

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

Financial Statements
Year ended 31 December 2016

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DIRECTORS AND OTHER INFORMATION

Board of Director – 31/12/16

Michael Walsh (Chairperson)
Micheál Cosgrove (Vice-Chairperson)
Eleanor Burns
John Moloney
Paul Flynn
Donal Lehane
John O'Donnell
Cliona Mhic Ghiolla Chuda
Peter Kiely
James Coughlan
Donal Murphy
Peter McLoughlin
Mary Walsh

Solicitor

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

Chief Executive Officer

Jimmy Taaffe

Financial Controller

Angeline Drennan, CPA

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

JBW Accountants UC
Certified Public Accountants and Statutory Auditors
Dungarvan
Co. Waterford

Company Number

189661

CHY Number

18451

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Statement of Directors' Responsibilities

Irish company law requires the directors to prepare financial statements for each financial year that 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 period. Under that law the directors have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice (accounting standards issued by the Financial Reporting Council and Irish law). In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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 enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with the Irish Companies Act, 2014. 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 notice of these meetings, 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 Act, 2014.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the directors is aware of no relevant audit information of which the company's statutory auditor is unaware and has taken the necessary steps to establish that the auditor is aware of all relevant audit information.

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

On behalf of the board

Michael Walsh, Chairperson

Eleanor Burns, Secretary

Micheál Cosgrove, Director

Date: 11th September 2017

DIRECTORS' REPORT

The directors present herewith their report and the audited financial statements for the year ended 31 December 2016.

Incorporation

The company was incorporated as a company limited by guarantee and not having a share capital on 29th May 1992.

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 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 Employment Service
- Rural Social Scheme
- TUS (Community Work Placement Initiative)
- Social Farming

Rural Development Programme - RDP

The Rural Development Programme is funded by the Irish Government and part financed by the European Union under the National Development Plan. Funding towards LEADER-type activities from EU funding is part of the broader Rural Development Programme for Ireland. This Programme contains four Axis. Axis 3 and 4 contain the funding available for the delivery of LEADER-type activities. The focus of Axis 3 of the Programme is on quality of life and diversification and the Government has decided that the measures it contains will be delivered using the LEADER methodology. This Axis is relevant to all rural dwellers, including farmers, particularly in view of the growth in part-time farming. The challenges in the wider context include the provision of alternative and suitable employment opportunities for people living in rural areas and a range of services that people now want and expect locally. In the Programme, actions centred on the wider rural community such as the development of rural enterprises based on local natural resources, tourism, village enhancement and environmental initiatives will be delivered in a manner that addresses these challenges and complements on-farm measures.

Tús - Community Work Placement Scheme

The Tús initiative is a community work placement scheme providing short-term working opportunities for unemployed people. The work opportunities are to benefit the community and are to be provided by community and voluntary organisations in both urban and rural areas. The Tús initiative is managed by Waterford Leader Partnership CLG for the Department of Social Protection, which has overall responsibility for the scheme. Unemployed people who are eligible to participate in the scheme are selected and contacted by the Department of Social Protection. Tús are also allowed to accept up to 20% of their placements through self-referral. To be eligible to participate in the Tús scheme a candidate must have been continuously unemployed for at least 12 months and be "signing on" on a full-time basis.

All of the work undertaken while participating on Tús will be beneficial to the local community and the types of projects carried out are likely to include:

- Energy conservation work in homes and community buildings
- Social care of all age groups and persons with a disability or limited mobility
- Caretaking, securing, supervising of community buildings and spaces
- Renovation of community and sporting facilities, including the regeneration and enhancement of community, recreation and sporting spaces
- Work in support of the promotion of the Irish language, other cultural and heritage activities
- Community administration, research and community event management
- Coaching for sporting activities (where operated by designated sporting organisations)
- Repair of equipment for developing world – farm tools, bicycles, computers, sewing machines, health equipment.

DIRECTORS' REPORT

Rural Social Scheme - RSS

Waterford Leader Partnership CLG provides this service under contract to the Department of Social Protection. RSS is targeted to farmers and their spouses who are currently in receipt of long-term social welfare payments. In effect it is a Community Employment Scheme to provide services of benefit to rural communities by harnessing the skills and talents available among low-income farmers. The sort of work they are carrying out varies from environmental maintenance work (maintenance and caretaking of community and sporting facilities), to community after-schools groups and community pre-schooling groups (farmers wives can also participate). Successful applicants for the scheme who are in receipt of Farm Assist, may receive this payment from the Department of Social Protection so long as they participate on the scheme.

Local Employment Service - LES

The Local Employment Service Network - LES - provides a guidance and placement service for the unemployed. Waterford Leader Partnership CLG provides this service under contract to Department of Social Protection. The LES forms one strand in a dual-stranded National Employment Service (NES). The objective of the LES is to provide services to the long-term unemployed and those most removed from the labour market, as a direct response to the local context within which the LES is located. The LES delivers personalised services to those most in need and most distanced from the labour market.

The LES is a service which assists the jobseeker in taking practical steps towards securing employment by providing access to a range of employment, training and education opportunities. The LES has organised many training programmes, on behalf of clients, in Basic Computer Training; ECDL; Communications / Personal Development; Fáilte Ireland "Bar Skills Training" and Fáilte Ireland "Food & Wine Service Skills Training". The service also provides jobseekers with assistance with CV's, Cover Letters and Interview Preparation. The LES is a free and confidential service for all jobseekers who are unemployed and in receipt of a Social Welfare payment.

Social Farming

Social Farming is the practice of offering activity on family farms as a form of social support service. In Social Farming the farm remains a working farm at its core but invites people to participate in the day to day activities of the farm. Social Farming provides people who use services with the opportunity for inclusion, to increase self-esteem and to improve health and well-being. Waterford Leader Partnership CLG provides this service under contract to the Leitrim Development Company with the assistance of the Department of Agriculture Food & the Marine. Waterford Leader Partnership CLG also receives some philanthropic funding from the Tomar Trust.

The key programme goals of this programme are as follows:

- To recruit a regional network development worker to be the main contact for Social Farming for the National Office.
- Develop regional networks that involve all key stakeholders, and promote the project at regional and national level.
- Support existing social farmers in progressing their service offering, providing briefing sessions, introductory workshops and induction to potential social farmers
- Establish working relations with service providers and other participant representative organisations at a regional and local level
- Recruit and support new social farmers, make arrangements for placements, arrange training events.

Directors

In accordance with the Constitution of the Company 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. During the year ended 31 December 2016, it was decided to extend the term of the directors by a further twelve months as the company was in a transition period. The Chairperson holds office for a three year term.

DIRECTORS' REPORT

The directors of the company during the year ended 31 December 2016, all of whom were directors of the company for the year unless otherwise stated, were:-

Michael Walsh; John Moloney; Eleanor Burns; Micheál Cosgrove; Paul Flynn; Donal Lehane; John O'Donnell; Cliona Mhic Ghiolla Chuda; Michael Kirwan (resigned 10/10/16); Peter Kiely; Alan Walshe (resigned 05/08/16); James Coughlan, Donal Murphy (appointed 26/09/16); Peter McLoughlin (appointed 26/09/16); Mary Walsh (appointed 08/12/16).

Governance

The company was incorporated, under Irish Company Law, as a company limited by guarantee and not having a share capital, on 29th 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 1st 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.

The company is governed by the Board of Directors, the maximum number of which can be twenty-three. The Board is responsible for determining the policies and overall strategic direction of the company. It has ultimate responsibility for the organisation. It meets regularly and delegates the day-to-day operations to the Chief Executive. The Board of Directors are unpaid and provide their time in a voluntary capacity.

During the year the Board met on nine occasions. The Board is committed to maintaining the highest standards of corporate governance and has adopted the principles of good corporate governance as outlined in the Irish Development NGO's Code of Corporate Governance. The directors determined that it was appropriate for the Company to comply with the Code and every effort will be made to do so. The Board is in the process of introducing Board meeting and Board Member evaluation processes which are to be used constructively as one mechanism to improve Board effectiveness.

The Board retains overall governance responsibility, including the establishment and approval of all general policies and internal control practices under which management operates. Internal controls over all forms of commitment and expenditure continue to be reviewed and amended as necessary to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by both senior management and the Board of Directors. Various internal control systems are in place to enable the Company function effectively and efficiently. They include:

- Strategic plan and annual budget approved by the Board;
- Regular consideration by the Board of financial results, variances from budgets, and non-financial performance indicators;
- Delegation of day-day management authority and segregation of duties to the CEO and management team;
- Identification and management of risks.

The Company also have in place a Finance, Audit & Risk Committee which consists of six members of the Board along with the Financial Controller and the Chief Executive. The main objectives of the Committee are:

- To review the annual audited financial statements of the Company and to recommend them to the Board;
- To take responsibility on behalf of the Board for overseeing all aspects of financial planning, management, assess internal financial controls and monitor risk management;
- To recommend the re-appointment / replacement of the external statutory auditor.

The Company's senior management team is led by the Chief Executive. Interaction and communication between the Board and the senior management team is channelled via the CEO. On occasion senior managers will make presentations to the Board on their respective areas and interact with Board Sub-Committees respectively.

Principal Risks and Uncertainties

The Directors of the Company recognise their responsibility to regularly review and assess the risks faced by the Company in all areas of its work and to plan for the management of those risks. Risk can be defined as the uncertainty surrounding events and their outcomes that may have a significant impact, either enhancing or inhibiting on any of the Company's operations. By managing risk effectively the directors can help ensure that:

- Significant risks are known and monitored, enabling Directors to make informed decisions and take timely action;

DIRECTORS' REPORT

- The Company makes the most of opportunities and develops them with the confidence that any risks will be managed;
- Forward and strategic planning are improved;
- The Company's aims are achieved more successfully.

The directors therefore 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. Waterford Leader Partnership CLG is reliant on funding from the socio-economic schemes detailed below 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
Dept. of the Environment, Community & Local Government	Rural Development Programme	Contract 2014 - 2020
Dept. of Social Protection	Local Employment Service	Annual
	TÚS – community work place initiative	Annual
	Rural Social Scheme	Annual
Dept. of Agriculture, Food and the Marine	Social Farming	Annual

On the basis of existing contracts in place with the respective bodies, the directors are hopeful of securing funding in the coming year. The ongoing scale of operations of the company is dependent on existing contracts being renewed at similar funding levels.

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.

Achievements and Performance

A detailed analysis of the specific activities of the company under the above schemes and the associated key performance measures is detailed at note 30 in the Appendices to these financial statements.

Results for the year and state of affairs as at 31 December 2016

The income and expenditure account for the year and the balance sheet as at 31 December 2016 are set out on pages 11 and 12. The deficit on ordinary activities before taxation amounted to €17,641. After deducting taxation of €nil an amount of €17,641 has been absorbed by the company. The deficit for the year principally arose from (1) underfunded RDP expenditure (2) redundancy costs which were not grant aided and (3) underfunded LES costs. All of the deficit for the year has been funded from unrestricted reserves.

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.

Directors' liabilities

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act, 2014. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

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.

DIRECTORS' REPORT

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 Sections 281 to 285 of the Companies Act, 2014, 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.

Going Concern

In the opinion of the directors, the company has sufficient financial resources together with medium-term contracts with a number of grant bodies across different activities, and as a consequence, they believe that the company is well placed to manage its business risks successfully despite the current economic uncertainties. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

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 22 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, 2014 at any time during the year ended 31 December 2016.

Political Contributions

The company did not make any disclosable political donations or contributions in the current year.

Statutory Auditors

The auditor, JBW Accountants UC, will continue in office in accordance with the provisions of Sections 380 to 385 of the Companies Act, 2014.

On behalf of the board

Michael Walsh, Chairperson

Eleanor Burns, Secretary

Micheál Cosgrove, Director

Date: 11th September 2017



John B. White & Co.
Certified Public Accountants
& Registered Auditors

3, Church Street,
Dungarvan,
Co. Waterford
VAT No. IE3410092WH
Tel. (058) 45878 / 45879
Fax. (058) 48435

INDEPENDENT AUDITORS' REPORT: To the members of Waterford Leader Partnership CLG

We have audited the financial statements of Waterford Leader Partnership CLG for the year ended 31 December 2016 on pages 10 to 24 which comprises the Income & Expenditure Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cashflows 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 (FRS102).

This report is made solely to the company's members as a body in accordance with the requirements of the Companies Act, 2014. 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

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act, 2014.

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 25 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2016 and of its result for the year then ended;
- have been properly prepared in accordance with the FRS 102; and
- have been prepared in accordance with the requirements of the Companies Act, 2014.



John B. White & Co.
Certified Public Accountants
& Registered Auditors

3, Church Street,
Dungarvan,
Co. Waterford
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Fax. (058) 48435

Matters on which we are required to report by the Companies Act, 2014

- 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 4 to 7 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 Act, 2014 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:

JBW Accountants UC

Certified Public Accountant and Statutory Auditor

Dungarvan

Date: 11th September 2017

Waterford Leader Partnership CLG
(A company limited by guarantee and not having a share capital)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME & EXPENDITURE ACCOUNT
Year Ended 31 December 2016

	Notes	Unrestricted Funds 31 December 2016 €	Restricted Funds 31 December 2016 €	Total Year Ended 31 December 2016 €	Total Year Ended 31 December 2015 €
Income from charitable activities:-					
Continuing operations		28,000	855,081	883,081	929,975
Discontinued operations		-	8,519	8,519	167,152
	1	28,000	863,600	891,600	1,097,127
Expenditure on charitable activities					
Administration costs:-					
Continuing operations		(63,549)	(855,081)	(918,630)	(967,282)
Discontinued operations		(-)	(8,519)	(8,519)	(179,982)
		(35,549)	-	(35,549)	(50,137)
Other Operating Income	2	17,907	-	17,907	28,242
Operating (deficit)	3	(17,642)	-	(17,642)	(21,895)
Interest receivable	4	1	-	1	1
Interest payable and similar charges	5	(-)	-	(-)	(-)
(Deficit) on ordinary activities before taxation		(17,641)	-	(17,641)	(21,894)
Tax on (deficit) on ordinary activities	6	-	-	-	-
(Deficit absorbed) for the year – continuing operations		(17,641)	-	(17,641)	(21,894)

STATEMENT OF COMPREHENSIVE INCOME	Unrestricted Funds 31 December 2016 €	Restricted Funds 31 December 2016 €	Total Funds 31 December 2016 €	Total Funds 31 December 2015 €
Year Ended 31 December 2016				
(Deficit) on ordinary activities after taxation	(17,641)	-	(17,641)	(21,894)
Re-measurement of gains / (losses) arising from adoption of FRS102	-	-	-	-
Total Recognised (Loss) relating to the year	(17,641)	-	(17,641)	(21,894)

Note of historic cost profits

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

On behalf of the board

Michael Walsh, Chairperson

Eleanor Burns, Secretary

Micheál Cosgrove, Director

Waterford Leader Partnership CLG
(A company limited by guarantee and not having a share capital)

BALANCE SHEET as at 31 December 2016

	Notes	2016 €	2015 €
Fixed assets			
Tangible assets	8	10,486	19,443
Current assets			
Stocks	9	175	525
Debtors	10	14,456	25,859
Bank and cash – Restricted Funds	11	348,309	62,190
Bank and cash – Unrestricted Funds		54,696	63,170
		<u>417,636</u>	<u>151,744</u>
Creditors			
Amounts falling due within one year	12	(31,492)	(44,320)
Restricted Funds Reserve	13	<u>(333,939)</u>	<u>(38,148)</u>
Net current assets		<u>52,205</u>	<u>69,276</u>
Total assets less current liabilities		62,691	88,719
Creditors			
Amounts falling due after more than one year		-	-
Grants	15	(10,100)	(18,487)
		<u>52,591</u>	<u>70,232</u>
Reserves			
Unrestricted Income Reserves	16	45,861	63,502
Other Reserves	17	6,730	6,730
		<u>52,591</u>	<u>70,232</u>

STATEMENT OF CHANGES IN EQUITY

	Notes	Other Reserves €	Retained Earnings €	Total €
At 31 December 2015		6,730	85,396	92,126
(Loss) for the year ended 31 December 2015		-	(21,894)	(21,894)
At 31 December 2015		<u>6,730</u>	<u>63,502</u>	<u>70,232</u>
(Loss) for the year ended 31 December 2016		-	(17,641)	(17,641)
At 31 December 2016		<u>6,730</u>	<u>45,861</u>	<u>52,591</u>

On behalf of the board

Michael Walsh, Chairperson

Eleanor Burns, Secretary

Micheál Cosgrove, Director

STATEMENT OF CASHFLOWS
Year ended 31 December 2016

	Notes	2016 €	2015 €
Cash flows from operating activities			
Operating (deficit)		(17,642)	(21,895)
Depreciation charge		10,722	14,677
Grant amortisation		(10,242)	(11,022)
Net Movement in Restricted Fund Reserve		9,672	7,501
Loss on disposal of fixed asset		90	-
Decrease in stocks		350	-
Decrease in debtors		11,403	16,802
(Decrease) in creditors		(12,828)	(27,790)
Cash generated from operations		<u>(8,475)</u>	<u>(21,727)</u>
Interest paid		-	-
Corporation tax (paid) / refunded		-	-
Net cash generated from operating activities		<u>(8,475)</u>	<u>(21,727)</u>
Cash flows from investing activities:			
Interest received		1	1
Proceeds from sale of tangible fixed assets		-	-
Payments to acquire tangible fixed assets		(1,855)	(14,583)
Net cash generated from investing activities		<u>(1,854)</u>	<u>(14,582)</u>
Cash flows from financing activities			
Capital Grants Received		1,855	14,582
New Short Term loan (repaid) / drawdown		-	-
Net cash generated from financing activities		<u>1,855</u>	<u>14,582</u>
Net (decrease) in cash and cash equivalents		(8,474)	(21,727)
Cash and cash equivalents at 1 January		<u>63,170</u>	<u>84,897</u>
Cash and cash equivalents at 31 December	19	<u>54,696</u>	<u>63,170</u>

On behalf of the board

Michael Walsh, Chairperson

Eleanor Burns, Secretary

Micheál Cosgrove, Director

SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The financial statements have been prepared on the going concern basis and in accordance with Irish statute, comprising the Companies Act, 2014, and comply with the Financial Reporting Standard applicable in the Republic of Ireland (FRS 102 and the Charities SORP). 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 Financial Reporting Council.

Basis of preparation

The financial statements have been prepared under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for assets and comply with the Financial Reporting Standards of the Accounting Standards Board (FRS102), except as detailed hereunder. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

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.

General Information

The company is a company limited by guarantee and not having a share capital and is incorporated in the Republic of Ireland. The financial statements are presented in Euro, which is the functional currency of the company. The registered office is shown in the Directors and Other Information page. The principal activity of the company is disclosed in the Directors' Report.

Fund Accounting

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%

Debtors

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

SIGNIFICANT ACCOUNTING POLICIES - continued

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

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 expensed 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 income and expenditure 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.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, unless the effect of discounting would be immaterial, in which case they are stated as cost.

Provisions

Provisions are recognised when the company has a present legal or constructive obligation arising as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the same value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts and rebates. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch of the goods, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from the rendering of services is recognised by reference to the stage of completion. Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. Where the contract outcome cannot be measured reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

SIGNIFICANT ACCOUNTING POLICIES - continued

Interest income

Revenue is recognised as interest accrues using the effective interest method.

Dividends

Revenue is recognised when the company's right to receive payment is established.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or the period of the revision and future periods if the revision affects both current and future periods.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:-

- Accruals for costs incurred at the year-end date for which invoices had not been received at the time of approval of these financial statements are provided based on management's best estimate of the cost arising.

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.

Related parties

For the purposes of these financial statements a party is considered to be related to the company if:-

- The party has the ability, directly or indirectly, through one or more intermediaries to control the company or exercise significant influence over the company in making financial or operating decisions;
- The company and the party are subject to common control;
- The party is a member of key management personnel of the company or a close family member of such an individual or is an entity under the control, joint control, or significant influence of such individuals. A close family member of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the company.

NOTES TO THE FINANCIAL STATEMENTS

1 Income

Income 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 31/12/2016	Year Ended 31/12/2015
Restricted Income	€	€
Local & Community Development	8,519	167,152
Local Employment Service	307,297	308,744
Rural Development Programme	380,434	367,391
Rural Social Scheme	25,046	25,066
Local Development Strategy – Preparatory Support	-	75,427
Eircode Community Outreach Programme	-	9,650
Social Farming Programme	7,338	-
Tús	134,966	138,697
	<u>863,600</u>	<u>1,092,127</u>
Unrestricted Income – Designated Funds		
Waterford City & County Council – EU Development Project	28,000	5,000
	<u>28,000</u>	<u>5,000</u>
2 Other Operating Income (Unrestricted)	Year ended 31 December 2016	Year ended 31 December 2015
	€	€
Office Rents and overheads recovered	17,857	28,242
Plaques and stickers	50	-
	<u>17,907</u>	<u>28,242</u>
3 Operating (deficit)	Year ended 31 December 2016	Year ended 31 December 2015
Operating surplus is stated after charging / (crediting):	€	€
(i) Directors’ remuneration	<u>-</u>	<u>-</u>
(i) Management remuneration & pension contributions	<u>169,151</u>	<u>169,508</u>
(ii) Operating Leases	<u>6,465</u>	<u>6,465</u>
(iii) Depreciation	<u>10,722</u>	<u>14,677</u>
(iii) Grants amortised	<u>(10,242)</u>	<u>(11,022)</u>
4 Interest receivable (unrestricted)	Year ended 31 December 2016	Year ended 31 December 2015
	€	€
Deposit interest receivable	1	1
Other investment income	-	-
	<u>1</u>	<u>1</u>

NOTES TO THE FINANCIAL STATEMENTS

5 Interest payable and similar charges

	Year ended 31 December 2016	Year ended 31 December 2015
	€	€
Interest payable on loans and overdrafts wholly repayable within five years	-	-
Interest payable on all other loans	-	-
	<u>-</u>	<u>-</u>

6 Taxation

	Year ended 31 December 2016	Year ended 31 December 2015
	€	€
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 2016	Year ended 31 December 2015
Management	1	1
Administration	10	13
	<u>11</u>	<u>14</u>

	Year ended 31 December 2016	Year ended 31 December 2015
	€	€
The employee costs comprise of:		
Wages and salaries	503,553	624,499
Social Welfare	54,268	67,514
Redundancy	31,205	76,607
Staff Pension Costs	47,982	59,012
	<u>637,008</u>	<u>827,632</u>

The pay of all staff is according to incremental scales which are only paid if the budget for the relevant program allows. Three employees received remuneration (including pension contributions) in excess of €60,000 during the year (2015: 3).

NOTES TO THE FINANCIAL STATEMENTS

8a Tangible fixed assets	Leasehold Improvements €	L.E.S. Equipment (i) €	Computers & Equipment €	Total €
Cost				
At 31 December 2015	18,774	28,255	111,980	159,009
Additions	-	1,401	454	1,855
Disposals / Impairment	-	(4,234)	(21,612)	(359)
At 31 December 2016	<u>18,774</u>	<u>25,422</u>	<u>90,822</u>	<u>160,505</u>
Depreciation				
At 31 December 2015	18,774	18,042	102,750	139,566
Charge for year	-	4,214	6,508	10,722
Disposals / Impairment	-	(4,234)	(21,522)	(269)
At 31 December 2016	<u>18,774</u>	<u>18,022</u>	<u>87,736</u>	<u>150,019</u>
Net book amounts				
At 31 December 2015	-	10,213	9,230	19,443
Net book amounts				
At 31 December 2016	<u>-</u>	<u>7,400</u>	<u>3,086</u>	<u>10,486</u>
8b Tangible fixed assets	Leasehold Improvements €	L.E.S. Equipment (i) €	Computers & Equipment €	Total €
Cost				
At 31 December 2014	18,774	138,411	165,569	322,754
Additions	-	12,414	2,169	14,583
Disposals / Impairment	-	(122,570)	(55,758)	(178,328)
At 31 December 2015	<u>18,774</u>	<u>28,255</u>	<u>111,980</u>	<u>159,009</u>
Depreciation				
At 31 December 2014	18,774	136,749	147,694	303,217
Charge for year	-	3,863	10,814	14,677
Disposals / Impairment	-	(122,570)	(55,758)	(178,328)
At 31 December 2015	<u>18,774</u>	<u>18,042</u>	<u>102,750</u>	<u>139,566</u>
Net book amounts				
At 31 December 2014	-	1,662	17,875	19,537
Net book amounts				
At 31 December 2015	<u>-</u>	<u>10,213</u>	<u>9,230</u>	<u>19,443</u>

(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.

NOTES TO THE FINANCIAL STATEMENTS

9 Stock	31 December 2016	31 December 2015
	€	€
Stock of plaques	175	525
	<u>175</u>	<u>525</u>
<p>In the opinion of the directors the current replacement cost of stocks does not differ significantly from the amount stated above.</p>		
10 Debtors	31 December 2016	31 December 2015
	€	€
Amounts falling due within one year		
Debtors & Prepayments	14,456	25,859
	<u>14,456</u>	<u>25,859</u>
11 Bank and cash - Restricted Funds	31 December 2016	31 December 2015
	€	€
Rural Development Programme	249,052	4,316
Local Employment Service Training Fund	167	457
Local Employment Service	52,651	48,882
Rural Social Scheme	1,179	2,171
LDS Preparatory Support	13,644	-
Care Farming	23,697	-
Tús Community Placement Initiative	7,919	6,364
	<u>348,309</u>	<u>62,190</u>
12 Creditors	31 December 2016	31 December 2015
	€	€
Amounts falling due within one year		
Trade Creditors and accruals (see (i) below)	31,473	39,320
Deferred Income	-	5,000
PAYE/PRSI	19	-
	<u>31,492</u>	<u>44,320</u>
<p>(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.</p>		
13 Restricted Funds Reserve	31 December 2016	31 December 2015
	€	€
Local & Community Development	(141)	(1,231)
Local Employment Service	44,509	39,542
LES Training Fund	167	457
Rural Development Programme (see note 14)	243,371	(6,389)
Care Farming	23,692	-
LDS Preparatory Support	13,644	-
Rural Social Scheme	1,097	1,732
Tús	7,600	4,037
	<u>333,939</u>	<u>38,148</u>

NOTES TO THE FINANCIAL STATEMENTS

14 Rural Development Programme Reserve	31 December 2016	31 December 2015
	€	€
Payment due to Promoters of Approved Projects	-	-
Grant Advanced for next year	248,277	-
(Deficit) / Surplus of Operating expenses over Grants in current year c/fwd	<u>(4,906)</u>	<u>(6,389)</u>
	<u>243,371</u>	<u>(6,389)</u>

15 Grants	Year ended 31 December 2016	Year ended 31 December 2015
	€	€
Opening Balance	18,487	14,927
Received during the year	1,855	14,582
Amortised to the Income & Expenditure Account	<u>(10,242)</u>	<u>(11,022)</u>
Closing Balance	<u>10,100</u>	<u>18,487</u>

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 profit and loss account at the time the costs they are intended to compensate are incurred by the company.

The directors confirm that all grants receivable were expended for the purposes for which they were intended.

16 Retained Reserves	Year ended 31 December 2016	Year ended 31 December 2015
	€	€
Opening Balance	63,502	85,396
(Deficit absorbed) for the year	<u>(17,641)</u>	<u>(21,894)</u>
Closing Balance	<u>45,861</u>	<u>63,502</u>

16(a) Analysis of movement in unrestricted funds

	Balance 31 December 2015 €	Incoming Resources €	Resources Expended €	Funds 31 December 2016 €
Unrestricted Grants & Funding	<u>63,502</u>	<u>45,908</u>	<u>(63,549)</u>	<u>45,861</u>
Total	<u>63,502</u>	<u>45,908</u>	<u>(63,549)</u>	<u>45,861</u>

NOTES TO THE FINANCIAL STATEMENTS

16(b) Analysis of movement in restricted funds

	Balance 31 December 2015 €	Incoming Resources €	Resources Expended €	Funds 31 December 2016 €
Restricted Grants & Funding	-	863,600	(863,600)	-
Total	-	863,600	(863,600)	-

17 Other Reserves: pre-incorporation

	Year ended 31 December 2016 €	Year ended 31 December 2015 €
Opening balance	6,730	6,730
Movement during the year	-	-
Closing balance	6,730	6,730

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.

18 Reconciliation of net cash flow to movement in net funds

	2016 €	2015 €
Increase / (Decrease) in cash during the year	(8,474)	(21,727)
(Increase) / Decrease in term loans	-	-
Movement in net funds	(8,474)	(21,727)
Net funds at 1 January	63,170	84,897
Net funds at 31 December	54,696	63,170

19 Analysis of changes in net funds

	31 December 2015 €	Cash flows €	Other Changes €	31 December 2016 €
Bank and cash – unrestricted funds	63,170	(8,474)	-	54,696
Net funds	63,170	(8,474)	-	54,696

20 Commitments

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

(a) 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 operating leases are as follows:-

	31 December 2016 €	31 December 2015 €
Not later than 1 year	6,465	6,465
Later than 1 year and not more than 5 years	7,804	14,269
Later than 5 years	-	-
	14,269	20,734

NOTES TO THE FINANCIAL STATEMENTS - continued

(b) Business Rental Agreements

The company had entered the following rental agreements at 31 December 2016:-

- Rental agreement regarding business premises at Dungarvan, Co. Waterford for 3 years 9 months – effective 1/01/2016. Current annual rent €7,500
- Rental agreement regarding business premises at Carrick-on-Suir, Co. Tipperary for 1 year – effective 1/01/2016. Current annual rent €9,545

21 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.

22 Related party transactions

In accordance with the Constitution 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 (2015: €nil).

The company had the following arms length transactions with related parties during the year to 31 December 2016:

Lismore Business Park CLG, a company in which Ms. Eleanor Burns is secretary to, charged rent in the amount of €28,290 (2015: €28,290) to the company during the year. At 31 December 2016 the Company owed an amount of €nil (2015: €nil) to Lismore Business Park CLG.

23 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 €47,982 (2015: €59,012) and have been charged in arriving at the operating (deficit). The actuarial reports are available for inspection by members and beneficiaries.

24 Limited by guarantee and not having a share capital

The company is limited by guarantee and does not have a share capital. Under the Constitution 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.

25 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 company secretarial compliance work.

26 DSP – Rural Social Scheme

The company is involved in the implementation of the Rural Social Scheme programme in County Waterford in conjunction with the Department of Social Protection. 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.

27 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.

NOTES TO THE FINANCIAL STATEMENTS - continued

28 Approval of financial statements

The financial statements were approved by the board of directors on 11th September 2017.

