

Charity Registration No. 20041618

Company Registration No. 82114 (Republic of Ireland)

GOOD SHEPHERD CORK

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

**GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION**

Trustees	Jim Mulcahy Ethna McDermott Patrick Caffrey Garvan Corkery Brendan Lenihan Deirdre Carwood Sinead Corcoran Celine Fox Deirdre Madden Tina Quinn	(Appointed 30 May 2019) (Appointed 25 March 2020) (Appointed 1 January 2020)
Secretary	Sinead Corcoran	
Charity number	20041618	
Company number	82114	
Principal address	Bruac Eile, Redemption Road, Cork	
Registered office	Bruac Eile, Redemption Road, Cork	
Auditor	Moore Chartered Accountants & Statutory Audit Firm, 83 South Mall, Cork.	
Bankers	Allied Irish Bank 33 North Main Street, Cork.	
Solicitors	O' Flynn Exhams & Partners, 58 South Mall, Cork. Ronan Daly Jermyn 2 Park Place City Gate Park Mahon Cork	

GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
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**GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT**

FOR THE YEAR ENDED 31 DECEMBER 2019

The trustees present their report and financial statements for the year ended 31 December 2019.

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 Company's governing document, 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)" (as amended for accounting periods commencing from 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

As part of its commitment to quality governance, the company developed a Risk Management Framework and updated its Risk Management Register over 2019. (Each risk area details impact, likelihood, mitigating measures and action to take if risks materialise and become an issue. Measures that mitigate risks with the highest gross risk rating are prioritised. The Risk Register is reviewed each year).

In its 2019 risk review, the Board of Trustees identified principal risks as: failure to secure sufficient funding, failure to retain core employees, failure to invest in sufficient management and administrative capacity as the organisation expands and a potential breach of data protection legislation.

Achievements and performance

The Board of Trustees are satisfied with the overall achievements and performance of the company in a very challenging environment for homeless services nationally.

Numbers wishing to access our services continued to grow due to the lack of affordable housing in Cork. In 2019 we accommodated 227 women and children in our emergency shelter, Edel House, and a further 167 people at Redclyffe, our family hub service which we opened in mid-2018. We also worked with 136 families who are homeless and staying in B&Bs and other private emergency accommodation.

A significant development in 2019 was the formal transfer of the long-term supported housing project, Baile An Aoire from the Congregation of the Good Shepherd Sisters to Good Shepherd Cork in May 2019, providing us with 30 units of accommodation for vulnerable women.

Across our services we supported over 950 women and children who are homeless or vulnerable to homelessness in 2019.

**GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2019

In response to the homelessness crisis we have continued to expand the range of educational, therapeutic and emotional supports provided to our service users, to help strengthen their resilience and coping skills in the face of the many stresses of homelessness.

Brendan Lenihan took on the role of Chairperson in January 2019. Celine Fox and Tina Quinn joined the board during 2019.

The trustees are of the opinion that Good Shepherd Cork performed well in 2019 with its positive impact on the lives of many.

Financial review

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

A small surplus was reported for the year ended 31 December 2019 (before taking account of the impact of the integration of the Baile An Aoire service).

Reserves policy

The Board of Trustees agreed that an appropriate reserve fund to allow for the company to source alternative funding, or for orderly wind-down, is three months' core running costs. A proportion of reserves are maintained in realisable form. The policy is reviewed annually. As at 31 December 2019 unrestricted reserves equate to approximately four month's core expenditure at €1,305,305 (2018: €1,308,618). Of this sum, we are holding €860,924 as a reserve for plans to expand the service and approximately one month in operational reserves. The trustees are working on plans in conjunction with its funders to expand the scope and assets of the service, particularly in the area of provision of housing, and these reserves are vital in underpinning these plans as well as providing a modest operation reserve against future financial disruption. The trustees will regularly review the allocation of the unrestricted reserves to support the implementation of our strategy.

Post balance sheet events

During 2020 Good Shepherd Cork has had to adapt to the impact of COVID-19. All residential services have remained open and operational whilst outreach services have continued to operate with staff working remotely providing online and phone supports. Services are fully implementing HSE infection control guidance. Whilst the COVID-19 pandemic is creating considerable uncertainty for Irish society and the economy, we are of the view that Good Shepherd Cork is well placed to manage through this uncertainty. Donations to date in 2020 have been strong and at this stage there is no evidence of grant funding being reduced for 2020 and beyond. As such the trustees are of the view that COVID-19 will not impact on the ability of the company to operate as a going concern.

Capital commitments

In early 2019, Good Shepherd Cork started construction on the re-development of Edel House, funded by the Department of Housing, Planning and Local Government through Cork City Council. Funds of €7.53 million have been allocated for the development by the Department with full completion scheduled for September 2021.

Structure, governance and management

The charity is a company limited by guarantee. There is a voluntary Board of Trustees 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 and procedures and accountability are maintained.

**GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2019

The trustees who served during the year were:

Jim Mulcahy

Ann Marie O' Sullivan

(Resigned 25 March 2020)

Ethna McDermott

Patrick Caffrey

Garvan Corkery

Brendan Lenihan

Deirdre Carwood

Sinead Corcoran

Celine Fox

(Appointed 30 May 2019)

Deirdre Madden

(Appointed 25 March 2020)

Tina Quinn

(Appointed 1 January 2020)

Administrative Details

Charity Number : 20041618

Company Number : 82114

Auditor

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

Disclosure of information to auditor

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

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

The trustees' report was approved by the Board of Trustees.



Brendan Lenihan
Director



Deirdre Carwood
Director

Dated: 14/7/2020

**GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES**

FOR THE YEAR ENDED 31 DECEMBER 2019

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

The law applicable to charities in Ireland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Brendan Lenihan
Director



Deirdre Carwood
Director

Dated: 14/7/2020

**GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF GOOD SHEPHERD CORK

Opinion

We have audited the financial statements of Good Shepherd Cork (the company) for the year ended 31 December 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS102 *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 charitable company's affairs as at 31 December 2019 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with FRS102 *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 the 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees 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 trustees 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 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
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

TO THE MEMBERS OF GOOD SHEPHERD CORK

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 Trustees' Report is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with the 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 our 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 Trustees' Report.

We have nothing to report in respect of our obligation under 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 trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees, who are also directors of the company for the purpose of company law, 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable 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.

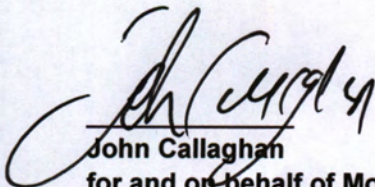
A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: [http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/International-Standards-on-Auditing-\(Ireland\)/ISA-700-\(Ireland\)](http://www.iaasa.ie/Publications/Auditing-standards/International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

**GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

TO THE MEMBERS OF GOOD SHEPHERD CORK

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 purposes. To the fullest extent permitted by law, we do not accept 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.



**John Callaghan
for and on behalf of Moore
Chartered Accountants and
Statutory Audit Firm,
83 South Mall,
Cork.**

Date signed: 21/7/20.

**GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Unrestricted funds €	Restricted funds €	Total 2019 €	Total 2018 €
<u>Income and endowments from:</u>					
Donations and legacies	3	149,915	142,498	292,413	125,532
Income from charitable activities	4	-	3,361,129	3,361,129	2,728,768
Investment income	5	334	-	334	1,344
Gift - exceptional	6	-	1,668,225	1,668,225	-
Other income	7	-	-	-	7,000
Total income and endowments		150,249	5,171,852	5,322,101	2,862,644
<u>Expenditure on:</u>					
Raising funds	8	3,075	-	3,075	-
Expenditure on charitable activities	9	150,487	3,502,741	3,653,228	2,788,577
Total resources expended		153,562	3,502,741	3,656,303	2,788,577
Net (expenditure)/income for the year/ Net movement in funds		(3,313)	1,669,111	1,665,798	74,067
Fund balances at 1 January		1,308,618	12	1,308,630	1,234,563
Fund balances at 31 December		1,305,305	1,669,123	2,974,428	1,308,630

GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 €	€	2018 €	€
Fixed assets					
Tangible assets	14	3,569,279		727,412	
Investments	15	566,911		566,404	
		<u>4,136,190</u>		<u>1,293,816</u>	
Current assets					
Debtors	17	154,204		62,706	
Cash at bank and in hand		1,233,126		988,132	
		<u>1,387,330</u>		<u>1,050,838</u>	
Creditors: amounts falling due within one year	18	(265,605)		(223,747)	
Net current assets		<u>1,121,725</u>		<u>827,091</u>	
Total assets less current liabilities		<u>5,257,915</u>		<u>2,120,907</u>	
Creditors: amounts falling due after more than one year	19	(221,984)		-	
Deferred income	20	(2,061,503)		(812,277)	
Net assets		<u>2,974,428</u>		<u>1,308,630</u>	
Income funds					
Restricted funds	21	1,669,123		12	
<u>Unrestricted funds</u>					
Designated funds	22	860,924		860,924	
General unrestricted funds		444,381		447,694	
		<u>1,305,305</u>		<u>1,308,618</u>	
		<u>2,974,428</u>		<u>1,308,630</u>	

The financial statements were approved by the board of directors and authorised for issue on 14/7/2020 and signed on its behalf by:



Brendan Lenihan
Trustee



Deirdre Carwood
Trustee

GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 €	€	2018 €	€
Cash flows from operating activities					
Cash generated from operations	27	1,522,485		566,279	
Investing activities					
Purchase of tangible fixed assets		(1,499,302)		(276,112)	
Proceeds on disposal of tangible fixed assets		-		7,000	
Movement in investments		(507)		77,666	
Interest received		334		1,344	
Net cash used in investing activities		(1,499,475)		(190,102)	
Financing activities					
Advancement of borrowings (net of repayments)		221,984		-	
Net cash generated from/(used in) financing activities		221,984		-	
Net increase in cash and cash equivalents		244,994		376,177	
Cash and cash equivalents at beginning of year		988,132		611,955	
Cash and cash equivalents at end of year		1,233,126		988,132	

**GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Charity 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 trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees 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 trustees 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 or capitalised (if meets certain criteria) 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
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2019

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 finance, payroll function and governance costs which support the Company's activities. The bases on which support costs have been allocated are set out in note 11.

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	0%/4% straight line
Plant and machinery	12.5%/20% reducing balance
Fixtures, fittings & equipment	10%/12.5% 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 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).

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. Bank overdrafts are shown within borrowings in current liabilities.

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. Financial assets classified as receivable within one year are not amortised.

**GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

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. Financial liabilities classified as payable within one year are not amortised.

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 Taxation

The Company is exempt from corporation tax under its status as a charity.

1.11 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.

The Company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Company in an independently administered fund.

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.

2 Critical accounting estimates and judgements

In the application of the Company's accounting policies, the trustees 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

The trustees are of the view that there are no judgements (apart from those involving estimates) in applying their accounting policies that have had a significant effect on amounts recognised in the financial statements.

GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

2 Critical accounting estimates and judgements (Continued)

Key sources of estimation uncertainty

The trustees 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

	Unrestricted funds €	Restricted funds €	Total 2019 €	Total 2018 €
Donations and gifts	149,915	10,740	160,655	90,667
Other grants	-	131,758	131,758	34,865
	<u>149,915</u>	<u>142,498</u>	<u>292,413</u>	<u>125,532</u>
For the year ended 31 December 2018	<u>90,667</u>	<u>34,865</u>		<u>125,532</u>
Other grants				
Bon Secour Care Home	-	-	-	4,000
Civil Service Fund	-	-	-	5,500
Electric Ireland	-	-	-	6,965
Irish Human Rights and Equality Commission	-	3,600	3,600	2,400
Ireland funds	-	-	-	4,000
Loreto Foundation Fund	-	6,000	6,000	6,000
Solidarity Trust Fund	-	10,000	10,000	6,000
Coca Cola	-	10,000	10,000	-
OLC Trust Fund	-	20,000	20,000	-
Charitable Trust	-	82,158	82,158	-
	<u>-</u>	<u>131,758</u>	<u>131,758</u>	<u>34,865</u>

**GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2019

4 Income from charitable activities

	Edel House	Riverview	Bruac	Support & Advocacy	Baile An Aoire	Redclyffe	YPFSF and Henrietta's	Total 2019	Total 2018
	2019	2019	2019	2019	2019	2019	2019	€	€
TUSLA	515,431	688,886	50,028	56,757	-	47,600	-	1,358,702	1,307,394
Cork City Council	313,950	-	-	-	-	467,797	-	781,747	518,333
Amortisation of capital grants	10,530	5,000	7,266	-	-	10,043	-	32,839	31,011
HSE	318,163	-	-	165,059	160,151	65,000	-	708,373	552,217
YPFSF grant	-	-	-	-	-	-	55,204	55,204	57,827
Rent	44,030	-	-	-	71,052	26,310	-	141,392	54,335
Sundry income and other grants	45,027	-	-	8,500	68,983	-	-	122,510	88,955
Cork ETB	39,375	-	119,337	-	-	-	1,650	160,362	118,696
	<u>1,286,506</u>	<u>693,886</u>	<u>176,631</u>	<u>230,316</u>	<u>300,186</u>	<u>616,750</u>	<u>56,854</u>	<u>3,361,129</u>	<u>2,728,768</u>
Analysis by fund									
Unrestricted funds	-	-	-	-	-	-	-	-	45,195
Restricted funds	<u>1,286,506</u>	<u>693,886</u>	<u>176,631</u>	<u>230,316</u>	<u>300,186</u>	<u>616,750</u>	<u>56,854</u>	<u>3,361,129</u>	<u>2,683,573</u>
For the year ended 31 December 2018									
Unrestricted funds	34,890	-	-	-	-	-	10,305	-	45,195
Restricted funds	<u>1,221,006</u>	<u>656,012</u>	<u>185,377</u>	<u>232,506</u>	<u>-</u>	<u>325,389</u>	<u>63,283</u>	<u>3,361,129</u>	<u>2,683,573</u>
	<u>1,255,896</u>	<u>656,012</u>	<u>185,377</u>	<u>232,506</u>	<u>-</u>	<u>325,389</u>	<u>73,588</u>	<u>3,361,129</u>	<u>2,728,768</u>

GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

5 Investment income

	2019	2018
	€	€
Interest receivable	334	1,344
	<u>334</u>	<u>1,344</u>

6 Gift - exceptional

As of 1 June 2019, the company took over the services at Baile An Aoire and as part of the agreement the following assets / (liabilities) were donated by the Good Shepherd Sisters:

	€
Property at fair value	1,455,000
Bank accounts	197,351
Prepayments	48,136
Accruals	(32,262)
	<u>1,668,225</u>
Net donation	<u>1,668,225</u>

The fair value of the property was based on a valuation received from auctioneers ERA Downey McCarthy. The report was completed by a RICS Registered Valuer.

7 Other income

	2019	2018
	€	€
Net gain on disposal of tangible fixed assets	-	7,000
	<u>-</u>	<u>7,000</u>

8 Raising funds

	2019	2018
	€	€
<u>Fundraising and publicity</u>		
Other fundraising costs	3,075	-
	<u>3,075</u>	<u>-</u>

GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

9 Expenditure on charitable activities

	Edel House	Riverview	Bruac and Bruac LTI	Support & Advocacy	Baile An Aoire	Redclyffe	YPFSF and Henrietta's	Total 2019	Total 2018
	2019	2019	2019	2019	2019	2019	2019	€	€
Staff costs	1,232,415	581,974	123,559	228,149	145,840	449,779	46,345	2,808,061	2,175,578
Depreciation and impairment	44,571	15,842	3,481	3,790	33,950	10,043	758	112,435	78,783
Insurance	11,741	6,401	3,031	4,364	3,919	5,203	-	34,659	31,965
Light & heat	26,799	6,067	3,290	1,286	6,032	11,674	321	55,469	45,305
Repairs & maintenance	56,248	45,396	41,497	4,488	59,652	26,629	7,830	241,740	159,297
Office expenses	525	-	2,031	-	7,493	-	-	10,049	3,361
Crafts and recreational	12,017	1,116	7,645	540	8,402	2,837	799	33,356	12,754
Printing, postage and stationery	8,578	6,092	3,558	1,656	-	3,879	414	24,177	17,615
Telephone	9,597	1,315	730	2,710	-	3,271	677	18,300	14,302
Motor and travel	9,266	4,652	538	9,236	3,725	390	2,308	30,115	16,279
U/18s expenses	-	346	-	-	-	-	-	346	67
Client care	25,883	2,023	-	692	21,317	2,415	173	52,503	22,088
Household expenses	12,920	8,538	1,425	1,229	7,168	5,774	967	38,021	21,327
Sundry expenses	-	-	-	-	-	-	-	-	10,637
Course materials	8,622	722	2,002	1,787	4,579	2,697	1,228	21,637	22,351
Security costs	-	-	-	-	2,440	82,223	-	84,663	38,962
	1,459,182	680,484	192,787	259,927	304,517	606,814	61,820	3,565,531	2,670,671
Share of support costs (see note 11)	41,907	11,271	6,604	5,160	3,664	9,144	1,289	79,039	112,247
Share of governance costs (see note 11)	2,207	1,245	622	634	3,000	792	158	8,658	5,659
	1,503,296	693,000	200,013	265,721	311,181	616,750	63,267	3,653,228	2,788,577

**GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2019

9 Expenditure on charitable activities	(Continued)									
Analysis by fund										
Unrestricted funds	74,292	-	23,382	35,405	10,995	-	6,413	150,487	70,139	
Restricted funds	1,429,004	693,000	176,631	230,316	300,186	616,750	56,854	3,502,741	2,718,438	
	<u>1,503,296</u>	<u>693,000</u>	<u>200,013</u>	<u>265,721</u>	<u>311,181</u>	<u>616,750</u>	<u>63,267</u>	<u>3,653,228</u>	<u>2,788,577</u>	
For the year ended 31 December 2018										
Unrestricted funds	70,139	-	-	-	-	-	-	-	70,139	
Restricted funds	1,223,878	649,419	174,551	249,250	-	325,389	95,951		2,718,438	
	<u>1,294,017</u>	<u>649,419</u>	<u>174,551</u>	<u>249,250</u>	<u>-</u>	<u>325,389</u>	<u>95,951</u>		<u>2,788,577</u>	

GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

10 Utilisation of TUSLA funding

TUSLA funds recognised as grant income in 2019 were €1,358,702. These funds have been utilised as follows:

	€
Edel House	515,431
Riverview	688,886
Bruac	50,028
Support & Advocacy	56,757
Redclyffe	47,600
	<u>1,358,702</u>

All grant income has been used as a contribution towards the overall expenditure of each restricted fund, except for Riverview where it covers all expenditure incurred within the fund.

11 Support costs

	Support costs €	Governance costs €	2019 €	2018 €	Basis of allocation
Staff training and education	25,628	-	25,628	12,276	Actual invoices
Sessionals	2,117	-	2,117	600	Actual invoices
Professional fees	26,473	-	26,473	78,362	Actual invoices
Accountancy fees	22,653	-	22,653	19,712	Actual invoices
Bank charges	2,168	-	2,168	1,297	Actual invoices
Audit fees	-	8,658	8,658	5,659	Actual invoices
	<u>79,039</u>	<u>8,658</u>	<u>87,697</u>	<u>117,906</u>	
Analysed between					
Charitable activities	<u>79,039</u>	<u>8,658</u>	<u>87,697</u>	<u>117,906</u>	

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the Company during the year.

GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

13 Employees

Number of employees

The average monthly number employees during the year was:

	2019 Number	2018 Number
Social care staff / Management and admin staff (full and part-time)	67	58

Employment costs

	2019 €	2018 €
Wages and salaries	2,489,623	1,928,884
Social security costs	267,276	203,704
Other pension costs	51,162	42,990

The number of employees whose annual remuneration was €60,000 or more were:

	2019 Number	2018 Number
€60,000 - €70,000	6	5
€70,000 - €80,000	-	-
€80,000 - €90,000	1	1

14 Tangible fixed assets

Current financial year

	Land and buildings	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	€	€	€	€	€
Cost					
At 1 January 2019	1,460,325	43,092	564,921	46,079	2,114,417
Additions	2,954,302	-	-	-	2,954,302
At 31 December 2019	4,414,627	43,092	564,921	46,079	5,068,719
Depreciation and impairment					
At 1 January 2019	866,614	42,626	472,005	5,760	1,387,005
Depreciation charged in the year	86,404	58	20,213	5,760	112,435
At 31 December 2019	953,018	42,684	492,218	11,520	1,499,440
Carrying amount					
At 31 December 2019	3,461,609	408	72,703	34,559	3,569,279
At 31 December 2018	593,711	466	92,916	40,319	727,412

Included in Land and buildings above is an amount of €1,582,033 which relates to construction in progress for Edel House.

GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

15 Fixed asset investments

Current financial year

**Fixed term
deposits
€**

Cost or valuation

At 1 January 2019

566,404

Additions

507

At 31 December 2019

566,911

Net book value

At 31 December 2019

566,911

At 31 December 2018

566,404

16 Financial instruments

**2019
€**

**2018
€**

Carrying amount of financial assets

Equity instruments measured at cost less impairment

566,911

566,404

Carrying amount of financial liabilities

Measured at amortised cost

487,589

223,747

17 Debtors

**2019
€**

**2018
€**

Amounts falling due within one year:

Prepayments and accrued income

154,204

62,706

18 Creditors: amounts falling due within one year

**2019
€**

**2018
€**

Accruals

265,605

223,747

GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

19 Creditors: amounts falling due after more than one year

	2019	2018
	€	€
Borrowings	221,984	-

The loan is due to be repaid in full at the earlier of 30 months from the date of draw down (9 July 2019) or on receipt of Capital Assistance Scheme grant funding.

The interest rate applicable to the loan is 6% per annum.

20 Deferred income

	2019	2018
	€	€
Arising from government grants	1,724,643	538,402
Arising from deferred income - restricted	336,860	273,875
	<u>2,061,503</u>	<u>812,277</u>

There may be a contingent liability to repay in whole, or in part, grants received if certain circumstances set out in the grants' agreements occur.

21 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	Movement in funds			Balance at 31
	1 January	Incoming	Resources	Gift -	December
	2019	resources	expended	exceptional	2019
	€	€	€	€	€
Edel House	-	1,429,004	(1,429,004)	-	-
Riverview	-	693,886	(693,000)	-	886
Bruac / Bruac LTI	12	176,631	(176,631)	-	12
Support and Advocacy	-	230,316	(230,316)	-	-
Baile An Aoire	-	300,186	(300,186)	1,668,225	1,668,225
Redclyffe	-	616,750	(616,750)	-	-
YPFSF and Henrietta's	-	56,854	(56,854)	-	-
	<u>12</u>	<u>3,503,627</u>	<u>(3,502,741)</u>	<u>1,668,225</u>	<u>1,669,123</u>

GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

22 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 2019 €	Movement in funds		Balance at 31 December 2019 €
		Incoming resources €	Resources expended €	
Building Reserve Fund	860,924	-	-	860,924
	860,924	-	-	860,924

23 Analysis of net assets between funds

	General Fund €	Restricted Funds €	Total €
Fund balances at 31 December 2019 are represented by:			
Tangible assets	2,114,279	1,455,000	3,569,279
Investments	566,911	-	566,911
Current assets/(liabilities)	907,602	214,123	1,121,725
Long term liabilities	(221,984)	-	(221,984)
Deferred income	(2,061,503)	-	(2,061,503)
	1,305,305	1,669,123	2,974,428

24 Capital commitments

Good Shepherd Cork had capital commitments in respect of the completion of the development of Edel House at 31 December 2019 to the amount of €5.94 million.

25 Events after the reporting date

During 2020 Good Shepherd Cork has had to adapt to the impact of COVID-19. All residential services have remained open and operational whilst outreach services have continued to operate with staff working remotely providing online and phone supports. Services are fully implementing HSE infection control guidance. Whilst the COVID-19 pandemic is creating considerable uncertainty for Irish society and the economy, we are of the view that Good Shepherd Cork is well placed to manage through this uncertainty. Donations to date in 2020 have been strong and at this stage there is no evidence of grant funding being reduced for 2020 and beyond. As such the trustees are of the view that COVID-19 will not impact on the ability of the company to operate as a going concern.

GOOD SHEPHERD CORK
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

26 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2019	2018
	€	€
Gross salary	420,392	372,890
ER PRSI	45,976	40,412
Pension	15,415	13,035
	<hr/>	<hr/>
Total	481,783	426,337
	<hr/>	<hr/>

The above figures relate to 8 key management personnel (2018: 7).

27 Cash generated from operations

	2019	2018
	€	€
Surplus for the year	1,665,798	74,067
Adjustments for:		
Investment income recognised in profit or loss	(334)	(1,344)
Gain on disposal of tangible fixed assets	-	(7,000)
Non-cash gift	(1,455,000)	-
Depreciation and impairment of tangible fixed assets	112,435	78,783
Movements in working capital:		
(Increase) in debtors	(91,498)	(3,658)
Increase in creditors	41,858	70,556
Increase in deferred income	1,249,226	354,875
	<hr/>	<hr/>
Cash generated from operations	1,522,485	566,279
	<hr/>	<hr/>

28 Approval of financial statements

The board of trustees approved the financial statements for issue on the 14/7/2020.