finance the purchase of tangible fixed assets. Accounting Standards require such fund to be capitalised in the accounts and amortised over the period that the related asset is depreciated. Prior years accounts have amortised the full amount of such funds to the Income & Expenditure Account in the year of receipt. These financial statements have been adjusted to correct same.

**25 Pension Costs**

The company makes contributions to a defined contribution scheme on behalf of management and staff, the assets of which are vested in independent trustees for the benefit of members and their dependents. The contributions for the year amounted to €66,147 (2012: €65,532) and have been charged in arriving at the operating surplus / (deficit). The actuarial reports are available for inspection by members and beneficiaries.

**26 Limited by guarantee and not having a share capital**

The company is limited by guarantee and does not have a share capital. Under the Memorandum of Association of the Company, all income and property of the company shall be applied solely towards the promotion of the objects of the Company. The liability of the members is limited to an amount not exceeding €0.01 each.

**NOTES TO THE FINANCIAL STATEMENTS - continued**

**27 APB Ethical Standards – Provisions Available to Smaller Entities**

In common with many other businesses of our size and nature we use our statutory auditors to assist with the preparation of the financial statements and secretarial compliance work.

**28 Pobal – Rural Social Scheme**

The company is involved in the implementation of the Rural Social Scheme programme in County Waterford in conjunction with Pobal. The scheme involves the employment of a number of employees to carry out certain work in local communities. The company received a supervisory allowance together with funds for the purchase of materials and these receipts are included in the financial statements. The payment and administration of wages of the participants is undertaken by Pobal.

**29 Tús – Community Work Placement Initiative**

The company is involved in the implementation of the Tús programme in County Waterford on behalf of the Department of Social Protection. The company received a financial allocation from the Department of Social Protection based on the number of participants allocated and actually on work placements. This allocation towards the company's administration is included in the Income & Expenditure Account. The payment and administration of wages, for Tús supervisors and participants, is undertaken by Pobal and these wage costs are not included in the company's Income & Expenditure Account.

**30 Comparative Figures**

Certain comparative figures in the profit and loss account, balance sheet and related notes have been amended to better reflect the trading activities of the company.

**31 Approval of financial statements**

The financial statements were approved by the board of directors on 28<sup>th</sup> July 2014

