

South Connacht Money Advice & Budgeting Service
Annual Report and Audited Financial Statements
for the financial year ended 31 December 2019

Whelan Dowling & Associates
Chartered Accountants & Statutory Audit Firm
Block 1, Unit 1 & 4,
Northwood Court
Santry
Dublin 9

Company Number: 629659
Charity Number: CHY22231
Charities Regulatory Authority Number: 20202232

South Connacht Money Advice & Budgeting Service

CONTENTS

	Page
Reference and Administrative Information	3
Directors' Annual Report	4 - 7
Directors' Responsibilities Statement	8
Independent Auditor's Report	9 - 11
Statement of Financial Activities	12
Balance Sheet	13
Statement of Cash Flows	14
Notes to the Financial Statements	15 - 20
Supplementary Information relating to the Financial Statements	22 - 23

South Connacht Money Advice & Budgeting Service REFERENCE AND ADMINISTRATIVE INFORMATION

Directors	Martin Greaney Caroline Barry Padraig Barrett Michael Howley (Resigned 22 October 2019) Brendan Nestor Ann Fergus Michael Carey (Appointed 25 May 2019) Louisa McKeown (Appointed 25 May 2019) Elaine Harvey (Appointed 25 May 2019) Noreen Fahy (Appointed 25 May 2019)
Chairperson	Martin Greaney (Appointed Chairperson 21 Jan 2019)
Company Secretary	Padraig Barrett
Charity Number	CHY22231
Charities Regulatory Authority Number	20202232
Company Number	629659
Registered Office	George's Quay House, Georges Quay, 43 Townsend St Dublin 2
Service Offices	North Mayo MAB Service – Cualgara, Teeling Street Ballina, Co. Mayo. South Mayo MAB Service – Hopkins Road Castlebar Co. Mayo. Roscommon MAB Service, Tower Block A, Ballypheasan, Golf Links Rd, Roscommon. North Galway MAB Service, Mellowes House Barrett St. Tuam Co. Galway. South Galway MAB Service 3 rd Floor, The Halls Quay St. Galway City.
Auditors	Whelan Dowling & Associates Chartered Accountants & Statutory Audit Firm Block 1, Unit 1 & 4, Northwood Court Santry Dublin 9
Bankers	AIB 52 Baggot St Dublin 4

South Connacht Money Advice & Budgeting Service DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2019

The directors present their Directors' Annual Report, combining the Directors' Report and Trustees' Report, and the audited financial statements for the financial year ended 31 December 2019.

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

The Directors' Report contains the information required to be provided in the Directors' Annual Report under the Statement of Recommended Practice (SORP) guidelines.

In this report the directors of South Connacht Money Advice & Budgeting Service present a summary of its purpose, governance, activities, achievements and finances for the financial year 2019.

The company is a registered charity and hence the report and results are presented in a form which complies with the requirements of the Companies Act 2014 and, although not obliged to comply with the Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the organisation has implemented its recommendations where relevant in these financial statements.

The company is limited by guarantee not having a share capital.

Mission, Objectives and Strategy

Mission Statement

The mission of South Connacht MABS is to work towards the elimination of over indebtedness through the provision of a free, confidential, independent, community and rights based Money Advice & Budgeting Service.

Objectives

To identify, support, educate and empower those experiencing or at risk of over indebtedness and to use the knowledge and experience gained to bring about policy change towards this end

Strategy

South Connacht MABS did not have an agreed strategy for 2019, but was founded as part of a rationalization of the 51 individual MABS companies nationwide in 2018. The transfer of undertakings included the transfer of the annual work plans of the five former companies from within its service area. The Strategic Statement for South Connacht MABS 2019-2022 was to be compiled once the overarching CIB Strategic Plan 2019 - 2022 was available for consideration. The CIB strategy was revealed in Quarter 3 of 2019, and as a result the South Connacht MABS Strategic Plan was created in Quarter 4 of 2019, and ratified by the Board on January 10th, 2020.

Structure, Governance and Management

Structure

South Connacht MABS was established on October 1st, 2018 under Phase 2 of the MABS and CIS restructure. The 5 MABS companies of North Mayo MABS (Ballina), South Mayo MABS (Castlebar), North Galway MABS (Tuam), South Galway (Galway City) and Roscommon MABS were brought together as a Regional entity. South Connacht MABS currently has 29 staff across the 5 locations.

South Connacht MABS, founded in 2018, is a company incorporated under the Companies Act 2014 and is limited by guarantee. The Governance of South Connacht MABS is conducted in accordance with its Constitution.

South Connacht MABS has obtained its Charity Number (20202232) from the Charities Regulator Authority.

South Connacht MABS has a Service Level Agreement (SLA) with Citizens Information Board (CIB), who is the sole provider of funds to South Connacht MABS.

South Connacht MABS is governed and directed by a voluntary board which comprises people with varied backgrounds and skill sets. Its function is to provide leadership, develop strategy, formulate effective policies and oversee their implementation, ensure good governance and financial control. The board is provided with regular financial and operational information. Day to day operations of the charity are managed by the Regional Manager. Money Advice Coordinators (MACS), who are responsible for the local service delivery) report directly to the Regional Manager.

South Connacht Money Advice & Budgeting Service DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2019

Governance

The board's commitment to governance is reflected in the emphasis on transparency, accountability, effectiveness and on value for money in all aspects of its work.

The board of South Connacht MABS met on seven occasions during the financial year. The agenda for each meeting contains a requirement for a formal disclosure by each trustee of any conflict of interest or loyalty on any matter noted on the agenda.

Sub-committees (as below) were formed in 2019 to assist with the work of the board:

- Finance, Audit and Risk

Sub-committees (as below) will be formed in 2020 to assist with the work of the board:

- HR
- Governance
- Service Delivery

There were ten members of the Board of Directors during 2019 drawn from a broad range of backgrounds.

Attendance at Board meetings

There were seven meetings of the Board during 2019. These meetings were held on the following dates:

21st January 2019
25th February 2019
16th April 2019
24th May 2019
10th July 2019
18th September 2019
16th December 2019

Management

The Regional Manager, Rosaleen Maher, to whom the day to day management of the charity is delegated, leads a team of Money Advice Coordinators (MACS) working throughout the 5 MABS Centres, and 2 Sub offices.

The base for the Regional Manager and overall regional service, is bi-located between North Mayo MABS (Ballina) and Dockgate St. (CIB) Galway city.

The Regional Manager manages the operation of the charity with delegated responsibility to the MACS as required.

Review of Activities, Achievements and Performance

The principal activities, achievements and performance of South Connacht MABS in 2019 included the continued provision of information, advice and advocacy services. South Connacht MABS dealt with 1124 new clients in 2019, with an active caseload at the end of 2019 of 1339 for the Region.

Financial Review

The results for the financial year are set out on page 12 and additional notes are provided showing income and expenditure in greater detail.

Assets and Liabilities of the 5 former companies were transferred to South Connacht MABS during the period October to December 2018. It should be noted that Fixed Assets included in the accounts of the 5 former companies, have not been recognized in the accounts of South Connacht MABS apart from the premises at Cualgara, Teeling St Ballina, which is included in Fixed Assets of South Connacht MABS at valuation €72,500 and has been received as a donation to South Connacht MABS CLG from North Mayo MABS CLG.

Financial Results

At the end of the financial year the company has assets of €203,027 (2018 - €268,676) and liabilities of €134,961 (2018 - €93,256). The net assets of the company have decreased by €(107,354).

South Connacht Money Advice & Budgeting Service DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2019

Principal Risks and Uncertainties

Achievement of our aims and objectives entails taking risks. The board are responsible for ensuring that the major risks facing South Connacht MABS are appropriately managed. This is a continuous process reflecting the changing priorities and circumstances facing South Connacht MABS. During the financial year the major risks facing South Connacht MABS as defined by the board and the management team have been reviewed and their potential impact assessed. In particular, plans were put in place to manage the transfer of undertakings from the five former companies into a single entity. Given the objectives of South Connacht MABS, and the nature of the activities by which it furthers them, some of the risks have to be accepted: it is not possible for South Connacht MABS to eliminate them. However, appropriate steps have been taken to mitigate them where possible. The most significant risks to South Connacht MABS can be encapsulated in: financial information and cash flow management, reputation, IT infrastructure and staff retention and development and financial information and advice given.

During 2019 we worked towards the development of a new strategy working closely with our funders to further develop a quality, consistent and sustainable service within our region. The Board of South Connacht MABS is committed to building an organisation which is integrated, effective, outcome-driven and accountable.

The strategic areas under review are:

- Service Delivery
- HR
- Communications
- Finance
- Governance and Risk.

Directors and Secretary

The directors who served throughout the financial year, except as noted, were as follows:

Martin Greaney
Caroline Barry
Padraig Barrett
Michael Howley (Resigned 22 October 2019)
Brendan Nestor
Ann Fergus
Michael Carey (Appointed 25 May 2019)
Louisa McKeown (Appointed 25 May 2019)
Elaine Harvey (Appointed 25 May 2019)
Noreen Fahy (Appointed 25 May 2019)

In accordance with the Constitution, the directors retire by rotation and, being eligible, offer themselves for re-election.

The chairperson who was appointed on the 21st January 2019 and served throughout the financial year was Martin Greaney.

The secretary who served throughout the financial year was Padraig Barrett.

Compliance with Sector-Wide Legislation and Standards

The company engages pro-actively with legislation, standards and codes which are developed for the sector.

- The Companies Act 2014
- The Charities SORP (FRS 102)

Transactions Involving Trustees

None of the directors had any interests in any contracts entered into by the charity during the year.

There have been no events after the end of the reporting period that require any adjustment to, or additional disclosure in, the 2019 financial statements.

Auditors

The auditors, Whelan Dowling & Associates, (Chartered Accountants & Statutory Audit Firm) have indicated their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

Statement on Relevant Audit Information

In accordance with section 330 of the Companies Act 2014, so far as each of the persons who are directors at the time this report is approved are aware, there is no relevant audit information of which the statutory auditors are unaware. The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

South Connacht Money Advice & Budgeting Service DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2019

Accounting Records

To ensure that adequate accounting records are kept in accordance with Sections 281 to 285 of the Companies Act 2014, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The accounting records are maintained at Cualagara, Teeling St Ballina, Co Mayo.

Approved by the Board of Directors on 30 October 2020 and signed on its behalf by:

Martin Greaney
Director

Padraig Barrett
Director

South Connacht Money Advice & Budgeting Service DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 31 December 2019

The directors are responsible for preparing the financial statements in accordance with applicable Irish law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the net income or expenditure of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice: Accounting and Reporting by Charities (2015);
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the relevant financial reporting framework, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

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

As explained in note 3, state whether the applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) has been followed;

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and net income or expenditure of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and the Directors' Annual Report comply with Companies Act 2014 and enable the financial statements to be audited. 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.

In so far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditor in connection with preparing the auditor's report) of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Approved by the Board of Directors on 30 October 2020 and signed on its behalf by:

Martin Greaney
Director

Padraig Barrett
Director

INDEPENDENT AUDITOR'S REPORT

to the Members of South Connacht Money Advice & Budgeting Service

Report on the audit of the financial statements

Opinion

We have audited the company financial statements of South Connacht Money Advice & Budgeting Service for the financial year ended 31 December 2019 which comprise the Statement of Financial Activities (incorporating an Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and the related notes to the financial statements, including a summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2019 and of its deficit for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", as applied in accordance with the provisions of the Companies Act 2014 and having regard to the Charities SORP; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other Information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

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

- in our opinion, the information given in the Directors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- in our opinion, the Directors' Annual Report has been prepared in accordance with 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 the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited. The financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Annual Report. The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

to the Members of South Connacht Money Advice & Budgeting Service

Respective responsibilities

Responsibilities of directors for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

Further information regarding the scope of our responsibilities as auditor

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT

to the Members of South Connacht Money Advice & Budgeting Service

The purpose of our audit work and to whom we owe our responsibilities

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

Darren Carrick ACA
for and on behalf of
WHELAN DOWLING & ASSOCIATES
Chartered Accountants & Statutory Audit Firm
Block 1, Unit 1 & 4,
Northwood Court
Santry
Dublin 9

30 October 2020

South Connacht Money Advice & Budgeting Service

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating an Income and Expenditure Account)

for the financial year ended 31 December 2019

	Notes	Restricted Funds 2019 €	Total 2019 €	Restricted Funds 2018 €	Total 2018 €
Income					
Charitable activities					
▪ received from CIB	4.1	1,654,150	1,654,150	592,098	592,098
Other income	4.2	72,500	72,500	-	-
Total income		1,726,650	1,726,650	592,098	592,098
Expenditure					
Charitable activities	5.1	1,834,004	1,834,004	416,678	416,678
Net income/(expenditure)		(107,354)	(107,354)	175,420	175,420
Transfers between funds		-	-	-	-
Net movement in funds for the financial year		(107,354)	(107,354)	175,420	175,420
Reconciliation of funds					
Balances brought forward at 1 January 2019	15	175,420	175,420	-	-
Balances carried forward at 31 December 2019		68,066	68,066	175,420	175,420

The Statement of Financial Activities includes all gains and losses recognised in the financial year. All income and expenditure relate to continuing activities.

Approved by the Board of Directors on 30 October 2020 and signed on its behalf by:

Martin Greaney
Director

Padraig Barrett
Director

South Connacht Money Advice & Budgeting Service

BALANCE SHEET

as at 31 December 2019

		2019	2018
	Notes	€	€
Fixed Assets			
Tangible assets	9	<u>78,025</u>	<u>-</u>
Current Assets			
Debtors	10	6,780	3,540
Cash at bank and in hand		<u>118,222</u>	<u>265,136</u>
		125,002	268,676
Creditors: Amounts falling due within one year	11	<u>(134,961)</u>	<u>(93,256)</u>
Net Current (Liabilities)/Assets		<u>(9,959)</u>	<u>175,420</u>
Total Assets less Current Liabilities		<u>68,066</u>	<u>175,420</u>
Funds			
Restricted trust funds		<u>68,066</u>	<u>175,420</u>
Total funds	15	<u>68,066</u>	<u>175,420</u>

Approved by the Board of Directors on 30 October 2020 and signed on its behalf by:

Martin Greaney
Director

Padraig Barrett
Director

South Connacht Money Advice & Budgeting Service

STATEMENT OF CASH FLOWS

for the financial year ended 31 December 2019

	Notes	2019 €	2018 €
Cash flows from operating activities			
Net movement in funds		(107,354)	175,420
Adjustments for:			
Depreciation		975	-
		<u>(106,379)</u>	<u>175,420</u>
Movements in working capital:			
Movement in debtors		(3,240)	(3,540)
Movement in creditors		41,705	93,256
		<u>(67,914)</u>	<u>265,136</u>
Cash flows from investing activities			
Payments to acquire tangible assets		(6,500)	-
Valuation of Donation in Kind received	9	(72,500)	-
		<u>(79,000)</u>	<u>-</u>
Net increase in cash and cash equivalents		(146,914)	265,136
Cash and cash equivalents at 1 January 2019		265,136	-
Cash and cash equivalents at 31 December 2019	20	<u>118,222</u>	<u>265,136</u>

South Connacht Money Advice & Budgeting Service

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2019

1. GENERAL INFORMATION

South Connacht Money Advice & Budgeting Service is a company limited by guarantee incorporated in the Republic of Ireland. The registered office of the company is George's Quay House, Georges Quay, 43 Townsend St, Dublin 2 which is also the principal place of business of the company. The financial statements have been presented in Euro (€) which is also the functional currency of the company.

The service addresses where the business of the company is carried out include the following:

North Mayo MAB Service – Cualgara, Teeling Street, Ballina, Co. Mayo.

South Mayo MAB Service – Hopkins Road Castlebar Co. Mayo.

Roscommon MAB Service, Tower Block A, Ballypheasan, Golf Links Rd, Roscommon.

North Galway MAB Service, Mellowes House, Barrett St. Tuam Co. Galway.

South Galway MAB Service 3rd Floor, The Halls, Quay St. Galway City.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the charity's financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)", Irish statute comprising the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The company has applied the Charities SORP on a voluntary basis as its application is not a requirement of the current regulations for charities registered in the Republic of Ireland.

As permitted by the Companies Act 2014, the company has varied the standard formats in that act for the Statement of Financial Activities and the Balance Sheet. Departures from the standard formats, as outlined in the Companies Act 2014, are to comply with the requirements of the Charities SORP and are in compliance with section 4.7, 10.6 and 15.2 of that SORP.

Statement of compliance

The financial statements of the company for the year ended 31 December 2019 have been prepared on the going concern basis and in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)" and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Fund accounting

The following are the categories of funds maintained:

Restricted funds

Restricted funds represent income received which can only be used for particular purposes, as specified by the donors. Such purposes are within the overall objectives of the company.

Income

Income comprises wholly of funding received from the Citizen Information Board.

South Connacht Money Advice & Budgeting Service

NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2019

Expenditure

All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constrictive obligation to make payments to third parties. It is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds
- Expenditure on charitable activities;
- Other expenditure represents those items not falling into the categories above.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Fixtures, fittings and equipment - 15% Straight line

No depreciation has been applied to the Company Premises at Teeling Street, Ballina

Debtors

Debtors are recognised at the settlement amount due after any discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Income recognised by the company from government agencies and other co-funders, but not yet received at year end, is included in debtors.

Creditors

Creditors with no stated interest rate and payable within one year are recorded at transaction price.

Cash at bank and in hand

Cash at bank and in hand comprises cash on deposit at banks requiring less than three months' notice of withdrawal.

Taxation

No current or deferred taxation arises as the company has been granted charitable exemption. Irrecoverable valued added tax is expensed as incurred.

The company has charitable status under Section 208 of the Taxes Consolidation Act 1997, and accordingly no charge to corporation tax arises. South Connacht MABS is compliant with relevant tax circulars including Circular 44/2006 "Tax Clearance Procedures Grants, Subsidies and Similar Type Payments".

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately by Independent Trustees Limited.

3. GOING CONCERN

The Directors have prepared the financial statements on the going concern basis, which assumes that the company will continue in operational existence for the foreseeable future.

In the opinion of the directors, the company now has, and will continue to generate sufficient funds to meet its short to medium term requirements. Having considered the foregoing directors believe it appropriate to prepare the financial statements on a going concern. However the financial statements do not include any adjustments that would result if the continued support of the company's sole funder was no longer available.

With regard to recent post balance sheet events outlined in note 21, the directors have received confirmation from their sole funder that it will receive continued support for the foreseeable future. On this basis, the post balance sheet event had no impact on the director's adoption of the going concern concept.

4. INCOME

4.1 CHARITABLE ACTIVITIES

	Unrestricted Funds €	Restricted Funds €	2019 €	2018 €
Income from charitable activities	-	1,654,150	1,654,150	592,098

South Connacht Money Advice & Budgeting Service
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2019

4.2 OTHER INCOME	Unrestricted Funds €	Restricted Funds €	2019 €	2018 €
Other income	-	72,500	72,500	-

This is the valuation of the donation of the premises at Cualgara, Teeling Street, Ballina by North Mayo MABS CLG to South Connacht MABS CLG. This premises is now occupied by South Connacht MABS CLG. See note 9 also.

5. EXPENDITURE				2019	2018
5.1 CHARITABLE ACTIVITIES	Direct Costs €	Other Costs €	Support Costs €	€	€
Expenditure on charitable activities	1,834,004	-	-	1,834,004	416,678

6. NET INCOME	2019 €	2018 €
Net Income is stated after charging/(crediting):		
Depreciation of tangible assets	975	-

7. EMPLOYEES AND REMUNERATION

Number of employees

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

	2019 Number	2018 Number
Administration & Operations	32	29

The staff costs comprise:

	2019 €	2018 €
Wages and salaries	1,107,134	304,756
Social security costs	148,694	-
Pension costs	82,793	14,916
	1,338,621	319,672

8. STAFF COSTS

As required in the Circular 13/2014 Section 5, Subsection 21 (g)

There are no employees who received employee benefits (excluding employer pension costs) of more than (€70,000) for the reporting period.

The management personnel compensation including pension for the period is €70,986. Personnel compensation benefits include salaries, social contributions and paid annual leave.

The directors of South Connacht MABS CLG are all unpaid volunteers. For the year under review, the Board of Directors expenses for the year is €2,542.

South Connacht Money Advice & Budgeting Service
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2019

9. TANGIBLE FIXED ASSETS

	Long leasehold property €	Fixtures, fittings and equipment €
Cost		
Additions	72,500	6,500
At 31 December 2019	<u>72,500</u>	<u>6,500</u>
Depreciation		
Charge for the financial year	-	975
At 31 December 2019	<u>-</u>	<u>975</u>
Net book value		
At 31 December 2019	<u><u>72,500</u></u>	<u><u>5,525</u></u>

Following a valuation as well as the initiation of transfer of ownership proceedings, the above property was introduced to the accounts for YE 31 December 2019. Procedural issues existed in the registering of this asset as part of South Connacht MABS, but these are in the process of rectification. The property is Cualgara, Teeling Street, Ballina. Refer also to note 4.2.

10. DEBTORS

	2019 €	2018 €
Other debtors	6,780	-
Prepayments and accrued income	-	3,540
	<u>6,780</u>	<u>3,540</u>

11. CREDITORS

Amounts falling due within one year	2019 €	2018 €
Taxation and social security costs (Note 12)	28,281	30,277
Other creditors	46,256	47,761
Accruals	60,424	15,218
	<u>134,961</u>	<u>93,256</u>

12. TAXATION AND SOCIAL SECURITY

	2019 €	2018 €
Creditors:		
PAYE / PRSI	<u>28,281</u>	<u>30,277</u>

South Connacht Money Advice & Budgeting Service
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2019

13. State Funding

State Department	Department of Employment Affairs and Social Protection
Agency	Citizens Information Board
Purpose of the Grant	Operational Grant
Term	1 year
Total Fund	1,654,150
Fund deferred or due at financial year end	None
Received in the financial year	1,654,150
Compliance with relevant circulars	Compliant with Circular 44/2006 'Tax Clearance Procedures Grants, Subsidies and Similar Type Payments'
Restriction on use	Yes, restricted for the purposes of providing money advice & budgeting services

14. RESERVES

	2019	2018
	€	€
At 1 January 2019	175,420	-
(Deficit)/Surplus for the financial year	(107,354)	175,420
At 31 December 2019	68,066	175,420

15. FUNDS

15.1 RECONCILIATION OF MOVEMENT IN FUNDS

	Restricted Funds	Total Funds
	€	€
At 1 January 2018	-	-
Movement during the financial year	175,420	175,420
At 31 December 2018	175,420	175,420
Movement during the financial year	(107,354)	(107,354)
At 31 December 2019	68,066	68,066

15.2 ANALYSIS OF MOVEMENTS ON FUNDS

	Balance 1 January 2019	Income	Expenditure	Transfers between funds	Balance 31 December 2019
	€	€	€	€	€
Restricted income					
Restricted	175,420	1,726,650	1,834,004	-	68,066
Total funds	175,420	1,654,150	1,834,004	-	68,066

South Connacht Money Advice & Budgeting Service

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2019

continued

15.3 ANALYSIS OF NET LIABILITIES BY FUND

	Fixed assets - charity use €	Current assets €	Current liabilities €	Total €
Restricted trust funds	78,025	125,002	(134,961)	68,066
	<u>78,025</u>	<u>125,002</u>	<u>(134,961)</u>	<u>68,066</u>

16. STATUS

The company is limited by guarantee not having a share capital.

The liability of the members is limited.

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while they are members, or within one year thereafter, for the payment of the debts and liabilities of the company contracted before they ceased to be members, and the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount as may be required, not exceeding € 1.

17. CAPITAL COMMITMENTS

The charity had no material capital commitments at the financial year-ended 31 December 2019.

18. CONTINGENT LIABILITIES

There were no contingent liabilities as at 31st December 2019.

19. RELATED PARTY TRANSACTIONS

There were no identified related party transactions in the period under review.

20. CASH AND CASH EQUIVALENTS

	2019 €	2018 €
Cash and bank balances	118,222	265,136
	<u>118,222</u>	<u>265,136</u>

21. POST-BALANCE SHEET EVENTS

Since the year end there has been a global pandemic affecting Ireland. This will inevitably lead our economy into a recessionary period within our economic cycle. A review of the potential impact on the company was completed and confirmation from our funders sought to maintain our funding for the foreseeable future.

22. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 30 October 2020.

SOUTH CONNACHT MONEY ADVICE & BUDGETING SERVICE

SUPPLEMENTARY INFORMATION

RELATING TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

NOT COVERED BY THE REPORT OF THE AUDITORS

South Connacht Money Advice & Budgeting Service
SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS
OPERATING STATEMENT

for the financial year ended 31 December 2019

	Schedule	2019 €	2018 €
Income		1,726,650	592,098
Charitable activities and other expenses	1	(1,834,004)	(416,678)
Net (deficit)/surplus		<u>(107,354)</u>	<u>175,420</u>

South Connacht Money Advice & Budgeting Service
SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS
SCHEDULE 1 : CHARITABLE ACTIVITIES AND OTHER EXPENSES
for the financial year ended 31 December 2019

	2019	2018
	€	€
Expenses		
Wages and salaries	1,107,134	304,756
Social security costs	148,694	-
Employer contributions to the pension scheme	82,793	14,916
Staff training, Recruitment and Agency Staff	40,988	1,696
Management expenses	2,542	-
Rent payable	124,934	17,091
Rates	6,556	1,129
Service charges	7,378	-
Lease Extraction costs	50,000	-
Kitchen Costs	5,745	588
Light and heat	19,434	5,905
Cleaning	14,017	2,910
Repairs and maintenance	45,296	1,524
Printing, postage and stationery	24,492	9,463
Advertising	9,611	892
Telephone	9,116	2,112
Hire of equipment	9,905	1,917
Travelling and Subsistence	108,365	29,730
Legal and professional	4,090	2,495
Consultancy fees	2,369	940
Accountancy	-	923
Audit fees	6,888	4,613
Bank charges	419	125
General expenses	2,263	12,953
Depreciation	975	-
	<u>1,834,004</u>	<u>416,678</u>