

The Mendicity Institution and The Mendicity Institution Trust
Annual Report and Audited Financial Statements
for the financial year ended 31 December 2019

The Mendicity Institution and The Mendicity Institution Trust

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The Mendicity Institution and The Mendicity Institution Trust

TRUSTEES' AND OTHER INFORMATION

| | |
|--|---|
| Trustees | Very Rev. Dermot Dunne, Dean of Christ Church Cathedral (Appointed 1 April 2019) Tony O'Rourke Betty Sisson (Resigned 5 July 2019) Caroline Carson John Collins Eimhin Walsh (Resigned 4 January 2019) Lynda Sisson (Appointed 5 July 2019) Damian MCS Shane (Appointed 4 January 2019) Brian Scollard (Appointed 1 April 2019) |
| Charity Number | CHY 834 |
| Charities Regulatory Authority Number | RCN 20001322 |
| Principal Address | 9 Island Street Dublin 8 |
| Auditors | ITAS Accounting Limited Certified Public Accountants and Statutory Auditors 6 Marino Mart Fairview Dublin 3 |
| Bankers | Bank of Ireland College Green Dublin 2 |

The Mendicity Institution and The Mendicity Institution Trust

TRUSTEES' REPORT

for the financial year ended 31 December 2019

The trustees present their 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 charity 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; however it is considered best practice.

The Trustees' Report contains the information required to be provided in the Trustees' Annual Report under the Statement of Recommended Practice (SORP) guidelines. The trustees of the company are also charity trustees for the purpose of charity law and under the company's constitution are known as members of the board of trustees.

In this report the trustees of The Mendicity Institution and The Mendicity Institution Trust 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.

Mission, Objectives and Strategy

Mission Statement

The charity has a committee who meet on a regular basis and are responsible for strategic direction of the charity. The charity is run on a day to day basis by the CEO who is responsible for ensuring that the charity meets its long and short term aims and the day to day operations run smoothly.

Objectives

The charity's objectives and principal activities are to:

- Create opportunities for people experiencing homelessness, isolation and marginalisation to live better lives.
- Help people empower themselves so they can work their way out of homelessness and deprivation.

The main area of the charity's activity are:

- Serving homemade nutritious meals free of charge, no questions asked.
- Provide the local community with activities and opportunities.
- To facilitate a path to independent living for homeless, vulnerable, poor and socially marginalised individuals
- To teach men and women a trade, to get the rehabilitate employment.
- Providing basic English language classes

The charity served over 20,000 meals and offered assistance to more than 200 homeless service users.

Structure, Governance and Management

Structure

The organisation is a charitable institution trust and it is run by committee of management and trustees.

Review of Activities, Achievements and Performance

The main achievements of the charity during the year were:

- The Institution served over 20,000 meals and offered assistance to more than 200 homeless service users.

Financial Review

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

Results and Dividends

At the end of the financial year the company has assets of €4,499,596 (2018 - €4,304,968) and liabilities of €25,382 (2018 - €31,174). The net assets of the company have increased by €200,420.

The Mendicity Institution and The Mendicity Institution Trust

TRUSTEES' REPORT

for the financial year ended 31 December 2019

Reserves Position and Policy

The charity needs reserves to:

- Ensure the charity can continue to provide a stable service to those who need them.
- Meet contractual obligations as they fall due;
- Meet unexpected costs;
- Provide working capital when funding is paid in arrears;

The charity have a policy of transferring 80% of any retained surplus to a designated fund for future capital projects.

Based on this, the trustees are satisfied that it holds sufficient reserves to allow the charity to trade successfully.

Future Developments

The Trustees are not expecting to make any significant changes in the nature of the business in the near future.

Reference and Administrative details

The organisation is a charitable trust with a registered office at Island Street, Dublin 8. The charity operates under the name Mendicity Institution.

The charity has been granted charitable tax status under Sections 207 and 208 of the Taxes Consolidation Act 1997, Charity No CHY 834, and is registered with the Charities Regulatory Authority, RCN 20001322, The charity has a total of 4 trustees.

The day to day management of the charity is directed by Louisa Santoro who is CEO of Mendicity Institution CLG. Key management personnel, being members of the Committee of Management:

Trevor Lloyd
John Collins
Eimhin Walsh

Details of the external advisors of the Charity are as follows:

Bankers
Bank of Ireland
College Green
Dublin 2

Investment manager
Tilman Brewin Dolphin
3 Richview Office Park
Clonskeagh
Dublin 14

Auditors
ITAS Accounting Limited
Certified Public Accountants and Statutory Auditors
6 Marino Mart
Fairview
Dublin 3

Compliance with Sector-Wide Legislation and Standards

The company engages pro-actively with legislation, standards and codes which are developed for the sector. The Mendicity Institution and The Mendicity Institution Trust subscribes to and is compliant with the following:

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

Trustees

The names of persons who at any time during the financial year and since the year end unless otherwise stated were trustees of the charity are as follows:

Tony O'Rourke
Betty Sisson
Caroline Carson
John Conran

**The Mendicity Institution and The Mendicity Institution Trust
TRUSTEES' REPORT**

for the financial year ended 31 December 2019

Investment Policy

The trustees have a general power of investment and so enjoy considerable freedom to invest in such investment assets as they see fit. In deciding on any investments the charity takes into account the social, environmental and ethical impacts of these investments and only invests in assets that have a positive impact on all three.

Approved by the Board of Trustees on _____ and signed on its behalf by:

Caroline Carson
Trustee

John Collins
Trustee

Draft

The Mendicity Institution and The Mendicity Institution Trust TRUSTEES' RESPONSIBILITIES STATEMENT

for the financial year ended 31 December 2019

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

The law applicable to charities in the Republic of Ireland requires the trustees to prepare financial statements for each financial year which 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 surplus or deficit of the company and otherwise comply with the Charities Act, 2009.

In preparing these financial statements, the trustees 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 trustees confirm that they have complied with the above requirements in preparing the financial statements.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 Charities Act 2009 and the provisions of the company's constitution and rules. 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.

Approved by the Board of Trustees on _____ and signed on its behalf by:

Caroline Carson
Trustee

John Collins
Trustee

INDEPENDENT AUDITOR'S REPORT

to the Members of The Mendicity Institution and The Mendicity Institution Trust

Report on the audit of the financial statements

Opinion

We have audited the company financial statements of The Mendicity Institution and The Mendicity Institution Trust for the financial year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet 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 net incoming resources 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

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 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, 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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

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.

INDEPENDENT AUDITOR'S REPORT

to the Members of The Mendicity Institution and The Mendicity Institution Trust

Respective responsibilities

Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement set out on page 7 the trustees 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 trustees 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 trustees.
- Conclude on the appropriateness of the trustees' 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 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 The Mendicity Institution and The Mendicity Institution Trust

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.

ITAS ACCOUNTING LIMITED
Certified Public Accountants and Statutory Auditors
6 Marino Mart
Fairview
Dublin 3

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The Mendicity Institution and The Mendicity Institution Trust

STATEMENT OF FINANCIAL ACTIVITIES

for the financial year ended 31 December 2019

| | Notes | Unrestricted Funds 2019 € | Total 2019 € | Unrestricted Funds 2018 € | Restricted Funds 2018 € | Total 2018 € |
|---|-------|------------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Income | | | | | | |
| Donations and legacies | 3.1 | 71,517 | 71,517 | 8,692 | 22,750 | 31,442 |
| Charitable activities | | | | | | |
| - Grants from governments and other co-funders | 3.2 | 8,559 | 8,559 | 14,634 | - | 14,634 |
| Other trading activities | 3.3 | 629,197 | 629,197 | - | - | - |
| Investments | 3.4 | - | - | (253,600) | - | 253,600 |
| Other income | 3.5 | 6,400 | 6,400 | - | - | - |
| Total income | | 715,673 | 715,673 | (230,274) | 22,750 | (207,524) |
| Expenditure | | | | | | |
| Charitable activities | 4.1 | 515,253 | 515,253 | 597,086 | - | 597,086 |
| Other trading activities | 4.2 | - | - | (2,290) | - | (2,290) |
| Total Expenditure | | 515,253 | 515,253 | 594,796 | - | 594,796 |
| Net income/(expenditure) | | 200,420 | 200,420 | (825,070) | 22,750 | (802,320) |
| Transfers between funds | | - | - | - | - | - |
| Net movement in funds for the financial year | | 200,420 | 200,420 | (825,070) | 22,750 | (802,320) |
| Reconciliation of funds | | | | | | |
| Balances brought forward at 1 January 2019 | 16 | 4,273,794 | 4,273,794 | 5,076,114 | - | 5,076,114 |
| Balances carried forward at 31 December 2019 | | 4,474,214 | 4,474,214 | 4,251,044 | 22,750 | 4,273,794 |

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 Trustees on _____ and signed on its behalf by:

Caroline Carson
Trustee

John Collins
Trustee

The Mendicity Institution and The Mendicity Institution Trust

BALANCE SHEET

as at 31 December 2019

| | Notes | 2019 € | 2018 € |
|---|-------|------------------|------------------|
| Fixed Assets | | | |
| Tangible assets | 10 | 1,018,795 | 1,009,520 |
| Investments | 11 | 3,488,160 | 3,101,536 |
| | | <u>4,506,955</u> | <u>4,111,056</u> |
| Current Assets | | | |
| Debtors | 12 | (130,636) | 14,692 |
| Cash at bank and in hand | | 123,277 | 179,220 |
| | | <u>(7,359)</u> | <u>193,912</u> |
| Creditors: Amounts falling due within one year | 13 | (25,382) | (31,174) |
| Net Current (Liabilities)/Assets | | (32,741) | 162,738 |
| | | <u>4,474,214</u> | <u>4,273,794</u> |
| Total Assets less Current Liabilities | | | |
| Funds | | | |
| Restricted trust funds | | - | 22,750 |
| Unrestricted designated funds | | - | 2,438,221 |
| General fund (unrestricted) | | 4,474,214 | 1,812,823 |
| Total funds | 16 | 4,474,214 | 4,273,794 |

Approved by the Board of Trustees on _____ and signed on its behalf by:

Caroline Carson
Trustee

John Collins
Trustee

The Mendicity Institution and The Mendicity Institution Trust

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2019

1. GENERAL INFORMATION

The Mendicity Institution and The Mendicity Institution Trust is a charity incorporated in the Republic of Ireland. The registered office of the company is 9 Island Street, Dublin 8 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.

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 on the going concern basis 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 2018 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 categorises 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.

Unrestricted funds

Unrestricted funds consist of General and Designated funds.

- General funds represent amounts which are expendable at the discretion of the board, in furtherance of the objectives of the company.

- Designated funds comprise unrestricted funds that the board has, at its discretion, set aside for particular purposes. These designations have an administrative purpose only, and do not legally restrict the board's discretion to apply the fund.

The Mendicity Institution and The Mendicity Institution Trust

NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2019

Income

Voluntary income or capital is included in the Statement of Financial Activities when the company is legally entitled to it, its financial value can be quantified with reasonable certainty and there is reasonable certainty of its ultimate receipt. Entitlement to legacies is considered established when the company has been notified of a distribution to be made by the executors. Income received in advance of due performance under a contract is accounted for as deferred income until earned. Grants for activities are recognised as income when the related conditions for legal entitlement have been met. All other income is accounted for on an accruals basis.

Donations and legacies

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable.

Legacy income is recognised at the earlier of the date on which either the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intension to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition has been met the legacy is treated as a contingent asset and disclosed if material.

Grants

Income from government and other grants whether 'capital' or 'revenue grants', is recognised when the charity has entitlements to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity is recognised within income from donations and legacies. Grants where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance and included within the income from charitable activities.

Donated services or facilities

Donated services and facilities are included at the fair value to the charity where this can be quantified. Donations in kind are included at their estimated value to the foundation in both revenue and expenditure in the year of receipt. Donated facilities are included as both income and expenses at the value to the charity where this can be quantified and a third party is bearing the cost. Where it is not practicable to measure the value of the resource with sufficient reliability the income is included in the financial period when the resource is sold. An asset is recognised only when those services are used for the production of an asset and the services received will be capitalised as part of the cost of an asset. Where it cannot be quantified the value is recognised when sold. The value of services provided by volunteers has not been included in these accounts. Resources received from non-exchange transactions for which the entity has benefited include: Volunteer services

Income from trading activities

Income from trading activities

Incoming resources from charitable trading activities are accounted for when earned which is usually when the risk and rewards of ownership transfers ; the sale can be reliably measured and it is probable there will be future inflows of economic activity.

Investments

Investment Income is included when receivable.

The Mendicity Institution and The Mendicity Institution Trust

NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2019

Expenditure

All resources expended are accounted for on an accruals basis. Charitable activities include costs of services and grants, support costs and depreciation on related assets. Costs of generating funds similarly include fundraising activities. Non-staff costs not attributed to one category of activity are allocated or apportioned pro-rata to the staffing of the relevant service. Finance, HR, IT and administrative staff costs are directly attributable to individual activities by objective. Governance costs are those associated with constitutional and statutory requirements.

Expenditure on raising funds

Cost of raising funds comprise the costs associated with attracting voluntary income, investment management costs, and the costs of trading for fund raising purposes. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance Costs

Governance costs include those cost associated with meeting constitutional and statutory requirements of the charity and include the audit fees, cost of legal advice for trustees and costs linked to strategic management of the charity including the cost of trustee meetings.

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:

| | | |
|----------------------------------|---|-------------------|
| Long leasehold property | - | 2% Straight line |
| Fixtures, fittings and equipment | - | 15% Straight line |
| Motor vehicles | - | 20% Straight line |
| Ground Rent | - | 10% Straight line |

Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value. Income from other financial fixed asset investments together with any related withholding tax is recognised in the profit and loss account in the year in which it is receivable.

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.

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 status under Sections 2017 and 208 of the Taxes Consolidation Act 1997. Charity No CHY 20162429. The charity is eligible under the "Scheme of Tax relief for Donations to Eligible Charities and Approved Bodies under Section 848A Taxes Consolidation Act 1997" therefore income tax refunds arising from sponsorship exceeding €250 per annum are included in unrestricted funds. Irrecoverable valued added tax is expensed as incurred.

3. INCOME

3.1 DONATIONS AND LEGACIES

| | Unrestricted Funds | Restricted Funds | 2019 | 2018 |
|------------------------|-----------------------|---------------------|---------------|---------------|
| | € | € | € | € |
| Donations and legacies | 31,983 | - | 31,983 | 8,692 |
| Grants | 39,534 | - | 39,534 | 22,750 |
| | <u>71,517</u> | <u>-</u> | <u>71,517</u> | <u>31,442</u> |

The Mendicity Institution and The Mendicity Institution Trust
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2019

| 3.2 CHARITABLE ACTIVITIES | Unrestricted Funds € | Restricted Funds € | 2019 € | 2018 € | |
|---|-------------------------------------|-----------------------------------|--------------------------------|-------------------|-------------------|
| Income from charitable activities | 8,559 | - | 8,559 | 14,634 | |
| 3.3 OTHER TRADING ACTIVITIES | Unrestricted Funds € | Restricted Funds € | 2019 € | 2018 € | |
| Other trading activities | 631,394 | - | 631,394 | - | |
| Unrealised gains/(losses) on Revalued Investments | (2,197) | - | (2,197) | - | |
| | <u>629,197</u> | <u>-</u> | <u>629,197</u> | <u>-</u> | |
| 3.4 INVESTMENTS | Unrestricted Funds € | Restricted Funds € | 2019 € | 2018 € | |
| Investments | - | - | - | 127,034 | |
| Unrealised gains/(losses) on Revalued Investments | - | - | - | (380,634) | |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>(253,600)</u> | |
| 3.5 OTHER INCOME | Unrestricted Funds € | Restricted Funds € | 2019 € | 2018 € | |
| Other income | 6,400 | - | 6,400 | - | |
| 4. EXPENDITURE | | | | | |
| 4.1 CHARITABLE ACTIVITIES | Direct Costs € | Other Costs € | Support Costs € | 2019 € | 2018 € |
| Admin | 55,149 | - | 27,162 | 82,311 | 106,640 |
| Office | - | - | 2,877 | 2,877 | 13,976 |
| Utility | 9,992 | - | 4,283 | 14,275 | 9,590 |
| Building Maintenance | 7,745 | - | 2,460 | 10,205 | 14,734 |
| Food Centre | 22,770 | - | - | 22,770 | 15,997 |
| Advoc/Empoyee | 22,504 | - | - | 22,504 | 8,609 |
| Staff Training | - | - | - | - | 295 |
| Fund Raising | 160 | - | - | 160 | 541 |
| Miscellaneous | - | - | 3,758 | 3,758 | 3,683 |
| Workshop | 15,617 | - | - | 15,617 | 16,823 |
| Evening Service | 933 | - | - | 933 | 40 |
| Tuesday Club | 17 | - | - | 17 | 795 |
| Wages | 169,913 | - | 169,913 | 339,826 | 405,363 |
| | <u>304,800</u> | <u>-</u> | <u>210,453</u> | <u>515,253</u> | <u>597,086</u> |

The Mendicity Institution and The Mendicity Institution Trust
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2019

| | | | | | |
|---|-------------------------------|------------------------------|--|-------------------|-------------------|
| 4.2 OTHER TRADING ACTIVITIES | Direct Costs € | Other Costs € | Support Costs € | 2019 € | 2018 € |
| Other trading activities | - | - | - | - | (2,290) |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| 4.3 SUPPORT COSTS | | | Charitable Activities € | 2019 € | 2018 € |
| Support | | | 210,453 | 210,453 | 264,459 |
| | | | <u> </u> | <u> </u> | <u> </u> |
| 5. ANALYSIS OF SUPPORT COSTS | | | | 2019 € | 2018 € |
| Support | | | | 210,453 | 264,459 |
| | | | | <u> </u> | <u> </u> |
| 6. NET INCOME | | | | 2019 € | 2018 € |
| Net Income is stated after charging/(crediting): | | | | | |
| Depreciation of tangible assets | | | | 14,218 | 8,578 |
| | | | | <u> </u> | <u> </u> |
| 7. INVESTMENT AND OTHER INCOME | | | | 2019 € | 2018 € |
| Rent receivable - other income | | | | 6,400 | 2,290 |
| Fees received as investment and other income | | | | 629,197 | 127,034 |
| | | | | <u> </u> | <u> </u> |
| | | | | 635,597 | 129,324 |
| | | | | <u> </u> | <u> </u> |
| 8. AMOUNT WRITTEN OFF INVESTMENTS | | | | 2019 € | 2018 € |
| Amounts written off current asset investments | | | | - | 380,634 |
| | | | | <u> </u> | <u> </u> |
| 9. EMPLOYEES AND REMUNERATION | | | | 2019 € | 2018 € |
| The staff costs (inclusive of trustees' salaries) comprise: | | | | | |
| Wages and salaries | | | | 305,780 | 405,363 |
| Social security costs | | | | 33,546 | - |
| Pension costs | | | | 12,234 | 10,272 |
| | | | | <u> </u> | <u> </u> |
| | | | | 351,560 | 415,635 |
| | | | | <u> </u> | <u> </u> |

The Mendicity Institution and The Mendicity Institution Trust
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2019

10. TANGIBLE FIXED ASSETS

| | Long leasehold property € | Fixtures, fittings and equipment € | Motor vehicles € | Ground Rent € | Total € |
|-------------------------------|------------------------------------|---|------------------------|------------------|------------------|
| Cost | | | | | |
| At 1 January 2019 | 1,000,000 | 97,629 | - | 444 | 1,098,073 |
| Additions | - | - | 23,493 | - | 23,493 |
| At 31 December 2019 | 1,000,000 | 97,629 | 23,493 | 444 | 1,121,566 |
| Depreciation | | | | | |
| At 1 January 2019 | - | 88,109 | - | 444 | 88,553 |
| Charge for the financial year | - | 9,520 | 4,698 | - | 14,218 |
| At 31 December 2019 | - | 97,629 | 4,698 | 444 | 102,771 |
| Net book value | | | | | |
| At 31 December 2019 | 1,000,000 | - | 18,795 | - | 1,018,795 |
| At 31 December 2018 | 1,000,000 | 9,520 | - | - | 1,009,520 |

10.1 TANGIBLE FIXED ASSETS PRIOR FINANCIAL YEAR

| | Long leasehold property € | Fixtures, fittings and equipment € | Ground Rent € | Total € |
|-------------------------------|------------------------------------|---|------------------|------------------|
| Cost | | | | |
| At 31 December 2018 | 1,000,000 | 97,629 | 444 | 1,098,073 |
| Depreciation | | | | |
| At 1 January 2018 | - | 79,975 | - | 79,975 |
| Charge for the financial year | - | 8,134 | 444 | 8,578 |
| At 31 December 2018 | - | 88,109 | 444 | 88,553 |
| Net book value | | | | |
| At 31 December 2018 | 1,000,000 | 9,520 | - | 1,009,520 |
| At 31 December 2017 | 1,000,000 | 17,654 | 444 | 1,018,098 |

11. INVESTMENTS

| | Other investments € | Total € |
|-----------------------|---------------------------|------------------|
| Investments | | |
| Cost | | |
| At 1 January 2019 | 3,101,536 | 3,101,536 |
| Revaluations | 386,624 | 386,624 |
| At 31 December 2019 | 3,488,160 | 3,488,160 |
| Net book value | | |
| At 31 December 2019 | 3,488,160 | 3,488,160 |
| At 31 December 2018 | 3,101,536 | 3,101,536 |

The Mendicity Institution and The Mendicity Institution Trust
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2019

11.1 FINANCIAL FIXED ASSETS PRIOR FINANCIAL YEAR
Commercial investments

| | Other investments | Total |
|--|-------------------------|-------------------------|
| | € | € |
| Investments | | |
| Cost | | |
| At 1 January 2018 | 3,686,242 | 3,686,242 |
| Revaluations | (584,706) | (584,706) |
| | <u>3,101,536</u> | <u>3,101,536</u> |
| At 31 December 2018 | <u>3,101,536</u> | <u>3,101,536</u> |
| | <u><u>3,101,536</u></u> | <u><u>3,101,536</u></u> |
| Net book value | | |
| At 31 December 2018 | <u>3,101,536</u> | <u>3,101,536</u> |
| At 31 December 2017 | <u>3,686,242</u> | <u>3,686,242</u> |
| | <u><u>3,686,242</u></u> | <u><u>3,686,242</u></u> |
| 12. DEBTORS | 2019 | 2018 |
| | € | € |
| Amounts owed by connected parties (Note 18) | (135,000) | 2,000 |
| Taxation and social security costs (Note 14) | 4,364 | 8,665 |
| Prepayments and accrued income | - | 4,027 |
| | <u>(130,636)</u> | <u>14,692</u> |
| | <u><u>(130,636)</u></u> | <u><u>14,692</u></u> |
| 13. CREDITORS | 2019 | 2018 |
| Amounts falling due within one year | € | € |
| Taxation and social security costs (Note 14) | 21,632 | 26,446 |
| Accruals | 3,750 | 4,728 |
| | <u>25,382</u> | <u>31,174</u> |
| | <u><u>25,382</u></u> | <u><u>31,174</u></u> |
| 14. TAXATION AND SOCIAL SECURITY | 2019 | 2018 |
| | € | € |
| Debtors: | | |
| VAT | 4,364 | 8,665 |
| | <u>4,364</u> | <u>8,665</u> |
| Creditors: | | |
| PAYE / PRSI | 21,632 | 26,446 |
| | <u>21,632</u> | <u>26,446</u> |
| | <u><u>21,632</u></u> | <u><u>26,446</u></u> |
| 15. RESERVES | 2019 | 2018 |
| | € | € |
| At 1 January 2019 | 4,273,794 | 5,076,113 |
| Surplus/(Deficit) for the financial year | 200,420 | (802,319) |
| | <u>4,474,214</u> | <u>4,273,794</u> |
| At 31 December 2019 | <u>4,474,214</u> | <u>4,273,794</u> |
| | <u><u>4,474,214</u></u> | <u><u>4,273,794</u></u> |

The Mendicity Institution and The Mendicity Institution Trust
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2019

16. FUNDS

| 16.1 RECONCILIATION OF MOVEMENT IN FUNDS | Unrestricted Funds | Restricted Funds | Total Funds |
|---|---------------------------|-------------------------|--------------------|
| | € | € | € |
| At 1 January 2018 | 5,076,114 | - | 5,076,114 |
| Movement during the financial year | (825,070) | 22,750 | (802,320) |
| At 31 December 2018 | 4,251,044 | 22,750 | 4,273,794 |
| Movement during the financial year | 200,420 | - | 200,420 |
| At 31 December 2019 | 4,451,464 | 22,750 | 4,474,214 |

16.2 ANALYSIS OF MOVEMENTS ON FUNDS

| | Balance 1 January 2019 | Income | Expenditure | Transfers between funds | Balance 31 December 2019 |
|----------------------------|---------------------------------------|-----------------------|-----------------------|--|---|
| | € | € | € | € | € |
| Unrestricted income | | | | | |
| Unrestricted General | 4,273,794 | 717,870 | 513,423 | - | 4,478,241 |
| Revaluation Funds | - | (2,197) | 1,830 | - | (4,027) |
| | <u>4,273,794</u> | <u>715,673</u> | <u>(515,253)</u> | <u>-</u> | <u>4,474,214</u> |
| Total funds | <u>4,273,794</u> | <u>715,673</u> | <u>515,253</u> | <u>-</u> | <u>4,474,214</u> |

16.3 ANALYSIS OF NET ASSETS BY FUND

| | Fixed assets - charity use | Financial fixed assets | Current assets | Current liabilities | Total |
|----------------------------|---|---------------------------------------|---------------------------|--------------------------------|------------------|
| | € | € | € | € | € |
| Unrestricted general funds | 1,018,795 | 3,488,160 | (7,359) | (25,382) | 4,474,214 |
| | <u>1,018,795</u> | <u>3,488,160</u> | <u>(7,359)</u> | <u>(25,382)</u> | <u>4,474,214</u> |

17. TRUSTEES' REMUNERATION

| | 2019 | 2018 |
|--|---------------|-------------|
| | € | € |
| Remuneration including pension contributions | <u>12,234</u> | <u>-</u> |

18. RELATED PARTY TRANSACTIONS

The company had transactions with other connected parties. The following amounts are receivable at the financial year end:

| | Balance 2019 | Movement in financial year | Balance 2018 | Maximum in financial year |
|---------------|-------------------------|---|-------------------------|--|
| | € | € | € | € |
| Mendicity CLG | <u>(135,000)</u> | <u>(137,000)</u> | <u>2,000</u> | <u>-</u> |

The Mendicity Institution and The Mendicity Institution Trust
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2019

| 19. CASH AND CASH EQUIVALENTS | 2019 | 2018 |
|--------------------------------------|-----------------------|-----------------------|
| | € | € |
| Cash and bank balances | 96,150 | 6,864 |
| Cash equivalents | 27,127 | 172,356 |
| | <u>123,277</u> | <u>179,220</u> |

20. POST-BALANCE SHEET EVENTS

There have been no significant events affecting the Charity since the financial year-end.

21. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Trustees on

Draft

THE MENDICITY INSTITUTION AND THE MENDICITY INSTITUTION TRUST

SUPPLEMENTARY INFORMATION

RELATING TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

NOT COVERED BY THE REPORT OF THE AUDITORS

Draft

The Mendicity Institution and The Mendicity Institution Trust
SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS
OPERATING STATEMENT

for the financial year ended 31 December 2019

| | Schedule | 2019 € | 2018 € |
|---|----------|----------------|------------------|
| Income | | 80,076 | 46,076 |
| Charitable activities and other expenses | 1 | (515,253) | (597,085) |
| | | (435,177) | (551,009) |
| Miscellaneous income and changes in investments | 2 | 635,597 | (251,310) |
| Net surplus/(deficit) | | 200,420 | (802,319) |

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The Mendicity Institution and The Mendicity Institution Trust
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 | 305,780 | 405,363 |
| Social security costs | 33,546 | - |
| Directors'/trustees' defined contribution pension costs | 12,234 | - |
| Staff defined contribution pension costs | - | 10,272 |
| Staff training | 395 | 295 |
| Management expenses | 3,993 | 16,759 |
| Insurance | 11,776 | 6,750 |
| Light and heat | 10,782 | 9,590 |
| Repairs and maintenance | 13,698 | 14,739 |
| Advertising | 2,317 | 17,647 |
| Telephone | 5,189 | 4,255 |
| Computer costs | 4,196 | 771 |
| Security and Office Costs | 9,151 | 10,306 |
| Govern Expenses | 136 | 530 |
| Provisions | 499 | 1,239 |
| Projects | 61,447 | 40,619 |
| Travelling and entertainment | 2,958 | 1,330 |
| Legal and professional | 14,477 | 33,496 |
| Accountancy | 4,174 | 9,537 |
| Bank charges | 369 | 918 |
| Other resources expended | - | 406 |
| General expenses | 3,918 | 3,685 |
| Depreciation | 14,218 | 8,578 |
| | <u>515,253</u> | <u>597,085</u> |

The Mendicity Institution and The Mendicity Institution Trust
SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS
SCHEDULE 2 : MISCELLANEOUS INCOME AND CHANGES IN INVESTMENTS
for the financial year ended 31 December 2019

| | 2019 € | 2018 € |
|--|----------------|------------------|
| Miscellaneous Income and Changes in Investments | | |
| Rent receivable - other income | 6,400 | 2,290 |
| Fees received as investment and other income | 629,197 | 127,034 |
| Amounts written off investments | - | (380,634) |
| | <u>635,597</u> | <u>(251,310)</u> |

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