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## 1. Introduction and scope of the audit

Following our audit of the statutory accounts of Masquerade Ball Rainbow Club CLG for the year ended 31 January 2019 we have set out in this report various matters which we would like to bring to the attention of the Directors and the members of the Audit Committee.

In undertaking our audit work we considered compliance with the Statement of Recommended Practice, Accounting and Reporting by Charities and applicable accounting and auditing standards.

A number of matters have been reviewed during the audit process to ensure the disclosures made in the statutory accounts and in the Report of the Directors meet the above requirements, and details of these are included in section 2 of this report.

### Audit procedures

Our audit approach was mainly a substantive based audit.

As a result, our evaluation of the systems of control at Masquerade Ball Rainbow Club CLG was only carried out for the purposes of our audit and accordingly it is not intended to be a comprehensive review of the company's processes. It would not necessarily reveal all weaknesses in accounting practice or internal controls which a special investigation might highlight, nor irregularities or errors not material in relation to the accounts. Our audit procedures, which are designed primarily to enable us to form an opinion on your accounts, were carried out in accordance with International Standards on Auditing (UK and Ireland).

Where necessary we obtained confirmations from third parties. Analytical techniques were applied where appropriate to support the figures in the accounts. No restrictions were placed on our audit, and we have been able to undertake our work as set out in our engagement letter.

This report has been prepared for the private use of the Board of Masquerade Ball Rainbow Club CLG and the members of the Audit Committee and its contents should not be disclosed to third parties without our prior written consent. No responsibility is assumed by us to any other person.

We are pleased to record that we have been provided with complete and relevant information for our audit. We would like to express our appreciation for the assistance provided to us by Karen O'Mahony, Noelle Rea, Charlene Torpey and all other staff during our audit.



Neil Davitt  
for and on behalf of  
Crowe Ireland  
Chartered Accountants and Statutory Audit Firm, Marine House, Clanwilliam Place, Dublin 2.

24<sup>th</sup> June 2020

## 2. Accounting, audit, systems and controls issues

During the audit process we have identified some potential improvements to the charity's processes and controls which we noted during our audit work and which we believe merit being reported to you. Details of these issues have been recorded below.

### Specific areas of weakness

| Issues and implications  | Recommendations   |
|--|---|
| <p><b>Bank Reconciliations</b></p> <p>Bank reconciliations were not performed on a timely basis over the course of the financial year. In order for a charity to maintain control over its assets and to reduce the risk of fraud and error, bank balances should be reconciled regularly, with all lodgements and payments appropriately approved, to ensure no misappropriation. There should be segregation of duties between preparation of the monthly reconciliations and the approval of same, with the performance of both these tasks recorded (initialled) as completed, each month.</p> | <p>We recommend that bank reconciliations be performed monthly at a minimum but ideally on a more regular basis and that those responsible for preparation and approval be documented.</p>                                    |
| <p><b>Controls over income</b></p> <p>Throughout testing of income, particularly events, there were a number of differences identified between what was recorded and what was lodged to the bank. Additionally, not all summary income sheets had signatures of approval by those responsible. It is important to maintain these controls to reduce the risk of fraud or error.</p>  | <p>We recommend that the controls over income be reviewed and that there is a dedicated effort to adhere to those controls. Those responsible for signing off each source of income should be documented by the directors</p> |



|  |   |
|--|---|
| <p><b>Holiday pay accrual</b></p> <p>While not material at the end of this financial year, there is no accrual for holiday pay due to staff under employment law.</p>  | <p>At the end of each financial period, an accrual should be made for the gross salaries due to employees in relation to holiday days earned.</p>   |
| <p><b>Netting income and expenditure</b></p> <p>Circumstances of expenditure, for example on an event, being netted off against income from the same event were noted. In order to present a true and fair view of the company's financial position and the results of its activities, all income and expenditure must be presented separately.</p> <p>Consideration must be given to creating additional nominal codes or departmental referencing to easily distinguish between restricted and unrestricted activities, and between different activities/events. This will become increasingly important as operations increase and restricted funds are received.</p> | <p>Income and expenditure is always to be recorded in separate nominal codes in your accounts. For example, if cash receipts from an event are used to pay some of the expenses of that event, this should be recorded separately to accurately reflect the total income and expense in the accounts.</p> |
| <p><b>Operational Policies</b></p> <p>It is noted that the company is striving to document the operational policies to be adhered to, however these are not yet fully complete, from documentation of bank reconciliation procedures to vendor selection and procurement policies in line with EU regulations.</p>   | <p>We recommend that all relevant operational policies not yet in place are finalised as soon as possible.</p>  |

### 3. Reporting Audit Adjustments

International Standard on Auditing (UK and Ireland) 260 requires that we report to you all misstatements which we identified as a result of the audit process and which were not adjusted, unless those matters are clearly immaterial in size or nature.

Our audit approach is based on consideration of audit materiality. We determine materiality for the purposes of the Charity's statutory reporting by our judgement as to what adjustments would influence the readers' perceptions of the accounts. We do not therefore seek to review all immaterial amounts.

Materiality for the audit of Masquerade Ball Rainbow Club for the year ended 31 January 2019 was set at €4,750 and we are pleased to report that there are no remaining unadjusted items noted which would be considered material.

## 4. Fraud and Error

Under company law the responsibility for safeguarding the assets and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with the Directors of Masquerade Ball Rainbow Club.

In accordance with International Auditing Standards, we planned our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements or accounting records (including any material misstatements resulting from fraud, error or non-compliance with law or regulations). However, no internal control structure, no matter how effective, can eliminate the possibility that errors or irregularities may occur and remain undetected. In addition, because we use selective testing in our audit, we cannot guarantee that errors or irregularities, if present, will be detected. Accordingly, our audit should not be relied upon to disclose all such misstatements or frauds, errors or instances of non-compliance as may exist.

As part of our audit procedures we made enquiries of management to obtain their assessment of the risk that fraud may cause a significant account balance to contain a material misstatement. Usually fraud in the charity sector is not carried out by falsifying the financial statements. Falsifying statutory accounts usually provides little financial benefit, as compared to say a plc where showing a higher profit could lead to artificial share prices or unearned bonuses. However, falsifying accounts can be used to permit a fraud or to avoid detection. As a generality charities represented by its management and its Directors do not actively try to falsify accounts as there are not the same incentives to do so. In the charity world fraud is usually carried out through misappropriation or theft.

We have reviewed and discussed the accounting and internal controls systems management has put in place to address these risks and to prevent and detect error. However, we emphasise that the Directors and management should ensure that these matters are considered and reviewed on a regular basis.

We have included the following statements in the letter of representation which we require from the Directors when the financial statements are approved.

- The Directors acknowledge their responsibility for the design and implementation of internal control to prevent and detect fraud and errors.
- The Directors have assessed that there is no significant risk that the financial statements are materially misstated as a result of fraud.
- The Directors are not aware of any fraud or suspected fraud affecting the charity involving management, those charged with governance or employees who have a significant role in internal control or who could have a material effect on the financial statements.
- The Directors are not aware of any allegations by employees, former employees, regulators or others of fraud, or suspected fraud, affecting the charity's financial statements.

We draw your attention to the third bullet point above which presupposes that an assessment has been made. We have not been made aware of any actual or potential frauds which could affect the y/e 31 January 2019 financial statements, or the period since the prior year end.

We emphasise that this section is provided to explain our approach to fraud and error, but the responsibility to make and consider your own assessment rests with yourselves.

#### **Management override of controls**

In addition to the procedures above, we are required to design and perform audit procedures to respond to the risk of management's override of controls.

No instances of management override have come to our attention as a result of this work. However, we continue to recommend that checks on journals should be conducted on a regular basis.

## **5. Other relevant issues – Charities governance code**

2020 is the first year that registered charities are expected to comply with the Charities Governance Code (issued by the Charities Regulator in late 2018) and 2021 will be the first year they will be expected to report on their compliance. Masquerade Ball Rainbow Club, as a registered charity, is required to comply with the requirements of this Code and will be required to demonstrate the actions taken in order to comply with the six principals of governance. The level of reporting required varies depending on the size of a charity, with charities with large levels of income or complex structures required to provide more detail. It is recommended that the company's compliance with the code is fully documented and approved by the directors in 2020.



**INDEPENDENT AUDITORS REPORT TO MEMBERS OF MASQUERADE BALL RAINBOW CLUB CLG**

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**Report on the audit of the financial statements**

**Opinion**

We have audited the financial statements of Masquerade Ball Rainbow Club CLG for the year ended 31 January 2019, which comprise Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is Irish law and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and with reference to the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company's affairs as at 31 January 2019 and of its net movement in funds for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015;
- have been prepared in accordance with the requirements of the Companies Act 2014.

**Basis of 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the 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.

**INDEPENDENT AUDITORS REPORT TO MEMBERS OF MASQUERADE BALL RAINBOW CLUB CLG**

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**Opinion on other matters prescribed by the Companies Act 2014**

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

- in our opinion, the information given in the Directors' Report is consistent with the financial statements; and
- in our opinion, the Directors' Report has been prepared in accordance with Companies Act 2014.

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

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

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

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

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

**Respective responsibilities**

**Responsibilities of directors for the financial statements**

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

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

**Auditors' 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 Auditors' 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: [https://www.iaasa.ie/Publications/ISA 700 \(Ireland\)](https://www.iaasa.ie/Publications/ISA 700 (Ireland)). The description forms part of our Auditors' report.

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

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

**Signed by:**

**Neil Davitt**

For and on behalf of:

**Crowe Ireland**

Chartered Accountants and Statutory Audit Firm

Marine House

Clanwilliam Place

Dublin 2

**Date:**

**MASQUERADE BALL RAINBOW CLUB CLG**

**STATEMENT OF FINANCIAL ACTIVITIES (incorporating the Income and Expenditure Account)  
FOR THE YEAR ENDED 31 JANUARY 2019**

|   | Note      | Unrestricted<br>Funds<br>2019<br>€ | Restricted<br>Funds<br>2019<br>€ | Total<br>2019<br>€    | Total<br>2018<br>€   |
|---|-----------|------------------------------------|----------------------------------|-----------------------|----------------------|
| <b>INCOME</b>                             |           |                                    |                                  |                       |                      |
| Donations and Legacies                    | 4.1       | 237,227                            | -                                | 237,227               | 184,997              |
| Charitable Activities                     |           | -                                  | -                                | -                     | -                    |
| Other Income                              | 4.1       | -                                  | -                                | -                     | 930                  |
| <b>Total Income:</b>                      |           | <u>237,227</u>                     | <u>-</u>                         | <u>237,227</u>        | <u>185,927</u>       |
| <b>EXPENDITURE ON:</b>                    |           |                                    |                                  |                       |                      |
| Charitable Activities                     | 5.1       | 113,170                            | -                                | 113,170               | 99,564               |
| Raising Funds                             | 5.2       | 51,025                             | -                                | 51,025                | 15,775               |
| <b>Total resources expended:</b>          |           | <u>164,195</u>                     | <u>-</u>                         | <u>164,195</u>        | <u>115,339</u>       |
| <b>NET INCOMING/(OUTGOING) RESOURCES</b>  |           | <u>73,032</u>                      | <u>-</u>                         | <u>73,032</u>         | <u>70,588</u>        |
| <b>Net movement in funds for the year</b> |           | <u>73,032</u>                      | <u>-</u>                         | <u>73,032</u>         | <u>70,588</u>        |
| Total funds brought forward               | 16        | 70,588                             | -                                | 70,588                | -                    |
| <b>TOTAL FUNDS CARRIED FORWARD</b>        | <b>16</b> | <u><u>143,620</u></u>              | <u><u>-</u></u>                  | <u><u>143,620</u></u> | <u><u>70,588</u></u> |

All income and expenditure arises from continuing operations.

There are no recognised gains or losses other than the income and expenditure for the above two financial years.

MASQUERADE BALL RAINBOW CLUB CLG

BALANCE SHEET AS AT 31 JANUARY 2019

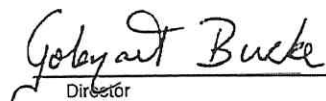
|   | Notes | 2019<br>€      | 2018<br>€     |
|---|-------|----------------|---------------|
| <b>FIXED ASSETS</b>   |       |                |               |
| Tangible assets   | 9     | 22,471         | 37,657        |
| <b>CURRENT ASSETS</b>   |       |                |               |
| Cash and cash equivalents                                       | 10    | 145,343        | 42,931        |
|   |       | <u>145,343</u> | <u>42,931</u> |
| <b>CREDITORS (amounts falling due within one year)</b>          |       |                |               |
| Creditors & accruals  | 11    | (24,194)       | (10,000)      |
| <b>NET CURRENT LIABILITIES</b>                                  |       | <u>121,149</u> | <u>32,931</u> |
| <b>CREDITORS (amounts falling due after more than one year)</b> |       | -              | -             |
| <b>TOTAL NET ASSETS</b>   |       | <u>143,620</u> | <u>70,588</u> |
| <b>INCOME FUNDS</b>   |       |                |               |
| Restricted Funds  | 12    | -              | -             |
| Unrestricted funds  | 12    | 143,620        | 70,588        |
|   |       | <u>143,620</u> | <u>70,588</u> |
| <b>TOTAL FUNDS</b>  |       | <u>143,620</u> | <u>70,588</u> |

Signed on behalf of the Board:



Director

Date: 1-7-2020



Director

Date: 1-7-2020



**MASQUERADE BALL RAINBOW CLUB CLG**

**CASHFLOW STATEMENT AS AT 31 JANUARY 2019**

|  | Notes | 2019<br>€      | 2018<br>€     |
|--|-------|----------------|---------------|
| NET CASH FLOWS FROM OPERATING ACTIVITIES                           | 14.1  | 107,494        | 96,752        |
| NET CASH FLOWS FROM INVESTING ACTIVITIES                           | 14.2  | (5,082)        | (53,821)      |
| NET CASH FLOWS FROM FINANCING ACTIVITIES                           | 14.3  | -              | -             |
| CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR                    | 14.4  | <u>102,412</u> | <u>42,931</u> |
| <b>RECONCILIATION OF NET CASHFLOW TO MOVEMENT<br/>IN NET FUNDS</b> |       |                |               |
| CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR                    | 14.4  | 102,412        | 42,931        |
| CASH AND CASH EQUIVALENTS AT START OF YEAR                         | 14.4  | 42,931         | 0             |
| CASH AND CASH EQUIVALENTS AT END OF YEAR                           | 14.4  | <u>145,343</u> | <u>42,931</u> |

## MASQUERADE BALL RAINBOW CLUB CLG

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019

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#### 1. GENERAL INFORMATION

Masquerade Ball Rainbow Club CLG is engaged in the provision of care for children with autism. Masquerade Ball Rainbow Club CLG is a company limited by Guarantee and is a public benefit entity, incorporated in Ireland with a registered office at Mahon Community Centre, Avenue De Rennes, Mahon, Cork.

#### 2. STATEMENT OF ACCOUNTING POLICIES

##### 2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and Irish statute comprising of the Companies Act 2014 and with reference to the Statement of Recommended Practice Accounting and Reporting by Charities (Charities SORP)

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 2.2).

The principal accounting policies are set out below. The policies have remained unchanged from the previous year.

##### INCOMING RESOURCES

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy and the income is probable. 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** are recorded in Incoming Resources when receivable.
- Incoming resources from **Charitable Activities** are accounted for when earned.
- **Fee income** is recognised in Incoming Resources when receivable.
- **Donated Services (Support in Kind)** are credited to the Statement of Financial Activities in the year at market corresponding charge made to expenditure.

##### RESOURCES EXPENDED

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.

##### SUPPORT COSTS

Support costs represent the cost to head office of administering projects. These resources expended on charitable activities include the direct costs of the charitable activities together with those support costs (Finance and Administration cost) incurred that enable these activities to be undertaken. These have been allocated across the activities based on headcount.

##### RESTRICTED FUNDS

Restricted funds are accounted for in accordance with the particular terms of trust arising from the express or implied wishes of donors in so far as these are intended to be binding on the company. Where any such wishes are not intended to be legally binding, they are taken into account and recognised in appropriately designated funds.

## **MASQUERADE BALL RAINBOW CLUB CLG**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019**

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#### **UNRESTRICTED FREE RESERVES**

Free reserves represent amounts which are expendable at the discretion of the directors in furtherance of the objectives of the company and which have not been designated for other purposes. Such funds may be held in order to finance working capital or capital expenditure.

#### **CAPITAL GRANTS**

Grants received specifically as a contribution towards the cost of tangible fixed assets are credited directly to the capital fund in the year of receipt. Such grants are amortised to the Statement of Financial Activities on the same basis as the assets are depreciated. Under Charities SORP 2015 the Accruals method for accounting for Grants under Section 24 of FRS 102 is not permitted. Masquerade Ball Rainbow Club CLG have departed from this requirement as the Accruals method for accounting for grants is more appropriate for the organisation.

#### **TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets are stated in the Balance Sheet at cost or revalued amount less accumulated depreciation.

Depreciation is provided on all tangible fixed assets, so as to write off the cost or valuation, less estimated residual value of each asset over its expected useful economic life as follows:

|                                  |                   |
|----------------------------------|-------------------|
| Fixtures, fittings and equipment | 33% Straight Line |
| Motor vehicles                   | 25% Straight Line |

#### **FINANCIAL INSTRUMENTS**

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest

#### **DEBTORS**

Short term debtors are measured at transaction price, less any impairment.

#### **CASH AND CASH EQUIVALENTS**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### **CREDITORS**

Short term creditors are measured at the transaction price.

#### **OPERATING LEASES: THE COMPANY AS LESSEE**

Rentals paid under operating leases are charged to the SOFA on a straight line basis over the lease term.

#### **TAXATION**

No charge to taxation arises as the company has been granted charitable status by the Revenue Commissioners under Section 207 and 208 of the Taxes Consolidation Act 1997.

## MASQUERADE BALL RAINBOW CLUB CLG

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019

#### 2.2 JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### (a) Establishing lives for depreciation purposes of property, plant and equipment

Long-lived assets, consisting primarily of property, plant and equipment, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated lives of each type of asset and estimates of residual values. The directors regularly review these asset lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have a significant impact on depreciation and amortisation charges for the period. Details of the useful lives is included in the accounting policies.

### 3. GOING CONCERN

The financial statements have been prepared on a going concern basis.

### 4. INCOMING RESOURCES

Income is composed of Donations and Legacies, Income from Charitable Activities and Other Income as follows:

|                                    | 2019           | 2018           |
|------------------------------------|----------------|----------------|
|                                    | €              | €              |
| <b>4.1. Donations and Legacies</b> |                |                |
| Private and Corporate Funding      | 143,311        | 114,815        |
| Other                              | -              | -              |
|                                    | <u>143,311</u> | <u>114,815</u> |
| <br>                               |                |                |
| Fundraising activities             | 93,916         | 70,182         |
| Support in Kind                    | -              | -              |
|                                    | <u>93,916</u>  | <u>70,182</u>  |
|                                    | <u>237,227</u> | <u>184,997</u> |
| <br>                               |                |                |
| <b>4.2 Other Income</b>            | 2019           | 2018           |
|                                    | €              | €              |
| Other income                       | -              | 930            |
|                                    | <u>-</u>       | <u>930</u>     |



**MASQUERADE BALL RAINBOW CLUB CLG****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019****5. EXPENDITURE ON:****5.1 Charitable activities**

|                              | 2019           | 2018          |
|------------------------------|----------------|---------------|
|                              | €              | €             |
| Wages & Salaries             | 15,861         | -             |
| Other Staff Costs            | 13,808         | 4,365         |
| Activities and therapy costs | 32,978         | 17,546        |
| Premises Costs               | 19,430         | 16,542        |
| Advertising & Promotion      | 64             | -             |
| Depreciation                 | 20,268         | 16,164        |
| Bank Interest & Charges      | 127            | -             |
| Management & Administration  | 195            | 9,548         |
| Other Costs                  | 616            | 23,799        |
| Governance Costs (note 5.3)  | 9,823          | 11,600        |
|                              | <u>113,170</u> | <u>99,564</u> |

**5.2 Raising Funds**

|                               | 2019          | 2018          |
|-------------------------------|---------------|---------------|
|                               | €             | €             |
| Fundraising - Ladies lunch    | 11,994        | 611           |
| Fundraising - Masquerade Ball | 4,105         | 670           |
| Fundraising - Oskars night    | 16,605        | -             |
| Fundraising - ASD Santa       | 10,547        | 5,473         |
| Fundraising - Other           | 7,774         | 9,021         |
|                               | <u>51,025</u> | <u>15,775</u> |

**5.3 Governance costs include the following**

|   | 2019         | 2018          |
|---|--------------|---------------|
|   | €            | €             |
| Legal, professional and consultancy     | -            | 1,600         |
| Board & annual general meeting expenses | -            | -             |
| Audit                                   | 9,823        | 10,000        |
|   | <u>9,823</u> | <u>11,600</u> |

**MASQUERADE BALL RAINBOW CLUB CLG****NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019****6. DIRECTORS' REMUNERATION AND TRANSACTIONS**

No remuneration is paid to Directors for their services as Board Members. Directly incurred expenses are reimbursed, if claimed. No directors expenses were claimed in the year.

**7. EMPLOYEES AND REMUNERATION**

The average number of employees during the year was 1 (2018: nil) and is analysed into the following categories:

|                                   | 2019<br>Full Time | 2019<br>Part Time | 2018<br>Full Time | 2018<br>Part Time |
|-----------------------------------|-------------------|-------------------|-------------------|-------------------|
| Administration                    | 1                 | -                 | -                 | -                 |
|                                   | <u>1</u>          | <u>-</u>          | <u>-</u>          | <u>-</u>          |
| The staff costs are comprised of: |                   |                   |                   |                   |
|                                   |                   |                   | 2019<br>€         | 2018<br>€         |
| Wages and Salaries                |                   |                   | 14,411            | -                 |
| Employers PRSI                    |                   |                   | 1,450             | -                 |
| Redundancy costs                  |                   |                   | -                 | -                 |
|                                   |                   |                   | <u>15,861</u>     | <u>-</u>          |

There were no staff receiving remuneration over €60,000 during the year.

**Key Management remuneration:**

Key management personnel include the Chief Executive Officer and the senior management team for whom the total remuneration cost was €15,861 (2018: €nil). The CEO Karen O'Mahony was paid a salary of €10,385 from November 2018 to January 2019.

**8. TAXATION**

No charge to taxation arises as Masquerade Ball Rainbow Club Company Limited By Guarantee has been granted charitable exemption by the Revenue Commissioners.

**MASQUERADE BALL RAINBOW CLUB CLG**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019**

**9. TANGIBLE FIXED ASSETS**

|                       | Fixtures,<br>Fittings &<br>Equipment<br>€ | Motor<br>Vehicles<br>€ | Total<br>€ |
|-----------------------|---|------------------------|------------|
| <b>COST</b>           |   |                        |            |
| At 1 February 2018    | 50,654                                    | 3,167                  | 53,821     |
| Additions             | 5,082                                     | -                      | 5,082      |
| Disposals             | -   | -                      | -          |
| At 31 January 2019    | 55,736                                    | 3,167                  | 58,903     |
| <b>DEPRECIATION</b>   |   |                        |            |
| At 1 February 2018    | 15,247                                    | 917                    | 16,164     |
| Charge for the year   | 19,268                                    | 1,000                  | 20,268     |
| On disposals          | -   | -                      | -          |
| At 31 January 2019    | 34,515                                    | 1,917                  | 36,432     |
| <b>NET BOOK VALUE</b> |   |                        |            |
| At 31 January 2019    | 21,221                                    | 1,250                  | 22,471     |
| At 31 January 2018    | 35,407                                    | 2,250                  | 37,657     |

**10. CASH AND CASH EQUIVALENTS**

|                          | 2019<br>€ | 2018<br>€ |
|--------------------------|-----------|-----------|
| Cash at bank and in hand | 145,343   | 42,931    |

**11. CREDITORS (Amounts falling due within one year)**

|                      | 2019<br>€ | 2018<br>€ |
|----------------------|-----------|-----------|
| Creditors & Accruals | 22,000    | 10,000    |
| Payroll taxes        | 2,194     | -         |
|                      | 24,194    | 10,000    |

**MASQUERADE BALL RAINBOW CLUB CLG**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019**

**12. FUNDS OF THE CHARITY**

**12.1 ANALYSIS OF MOVEMENTS ON FUNDS**

|                     | Opening<br>Balance | Receipts       | Expenditure      | Transfer | Closing<br>Balance |
|---------------------|--------------------|----------------|------------------|----------|--------------------|
|                     | €                  | €              | €                | €        | €                  |
| Restricted Income   | -                  | -              | -                | -        | -                  |
| Unrestricted Income | 70,588             | 237,227        | (164,195)        | -        | 143,620            |
| <b>Total Funds</b>  | <b>70,588</b>      | <b>237,227</b> | <b>(164,195)</b> | <b>-</b> | <b>143,620</b>     |

**12.2 ANALYSIS OF NET ASSETS**

|                     | Unrestricted<br>Funds | Restricted<br>Funds | Total<br>Funds |
|---------------------|-----------------------|---------------------|----------------|
|                     | €                     | €                   | €              |
| Tangible assets     | 22,471                | -                   | 22,471         |
| Current Assets      | 145,343               | -                   | 145,343        |
| Current Liabilities | (24,194)              | -                   | (24,194)       |
|                     | <b>143,620</b>        | <b>-</b>            | <b>143,620</b> |



**MASQUERADE BALL RAINBOW CLUB CLG**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019**

**13. FINANCIAL INSTRUMENTS**

|  | 2019    | 2018   |
|--|---------|--------|
|  | €       | €      |
| <b>Financial assets</b>                          |         |        |
| Financial assets measured at amortised cost      | 145,343 | 42,931 |
| <b>Financial liabilities</b>                     |         |        |
| Financial liabilities measured at amortised cost | 22,000  | 10,000 |

Financial assets measured at amortised cost comprise cash and contributions receivable and fees due.  
Financial liabilities measured at amortised cost comprise creditors and accruals and deferred income.

**14. RECONCILIATION OF CHANGES IN RESOURCES TO NET CASHFLOW FROM OPERATING ACTIVITIES**

| 14.1 OPERATING ACTIVITIES               | 2019    | 2018   |
|---|---------|--------|
|   | €       | €      |
| Net movement in funds                   | 73,032  | 70,588 |
| Depreciation                            | 20,268  | 16,164 |
| (Increase)/Decrease in debtors          | -       | -      |
| Increase/(Decrease) in creditors        | 14,194  | 10,000 |
| Net cash flow from operating activities | 107,494 | 96,752 |

**14.2 INVESTING ACTIVITIES**

|  | 2019    | 2018     |
|--|---------|----------|
|  | €       | €        |
| Payments to acquire tangible fixed assets  | (5,082) | (53,821) |
| Net cash outflow from investing activities | (5,082) | (53,821) |

**14.3 FINANCIAL ACTIVITIES**

|  | 2019 | 2018 |
|--|------|------|
|  | €    | €    |
| Capital Grant Funds Received               | -    | -    |
| Net cash outflow from financing activities | -    | -    |

**14.4 ANALYSIS OF CHANGES IN NET FUNDS**

|                           | 01-Jan<br>2019 | Cash<br>Flows | 31-Dec<br>2019 |
|---------------------------|----------------|---------------|----------------|
|                           | €              | €             | €              |
| Cash and cash equivalents | 42,931         | 102,412       | 145,343        |

**MASQUERADE BALL RAINBOW CLUB CLG**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019**

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**15. COMMITMENTS**

The company had no operating lease commitments at the balance sheet date.

**16. CAPITAL COMMITMENTS**

There were no capital commitments at the balance sheet date.

**17. RELATED PARTY TRANSACTIONS**

There were no transactions between the company and the directors, or between any related parties.

**18. LEGAL STATUS OF THE COMPANY**

The Company is a public benefit entity and operates as a company limited by guarantee without share capital. Each of the members is liable to contribute an amount not exceeding €1 towards the assets of the company in the event of

**19. Post balance sheet events**

In the first half of 2020, the Covid-19 virus spread worldwide. In common with many other countries, the Irish government issued guidance and restrictions on the movement of people designed to slow the spread of this virus. In early March 2020, many businesses closed voluntarily and throughout the month more restrictions were placed on people and businesses. On 28th March, all "non-essential" businesses were ordered to close temporarily. On 1 May 2020 the Irish government published a roadmap for reopening Ireland's economy and society in a phased manner commencing on 18 May 2020. The roadmap had been re-phased and accelerated by the date of approval of these financial statements.

The directors have reviewed the impact of this on the company's working practices and, based on knowledge to hand, the Directors consider that while there are significant risks to be managed, the company expects to survive this period of uncertainty and has the financial resources to do so.

At the time of approving the financial statements, there is uncertainty regarding how the balance sheet may be impacted based on events since the year end and as a result an estimate of its financial effect cannot be made.

**20. ULTIMATE CONTROLLING PARTY**

The members of Masquerade Ball Rainbow Clubb CLG are considered to be the ultimate controlling party.

**21. APPROVAL OF FINANCIAL STATEMENTS**

The Board of Directors approved these financial statements for issue on the

**Masquerade Ball Rainbow Club Company Limited by Guarantee**

Crowe Ireland  
Chartered Accountants and Statutory Audit Firm  
Marine House  
Clanwilliam Place  
Dublin 2

Dear Sirs,

We confirm that the following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience and, where appropriate, of inspection of supporting documentation sufficient to satisfy ourselves that we can properly make each of the following representations to you in connection with your audit of the company's financial statements for the year ended 31 January 2019.

1. We acknowledge as Directors, our statutory responsibility for the accounts. All of the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken by the company have been properly reflected and recorded in the accounting records. All other records and related information have been made available to you and we confirm that proper books of account are located at Mahon Community Centre, Avenue de Rennes, Mahon, Cork.
2. We confirm that the company's financial statements for the year ended 31 January 2019 and this letter have been approved at a meeting of the board of Directors and that the board has authorised that the financial statements and this letter be signed on its behalf by any two Directors.
3. The accounting policies used are detailed in the financial statements and are consistent with those adopted in the previous financial statements.
4. Any expenditure included in the financial statements was properly made in connection with the carrying on of the company's activities.
5. There have been no events since the balance sheet date which would require either revision of the amounts included in the financial statements or disclosure in a note thereto.
6. No transactions were entered into shortly before the accounting date with the intention that they should reverse shortly after that date, so as not to present a true and fair view of the state of the affairs of the company.
7. The Directors acknowledge their responsibility for the design, implementation and maintenance of internal controls to prevent and detect fraud. The Directors confirm that they have assessed the risk of fraud in the company and do not consider that the financial statements are materially misstated as a result of fraud.
8. We are not aware of any actual, alleged or suspected fraud affecting the company involving management, those charged with governance or employees who have a significant role in internal control or who could have a material effect on the financial statements.
9. The directors are of the opinion that the company will have sufficient working capital to meet its foreseeable requirements for at least the next twelve months.
10. The company has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There have been no communications concerning non-compliance with requirements of regulatory or tax authorities with respect to any matter.

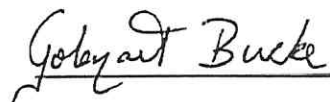
11. All grants, donations and other incoming resources, the receipt of which is subject to specific terms and conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such incoming resources.
12. At no time during the period has any related party had any arrangement, transaction or agreement to provide credit facilities for Directors or persons connected with the Directors or guaranteed or provided security for such matters. Further, at no time during the period has the company acquired or disposed of any assets, other than for cash, from or to Directors or persons connected with the Directors or entered into any transaction or arrangement in which the Director had, directly or indirectly, a material interest, other than as disclosed in the financial statements.
13. In respect of accounting estimates and judgements, we confirm our belief that the significant assumptions used are reasonable.
14. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the accounts.
15. The company has satisfactory title to all assets and there are no liens or encumbrances on the company's assets, except as disclosed in the financial statements. All the assets to which the company has satisfactory title are included in the financial statements. All amounts of expenditure capitalised in respect of fixed assets as detailed in the financial statements represent expenditure incurred in acquiring additional assets or improving existing assets. No expenditure capitalised is of a revenue nature. Idle or obsolete assets have been written down to their recoverable amount.
16. We have recorded or disclosed to you all liabilities, both actual and contingent.
17. No claims in connection with litigation have been or are expected to be received.
18. There are no financial commitments of a revenue or capital nature other than those as disclosed in the accounts.
19. Except as disclosed to you, we have no other bank or other financing facilities available.
20. We confirm that to the best of our knowledge and belief, no members of the Board or independent committee members have provided services either personally or through their employer to the company for payment.
21. We confirm that, having considered our expectations and intentions for the next twelve months and the availability of working capital, the company is a going concern. We are unaware of any events, conditions, or related business risks beyond the period of assessment that may cast significant doubt on the company's ability to continue as a going concern.
22. We note the significant impact of the Coronavirus outbreak in Ireland, and around the world. We have reviewed the impact of this on the company's working practices. Based on knowledge to hand, we consider that while there are significant risks to be managed, the company expects to survive this period of uncertainty and has the financial resources to do so.

For and on behalf of the Board: -

Director



Director



Date

1-7-2020



**Masquerade Ball Rainbow Club Company Limited by Guarantee**

Crowe Ireland  
Chartered Accountants and Statutory Audit Firm  
Marine House  
Clanwilliam Place  
Dublin 2

Dear Sirs,

We confirm that the following representations are made on the basis of enquiries of management and staff with relevant knowledge and experience and, where appropriate, of inspection of supporting documentation sufficient to satisfy ourselves that we can properly make each of the following representations to you in connection with your audit of the company's financial statements for the year ended 31 January 2019.

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2. We confirm that the company's financial statements for the year ended 31 January 2019 and this letter have been approved at a meeting of the board of Directors and that the board has authorised that the financial statements and this letter be signed on its behalf by any two Directors.
3. The accounting policies used are detailed in the financial statements and are consistent with those adopted in the previous financial statements.
4. Any expenditure included in the financial statements was properly made in connection with the carrying on of the company's activities.
5. There have been no events since the balance sheet date which would require either revision of the amounts included in the financial statements or disclosure in a note thereto.
6. No transactions were entered into shortly before the accounting date with the intention that they should reverse shortly after that date, so as not to present a true and fair view of the state of the affairs of the company.
7. The Directors acknowledge their responsibility for the design, implementation and maintenance of internal controls to prevent and detect fraud. The Directors confirm that they have assessed the risk of fraud in the company and do not consider that the financial statements are materially misstated as a result of fraud.
8. We are not aware of any actual, alleged or suspected fraud affecting the company involving management, those charged with governance or employees who have a significant role in internal control or who could have a material effect on the financial statements.
9. The directors are of the opinion that the company will have sufficient working capital to meet its foreseeable requirements for at least the next twelve months.
10. The company has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There have been no communications concerning non-compliance with requirements of regulatory or tax authorities with respect to any matter.

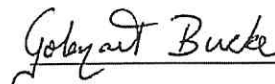
11. All grants, donations and other incoming resources, the receipt of which is subject to specific terms and conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such incoming resources.
12. At no time during the period has any related party had any arrangement, transaction or agreement to provide credit facilities for Directors or persons connected with the Directors or guaranteed or provided security for such matters. Further, at no time during the period has the company acquired or disposed of any assets, other than for cash, from or to Directors or persons connected with the Directors or entered into any transaction or arrangement in which the Director had, directly or indirectly, a material interest, other than as disclosed in the financial statements.
13. In respect of accounting estimates and judgements, we confirm our belief that the significant assumptions used are reasonable.
14. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the accounts.
15. The company has satisfactory title to all assets and there are no liens or encumbrances on the company's assets, except as disclosed in the financial statements. All the assets to which the company has satisfactory title are included in the financial statements. All amounts of expenditure capitalised in respect of fixed assets as detailed in the financial statements represent expenditure incurred in acquiring additional assets or improving existing assets. No expenditure capitalised is of a revenue nature. Idle or obsolete assets have been written down to their recoverable amount.
16. We have recorded or disclosed to you all liabilities, both actual and contingent.
17. No claims in connection with litigation have been or are expected to be received.
18. There are no financial commitments of a revenue or capital nature other than those as disclosed in the accounts.
19. Except as disclosed to you, we have no other bank or other financing facilities available.
20. We confirm that to the best of our knowledge and belief, no members of the Board or independent committee members have provided services either personally or through their employer to the company for payment.
21. We confirm that, having considered our expectations and intentions for the next twelve months and the availability of working capital, the company is a going concern. We are unaware of any events, conditions, or related business risks beyond the period of assessment that may cast significant doubt on the company's ability to continue as a going concern.
22. We note the significant impact of the Coronavirus outbreak in Ireland, and around the world. We have reviewed the impact of this on the company's working practices. Based on knowledge to hand, we consider that while there are significant risks to be managed, the company expects to survive this period of uncertainty and has the financial resources to do so.

For and on behalf of the Board: -

Director



Director



Date

1 - 7 - 2020

**Masquerade Ball Rainbow Club CLG  
Directors' Report and Financial Statements  
Financial Year Ended 31 January 2019**



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## **Directors and Other Information**

|                         |   |
|-------------------------|---|
| DIRECTORS               | Pat Torpey<br>Gobnait Burke<br>Sean O'Huigin<br>Linda Cronin (resigned 10/05/19)<br>Patrick Cremin<br>Tim O'Regan (resigned 18/10/19)<br>Martha Torpey<br>John O'Mahony<br>Diarmuid Dooley (appointed 17/01/19)<br>Andrew Morgan (appointed 18/10/19)<br>Niamh Burke (appointed 01/07/20)<br>Karen O'Mahony (resigned 17/10/19) |
| CHIEF EXECUTIVE OFFICER | Karen O'Mahony  |
| SECRETARY               | Gobnait Burke   |
| COMPANY NUMBER          | 598982  |
| CHY No                  | CHY22155  |
| CHARITY NUMBER          | 20156091  |
| REGISTERED OFFICE       | Mahon Community Centre<br>Avenue de Rennes<br>Mahon<br>Cork   |
| AUDITORS                | Crowe Ireland<br>Chartered Accountants and Statutory Audit Firm<br>Marine House, Clanwilliam Place, Dublin 2  |
| BANKERS                 | Allied Irish Banksp.l.c<br>Douglas Road, Cork<br><br>St. Michaels Credit Union<br>Skehard Road, Blackrock, Cork   |



## Chairpersons' Statement

We are proud of the achievements of the Rainbow Club team in 2018.

Each year we face the challenge of ensuring we have sufficient resources to provide the level and quality of services to children, young people and families who avail of our club facilities and 2018 was no different, with numbers availing of our facilities continuing to grow.

To highlight some of our achievements this year:-

- We started a mentoring group for our over 18 members
- Our new Occupational Therapist Deirdre Fitzgerald commenced and delivered talks to 142 parents
- We ran six parenting courses
- Three of our young people did Adaptive Coaching training
- We received our Good Code of Governance in November 2018
- A wide variety of fundraising events including sky dives, the Oskars, Marathons, Bag packing, ladies lunch all took place totalling €237,227
- Play Therapy and challenging behaviour training was delivered in house to our volunteers

The number of our volunteers continues to grow, and I want to recognize the amazing work and commitment of our volunteers that give their time to help the children and young people here in the club. The running of all our groups throughout the day this could not be done without such incredible volunteer support. On behalf of our Board, I would like to say thank you for your unwavering support and generosity. We truly appreciate that you have joined us on our journey. You may never know the profound effect that you may have made on a person's life. With volunteers like you, we have a chance to make this world a better place for children and young people with Autism.

I also want to acknowledge the contribution of our staff members to the smooth running of the club, especially Karen O Mahony for her hard work and dedication and unwavering passion for the club and all the service users.



## **Chairperson's Report February 2018 to January 2019**

The board met on nine occasions from February 2018 to January 2019, with excellent attendance by all nine board members.

Over the course of the year, many areas were reported on at each meeting. These included updates on club groups, the progress for our application for charitable status, regular financial updates, acquiring a new home, staffing and volunteer issues and fundraising.

### **Club Groups**

At the beginning of this year we had 325 children attending with 187 on the waiting list. We had at our February meeting 3 music groups and 3 sports groups. We also started a mentoring group for our over 18 members. In March a new occupational therapist, Deirdre Fitzgerald, and Sports Coach started with the club. We also ran 6 parenting courses. Our occupational therapist Deirdre gave talks to 142 parents in April and 3 of our young people training in Adaptive Coaching. Attendance at club now is 359.

### **Charitable Status**

Much effort went into the documentation required and follow up to achieve our charitable status and following months of work we received our charitable status number in April. We also got our revenue CHY number in August 2018.

Following this, it was agreed that we would start our journey towards getting on the register for the Governance Code. In September 2018 our Submission was approved by the board for tender to the Charities Regulator for approval. In November 2018, we received the GOOD CODE of GOVERNANCE and received the seal for our website.

### **Financial Reports**

At the beginning of February 2019, we had €42,931 in the Credit Union and had taken in almost €320,000 since the club commenced. We set up an AIB account with Karen, Martha and Tim being the signatories so that when grants are received we will be able to have sub accounts to enable us track and account for all monies. The services of an Auditor were secured and approved by the board in August 2018.

### **Fundraising**

Many different events were undertaken during the year and many companies took us on for their charity of the year.

February saw €11,994 being raised from Ladies lunch and other fund raising.

May was very successful for fundraising events. Bag packing in Ryan's Glanmire raised €1,746, Dunnes Patrick Street €640 and Techniques Hair Salon raised €400.

June saw €4,550 was raised by the Vietnam marathons.

In August, the money returned from the Oskars was €16,605.

September saw €9,100 was raised in the recent sky dive.

November saw many fundraising efforts totals finalised with the golf classic raising €5,300 euros, The Masquerade Ball's raised €14,200 for the Padre Pio school and €20,000 approx. for the Rainbow Club. Penney's fundraising day raised €3,000 and Oxford International raised €4,231. The recent cycle raised €2,000.



Many smaller amounts and fundraising events were also held on behalf of the club.

### **Staffing and Volunteers**

Many of our volunteers undertook a food preparation training. Play therapy training was delivered in-house. In March Paediatric first aid was completed, and other volunteers undertook a challenging behaviour workshop. All volunteers signed off our Child Safeguarding Statement.

We secured office space in the Mahon Community Centre in August and the board agreed it was necessary to hire an office administrator for 19 hours per week commencing 1<sup>st</sup> September 2018. Following interviews, Charlene Torpey was appointed to the role. In October 2018, due to the increased workload we recruited a PR and Social Media person for 10 hours per week. At this stage it was unanimously agreed that it was also necessary to have a paid CEO due to the huge burden the work was on voluntary personnel. Karen was appointed to the role and she resigned from the board. Volunteer numbers increased throughout the year. Work experience applications were coming through and clear leadership emerged in the groups. The Rainbow Club put forward an application for the Impact Charity Awards.

### **New Home for the Club**

In February 2018, 5 possible locations were identified to house the club. Karen met with Ann Doherty, Niall O'Donovan and Pat Ledwidge of City Council to discuss a suitable location in the community. Eddie Buckley, Cork Fire Dept and Bob Seaward also attended to offer support. Documentation was submitted including a 10-year plan, petition, constitution and club brochure.

Furthermore, Tony McGrath, PM Group met with Karen to prepare drawings for our new building. In June, Tony from PM has formally asked City Council for permission to put together a proposal for construction on both the Health Centre and Abode site. Emails have gone to all counsellors to seek support for our new premises and 10 have confirmed their support to date. 6 Public meetings were held to gather support for our new club premises. These were run in various locations throughout the city, finishing in Mahon. Petitions were also signed. In August Ann Doherty Cork City Council was in touch to say that she is organising a meeting of all relevant parties in the next couple of weeks to discuss a home for the Rainbow Club. Mick Finn (Lord Mayor) and Thomas Moloney (Deputy Lord Mayor) both supported the work of the club.

We had hoped to apply for the Rural Regeneration Fund. Bob Seward and Karen worked on this proposal. It needed a lead partner – Council or Educational Establishment to submit. CIT agreed to be the lead partner for the submission of the application. PM is also a partner and Cork College of Commerce has agreed to support the work of the Rainbow Club. Karen secured a €500,000 letter of principal from Clann Credo to strengthen the application. Unfortunately, we were unable to submit our application as CIT withdrew from submitting at the last minute and Cork County Council would need to pass it by Cork ETB and the BOM to be able to submit and only a few hours' notice was given.

Following on from this and no further developments happening at City Council it was proposed a sub-committee who would work on securing our new building. It would comprise of Diarmuid Dooley (Auctioneer/Financial Expert), David Ryan (Solicitor), Aaron Mansworth (Trigon Hotel Group), Denis Barrett (Auctioneer), Tim O'Regan (Accountant), Bob Seaward (Adviser), Jon and Karen O'Mahony (BOM Rainbow Club). It was unanimously agreed by the board.

### **General Issues**

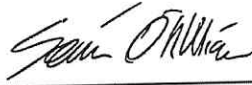
Mary Lou McDonald and Simon Coveney visited the centre in April 2018. The club addressed GDPR and issues to be addressed included security encryption on club laptops. Insurance cover, including cover for the board of management was also addressed to cover volunteers while fundraising.

"My Hidden Voice" promotional video was also created by Frameworks Production during the summer months.

We participated in the UCC, CIT and CCOC Volunteers Fairs in September and a good response was received in all establishments.

Shops such as Scally's and Barry Collin's are having Autism Friendly Shopping times. The airport is working towards becoming more disability friendly. Four Airports in the UK are up and running. Cork Airport is becoming part of this and the Rainbow Club will be having input.

**Chairpersons' Signature:**

A handwritten signature in black ink, appearing to read "Sam O'Mara", written over a horizontal line.

## **Directors' (Trustees') Report**

### **Financial Year Ended 31 January 2019**

The directors present herewith the Annual Report and audited financial statements for the year ended 31 January 2019. The Directors confirm that the financial statements of the company comply with the current statutory requirement of the companies governing documents and with reference to the provisions of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the Republic of Ireland (FRS102) hereafter denoted as the Charities SORP (FRS102). The Charities SORP (FRS102) is not yet mandatory in the Republic of Ireland and the Irish Charity Regulator has not yet prescribed accounting regulations for Irish Charities. In the absence of such prescriptive guidance, this Board has adopted the Charities SORP (FRS102) as it is considered best practice.

#### **Structure**

Masquerade Ball Rainbow Club CLG is a charitable company limited by guarantee. The company was incorporated on 21 February 2017. The company does not have a share capital and consequently the liability of the members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts may be required not exceeding one Euro (€1).

#### **Vision, Mission and Strategy**

**Our Mission** - The guiding philosophy of the Rainbow Club is to provide engagement and training for people with ASD and to provide them with the valuable skills that will assist them in coping with Autism Spectrum Disorder. We aim to enable competencies in those disadvantaged through ASD, unemployed and socially excluded, prioritising Cork city and county. We shall provide services to the city and county in general and do so in a manner that takes into account the particulars of each person's situation.

It is also to create a 'Community Hub', operating an open-door policy where members of the community can and do undertake 'informal' (non-exam) based activities.

The philosophy is based on providing a practical, results orientated approach to education and the development of the person. This is done in a holistic manner, responding to the needs of those affected by ASD on an individual basis.

Our vision is to create a culture where within the Rainbow Club, management, volunteers, staff and external therapists, enable the promotion of and participation by all in autism education and support, leading to improved quality of life for all.

#### **Staff and Volunteers**

One of the greatest assets Masquerade Ball Rainbow Club CLG has is its amazing team of volunteers who willingly share both their time and talent and we could not operate our service without them. Their hard work and dedication to the children and young people who use the club is outstanding. The commitment and generous gift of time is so greatly appreciated. Without them, the different groups that run throughout the day could not happen.

We also need to acknowledge our staff members for their efforts and dedication to the club, but most especially to thank Karen O'Mahony who is such a dedicated and inspiring person and who goes above and beyond for all the service users. Her vision and unwavering drive are some of the greatest assets the club has.



## **Governance and management**

Masquerade Ball Rainbow Club CLG is governed by a board of directors. The board's commitment to governance is reflected in the emphasis on transparency, accountability, effectiveness and on value for money in all aspects of the facilities and activities provided. As of May 2020, the board has completed all work in relation to its governance structures and is proud to state that the organisation is fully compliant with the principles outlined in the Governance Code.

When decisions have to be made by the board the first issue is to ensure that a quorum of board members are present. Once this is confirmed all board members are invited to discuss/debate and then decide within the time allotted. The decision outcome goes to the majority vote. Should there be a tie then the chairperson has the deciding vote. The decision is documented in the next issue of Board minutes. The Board has a clear Code of Conduct for all board members.

The initial board of the Rainbow Club consisted of the founding members of the club. Since then new members have been included with skills from a diversity of backgrounds to support the work of the club. The members represent industry, auctioneering, financial and educational backgrounds. We will continue to include new members in areas such as HR and Legal in the years ahead.

## **Reserves Policy**

The directors review the level of reserves to be held annually. The term 'reserve' (unless otherwise indicated) is used to describe that part of the Rainbow Clubs funds that are freely available for its general purposes.

Masquerade Ball Rainbow Club CLG policy is to maintain a prudent level of reserves to enable the charity to manage financial risk, to deliver on its commitments and to achieve its objectives.

## **Risk management and internal control**

The directors have responsibility for, and are aware of, the risks associated with the operating activities of the Rainbow Club. The directors have identified that the Rainbow Club operates within a high overall risk range because of the nature of our clients. The directors have taken the decision that the Rainbow Club has a low appetite to risk. This means that while acknowledging our legal obligations, we will give priority to reducing to reasonably practicable levels the risks originating from the delivery of services to children and to the public.

The directors view the safety and wellbeing of the children and adults we seek to serve as our number one priority. This is core to who we are and will always take precedence above all other considerations.

- The Rainbow Club operates a risk register and reviews its Safety Statement on an annual basis
- It maintains records of accidents/incidents in the club
- It ensures all staff/volunteers are Garda Vetted

## **Health and Safety / Child protection**

The Rainbow Club has a detailed Child Safeguarding Statement, Child Protection Policy and Procedure in accordance with "Children First – National Guidance for the Protection and Welfare of Children" (Department of Children and Youth Affairs, 2011) and Our Duty to Care, the principles of good practice for the protection for children and young people. We are committed to promoting the rights of the child to be protected, be listened to and have their own views taken into consideration. It includes details on dealing with Child Protection and welfare concerns, reporting procedures for dealing with disclosures, concerns or allegations of child abuse, how to make a report and includes details of the Designated Liaison Person. All Volunteers and Staff Members have completed the Tusla eLearning Module – Introduction to Children First.

### **Statement of directors' responsibilities**

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

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and generally accepted accounting practice in Ireland, including FRS 102 the "Financial Reporting Standard applicable in the UK and Republic of Ireland", and with the Accounting and Reporting by charities: Statement of Recommended Practice (Charities SORP) applicable to charities preparing their accounts in accordance with FRS 102 (effective 1 January 2019). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities, and financial position of the company as at the financial year end, and of the surplus or deficit of the company for the financial period and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors 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 Companies Act 2014.

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

### **Going concern**

Based on trends in donations and fundraiser income and cash at bank, the directors are satisfied that Masquerade Ball Rainbow Club CLG has adequate resources to continue for at least twelve months from the date of approval of these financial statements and it is appropriate to adopt the going concern basis in the preparation of the financial statements.

### **Accounting records**

The measures taken by the directors to secure compliance with the company's obligations to keep adequate accounting records are the use of systems and procedures appropriate to the business and the employment of competent and reliable persons. The accounting records are kept at the company's premises at Mahon Community Centre, Avenue de Rennes, Mahon, Cork.

### **Lobbying and political donations**

There were no political donations during the year and as a result no disclosures are required in the Electoral Act, 1997.



## **Financial Review**

The results for the year are set out in the Statement of Financial Activities on page 13.

### Income

The Rainbow Clubs' income for the year to 31 January 2019 was €237,227. All income related to donations from private and corporate donors. See note 4 to the financial statements for details.

### Expenditure

Total expenditure for the year was €164,195 made up as follows:

|                       |          |
|-----------------------|----------|
| Charitable Activities | €113,170 |
| Raising Funds         | €51,025  |

#### *Charitable Activities*

Expenditure on charitable activities represent costs directly incurred in providing services for those with autism spectrum disorder (ASD). See note 4.1 to the financial statements

#### *Raising Funds*

Expenditure on raising funds represents the costs incurred in the creation of fundraising activities. See note 4.2 to the financial statements.

## **Events after the balance sheet date**

At the time of approving the financial statements, the company is exposed to the effects of the Covid-19 pandemic which has had a negative effect on its social enterprises income and fundraising activities since the year end and has resulted in a lower than expected level of donations since the year end. In planning its future activities, the directors will seek to develop the company's activities whilst managing the effects of the difficult period caused by this outbreak. The directors are not expecting to make any significant changes in the nature of the business in the near future.

## **Taxation status**

Masquerade Ball Rainbow Club CLG has been granted charitable status under sections 207 and 208 of the Taxes Consolidated Act 1997.

## **Transactions involving directors**

There were no contracts in relation to the affairs of the company in which the directors had any interest, as defined in the Companies Act, 2014, at any time during the year ended 31 January 2019.

## **Disclosure of information to auditors**

The directors in office at the date of this report have each confirmed that:

- As far as he/she is aware, there is no relevant audit information of which the company's statutory auditors are unaware; and
- He/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's statutory auditors is aware of that information.

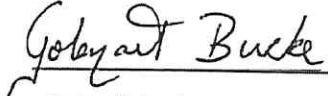
**Auditors**

The Auditors, Crowe Ireland, has indicated their willingness to continue in office, and a resolution that they be re-appointed will be proposed at the Annual General Meeting

On behalf of the board



Sean O'Huigin  
Chairman



Gobnait Burke  
Secretary

## INDEPENDENT AUDITORS REPORT TO MEMBERS OF MASQUERADE BALL RAINBOW CLUB CLG

**Report on the audit of the financial statements****Opinion**

We have audited the financial statements of Masquerade Ball Rainbow Club CLG for the year ended 31 January 2019, which comprise Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is Irish law and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and with reference to the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company's affairs as at 31 January 2019 and of its net movement in funds for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015;
- have been prepared in accordance with the requirements of the Companies Act 2014.

**Basis of 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the 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.



**INDEPENDENT AUDITORS REPORT TO MEMBERS OF MASQUERADE BALL RAINBOW CLUB CLG**

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**Opinion on other matters prescribed by the Companies Act 2014**

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

- in our opinion, the information given in the Directors' Report is consistent with the financial statements; and
- in our opinion, the Directors' Report has been prepared in accordance with Companies Act 2014.

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

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

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

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

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

**Respective responsibilities**

**Responsibilities of directors for the financial statements**

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

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

**Auditors' 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 Auditors' 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: [https://www.iaasa.ie/Publications/ISA 700 \(Ireland\)](https://www.iaasa.ie/Publications/ISA_700_(Ireland)). The description forms part of our Auditors' report.

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

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

**Signed by:**

**Neil Davitt**

For and on behalf of:

**Crowe Ireland**

Chartered Accountants and Statutory Audit Firm

Marine House

Clanwilliam Place

Dublin 2

**Date:**

**MASQUERADE BALL RAINBOW CLUB CLG**

**STATEMENT OF FINANCIAL ACTIVITIES (incorporating the Income and Expenditure Account)  
FOR THE YEAR ENDED 31 JANUARY 2019**

|   | Note      | Unrestricted<br>Funds<br>2019<br>€ | Restricted<br>Funds<br>2019<br>€ | Total<br>2019<br>€ | Total<br>2018<br>€ |
|---|-----------|------------------------------------|----------------------------------|--------------------|--------------------|
| <b>INCOME</b>                             |           |                                    |                                  |                    |                    |
| Donations and Legacies                    | 4.1       | 237,227                            | -                                | 237,227            | 184,997            |
| Charitable Activities                     |           | -                                  | -                                | -                  | -                  |
| Other Income                              | 4.1       | -                                  | -                                | -                  | 930                |
| <b>Total Income:</b>                      |           | <b>237,227</b>                     | <b>-</b>                         | <b>237,227</b>     | <b>185,927</b>     |
| <b>EXPENDITURE ON:</b>                    |           |                                    |                                  |                    |                    |
| Charitable Activities                     | 5.1       | 113,170                            | -                                | 113,170            | 99,564             |
| Raising Funds                             | 5.2       | 51,025                             | -                                | 51,025             | 15,775             |
| <b>Total resources expended:</b>          |           | <b>164,195</b>                     | <b>-</b>                         | <b>164,195</b>     | <b>115,339</b>     |
| <b>NET INCOMING/(OUTGOING) RESOURCES</b>  |           | <b>73,032</b>                      | <b>-</b>                         | <b>73,032</b>      | <b>70,588</b>      |
| <b>Net movement in funds for the year</b> |           | <b>73,032</b>                      | <b>-</b>                         | <b>73,032</b>      | <b>70,588</b>      |
| Total funds brought forward               | 16        | 70,588                             | -                                | 70,588             | -                  |
| <b>TOTAL FUNDS CARRIED FORWARD</b>        | <b>16</b> | <b>143,620</b>                     | <b>-</b>                         | <b>143,620</b>     | <b>70,588</b>      |

All income and expenditure arises from continuing operations.

There are no recognised gains or losses other than the income and expenditure for the above two financial years.

MASQUERADE BALL RAINBOW CLUB CLG

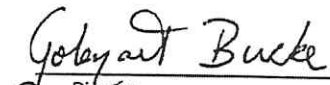
BALANCE SHEET AS AT 31 JANUARY 2019

|   | Notes | 2019<br>€      | 2018<br>€     |
|---|-------|----------------|---------------|
| <b>FIXED ASSETS</b>   |       |                |               |
| Tangible assets   | 9     | 22,471         | 37,657        |
| <b>CURRENT ASSETS</b>   |       |                |               |
| Cash and cash equivalents                                       | 10    | 145,343        | 42,931        |
|   |       | <u>145,343</u> | <u>42,931</u> |
| <b>CREDITORS (amounts falling due within one year)</b>          |       |                |               |
| Creditors & accruals  | 11    | (24,194)       | (10,000)      |
| <b>NET CURRENT LIABILITIES</b>                                  |       | <u>121,149</u> | <u>32,931</u> |
| <b>CREDITORS (amounts falling due after more than one year)</b> |       | -              | -             |
| <b>TOTAL NET ASSETS</b>   |       | <u>143,620</u> | <u>70,588</u> |
| <b>INCOME FUNDS</b>   |       |                |               |
| Restricted Funds  | 12    | -              | -             |
| Unrestricted funds  | 12    | 143,620        | 70,588        |
|   |       | <u>143,620</u> | <u>70,588</u> |
| <b>TOTAL FUNDS</b>  |       | <u>143,620</u> | <u>70,588</u> |

Signed on behalf of the Board:

  
Director

Date: 1-7-2020

  
Director

Date: 1-7-2020

**MASQUERADE BALL RAINBOW CLUB CLG**

**CASHFLOW STATEMENT AS AT 31 JANUARY 2019**

|  | Notes | 2019<br>€      | 2018<br>€     |
|--|-------|----------------|---------------|
| NET CASH FLOWS FROM OPERATING ACTIVITIES                           | 14.1  | 107,494        | 96,752        |
| NET CASH FLOWS FROM INVESTING ACTIVITIES                           | 14.2  | (5,082)        | (53,821)      |
| NET CASH FLOWS FROM FINANCING ACTIVITIES                           | 14.3  | -              | -             |
| CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR                    | 14.4  | <u>102,412</u> | <u>42,931</u> |
| <b>RECONCILIATION OF NET CASHFLOW TO MOVEMENT<br/>IN NET FUNDS</b> |       |                |               |
| CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR                    | 14.4  | 102,412        | 42,931        |
| CASH AND CASH EQUIVALENTS AT START OF YEAR                         | 14.4  | 42,931         | 0             |
| CASH AND CASH EQUIVALENTS AT END OF YEAR                           | 14.4  | <u>145,343</u> | <u>42,931</u> |

## MASQUERADE BALL RAINBOW CLUB CLG

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019

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#### 1. GENERAL INFORMATION

Masquerade Ball Rainbow Club CLG is engaged in the provision of care for children with autism. Masquerade Ball Rainbow Club CLG is a company limited by Guarantee and is a public benefit entity, incorporated in Ireland with a registered office at Mahon Community Centre, Avenue De Rennes, Mahon, Cork.

#### 2. STATEMENT OF ACCOUNTING POLICIES

##### 2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and Irish statute comprising of the Companies Act 2014 and with reference to the Statement of Recommended Practice Accounting and Reporting by Charities (Charities SORP)

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 2.2).

The principal accounting policies are set out below. The policies have remained unchanged from the previous year.

##### INCOMING RESOURCES

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy and the income is probable. 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** are recorded in Incoming Resources when receivable.

- Incoming resources from **Charitable Activities** are accounted for when earned.

- **Fee income** is recognised in Incoming Resources when receivable.

- **Donated Services (Support in Kind)** are credited to the Statement of Financial Activities in the year at market corresponding charge made to expenditure.

##### RESOURCES EXPENDED

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.

##### SUPPORT COSTS

Support costs represent the cost to head office of administering projects. These resources expended on charitable activities include the direct costs of the charitable activities together with those support costs (Finance and Administration cost) incurred that enable these activities to be undertaken. These have been allocated across the activities based on headcount.

##### RESTRICTED FUNDS

Restricted funds are accounted for in accordance with the particular terms of trust arising from the express or implied wishes of donors in so far as these are intended to be binding on the company. Where any such wishes are not intended to be legally binding, they are taken into account and recognised in appropriately designated funds.



## **MASQUERADE BALL RAINBOW CLUB CLG**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019**

---

#### **UNRESTRICTED FREE RESERVES**

Free reserves represent amounts which are expendable at the discretion of the directors in furtherance of the objectives of the company and which have not been designated for other purposes. Such funds may be held in order to finance working capital or capital expenditure.

#### **CAPITAL GRANTS**

Grants received specifically as a contribution towards the cost of tangible fixed assets are credited directly to the capital fund in the year of receipt. Such grants are amortised to the Statement of Financial Activities on the same basis as the assets are depreciated. Under Charities SORP 2015 the Accruals method for accounting for Grants under Section 24 of FRS 102 is not permitted. Masquerade Ball Rainbow Club CLG have departed from this requirement as the Accruals method for accounting for grants is more appropriate for the organisation.

#### **TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets are stated in the Balance Sheet at cost or revalued amount less accumulated depreciation.

Depreciation is provided on all tangible fixed assets, so as to write off the cost or valuation, less estimated residual value of each asset over its expected useful economic life as follows:

|                                  |                   |
|----------------------------------|-------------------|
| Fixtures, fittings and equipment | 33% Straight Line |
| Motor vehicles                   | 25% Straight Line |

#### **FINANCIAL INSTRUMENTS**

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest

#### **DEBTORS**

Short term debtors are measured at transaction price, less any impairment.

#### **CASH AND CASH EQUIVALENTS**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### **CREDITORS**

Short term creditors are measured at the transaction price.

#### **OPERATING LEASES: THE COMPANY AS LESSEE**

Rentals paid under operating leases are charged to the SOFA on a straight line basis over the lease term.

#### **TAXATION**

No charge to taxation arises as the company has been granted charitable status by the Revenue Commissioners under Section 207 and 208 of the Taxes Consolidation Act 1997.

## MASQUERADE BALL RAINBOW CLUB CLG

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019

#### 2.2 JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

##### (a) Establishing lives for depreciation purposes of property, plant and equipment

Long-lived assets, consisting primarily of property, plant and equipment, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated lives of each type of asset and estimates of residual values. The directors regularly review these asset lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have a significant impact on depreciation and amortisation charges for the period. Details of the useful lives is included in the accounting policies.

### 3. GOING CONCERN

The financial statements have been prepared on a going concern basis.

### 4. INCOMING RESOURCES

Income is composed of Donations and Legacies, Income from Charitable Activities and Other Income as follows:

|                                    | 2019           | 2018           |
|------------------------------------|----------------|----------------|
|                                    | €              | €              |
| <b>4.1. Donations and Legacies</b> |                |                |
| Private and Corporate Funding      | 143,311        | 114,815        |
| Other                              | -              | -              |
|                                    | <u>143,311</u> | <u>114,815</u> |
| Fundraising activities             | 93,916         | 70,182         |
| Support in Kind                    | -              | -              |
|                                    | <u>93,916</u>  | <u>70,182</u>  |
|                                    | <u>237,227</u> | <u>184,997</u> |
| <b>4.2 Other Income</b>            |                |                |
|                                    | 2019           | 2018           |
|                                    | €              | €              |
| Other income                       | -              | 930            |
|                                    | <u>-</u>       | <u>930</u>     |

**MASQUERADE BALL RAINBOW CLUB CLG**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019**

**5. EXPENDITURE ON:**

**5.1 Charitable activities**

|                              | 2019<br>€      | 2018<br>€     |
|------------------------------|----------------|---------------|
| Wages & Salaries             | 15,861         | -             |
| Other Staff Costs            | 13,808         | 4,365         |
| Activities and therapy costs | 32,978         | 17,546        |
| Premises Costs               | 19,430         | 16,542        |
| Advertising & Promotion      | 64             | -             |
| Depreciation                 | 20,268         | 16,164        |
| Bank Interest & Charges      | 127            | -             |
| Management & Administration  | 195            | 9,548         |
| Other Costs                  | 616            | 23,799        |
| Governance Costs (note 5.3)  | 9,823          | 11,600        |
|                              | <b>113,170</b> | <b>99,564</b> |

**5.2 Raising Funds**

|                               | 2019<br>€     | 2018<br>€     |
|-------------------------------|---------------|---------------|
| Fundraising - Ladies lunch    | 11,994        | 611           |
| Fundraising - Masquerade Ball | 4,105         | 670           |
| Fundraising - Oskars night    | 16,605        | -             |
| Fundraising - ASD Santa       | 10,547        | 5,473         |
| Fundraising - Other           | 7,774         | 9,021         |
|                               | <b>51,025</b> | <b>15,775</b> |

**5.3 Governance costs include the following**

|   | 2019<br>€    | 2018<br>€     |
|---|--------------|---------------|
| Legal, professional and consultancy     | -            | 1,600         |
| Board & annual general meeting expenses | -            | -             |
| Audit                                   | 9,823        | 10,000        |
|   | <b>9,823</b> | <b>11,600</b> |

**MASQUERADE BALL RAINBOW CLUB CLG**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019**

**6. DIRECTORS' REMUNERATION AND TRANSACTIONS**

No remuneration is paid to Directors for their services as Board Members. Directly incurred expenses are reimbursed, if claimed. No directors expenses were claimed in the year.

**7. EMPLOYEES AND REMUNERATION**

The average number of employees during the year was 1 (2018: nil) and is analysed into the following categories:

|                                   | 2019<br>Full Time | 2019<br>Part Time | 2018<br>Full Time | 2018<br>Part Time |
|-----------------------------------|-------------------|-------------------|-------------------|-------------------|
| Administration                    | 1                 | -                 | -                 | -                 |
|                                   | <u>1</u>          | <u>-</u>          | <u>-</u>          | <u>-</u>          |
| The staff costs are comprised of: |                   |                   |                   |                   |
|                                   |                   |                   | 2019<br>€         | 2018<br>€         |
| Wages and Salaries                |                   |                   | 14,411            | -                 |
| Employers PRSI                    |                   |                   | 1,450             | -                 |
| Redundancy costs                  |                   |                   | -                 | -                 |
|                                   |                   |                   | <u>15,861</u>     | <u>-</u>          |

There were no staff receiving remuneration over €60,000 during the year.

**Key Management remuneration:**

Key management personnel include the Chief Executive Officer and the senior management team for whom the total remuneration cost was €15,861 (2018: €nil). The CEO Karen O'Mahony was paid a salary of €10,385 from November 2018 to January 2019.

**8. TAXATION**

No charge to taxation arises as Masquerade Ball Rainbow Club Company Limited By Guarantee has been granted charitable exemption by the Revenue Commissioners.



**MASQUERADE BALL RAINBOW CLUB CLG**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019**

**9. TANGIBLE FIXED ASSETS**

|                       | Fixtures,<br>Fittings &<br>Equipment<br>€ | Motor<br>Vehicles<br>€ | Total<br>€    |
|-----------------------|---|------------------------|---------------|
| <b>COST</b>           |   |                        |               |
| At 1 February 2018    | 50,654                                    | 3,167                  | 53,821        |
| Additions             | 5,082                                     | -                      | 5,082         |
| Disposals             | -   | -                      | -             |
| At 31 January 2019    | <u>55,736</u>                             | <u>3,167</u>           | <u>58,903</u> |
| <b>DEPRECIATION</b>   |   |                        |               |
| At 1 February 2018    | 15,247                                    | 917                    | 16,164        |
| Charge for the year   | 19,268                                    | 1,000                  | 20,268        |
| On disposals          | -   | -                      | -             |
| At 31 January 2019    | <u>34,515</u>                             | <u>1,917</u>           | <u>36,432</u> |
| <b>NET BOOK VALUE</b> |   |                        |               |
| At 31 January 2019    | <u>21,221</u>                             | <u>1,250</u>           | <u>22,471</u> |
| At 31 January 2018    | <u>35,407</u>                             | <u>2,250</u>           | <u>37,657</u> |

**10. CASH AND CASH EQUIVALENTS**

|                          | 2019<br>€      | 2018<br>€     |
|--------------------------|----------------|---------------|
| Cash at bank and in hand | <u>145,343</u> | <u>42,931</u> |

**11. CREDITORS (Amounts falling due within one year)**

|                      | 2019<br>€     | 2018<br>€     |
|----------------------|---------------|---------------|
| Creditors & Accruals | 22,000        | 10,000        |
| Payroll taxes        | 2,194         | -             |
|                      | <u>24,194</u> | <u>10,000</u> |

MASQUERADE BALL RAINBOW CLUB CLG

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019

12. FUNDS OF THE CHARITY

12.1 ANALYSIS OF MOVEMENTS ON FUNDS

|                     | Opening<br>Balance | Receipts       | Expenditure      | Transfer | Closing<br>Balance |
|---------------------|--------------------|----------------|------------------|----------|--------------------|
|                     | €                  | €              | €                | €        | €                  |
| Restricted Income   | -                  | -              | -                | -        | -                  |
| Unrestricted Income | 70,588             | 237,227        | (164,195)        | -        | 143,620            |
| <b>Total Funds</b>  | <b>70,588</b>      | <b>237,227</b> | <b>(164,195)</b> | <b>-</b> | <b>143,620</b>     |

12.2 ANALYSIS OF NET ASSETS

|                     | Unrestricted<br>Funds | Restricted<br>Funds | Total<br>Funds |
|---------------------|-----------------------|---------------------|----------------|
|                     | €                     | €                   | €              |
| Tangible assets     | 22,471                | -                   | 22,471         |
| Current Assets      | 145,343               | -                   | 145,343        |
| Current Liabilities | (24,194)              | -                   | (24,194)       |
|                     | <b>143,620</b>        | <b>-</b>            | <b>143,620</b> |

**MASQUERADE BALL RAINBOW CLUB CLG**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019**

**13. FINANCIAL INSTRUMENTS**

|  | 2019    | 2018   |
|--|---------|--------|
|  | €       | €      |
| <b>Financial assets</b>                          |         |        |
| Financial assets measured at amortised cost      | 145,343 | 42,931 |
| <b>Financial liabilities</b>                     |         |        |
| Financial liabilities measured at amortised cost | 22,000  | 10,000 |

Financial assets measured at amortised cost comprise cash and contributions receivable and fees due.

Financial liabilities measured at amortised cost comprise creditors and accruals and deferred income.

**14. RECONCILIATION OF CHANGES IN RESOURCES TO NET CASHFLOW FROM OPERATING ACTIVITIES**

**14.1 OPERATING ACTIVITIES**

|   | 2019    | 2018   |
|---|---------|--------|
|   | €       | €      |
| Net movement in funds                   | 73,032  | 70,588 |
| Depreciation                            | 20,268  | 16,164 |
| (Increase)/Decrease in debtors          | -       | -      |
| Increase/(Decrease) in creditors        | 14,194  | 10,000 |
| Net cash flow from operating activities | 107,494 | 96,752 |

**14.2 INVESTING ACTIVITIES**

|  | 2019    | 2018     |
|--|---------|----------|
|  | €       | €        |
| Payments to acquire tangible fixed assets  | (5,082) | (53,821) |
| Net cash outflow from investing activities | (5,082) | (53,821) |

**14.3 FINANCIAL ACTIVITIES**

|  | 2019 | 2018 |
|--|------|------|
|  | €    | €    |
| Capital Grant Funds Received               | -    | -    |
| Net cash outflow from financing activities | -    | -    |

**14.4 ANALYSIS OF CHANGES IN NET FUNDS**

|                           | 01-Jan<br>2019 | Cash<br>Flows | 31-Dec<br>2019 |
|---------------------------|----------------|---------------|----------------|
|                           | €              | €             | €              |
| Cash and cash equivalents | 42,931         | 102,412       | 145,343        |

**MASQUERADE BALL RAINBOW CLUB CLG**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2019**

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**15. COMMITMENTS**

The company had no operating lease commitments at the balance sheet date.

**16. CAPITAL COMMITMENTS**

There were no capital commitments at the balance sheet date.

**17. RELATED PARTY TRANSACTIONS**

There were no transactions between the company and the directors, or between any related parties.

**18. LEGAL STATUS OF THE COMPANY**

The Company is a public benefit entity and operates as a company limited by guarantee without share capital. Each of the members is liable to contribute an amount not exceeding €1 towards the assets of the company in the event of liquidation.

**19. Post balance sheet events**

In the first half of 2020, the Covid-19 virus spread worldwide. In common with many other countries, the Irish government issued guidance and restrictions on the movement of people designed to slow the spread of this virus. In early March 2020, many businesses closed voluntarily and throughout the month more restrictions were placed on people and businesses. On 28th March, all "non-essential" businesses were ordered to close temporarily. On 1 May 2020 the Irish government published a roadmap for reopening Ireland's economy and society in a phased manner commencing on 18 May 2020. The roadmap had been re-phased and accelerated by the date of approval of these financial statements.

The directors have reviewed the impact of this on the company's working practices and, based on knowledge to hand, the Directors consider that while there are significant risks to be managed, the company expects to survive this period of uncertainty and has the financial resources to do so.

At the time of approving the financial statements, there is uncertainty regarding how the balance sheet may be impacted based on events since the year end and as a result an estimate of its financial effect cannot be made.

**20. ULTIMATE CONTROLLING PARTY**

The members of Masquerade Ball Rainbow Clubb CLG are considered to be the ultimate controlling party.

**21. APPROVAL OF FINANCIAL STATEMENTS**

The Board of Directors approved these financial statements for issue on the