



## Plain English, Summary Financial Report

26 May 2020

### Audited Accounts for 2019

- Our auditors have checked our accounts for 2019 – and their 29 page report has been sent out to all members
- This includes the Directors' Report included in pages 3 and 4.
- The Board approved these accounts on 26 May 2020.

### Inclusion Ireland Income Statement Summary

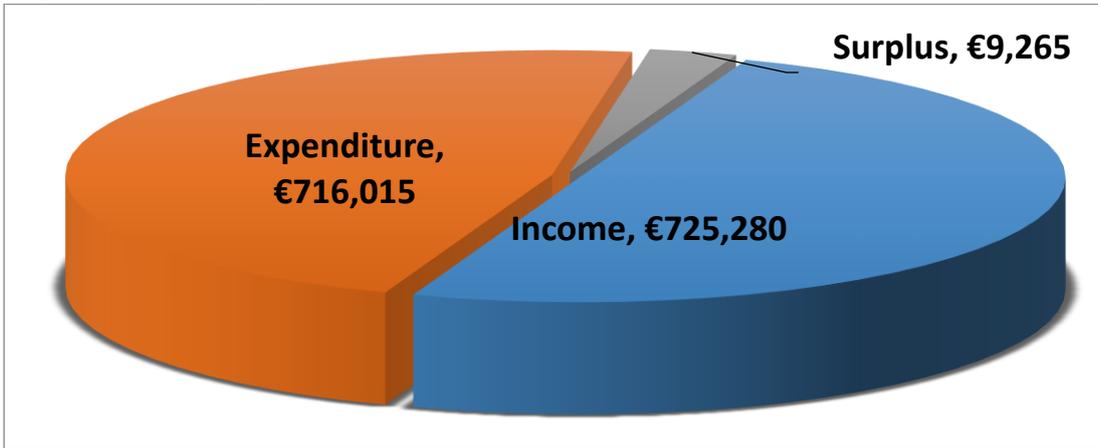
*From: 1<sup>st</sup> January 2019 to 31<sup>st</sup> December 2019*

<b>Income</b>	2019	2018
<b>Total</b>	<b>€725,280</b>	<b>€958,682</b>

<b>Expenses</b>	2018	2017
<b>Total</b>	<b>€716,015</b>	<b>€889,605</b>

<b>Overall Surplus for 2019</b>	<b>€ 9,265</b>	<b>€ 69,077</b>
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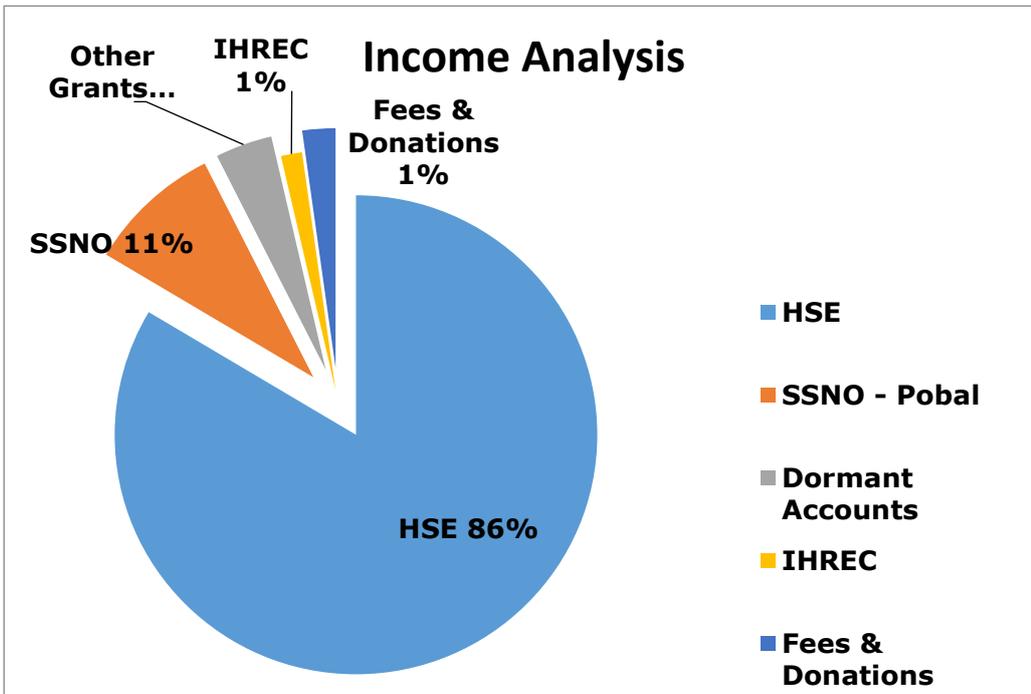
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**Inclusion Ireland 2019 Accounts Analysis**

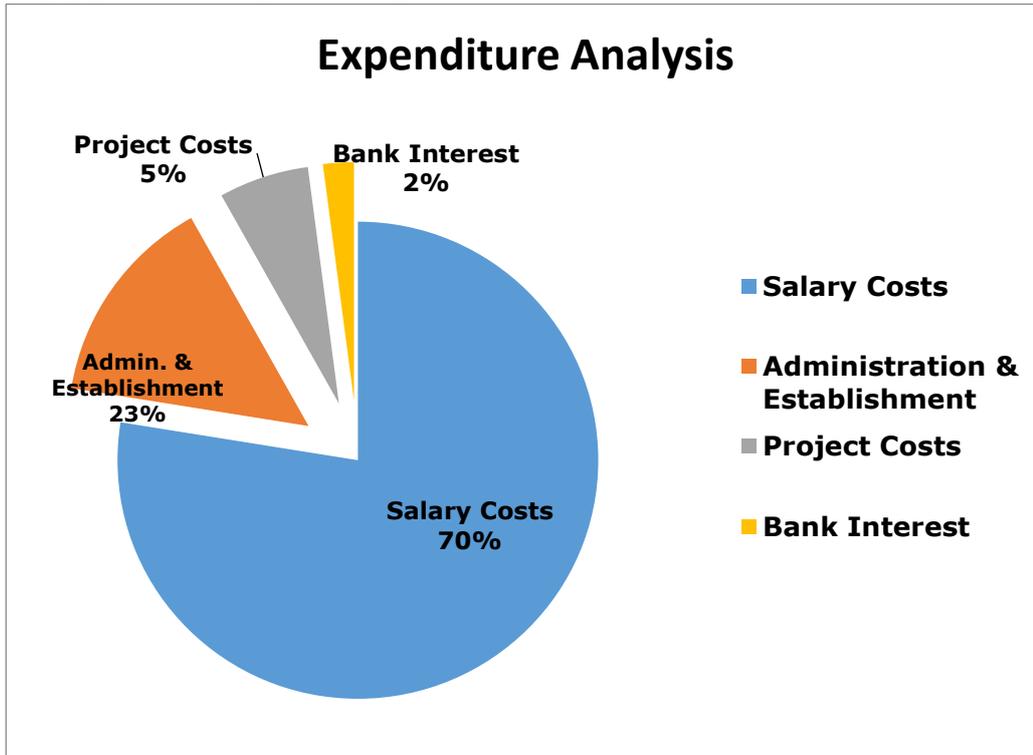
**Breakdown of Income of €725,280**

**Other Grants**



**Breakdown of Expenditure of €716,015**

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## Inclusion Ireland Balance Sheet Summary

*As at 31<sup>st</sup> December 2019*

<b>Money we have</b>	
<b>Fixed assets – building</b>	<b>€ 622,341</b>
<b>Fixed assets – computers, desks, etc.</b>	<b>€ 7,343</b>
<b>Current assets – money in the bank</b>	<b>€ 342,940</b>
<b>Current assets – debtors</b>	<b>€ 10,798</b>
<b>Total</b>	<b>€ 983,422</b>

<b>Money we owe</b>	
<b>Mortgage account</b>	<b>€ 652,061</b>
<b>Other bills that are not paid yet</b>	<b>€ 92,229</b>
<b>Total</b>	<b>€ 744,290</b>

<b>Overall Assets</b>	<b>€ 239,132</b>
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More details of these are shown separately in the audited accounts, page 13.

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### **Directors' Report Highlights:**

- The Board reviewed the company's activities and costs during 2019 and decided on a number of changes in line with the reduction in our HSE funding of 150,000 over the course of the year.

### **Looking Ahead to 2020:**

- The Board has prepared a full budget for 2019 and 2020, and so far, the figures for 2020 are as expected, the HSE as our main funder has continued to fund us in 2020 during the Coronavirus Pandemic. We will not be able to replace some staff members who have left but have been able to work from home.
- Our budget tries to predict the amounts of money we expect to get in and the money we expect to spend.
- We aim to break even (excluding depreciation) in 2020 and will also get a write off of an agreed portion of our loan to the bank in 2020.
- The Company's current reserves are equivalent to 99 days trading.

*The members of the Board and the Finance & Governance Committee acknowledge the hard work of the new CEO and all the staff in maintaining our levels of income and keeping our expenses under tight control While continuing to represent the organisation at the highest levels in Government and media during the Pandemic.*

*All Board members are volunteers and receive no pay or benefit from their position.*

<b>Income</b>	Money that people pay us, like the HSE, or other fees, grants and donations.
<b>Expenses</b>	Money we pay, such as wages, ESB, bank interest and insurance.
<b>Profit or Surplus</b>	If we receive more money than we spent, the difference is our profit or surplus.
<b>Exceptional Item</b>	An exceptional item is an unusually large and uncommon transaction charge that must be disclosed on the balance sheet in accordance with accounting principles. We had no exceptional items in our accounts this year.
<b>Balance Sheet</b>	This is a summary of the financial balances of an organisation, as at a particular date.
<b>Fixed assets</b>	Things we own which are valuable, such as a building or office furniture. But it would take time to sell any of these if we needed to sell them.
<b>Current assets</b>	Money in the bank or money owed to us. It also includes bills that we may have paid in advance, such as insurance (called prepayments).
<b>Liabilities</b>	Money we owe to anyone – including bills not yet received (called accruals).
<b>Audit</b>	We have to get our accounts checked by another qualified firm of accountants.

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<b>Finance Committee</b>	Certain directors of Inclusion who have been asked to look in detail at our accounts, and report to the full Board at every Board meeting. Other non-directors are also invited to join this committee.
<b>CEO</b>	Chief Executive Officer
<b>The Governance Code and the new Charities Governance Code</b>	A list of recommendations that all charities are supposed to have in place, to make sure that we have "good governance". This list helps us to check that we are meeting our Board responsibilities fully, in line with "best practice". This code is voluntary so we can decide if we want to follow it or not. This will be replaced by the Charities Governance Code which all charities will have to report to the charities regulator every year on how they are running their charity and showing that they are following all the rules in the Charities Governance Code and all the laws that they should be following. This new Code is mandatory which means we have to follow it.
<b>Depreciation Expense</b>	This can be hard to understand fully. It is used to represent the "wear-and-tear" of assets, and therefore, the reduction in value of an asset. For instance, let's say we buy a new car for €10,000. If it depreciates by 20% every year, then in our accounts, it is

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	<p>only worth €8,000 after the first year, and €6,000 after the second year. We don't pay out €2,000 to anyone but the car incurs an annual depreciation charge of €2,000 until it is "written off" after 5 Years. By law, we have to show a depreciation expense for each type of asset – we use 2% for our building and 15% for everything else, such as office equipment.</p>
<b>Admin &amp; Establishment Costs</b>	<p>These are the costs that relate to running the office. These <b>include</b> telephone, postage, water rates, computer costs, service charges, insurance, ESB, repairs and maintenance, motor and travel expenses, auditor fees, professional and legal fees, bank charges and various subscriptions. They also include redundancy costs and depreciation costs.</p> <p>They <b>exclude</b> the salary costs and specific costs relating to the various projects that are listed separately. Bank interest is also shown separately.</p>
<b>Reserves</b>	<p>Our Balance Sheet shows the value of our assets and our liabilities. The calculation of our assets less our liabilities represent our reserves. We should never allow our liabilities to be more than our assets. If we</p>

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	are always able to pay our bills on time, then we are solvent.
<b>Reserves and how many days trading</b>	This is a way of measuring how solvent the charity is. If we were to receive no more income, how many days would we have before we ran out of money?