

**Charity Registration No. 13399**

**Company Registration No. 82114 (Republic of Ireland)**

**GOOD SHEPHERD CORK**  
**(A company limited by guarantee)**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

## **GOOD SHEPHERD CORK**

### **LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Directors</b>	Jim Mulcahy Miriam De Barra Ann Marie O'Sullivan Ethna McDermott Patrick Caffrey Garvan Corkery Brendan Lenihan Brigette Mintern	(Chairperson)
<b>Secretary</b>	Sr. Jane Murphy	
<b>Charity number</b>	13399	
<b>Company number</b>	82114	
<b>Principal address</b>	Bruac Eile, Redemption Road, Cork.	
<b>Registered office</b>	Bruac Eile, Redemption Road, Cork.	
<b>Auditors</b>	Moore Stephens, Chartered Accountants & Statutory Audit Firm, 83 South Mall, Cork	
<b>Bankers</b>	Allied Irish Bank, 33 North Main Street, Cork.	
<b>Solicitors</b>	O' Flynn Exhams & Partners, 58 South Mall, Cork.	

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## **GOOD SHEPHERD CORK**

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## **GOOD SHEPHERD CORK**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2017**

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The directors present their report and financial statements for the year ended 31 December 2017.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Companies Act 2014 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to 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)", or Charities Statement of Recommended Practice (Charities SORP) as it is commonly referred to in the sector.

#### **Objectives and activities**

The company Good Shepherd Cork has charitable status (CHY13399) and is registered with the Charities Regulatory Authority (CRA Number: 20041618). The main object for which the Company is established is to help women and children who are vulnerable to homelessness to live more fulfilled and self-sufficient lives.

The subsidiary objects for which the Company is established are:

- to provide, facilitate, arrange the provision of, and to manage, residential accommodation for short, intermediate and long terms;
- to offer education, training, counselling, assistance, advice, information, support, encouragement and guidance to those contemplated by the Company's main object and to others in furtherance of that object;
- to foster and promote a spirit of independence and self-reliance in those served by the Company;
- to engage in advocacy in relation to homelessness and its causes and on behalf of those served by the Company.

#### **Principal risk and uncertainty**

The main risk facing the company is the reduction/loss of Government funding to operate the company. In addition, recent revelations about some charities conduct has impacted the public confidence in the sector and may negatively affect support in the coming years.

The company has assessed the major risks to which it is exposed and is satisfied that systems are in place to mitigate exposure to the major risks.

#### **Achievements and performance**

The Board of Directors are satisfied with the overall achievements and performance of the company in a very challenging year for homeless services nationally. Numbers wishing to access our services continued to grow due to the lack of housing available from local authorities, social housing bodies and private landlords.

The Board of Directors acknowledge that 2016 was an exceptional year due to the once-off payment of "sleepover/twilight hours" allowances which were not received during 2017. The directors further wish to advise that due to these exceptional payments made by Tusla and the HSE in 2015 and 2016 to cover the twilight hours and sleepover allowances owed to staff, a clear comparison between the charities reported results in 2016 versus 2017 cannot be readily carried out.

Despite the above, the directors are of the opinion that Good Shepherd Cork performed well in 2017 with a modest surplus of income over expenditure despite a change of leadership which occurred during the year and which is detailed below.



## **GOOD SHEPHERD CORK**

### **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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Good Shepherd Cork had a change of leadership in 2017 with Tony O'Riordan departing as Chief Executive Officer at the close of 2016 and Allison Aldred joining in early 2017. The Board of Directors would like to thank Tony for his committed leadership of Good Shepherd Cork over the previous five years in which he established a clear strategic direction for the organisation and put in place strong operational systems and processes.

#### **Financial review**

The results for the year are set out on page 8.

It is the policy of the company that unrestricted funds should be maintained at a level equivalent to three months of normal expenditure. The company considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the company's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Based on the directors annual review of the contract documentation and confirmations required, the main funders, the HSE and Tusla, have been reclassified from unrestricted funds to restricted funds.

#### **Structure, governance and management**

The charity is a company limited by guarantee. There is a voluntary Board of Directors who delegate the day to day running of the service to a Chief Executive Officer. Managers are employed in each section of the service and there is administration and human resource support to ensure that proper and correct policies, procedures and accountability is maintained.

The directors who served during the year were:

Jim Mulcahy  
Miriam De Barra  
Ann Marie O' Sullivan  
Ethna McDermott  
Patrick Caffrey  
Garvan Corkery  
Brendan Lenihan  
Brigette Mintern

#### **Administrative Details**

Charity number: 13399

Company number: 82114

The company changed its name from Good Shepherd Services Limited to Good Shepherd Cork on 1 July 2016.

#### **Auditor**

In accordance with the Companies Act 2014, section 383(2), Moore Stephens continue in office as auditor of the company.

#### **Post balance sheet events**

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the company, the results of those operations or the state of affairs of the company in financial years subsequent to the financial period ended 31 December 2017.

Good Shepherd Cork did not undertake any major capital commitments in 2017. During 2018 the directors are keen to finalise funding arrangements with the City Council and Department of Housing, Planning and Local Government in respect of a major re-development of Edel House.

**GOOD SHEPHERD CORK**

**DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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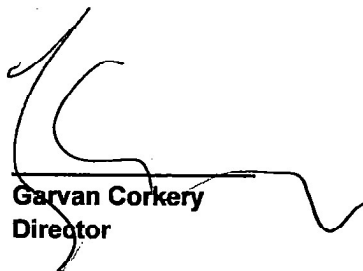
**Disclosure of information to auditor**

Each of the directors in office at the date of approval of this annual report confirms that:

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

On behalf of the Board of Directors

  
Miriam De Barra  
Director

  
Garvan Corkery  
Director

Dated: 19<sup>th</sup> June 2018

**GOOD SHEPHERD CORK**

**DIRECTORS' RESPONSIBILITIES STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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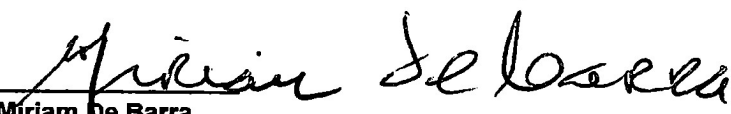
The company directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and Accounting Standards (Ireland Generally Accepted Accounting Practice).

The law applicable to companies in Ireland requires the company to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company.

In preparing these financial statements, the company directors:

- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that charity will continue in operation.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the 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.

  
Miriam De Barra  
Director

  
Garvan Corkery  
Director

Dated: 19<sup>th</sup> June 2018

## **GOOD SHEPHERD CORK**

### **INDEPENDENT AUDITOR'S REPORT**

#### **TO THE MEMBERS OF GOOD SHEPHERD CORK**

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#### **Opinion**

We have audited the financial statements of Good Shepherd Cork for the year ended 31 December 2017 which comprise the Statement of Financial Activities including Income and Expenditure, the Balance Sheet, the Statement of Cash Flows and the related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its surplus for the year then ended;
- have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been 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 the 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 the ISAs (Ireland) require us to report to you where:

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

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our 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.

## **GOOD SHEPHERD CORK**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF GOOD SHEPHERD CORK**

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##### **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' Report is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

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

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

We have nothing to report in respect of our obligation under the Companies Act 2014 to report to you if, in our opinion, the disclosures of director's remuneration and transactions specified by sections 305 to 312 of the Act are not made.

##### **Responsibilities of directors for the financial statements**

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

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: [http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ireland/International-Standards-on-Auditing-\(Ireland\)/ISA-700-\(Ireland\)](http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ireland/International-Standards-on-Auditing-(Ireland)/ISA-700-(Ireland)). This description forms part of our auditor's report.

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

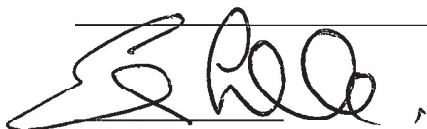
This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose.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

GOOD SHEPHERD CORK

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF GOOD SHEPHERD CORK

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Eoin Lehane  
for and on behalf of Moore Stephens,  
Chartered Accountants &  
Statutory Audit Firm  
83 South Mall  
Cork

Dated: 19<sup>th</sup> Dec. 2018.

**GOOD SHEPHERD CORK**

**STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

	Notes	Unrestricted funds €	Restricted funds €	Total 2017 €	Total 2016 €
<b><u>Income from:</u></b>					
Donations and legacies	3	99,236	-	99,236	112,738
Charitable activities	4	50,862	2,154,528	2,205,390	2,331,248
Investments	5	1,753	-	1,753	5,201
<b>Total income</b>		<b>151,851</b>	<b>2,154,528</b>	<b>2,306,379</b>	<b>2,449,187</b>
<b><u>Expenditure on:</u></b>					
Charitable activities	6	148,521	2,154,528	2,303,049	2,476,103
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>3,330</b>	<b>-</b>	<b>3,330</b>	<b>(26,916)</b>
Fund balances at 1 January 2017		1,231,221	12	1,231,233	1,258,149
<b>Fund balances at 31 December 2017</b>		<b>1,234,551</b>	<b>12</b>	<b>1,234,563</b>	<b>1,231,233</b>



**GOOD SHEPHERD CORK**  
**BALANCE SHEET**  
**AS AT 31 DECEMBER 2017**

	Notes	2017 €	€	2016 €	€
<b>Fixed assets</b>					
Tangible assets	10	530,083		554,690	
Investments	11	644,070		643,150	
		<u>1,174,153</u>		<u>1,197,840</u>	
<b>Current assets</b>					
Debtors	13	59,048		17,834	
Cash at bank and in hand		611,955		549,340	
		<u>671,003</u>		<u>567,174</u>	
<b>Creditors: amounts falling due within one year</b>	14	(153,191)		(230,061)	
Net current assets		517,812		337,113	
<b>Total assets less current liabilities</b>		<u>1,691,965</u>		<u>1,534,953</u>	
<b>Deferred income</b>	15	(457,402)		(303,720)	
<b>Net assets</b>		<u>1,234,563</u>		<u>1,231,233</u>	
<b>Income funds</b>					
Restricted funds	16		12		12
<u>Unrestricted funds</u>					
Designated funds	17	859,580		857,827	
General unrestricted funds		374,971		373,394	
		<u>1,234,551</u>		<u>1,231,221</u>	
		<u>1,234,563</u>		<u>1,231,233</u>	

The financial statements were approved by the Board of Directors and authorised for issue on 19th June 2018 and signed on its behalf by:

  
**Miriam De Barra**  
**Director**

  
**Garvan Corkery**  
**Director**



**GOOD SHEPHERD CORK****STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 DECEMBER 2017**

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	Notes	2017 €	€	2016 €	€
<b>Cash flows from operating activities</b>					
Cash generated from operations	20		93,944		98,014
<b>Investing activities</b>					
Purchase of tangible fixed assets		(32,162)		(6,479)	
Movement of investments		(920)		(6,120)	
Interest received		1,753		5,201	
<b>Net cash used in investing activities</b>			(31,329)		(7,398)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			62,615		90,616
Cash and cash equivalents at beginning of year			549,340		458,724
<b>Cash and cash equivalents at end of year</b>			611,955		549,340

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# **GOOD SHEPHERD CORK**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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### **1 Accounting policies**

#### **Company information**

Good Shepherd Cork is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to €1 per member of the charity.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102 and the Companies Act 2014 as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in Euro, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest €.

The financial statements have been prepared on the historical cost convention and the principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the directors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### **1.4 Incoming resources**

Income is recognised when the company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity, which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Legacies are recognised on receipt or otherwise if the company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the company's work or for specific projects being undertaken by the company.

**GOOD SHEPHERD CORK**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

**1 Accounting policies**

**(Continued)**

**1.5 Resources expended**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the company's activities. The bases on which support costs have been allocated are set out in note 7.

**1.6 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Land and buildings	2%/4% straight line
Plant and machinery	12.5%/20% reducing balance
Fixtures, fittings & equipment	10%/12.5%/15% straight line
Motor vehicles	12.5% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

**1.7 Impairment of fixed assets**

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**1.8 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

**GOOD SHEPHERD CORK**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**1 Accounting policies**

**(Continued)**

**1.9 Financial instruments**

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

**1.10 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.11 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.12 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

## GOOD SHEPHERD CORK

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

#### 1 Accounting policies

(Continued)

##### 1.13 Government grants

Grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

#### 2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

##### Critical judgements

##### Judgement 1 - Annual Depreciation Charge

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

##### Key sources of estimation uncertainty

The directors are of the view that there are no estimates or assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

#### 3 Donations and legacies

	2017	2016
	€	€
Donations	99,236	112,738

**GOOD SHEPHERD CORK**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

**4 Income from charitable activities**

	Edel House	Support and Advocacy	Riverview	Bruac	Other	YPFSF	Bruac LTI	Total	Total 2016
	€	€	€	€	€	€	€	€	€
Tusla	445,006	58,757	655,669	50,028	-	-	-	1,209,460	1,304,434
Rent	40,590	-	970	-	-	-	-	41,560	54,737
HSE	282,163	165,059	-	-	-	-	-	447,222	503,876
Cork City Council	272,974	-	-	-	-	-	-	272,974	278,145
Amortisation of capital grants	5,548	-	151	5,369	-	-	-	11,068	14,358
YPFSF grant	-	-	-	-	-	46,636	-	46,636	44,415
Sundry income & other grants	43,264	11,946	-	-	2,207	-	700	58,117	22,931
Cork ETB (LTI) grant	-	-	-	-	-	-	118,353	118,353	108,352
	<u>1,089,545</u>	<u>235,762</u>	<u>656,790</u>	<u>55,397</u>	<u>2,207</u>	<u>46,636</u>	<u>119,053</u>	<u>2,205,390</u>	<u>2,331,248</u>
<b>Analysis by fund 2017</b>									
Unrestricted funds	46,304	681	970	-	2,207	-	700	50,862	
Restricted funds	<u>1,043,241</u>	<u>235,081</u>	<u>655,820</u>	<u>55,397</u>	<u>-</u>	<u>46,636</u>	<u>118,353</u>	<u>2,154,528</u>	
	<u>1,089,545</u>	<u>235,762</u>	<u>656,790</u>	<u>55,397</u>	<u>2,207</u>	<u>46,636</u>	<u>119,053</u>	<u>2,205,390</u>	
<b>Analysis by fund 2016</b>									
Unrestricted funds	1,149,200	237,606	720,708	51,007	3,093	-	1,530		2,163,144
Restricted funds	<u>6,589</u>	<u>-</u>	<u>2,273</u>	<u>5,496</u>	<u>979</u>	<u>44,415</u>	<u>108,352</u>		<u>168,104</u>
	<u>1,155,789</u>	<u>237,606</u>	<u>722,981</u>	<u>56,503</u>	<u>4,072</u>	<u>44,415</u>	<u>109,882</u>		<u>2,331,248</u>

**GOOD SHEPHERD CORK**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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**5 Investments**

	<b>2017</b>	<b>2016</b>
	<b>€</b>	<b>€</b>
Interest receivable	<u>1,753</u>	<u>5,201</u>

**GOOD SHEPHERD CORK**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

**6 Expenditure on charitable activities**

	<b>2017</b>	<b>2016</b>
	<b>€</b>	<b>€</b>
Staff costs	1,933,669	2,084,610
Depreciation and impairment	56,769	55,822
Insurance	30,196	27,500
Light & heat	35,213	32,634
Repairs & maintenance	88,704	73,973
Office expenses	6,031	8,479
Crafts	128	999
Recreation	9,823	11,658
Printing, postage & stationary	16,102	21,816
Telephone	9,970	9,914
Motor & travel	15,091	11,843
U/18's expenses	251	81
Client care	13,817	16,624
Household expenses	22,395	33,173
Sundry expenses	9,577	15,260
Course materials	12,002	11,509
Support costs	43,311	59,248
Bad and doubtful debts	-	960
	<u>2,303,049</u>	<u>2,476,103</u>

**Analysis by fund**

Unrestricted funds	148,521	2,307,999
Restricted funds (see below)	2,154,528	168,104
	<u>2,303,049</u>	<u>2,476,103</u>

**Restricted funds**

	<b>2017</b>	<b>2016</b>
	<b>€</b>	<b>€</b>
HSE	447,222	-
Tusla	1,209,460	-
Ireland Funds	3,000	-
Bons Secours Health System	15,300	-
Loretto Foundation	5,750	-
Solidarity Trust	12,500	-
Cork City Council (Community Facilities Fund)	1,000	-
Cork City Council	272,974	-
Move Ireland	11,265	-
Other grants	176,057	168,104
	<u>2,154,528</u>	<u>168,104</u>



**GOOD SHEPHERD CORK**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

**7 Support and governance costs**

	<b>Support costs</b>	<b>Governance costs</b>	<b>2017</b>	<b>2016</b>
	€	€	€	€
Sessionals	750	-	750	1,200
Trainee development	-	-	-	1,194
Professional fees	978	-	978	29,897
Accountancy fees	17,223	-	17,223	17,340
Bank charges	611	-	611	625
Staff training & education	16,934	-	16,934	3,335
Audit fees	-	6,815	6,815	5,657
	<u>36,496</u>	<u>6,815</u>	<u>43,311</u>	<u>59,248</u>

**8 Directors**

Directors did not take a salary in the year.

**9 Employees**

**Number of employees**

The average monthly number employees during the year was:

	<b>2017</b>	<b>2016</b>
	<b>Number</b>	<b>Number</b>
Staff	<u>44</u>	<u>43</u>

**Employment costs**

	<b>2017</b>	<b>2016</b>
	€	€
Wages and salaries	1,715,269	1,845,306
Social security costs	182,013	201,194
Other pension costs	36,387	38,110
	<u>1,933,669</u>	<u>2,084,610</u>

There were no employees in 2017 whose remuneration was €70,000 or more (2016 : 1).

**GOOD SHEPHERD CORK**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

<b>10 Tangible fixed assets</b>					
<i>Current financial year</i>	<b>Land and buildings</b>	<b>Plant and machinery</b>	<b>Fixtures, fittings &amp; equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	€	€	€	€	€
<b>Cost</b>					
At 1 January 2017	1,280,808	43,092	482,243	56,424	1,862,567
Additions	32,162	-	-	-	32,162
At 31 December 2017	1,312,970	43,092	482,243	56,424	1,894,729
<b>Depreciation and impairment</b>					
At 1 January 2017	772,708	42,484	436,261	56,424	1,307,877
Depreciation charged in the year	43,801	76	12,892	-	56,769
At 31 December 2017	816,509	42,560	449,153	56,424	1,364,646
<b>Carrying amount</b>					
At 31 December 2017	496,461	532	33,090	-	530,083
At 31 December 2016	508,100	608	45,982	-	554,690
<b>11 Fixed asset investments</b>					
			<b>2017</b>	<b>2016</b>	
			€	€	
Bank deposits			644,070	643,150	
<b>12 Financial instruments (including cash and cash equivalents)</b>			<b>2017</b>	<b>2016</b>	
			€	€	
<b>Carrying amount of financial assets</b>					
Debt instruments measured at amortised cost			1,256,025	1,192,490	
<b>Carrying amount of financial liabilities</b>					
Measured at amortised cost			108,655	75,744	
<b>13 Debtors</b>					
			<b>2017</b>	<b>2016</b>	
<b>Amounts falling due within one year:</b>			€	€	
Prepayments and accrued income			59,048	17,834	

**GOOD SHEPHERD CORK**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

**14 Creditors: amounts falling due within one year**

	2017 €	2016 €
Other taxation and social security	44,536	154,317
Accruals	108,655	75,744
	<u>153,191</u>	<u>230,061</u>

**15 Deferred income**

	2017 €	2016 €
Arising from government grants	328,642	269,885
Arising from Deferred income - restricted	128,760	33,835
	<u>457,402</u>	<u>303,720</u>

**16 Restricted funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2017 €	Movement in funds Incoming resources €	Resources expended €	Balance at 31 December 2017 €
Edel House	-	1,043,241	(1,043,241)	-
Riverview	-	655,820	(655,820)	-
Bruac	-	55,397	(55,397)	-
Bruac LTI	12	118,353	(118,353)	12
Aftercare	-	235,081	(235,081)	-
YPFSF	-	46,636	(46,636)	-
	<u>12</u>	<u>2,154,528</u>	<u>(2,154,528)</u>	<u>12</u>

**GOOD SHEPHERD CORK**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

**17 Designated funds**

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2017 €	Movement in funds Incoming resources €	Resources expended €	Balance at 31 December 2017 €
Building Reserve Fund	857,827	1,753	-	859,580
	<u>857,827</u>	<u>1,753</u>	<u>-</u>	<u>859,580</u>

**18 Analysis of net assets between funds**

	General Fund €	Designated Funds €	Restricted Funds €	Total €
Fund balances at 31 December 2017 are represented by:				
Tangible assets	530,083	-	-	530,083
Investments	-	644,070	-	644,070
Current assets/(liabilities)	(26,352)	215,510	328,654	517,812
Provisions	(128,760)	-	(328,642)	(457,402)
	<u>374,971</u>	<u>859,580</u>	<u>12</u>	<u>1,234,563</u>

**19 Related party transactions**

**Remuneration of key management personnel**

The remuneration of key management personnel is as follows.

	2017 €	2016 €
Aggregate compensation	<u>68,821</u>	<u>80,080</u>

The new Chief Executive Officer was recruited in on a salary of €80,000, but given that she was not there for the full year, her salary for 2017 was under €70,000.

**GOOD SHEPHERD CORK****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2017**

<b>20</b>	<b>Cash generated from operations</b>	<b>2017</b>	<b>2016</b>
		<b>€</b>	<b>€</b>
	Surplus/(deficit) for the year	3,330	(26,916)
	Adjustments for:		
	Investment income recognised in profit or loss	(1,753)	(5,201)
	Depreciation and impairment of tangible fixed assets	56,769	55,822
	Movements in working capital:		
	(Increase)/decrease in debtors	(41,214)	42,194
	(Decrease)/increase in creditors	(76,870)	85,986
	Increase/(decrease) in deferred income	153,682	(53,871)
	<b>Cash generated from operations</b>	<b>93,944</b>	<b>98,014</b>
<b>21</b>	<b>Approval of financial statements</b>		

The Board of Directors approved the financial statements for issue on the 19<sup>th</sup> June 2018