

Compassion Ireland Christian Child Development
(A Company Limited by Guarantee and not having a Share Capital)
Financial statements
Year ended 30 June 2021

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Financial Statements
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Directors and other information

Directors

Dr. Miriam O'Regan
Nigel Locke
Ross Hunter Campbell
Kenneth Frank Morgan
Keith Mitchell
Susan Mullarkey (Resigned on 20 September 2021)

Secretary

Amy Hiorns (Retired as Company Secretary on 23 February 2021)
Nigel Locke (Appointed as Company Secretary on 23 February 2021)

Company number

493955

Registered charity number

20076184

CHY (revenue) number

19426

Auditors

HLB Ryan
5 Clarinda Park North
Dún Laoghaire
County Dublin

Bankers

Bank Of Ireland
College Green
Dublin 2

Registered office

Suite 3
Eden Gate Centre
Delgany
Co Wicklow

Business address

Suite 3
Eden Gate Centre
Delgany
Co. Wicklow

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Directors Responsibilities Statement

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

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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. 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 date and of the surplus or deficit of the company for the financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

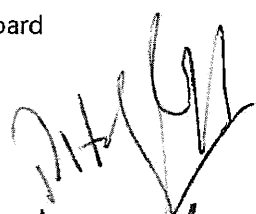
The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and the directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

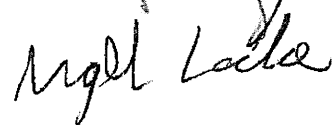
- there is no relevant audit information (information needed by the company's auditor in connection with preparing the auditor's report) of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Signed on behalf of the board

Ross Hunter Campbell

 26/11/2021

Nigel Locke

 26/11/2021

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Accounting Records

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014, regarding proper books of account are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The books of account of the company are maintained at Compassion House, Barley Way, Fleet, Hampshire, United Kingdom.

Principal Risks And Uncertainties

The Directors have a risk management strategy which comprises an annual review of the risks the charity may face, the establishment of systems and procedures to mitigate the risks that have been identified, and the implementation of procedures to minimise any potential impact on the charity should those risks materialise.

Major risks are considered to be those that may have a significant impact on

- Operational performance, including risk to employees, volunteers, the children we support and our reputation;
- Financial sustainability, including stability and security of income;
- The achievement of our aims and objectives; and
- Meeting the expectations of those we support and of our partners.

Directors

In accordance with the Articles of association Ross Campbell and Miriam O'Regan retire by rotation and being eligible, offer themselves for re-election.

Post Balance Sheet Events

There were no post balance sheet events which require disclosure.

Future Developments

The main activities of the company remain unchanged and the directors anticipate that any future developments would relate to these activities.

Auditors

During the year HLB Ryan Ltd were re-appointed as auditors

Taxation Status

The company is exempt from corporation tax due to its charitable status.

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Our Volunteer Trustees

The trustees are the directors of Compassion Ireland for the purposes of company law and the trustees of Compassion Ireland for the purposes of charity law. All trustees are also members.

Ross Hunter Campbell – Chair of the Board of Trustees

Ross is a scientist-businessman with decades of experience in the field of food texture including founding and running an organisation for 20 years.

Dr Miriam O'Regan – Safeguarding Trustee Lead

Miriam is a researcher specialising in applied educational research and is also a Director of Fearless Women Ireland.

Nigel Locke – Company Secretary

Nigel has more than 35 years' experience as General Manager and as a Finance Manager in the not for profit sector

Kenneth Frank Morgan

Ken is a chartered accountant with more than 50 years supporting the growth and development of a variety of organisations. Ken has also previously sat on the boards of Compassion International and Compassion UK

Keith Mitchell

Mitch is the evangelist and co-founder of Crown Jesus Ministries as well as being an author and weekly contributor to Christian radio.

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material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based solely on the work undertaken in the course of the audit, we report that:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with the Companies Act 2014.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are 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. In our opinion the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report. 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 management either intends to liquidate the company or to cease operation, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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Derek Ryan
for and on behalf
of HLB RYAN LIMITED

Chartered Accountants and Statutory Auditors
5 Clarinda Park North
Dún Laoghaire
County Dublin

Date: 26/11/2021

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Statement of Financial Activities

2021					2020				
Note	Restricted Funds €	Designated Funds <i>Most Strategic Need</i> €	General Funds €	Total Funds €	Restricted Funds €	Designated Funds <i>Most Strategic Need</i> €	General Funds €	Total Funds €	
Income From									
Donations & Legacies	5	469,361	90,567	125,800	685,728	405,144	59,988	110,752	575,884
Grant from Compassion UK		-	-	-	-	-	-	20,000	20,000
Total Income		469,361	90,567	125,800	685,728	405,144	59,988	130,752	595,884
Expenditure on									
Raising Funds	6	-	-	75,026	75,026	-	-	96,359	96,359
Charitable Activities	7	472,801	78,287	39,791	590,879	405,563	79,627	41,972	527,162
Total Expenditure		472,801	78,287	114,817	665,905	405,563	79,627	138,331	623,521
Net Movement in Funds		(3,440)	12,280	10,983	19,823	(419)	(19,639)	(7,579)	(27,637)
Total Funds Brought Forward		3,440	(9,540)	28,506	22,406	3,859	10,099	36,085	50,043
Total Funds Carried Forward	12	-	2,740	39,489	42,229	3,440	(9,540)	28,506	22,406

There are no recognised gains or losses other than those disclosed above and there have been no discontinued activities or acquisitions in the current year.

On behalf of the board

Ross Hunter Campbell

26/11/2021

Nigel Locke

26/11/2021

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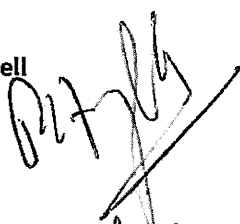
Balance Sheet

		2021	2020
		€	€
Current Assets			
Debtors	9	2,078	2,895
Cash at bank and in hand		98,750	171,109
Total current assets		<u>100,828</u>	<u>174,004</u>
Liabilities			
Creditors: Amounts falling due within one year	10	(58,599)	(151,598)
Total Liabilities		<u>(58,599)</u>	<u>(151,598)</u>
Net Current Assets		<u>42,229</u>	<u>22,406</u>
The Funds of The Charity			
<i>Unrestricted Funds</i>			
General Funds		39,489	28,506
Designated Funds: Most Strategic Need Fund		2,740	(9,540)
Total unrestricted funds		<u>42,229</u>	<u>18,966</u>
Restricted income funds		-	3,440
Total Funds Carried Forward		<u>42,229</u>	<u>22,406</u>

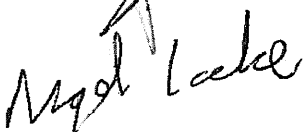
The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", applying Section 1A of that Standard.

Approved by the board on 26/11/2021

Ross Hunter Campbell



Nigel Locke



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Cash Flow Statement

	2021	2020
	€	€
Cash flows from operating activities		
Net income for the reporting period (as reported in the Statement of Financial Activities)	19,823	(27,637)
Adjustments for:		
Decrease/(Increase) in debtors	817	(706)
(Decrease)/Increase in creditors	(92,999)	63,131
Net cash provided by operating activities	<u>(72,359)</u>	<u>34,788</u>
Cash in hand at beginning of period	171,109	136,321
Total cash and cash equivalents at end of period	<u>98,750</u>	<u>171,109</u>
Change in cash and cash equivalents in the reporting period	<u>(72,359)</u>	<u>34,788</u>

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1. Accounting Policies

1.1. Statement of compliance

The financial statements of the company for the year ended 30 June 2021 have been prepared in accordance with the provisions of FRS 102 Section 1A (Small Entities) and the Companies Act 2014.

1.2. Basis of preparation

Compassion Ireland Christian Child Development meets the definition of a public benefit entity under FRS 102(1A). Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The company qualifies as a small company as defined by section 280A of the Companies Act 2014 in respect of the financial year, and has applied the rules of the 'Small Companies Regime' in accordance with section 280C of the Companies Act 2014 and Section 1A of FRS 102

1.3. Incoming Resources

These are included in the Statement of Financial Activities (SOFA) when:

- the charity becomes entitled to the resources.
- the trustees believe it is probable they will receive the income; and
- the monetary value can be measured with sufficient reliability.

Income which relates to Child Support and is for a future period is carried forward as deferred income. Refunds from the revenue commissioners is recognised in the SOFA when the income is received.

1.4. Resources Expended

All expenditure is accounted for gross, and when incurred. Expenditure is included in the SOFA on an accruals basis and, because the charity is unable to recover any Value Added Tax paid, inclusive of that irrecoverable VAT. Expenditure includes the direct costs of the activities and depreciation on related assets. Where such costs relate to more than one functional cost category, they have been split on an estimated time, floor space or other basis, as appropriate.

Expenditure on Raising Funds are the direct costs and an appropriate allocation of support costs that were used to attract donations

Expenditure on Charitable activities include monies remitted to Compassion International and other organisations in respect of child sponsorship income, costs of supporting and providing information and education to child sponsors and other costs incurred directly in meeting the aims of the charity. Child support grants include all monies paid to Compassion International and other organisations for the direct benefit of children.

Child Ministry include all costs incurred in the ministry of children and raising awareness on their behalf.

This expenditure includes an appropriate allocation of support costs of central functions which and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. by estimated time or floor space etc.

1.5. Grants

Grants payable are recognised as expenditure when the commitment is entered into. Where such a grant is to be paid over instalments, the outstanding balance is disclosed as a liability.

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1.6. Unrestricted Funds

Unrestricted funds are funds available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

1.7. Designated funds

Designated funds are unrestricted funds that have been set aside at the discretion of the Trustees for a specific, but not legally binding, purpose.

1.8. Restricted funds

Restricted funds are income received for a particular purpose as specified by the donor or supplier, less expenditure applied for such a purpose.

1.9. Liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

2. Accounting Period

The financial statements represent the 12 month period ending 30 June 2021.

3. Compassion Charities

Compassion UK

There is an agreement between Compassion UK and Compassion Ireland that Compassion UK will provide back office support for a fixed fee (12% of donations received, excluding gifts, Christmas funds and disaster appeals which are sent 100% to Compassion International) to avoid unnecessary duplication of costs. Fundraising costs are incurred directly. Compassion Ireland determines the fundraising initiatives, which are implemented by Compassion Ireland staff and volunteers.

There is one board member (Kenneth Frank Morgan) who sat on both boards.

During the period €75,480 [FY20 €66,551] was paid to Compassion UK to service Compassion Ireland. The intercompany balance owing to Compassion UK is €42,356 [FY20 €137,319] including money due to Compassion International.

During the year Compassion UK made a grant to Compassion Ireland of €nil [FY20 €20,000] to support the work in Ireland.

Compassion International

The charity has a commitment to donors whereby 80% of monies received from child sponsorship or for interventions and 100% of donations received for child gifts, Christmas and disaster appeals, are transferred to Compassion International in the USA, who administer the distribution of funds for the benefit of each child on behalf of the charity (and other Compassion partners). This is administered via Compassion UK.

4. Net Movement In Resources For The Year

	2021	2020
	€	€
This is stated after charging:		
Annual audit fees	3,025	3,025

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5. Incoming Resources

	2021				2020			
	Designated Funds <i>Most</i>				Designated Funds <i>Most</i>			
	Restricted Funds	Strategic Need	General Funds	Total Funds	Restricted Funds	Strategic Need	General Funds	Total Funds
	€	€	€	€	€	€	€	€
<i>Minimum 80% Restricted</i>								
Child Support	407,587	-	101,897	509,484	376,419	-	94,234	470,653
Un-sponsored Children	1,248	-	312	1,560	1,152	-	288	1,440
RESPOND Initiatives	120	-	30	150	928	-	232	1,160
Sponsorship Plus	3,231	-	806	4,037	2,694	-	673	3,367
Child Survival Programme	451	-	113	564	1,311	-	328	1,639
<i>100% Restricted</i>								
Gifts for children	33,230	-	-	33,230	17,020	-	-	17,020
Christmas Appeal	6,097	-	-	6,097	4,793	-	-	4,793
Disaster Relief	17,397	-	-	17,397	827	-	-	827
<i>Minimum 80% Designated</i>								
Most Needed	-	5,119	1,280	6,399	-	7,280	1,820	9,100
Tax Relief	-	85,448	21,362	106,810	-	52,708	13,177	65,885
Total	469,361	90,567	125,800	685,728	405,144	59,988	110,752	575,884

6. Expenditure On Raising Funds

	2021	2020
	€	€
Personnel	36,674	35,809
Support costs	26,138	27,004
Direct marketing and appeal costs	12,214	33,546
Total	75,026	96,359

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7. Grant Making Activities

Note	2021				2020			
	Designated Funds			Total Funds	Designated Funds			Total Funds
	Restricted Funds	Most Strategic Need	General Funds		Restricted Funds	Most Strategic Need	General Funds	
	€	€	€	€	€	€	€	€
Child Support	407,588	-	-	407,588	376,419	517	-	376,936
Un-sponsored Children	1,248	46,000	-	47,248	1,152	-	-	1,152
Gifts for children	33,230	-	-	33,230	17,020	229	-	17,249
Christmas Appeal	6,217	-	-	6,217	4,673	-	-	4,673
RESPOND Initiatives	3,440	-	-	3,440	8	-	-	8
Disaster Relief	17,397	3,759	-	21,156	4,980	41,020	-	46,000
Child Survival Programme	451	37	-	488	1,311	-	-	1,311
Sponsorship Plus	3,230	-	-	3,230	-	-	-	-
Total Grants	472,801	49,796	-	522,597	405,563	41,766	-	447,329
Grant making support costs	8	-	-	7,958	-	-	8,394	8,394
Child Ministry direct costs	-	28,491	-	28,491	-	37,861	-	37,861
Child Ministry support costs	8	-	31,833	31,833	-	-	33,578	33,578
Total Charitable Expenditure	472,801	78,287	39,791	590,879	405,563	79,627	41,972	527,162

8. Analysis Of Support Costs Of The Charity

	2021				2020			
	Raising Funds	Grant Making	Child Ministry	Total Support Costs	Raising Funds	Grant Making	Child Ministry	Total Support Costs
	€	€	€	€	€	€	€	€
Facilities management	455	39	156	650	4,821	413	1,653	6,887
Operations and finance	523	599	2,396	3,518	-	926	3,702	4,628
Audit and accounting fees	-	605	2,420	3,025	-	605	2,420	3,025
Trustee and Board meeting costs	-	1,683	6,733	8,416	-	2,014	8,056	10,070
Service Fee to UK	25,160	5,032	20,128	50,320	22,183	4,436	17,747	44,366
	26,138	7,958	31,833	65,929	27,004	8,394	33,578	68,976

All Support Costs are paid from unrestricted funds. Total support costs are allocated on the basis of staff time attributable to that cost centre. Half of the service fee paid to Compassion UK is classified as Support costs and half as Child Ministry costs.

9. Debtors

	2021	2020
	€	€
Debtors	364	1,140
Prepayments	1,714	1,755
Total Debtors	2,078	2,895

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10. Creditors: amounts falling due within one year

	2021	2020
	€	€
Owed to Compassion UK	42,356	137,319
Deferred income	6,330	4,675
Trade creditors	1,483	2,056
Accruals	8,430	7,548
Total Creditors	58,599	151,598

11. Reconciliation Of Restricted Funds

	Opening Balance	Restricted Income	Transfers	Restricted expenditure	Ending Balance
	€	€	€	€	€
Child Support	-	407,588	-	(407,588)	-
Un-sponsored Children	-	1,248	-	(1,248)	-
Gifts for children	-	33,230	-	(33,230)	-
Christmas Appeal	120	6,097	-	(6,217)	-
RESPOND Initiatives	3,320	120	-	(3,440)	-
Disaster Relief	-	17,397	-	(17,397)	-
Child Survival Programme	-	451	-	(451)	-
Sponsorship Plus	-	3,230	-	(3,230)	-
Total	3,440	469,361	-	(472,801)	-

12. Unrestricted Funds

The Directors have made the decision to set aside from Unrestricted Income a sum equivalent to 80% of general unrestricted donations and 80% of the Refund from the Revenue Commissioners in a "Most Strategic Need" Fund. This fund will primarily be used to make additional grants to Compassion International towards the most needed areas of child support, to fund direct child ministry costs and to undertake activities which release more children from poverty in future periods.

13. Employees

The average monthly number of employees, , during the financial year was 2, (2020 - 2).

	2021	2020
Fundraising	2	2

14. Directors' Remuneration

No Directors' remuneration was voted during the year. The cost of travel for Directors was €nil [FY20 €1,221].

15. Ultimate Control

Compassion Ireland Christian Child Development is a charity which is under the control of it's Members.

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16. Status

In accordance with the Memorandum of Association the liability of all class of members is limited. The liability of each member, in the event of the company being wound up is €1.

17. Departure From Companies Act 2014 Presentation

The directors have elected to present an Income and Expenditure Account instead of a Profit and Loss Account in these financial statements as this company is a not-for-profit entity.

18. Approval of Financial Statements

The financial statements were approved and authorised for issue by the board of directors on 26/11/2021