

Business in the Community Limited
(A company limited by guarantee)

Directors' Report and
Financial Statements
for the financial year ended
31 December 2015

**BUSINESS IN THE COMMUNITY LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

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**BUSINESS IN THE COMMUNITY LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

DIRECTORS AND OTHER INFORMATION

BOARD OF DIRECTORS

Kieran McGowan (Chair)
Mary Rose Burke
Michael Crothers (resigned March 3rd 2015)
Richard George
Bernie Gray
Kyran Johnson
Aengus McLean
Padraig McManus (resigned November 3rd 2015)
George O'Connor (appointed December 1st 2015)
Aileen O'Toole
Maurice Pratt.
John Reynolds
John Trethowan (resigned October 2nd 2015)

CHIEF EXECUTIVE OFFICER

Tina Roche

SECRETARY AND REGISTERED OFFICE

Moira Horgan
29 Earlsfort Terrace
Dublin 2

PRINCIPAL OFFICE

32 Lower O'Connell Street
Dublin 1

CHARITY REGISTERED NUMBER

CHY 13968

COMPANY REGISTERED NUMBER

338442

CHARITIES REGULATOR NUMBER

20044893

AUDITORS

Deloitte
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin 2

SOLICITORS

A&L Goodbody
IFSC
North Wall Quay
Dublin 1

McCann Fitzgerald
Riverside One
Sir John Rogerson's Quay
Dublin 2

BANK

Bank of Ireland
Lower Baggot Street
Dublin 2

Allied Irish Banks plc
Bankcentre
Ballsbridge
Dublin 4

**BUSINESS IN THE COMMUNITY LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

DIRECTORS' REPORT

**STRUCTURE, GOVERNANCE AND MANAGEMENT
GOVERNING DOCUMENT**

Business in the Community Limited is a company limited by guarantee, not having share capital, governed by its Memorandum and Articles of Association dated 6th February 2001. The company is registered as a charity with the Revenue Commissioners. There are currently 9 company members (10 in 2013), each of whom has agreed to contribute €1.27 in the event of the charity winding up. The board of Business in the Community complies with the Governance Code for community, voluntary and charitable organisations in Ireland unless stated in the relevant note. This review was based on an assessment of our organisational practice against the recommended actions for each principle and any identified issues addressed.

The five principles of the Governance Code are:

1. Leading Our Organisation
2. Exercising Control over our Organisation
3. Being Transparent and Accountable
4. Working Effectively
5. Behaving with Integrity

RELATED PARTIES

The company is a fully controlled subsidiary of the Foundation for Investing in Communities, itself a registered charity, by virtue of the Foundation for Investing in Communities being the ultimate controlling party of the charity. The Community Foundation for Ireland Limited is a fellow wholly controlled subsidiary of the Foundation for Investing in Communities and is also a registered charity, operating from the same premises.

APPOINTMENT OF DIRECTORS

The Foundation for Investing in Communities shall nominate the directors. Each director may serve only two three year terms but may be elected for a subsequent term, subject to the written consent of all of the other directors. When considering co-opting directors, the board has regard to the requirement for any specialist skills needed.

DIRECTORS' INDUCTION AND TRAINING

New directors undergo an orientation day to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity. During the induction day they meet key employees and other directors.

ORGANISATION

The board of directors, which must have a minimum of 4 directors, oversees the operation of the charity.

A Chief Executive is appointed by the directors to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the directors, for operational matters such as fund & donor development and grant programme management.

RISK MANAGEMENT

The directors developed a risk management strategy which comprises:

- an annual review of the risks the charity may face;
- a risk register to assess the likelihood and potential impact of those risks and to identify the principal risks;

**BUSINESS IN THE COMMUNITY LIMITED
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DIRECTORS' REPORT (CONTINUED)

- the establishment of systems and procedures to mitigate those risks identified in the review; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

OBJECTIVES AND ACTIVITIES

The objectives of Business in the Community include; providing or assisting, encouraging or supporting:

1. The expression of corporate social responsibility both locally and nationally;
2. The desire of individuals and the corporate sector to give resources, both time and money;
3. Volunteering and mutual support as an expression of community;
4. Active citizenship;
5. Meet the need of people experiencing social-exclusion;
6. Give a voice to the weak and marginalised;
7. Encourage diversity and pluralism;
8. Foster values of caring, compassion, fairness and justice in society and augment social conscience;
9. The commitment of individuals who work in a voluntary or paid capacity for the advancement of their communities, both economically, socially and environmentally; and
10. The welfare of our children.

Business in the Community Limited (BITC) is a non-profit organisation specialising in advice and guidance on corporate responsibility, to leading companies in Ireland. A business driven network, with major social initiatives, its membership is drawn from Ireland's most progressive companies.

BITC has a very simple mission - to use its store of knowledge, networks and expertise to inspire, engage, support and challenge companies to make a positive impact on the workplace, marketplace, community and the environment.

BITC also works with hundreds of companies nationwide through its innovative social inclusion programmes. These programmes focus on two key themes; employability of marginalised groups and business support for education.

The strategies employed by **Business in the Community Limited** to achieve the objectives are to:

- Offer specialist advice and guidance to companies on corporate responsibility (CR);
- Offer specialist advice on realising the most impact from community programmes;
- Provide networking opportunities for companies to share and learn best practice;
- Publish best practice from all sectors of Irish business;
- Set a standard and offer tools to reach that standard;
- Encourage and inspire companies to embed best practice across all of their activities;
- Bring together on our board some of the leaders on corporate responsibility;
- Engage companies in socially innovative programmes;
- Encourage and train community groups in examining the best way to engage business in Community and social issues;
- Keep members and other stakeholders, such as the government, informed on CR issues in the workplace, marketplace, community and the environment.

The board of Business in the Community Limited are very appreciative for the contributions and insights provided by Michael Crothers and in particular John Trethowan and Pdraig McManus who both contributed enormously over their many years as directors, both of whom resigned during the year. The board are pleased to welcome George O'Connor to the board in 2015. The board meets at least 4 times per annum. There were 6 meetings in 2015 (2014: 6) at which there was a 65% attendance (2014: 64%). Business in the Community shows the cumulative attendance figure by directors rather than individual directors as BITC believes this impinges on the privacy of individual volunteer directors, without providing significantly enhanced information. There are no emoluments, including travel expense, paid to directors.

**BUSINESS IN THE COMMUNITY LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

DIRECTORS' REPORT (CONTINUED)

There is a Finance, Audit, Investment and Governance committee which meets in addition to the board. The committee met 5 times in 2015 (2014: 7) with 100% attendance (2014: 96%). The committee has the absolute discretion and authority to consider any financial, investment, audit and governance activity and any other activity at the request of the board.

ACHIEVEMENTS AND PERFORMANCE

During 2015, Business in the Community Limited (BITC) had the following impacts:

- By year end we had 76 members (57 standard, and 26 lead), having started 2015 with 72 members
- We retained 85% of our members, with 91% of members rating our service as excellent or good in our annual membership survey.
- We delivered over 400 one-to-one advisory meetings with members, and worked on just over 200 new projects.
- We gained 14 new members (7 Engage, 5 Strategist, 2 Leader), generating new revenue of €170k, and had 10 companies exit membership and two companies downgraded membership.
- We had 2 new companies certified to the Business Working Responsibly Mark and 6 re-certifications with 17 companies in total certified.
- We delivered;
 - 24 workshops/network events engaging (570+ attendees engaged), and
 - two CEO Networking events (170+ engaged)
- We published the Business Case for Responsible Business at part of our thought leadership reports. We published the 2015 Business Impact Map, with 49 companies participating
- We actively engaged with the government through the National CSR Stakeholder Forum
- We successfully negotiated acceptance as a Global Partner with the World Business Council for Sustainable Development.

Business in the Community Business Action on Employment

Factors contributing to the ongoing success of our BITC Employment Services are: ongoing evaluation and development of our in-house training and business inputs to ensure relevance to the needs of clients; continuous professional development of our staff including training in working with people with convictions, project management, positive psychology and influencing skills. We encourage businesses to use their own specific areas of expertise to upskill the course participants and we support company staff to achieve their own business benefits from engagement.

By creating referral relationships with agencies in the community-voluntary sector we are able to reach those individuals who stand to benefit the most from pre-employment support and work experience. These referral agencies include Intreo, Local Employment Services, the Education and Training Boards, and specialised services for immigration, homelessness, addiction and mental health. We partner with community organizations such as Volunteer Ireland, INOU, Citizens Information, Immigrant Council of Ireland, and MABS to provide comprehensive information and opportunities to our job seekers.

- Through our **Ready for Work programme**, in conjunction with our partners the Department of Social Protection, people affected by homelessness and other high barriers to employment were supported into jobs and training. In 2015, 69 people received training for work readiness; 64 people took up work experience placements through the programme, 29 people started employment and 25 went into training, education or volunteering.
- During 2015, our Employment Programme, **EPIC**, for EU national and legally resident non EU nationals, supported 139 people into employment, 57 into training and education, 4 into volunteer positions and 21 into work placement or intern positions. The total number of progression outcomes during 2015 was 243.

**BUSINESS IN THE COMMUNITY LIMITED
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DIRECTORS' REPORT (CONTINUED)

Business in the Community Business Action on Employment (continued)

Statistics show that there is a greater proportion of immigrants in unemployment than Irish people, and with particularly high unemployment in certain groups. EPIC is reaching out to immigrants and supporting them by providing tailored and one to one support to them in their challenge to find work. This benefits both the immigrants themselves and the Irish economy as the majority of our clients are highly educated and have a lot to contribute.

Towards the end of 2015 there were almost 3,500 adults in emergency homeless services; these numbers had risen continuously since the start of 2014. More than ever there is a need to support people to gain and sustain employment - one of the key measures for preventing homelessness. Ready for Work's direct access to real experiences of work and training from business volunteers helps people dealing with homelessness and other barriers to compete effectively in the job market.

Evaluation by jobseekers who completed the programme during 2015 indicated an increased level of confidence that they will get a job; a very significant increase in their ability to create a CV; capacity to prepare for an interview after the training; an increased awareness of the support services available in Ireland, and most important of all an increase in how clients rate their level of integration into Irish society. Twenty member companies were actively involved with the Employment Programmes during 2015 including BT, Accenture, Workday, KPMG, Enterprise Rent a Car, Oracle, Ricoh, Arnotts and Boots among others. Additionally, twenty four non-member companies also contributed skills & opportunities to the employment programmes. Business engagements include providing work placements, workshops, mentoring, IT training, mock interviews, peer talks, etc. The above represents an excellent example of partnership working of Government, NGOs and Business to support the principles of Ireland's current social inclusion and integration strategies.

While we drive many initiatives, they are enabled to reach their ultimate objective with the ongoing collaboration and support of our partners and a wide range of agencies e.g. IBEC, Chambers Ireland, Small Firms Association, Local Employment Services Network's, the Department of Justice, the European Social Fund, the Department of Social Protection, the VEC, Local Area Partnerships, Money Advice Bureaus, homeless, addiction and mental health services, immigration groups, government officials and the managers and staff of the local community services.

Our Business in the Community Business Action on Education continues to flourish.

BITCI has been part of the story that has resulted in Ireland's retention rate increasing from 80% to 90.3% since 2000. 335 partnerships between businesses and post primary schools have been established since we commenced in 2001. 24 of those partnerships have passed their 10 year milestone mark with 7 more due to reach this milestone in 2016. We partner targeted schools that the Government has designated as having a higher than average dropout rate and we have partnered 203 of those 212 such schools. Our main programme Skills at Work had reached 32, 718 students to date. Our mentoring programme has provided significant support to 1, 696 students. The literacy enhancement programme for disadvantaged primary schools has impacted on 1, 012 Time to Read volunteers who have participated to date (pilot + 4 years) and there have been 947 children who have received one to one reading support.

Approximately, 950 principals and deputy principals have received leadership and management insights and training delivered by business executives nationally via our Management Excellence for Principals & Deputy Principals programmes & business execs and trainers have also provided professional training and development to 2, 792 teachers in Ireland over 113 Management Excellence for Teachers sessions.

The STEM agenda has been supported by BITCI providing the latest insight into careers, skills and knowledge. 24 companies have hosted 141 STEM teachers at their sites over the past 3 years at 11 Seeing is Believing events at the businesses. BITCI sits on the Advisory Group of Smart Futures.

At the end of 2015, 32 companies are participating in the Time to Read programme with a local primary school. The target for the end of 2016 is 50 businesses.

**BUSINESS IN THE COMMUNITY LIMITED
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DIRECTORS' REPORT (CONTINUED)

Business in the Community Business Action on Education (continued)

BITCI is involved in supporting CSR Europe & the EU Commission on its November 2015 launch of the Pact for Youth. This is a joint Pact calling on businesses, educationalists, network organisations, etc to collaborate and achieve 10, 000 new quality business-education partnerships and 100,000 new high quality work placements, apprenticeships or entry level jobs by the end of 2017.

During 2015 the Schools' Business Partnership team hosted educationalists from Holland and the USA (College students) to share our best practice. For the second year in succession the team took an Intern from Boston College.

Our funders continued their commitment: Marks & Spencer Ireland as the lead sponsor, Cornmarket Group Financial Services as Management Excellence for Principals programme sponsor, ESB as the Time to Read partner. Tusla are the main Government source of funding and they are an Agency overseen by the Department of Children and Youth Affairs. The Department of Education & Science funds the Management Excellence for Teachers Programme. We are seeking other partners to continue the development of our work and to reach more businesses and schools.

Milestone Celebrations – Many of our businesses are now reaching 10 years in partnership with their local school. In recognition of this long term commitment, BITCI hosts a luncheon and presents each school and business with a certificate to mark this milestone.

FINANCIAL REVIEW

Significant activity in excess of income received in 2015, resulted in a deficit on SOFA accounts of (€121,970) in 2015, (2014: deficit (€56,011). The board are pleased to note the management accounts show Business in The Community has returned to surplus, through increased membership and ongoing cost reductions. The board completed the financial review of Business in the Community and has made significant changes in 2015 to the operating model, to improve the work and financial sustainability of Business in the Community.

The principal funding sources, were business members who support the aim to inspire, engage, support and challenge companies to make a positive impact on the workplace, marketplace, community and the environment. The principal funders for the programmes operated by Business in Community, in the areas of Employment and Education were the Department of Justice, Equality and Law Reform, European Social Funds, the Department of Education and Youth Affairs, The Department of Social Protection and corporate donors.

INVESTMENT POWERS AND POLICY

The directors, having regard to the liquidity requirements of operating Business in the Community, the Business Action on Employment and Business Action on Education activities and to the reserves policy, have operated a strategy of keeping available funds in an interest bearing deposit account and seek to achieve a rate of deposit interest which matches or exceeds inflation, as measured by the retail prices index.

**BUSINESS IN THE COMMUNITY LIMITED
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DIRECTORS' REPORT (CONTINUED)

PLANS FOR FUTURE PERIODS

In 2016, we will transition our exiting members from the old membership structures to the new membership streams of Leader, Strategist and Engage, together with continuing our work on the *Business Working Responsibly Mark*. A critical new service will be the design and delivery of Leader Roundtables as part of our offering to Leader members. These Roundtables aim to stimulate new collaborative based projects with our Leaders, and position BITCI as thought leader in the area of responsible business. We will work on streamlining and advancing our services for Strategist members, and aim for enhanced integration of service delivery for Engage members.

During 2016, the BITC Business Action on Employment Programmes hope to secure multi-year funding through the Dept of Justice and ESF for EPIC and through the Dept of Social Protection for Ready for Work. A new one year Youth Employability project for young people in the North Inner City area, funded by the CDETB and managed by Business in the Community, is underway. This is a highly collaborative project, with over 10 youth services providing expertise and referring their young people, plus inputs from around 10 businesses, primarily in the Docklands area. The project is the subject of a high level study by Trinity College Dublin, in which they will support the design, implementation and evaluation of the project.

In 2016, a pilot of a numeracy support programme will take place called Time to Count. Numeracy as well as literacy is an issue for many young children in Ireland.

APPROVAL OF REDUCED DISCLOSURES

The company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 paragraph 1.12. The company's parent company have been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received.

The company also intends to take advantage of these exemptions in the financial statements to be issued in the following year. Objections may be served on the company by The Foundation for Investing in Communities Limited, as the parent of the entity.

ACCOUNTING RECORDS

The measures that the directors have taken to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's office at 32 Lower O'Connell Street, Dublin 1.

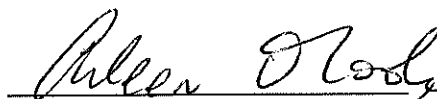
AUDITORS

The auditors, Deloitte, Chartered Accountants and Statutory Audit Firm, continue in office in accordance with Section 383(2) of the Companies Act, 2015.

Signed on behalf of the Board;



Richard George
Director



Aileen O'Toole
Director

Date: 13 October 2016

**BUSINESS IN THE COMMUNITY LIMITED
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DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the directors' report and the financial statements in accordance with the Companies Act 2014.

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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework"). 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 judgements and 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 surplus or deficit of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BUSINESS IN THE COMMUNITY LIMITED (A COMPANY LIMITED BY GUARANTEE WITHOUT SHARE CAPITAL)

We have audited the financial statements of Business in the Community Limited (a company limited by guarantee) for the financial year ended 31 December 2015 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes 1 to 21. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework").

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2015. 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.

Respective responsibilities of directors and auditors

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 otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with the Companies Act 2014 (Irish law) and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Reports and Financial Statements for the year ended 31 December 2015 to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its incoming resources and application of resources, including its income and expenditure for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework; and in particular with the requirements of the Companies Act 2014.

Matters on which we are required to report by the 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.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
BUSINESS IN THE COMMUNITY LIMITED
(A COMPANY LIMITED BY GUARANTEE WITHOUT SHARE CAPITAL)**

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.



Margarita Martin
For and on behalf of Deloitte
Chartered Accountants and Statutory Audit Firm
Dublin

Date: 13 October 2016

**BUSINESS IN THE COMMUNITY LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (Including Income & Expenditure A/c)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

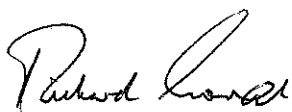
	Notes	Unrestricted Funds €	Designated Funds €	Restricted Funds €	Total 2015 €	Unrestricted Funds €	Designated Funds €	Restricted Funds €	Total 2014 €
Income from:									
Donations and legacies	4	990,240	-	1,207,209	2,197,449	945,809	5,000	1,418,887	2,369,696
Charitable activities	4	-	-	-	-	-	-	-	-
Investments	4	3,793	-	-	3,793	17,370	-	-	17,370
Other									
Total income	16	994,033	-	1,207,209	2,201,242	963,179	5,000	1,418,887	2,387,066
Resources expended									
Raising funds	5	(178,141)	-	-	(178,141)	(116,791)	-	(58,532)	(175,323)
Charitable activities	5	(564,082)	(2,230)	(1,294,720)	(1,861,032)	(754,728)	(26,299)	(1,265,489)	(2,046,516)
Other	5	(284,039)	-	-	(284,039)	(69,261)	-	(39,955)	(109,216)
Total resources expended	16	(1,026,262)	(2,230)	(1,294,720)	(2,323,212)	(940,780)	(26,299)	(1,363,976)	(2,331,055)
Taxation	9	-	-	-	-	-	-	-	-
Net (expenditure)/income									
		(32,229)	(2,230)	(87,511)	(121,970)	22,399	(21,299)	(54,911)	56,011
Net transfer between funds									
		(76,163)	75,663	500	-	(60,847)	44,000	16,847	-
Net movement in funds									
		(108,392)	73,433	(87,011)	(121,970)	(38,448)	(22,701)	71,758	56,011
Total funds brought forward	16	1,127,929	110,800	693,366	1,932,095	1,166,377	88,099	621,608	1,876,084
Total funds carried forward		1,019,537	184,233	606,355	1,810,125	1,127,929	110,800	693,366	1,932,095


**BUSINESS IN THE COMMUNITY LIMITED
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**BALANCE SHEET
AS AT 31 DECEMBER 2015**

	Notes	2015 €	2014 €
FIXED ASSETS			
Tangible fixed assets	11	20,873	8,897
CURRENT ASSETS			
Debtors and prepayments	12	-	1,547
Due from group companies	13	91,144	144,504
Cash at bank		1,795,618	1,864,724
		<u>1,886,762</u>	<u>2,010,775</u>
CREDITORS AND ACCRUALS: (amounts falling due within one year)			
	14	(97,510)	(87,577)
NET CURRENT ASSETS		<u>1,789,252</u>	<u>1,923,198</u>
NET ASSETS		<u>1,810,125</u>	<u>1,923,095</u>
Funds of the charity:			
Unrestricted funds	16a	1,019,537	1,127,929
Designated funds	16b	184,233	110,800
Restricted funds	16c	606,355	693,366
TOTAL FUNDS		<u>1,810,125</u>	<u>1,932,095</u>

The financial statements were approved by the Board of Directors on ...13... OCTOBER... 2016...
and signed on its behalf by:


Richard George
Director


Aileen O'Toole
Director

**BUSINESS IN THE COMMUNITY LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

1. ACCOUNTING POLICIES

General information and format of financial statements

Business in the Community Limited is a company incorporated in Ireland under the Companies Act 2014 as a company limited by guarantee and is a registered charity. The address of its registered office is detailed on page 2. The nature of the company's operations and its principal activities are set out in the directors' report on pages 3 to 8. In prior years, company law scoped out companies not trading for gain for the members from the requirements with regard to formats and content of financial statements which applied to for profit companies thus permitting the adoption of a format appropriate to a charity. Accordingly, the company adopted and reported its performance in accordance with the format provided for in the Charities SORP and in particular reports its performance for the financial year in the format of the SORP's Statement of Financial Activities (SOFA).

The Companies Act 2014 became effective in law on 1 June 2015 and from that date applies the format and content of financial statements requirements appropriate for a company trading for the profit of its members to a company that is a not for profit organisation such as the company.

In order to provide information relevant to understanding the stewardship of the directors and the performance and financial position of the Charity, the company has prepared its financial statements in accordance with the formats provided for in the Charities SORP, consistent with the prior year.

Had the Companies format and content of financial statements requirements suitable for a company trading for the profit of its members been presented instead, a profit and loss account with related notes showing items such as Turnover and Cost of Sales would have been reported along with a "profit" on ordinary activities before taxation.

Basis of preparation

The financial statements have been prepared under the historical cost convention. The financial statements have been in accordance with the Statement of Recommended Practice (SORP 2015) "Accounting and Reporting by Charities", in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), issued by the Financial Reporting Council, and promulgated for use in Ireland by the Institute of Chartered Accountants Ireland, effective 1 January 2015 and the Companies Act 2014. No material adjustments were required on adoption of FRS 102 in the current year. For more information, see note 21. Financial reporting in line with the SORP is considered best practice for charities in Ireland. As noted above, the directors consider the adoption of the SORP requirements is the most appropriate accounting to properly reflect and disclose the activities of the organisation. Financial statements have been prepared on a going concern basis.

Disclosure exemptions

As a qualifying entity under the definition in FRS 102 in preparing the separate financial statements of the Company, advantage has been taken of the following disclosure exemptions available in FRS 102: No cash flow statement has been presented for the company.

The company is included in the consolidated financial statements of its ultimate parent company, The Foundation for Investing in Communities which are available from Companies Registration Office, Parnell House, 14 Parnell Square, Dublin 1.

Going concern

The company's forecasts and projections, taking account of reasonable possible changes in performance, show that the company will be able to operate within the level of its current cash resources. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1. ACCOUNTING POLICIES (CONTINUED)

Incoming resources – voluntary income

Voluntary income including donations and grants that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods;
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Incoming resources – charitable income

Income from charitable activities including income received under contract or where entitlement to grant funding is subject to specific performance conditions, is recognised as earned (as the related services are provided). Grant income included in this category provides funding to support programme activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured reliably.

Volunteers and donated services and facilities

The value of services provided by volunteers is not incorporated into these financial statements and does not constitute a substantial part of the charitable activities.

Resources expended

Expenditure is recognised when a liability is incurred. Contractual arrangements are recognised as goods or services are supplied.

Fundraising costs are those costs incurred in attracting voluntary income.

Charitable activities include those costs incurred directly in the delivery of programme services and includes support costs that have been allocated to activity cost centres on a basis consistent with the use of resources, e.g. allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs are those costs incurred in the governance of the charity and its assets and include costs associated with constitutional and statutory requirements.

Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. As VAT is irrecoverable, it is charged against the category of resources expended for which it was incurred.

Tangible fixed assets

Individual tangible fixed assets are capitalised at cost and are stated in the balance sheet at cost less accumulated depreciation. Assets are written off in equal annual instalments over their estimated useful lives and in full in the year of disposal.

Asset category	Estimated useful life
Office capital	5 years
IT equipment	3 years
Departmental equipment	3 years

**BUSINESS IN THE COMMUNITY LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

1. ACCOUNTING POLICIES (CONTINUED)

Financial Instruments

Financial assets and financial liabilities are recognised when the charitable company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charitable company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charitable company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires. Balances that are classified as payable or receivable within one year on initial recognition are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Pensions

The company has in place a PRSA scheme as prescribed by legislation. Membership of the scheme is voluntary and employees may join immediately upon recruitment. After six months in employment, the employer makes an additional contribution to the scheme equal to 5% of gross salary for each employee who joins the scheme and makes personal contributions of at least 5% of gross salary. The employer collects the employee contributions and remits the total (Employee + Employer) contribution to the scheme provider within the specified period, on behalf of the employee. The scheme provider is New Ireland Assurance.

Funds Accounting

Funds held by the charity are:

Unrestricted funds - these are funds which can be used in accordance with the charitable objects at the discretion of the Directors.

Designated funds - these are funds which have been set aside for particular purposes by the company itself, in furtherance of the company's charitable objects.

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

1. ACCOUNTING POLICIES (CONTINUED)

Operating Leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities (SOFA).

Reserves Policy

The directors have established the level of reserves (that is those funds that are freely available) that the charity ought to provide, as between 9 months and 12 months operational costs, not including programme funding. The directors estimate the operational costs to be €2,206,000 per annum. The reserves may be needed to bridge the gaps between spending on the above mentioned activities and income, should current funding flows discontinue. Business in the Community has unrestricted reserves at 31 December 2015 of €1,019,537 (2014: €1,127,929).

Designated Reserves have been created by the directors for specific activities, with balances remaining at 31 December 2015. Activity continues on the highly successful Business Working Responsibly Mark with €27,800 (2014: €27,800) in reserve at the year end. No activity had commenced in 2015 on Marketing/Social Media and Document Management with €25,000 available for each. A new designated reserve of €100,000 was created by the directors for work on the Business Model with €78,167 remaining at the year end. Activity continued on Biodiversity research with a balance of €23,371 at the year end (2014: 18,000), SME Campaign €2,125 (2014: €10,000) and STEM research €2,771 (2014: €5,000)

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the accounting policies and the notes to the financial statements.

The directors do not consider there are any critical judgements or sources of estimation requiring disclosure.

3. LEGAL STATUS OF THE COMPANY

The company is a company limited by guarantee and not having a share capital. The liability of each member in the event of winding up is limited to €1.27.

4. INCOME

Donations and legacies income

This income which consists of monetary donations from corporates, trusts, charities, government bodies and members of the public together with any related tax refunds, are recognised in the period in which the organisation is entitled to the resources and are recognised when the funds have been received.

Charitable activities income

This income which consists of monetary donations from corporates, trusts, charities, government bodies and members of the public to fund services provided by the organisation and are recognised when the funds have been received.

Investment income

The organisation does not generate investment income at this time other than deposit interest earned on programme funding received in advance. Deposit interest for the year amounted to €3,793 (2014: €17,370).

5. EXPENDITURE

Expenditure is analysed between costs of raising funds, charitable activities and other. The costs are recognised when an obligation exists as a result of an event and a monetary transaction is required to fulfil the obligation. Support costs which cannot be attributed to any of the headings are allocated on a basis consistent with the use of resources.

Costs of raising funds

The costs of raising funds are all costs attributable to fundraising activities both direct and indirectly attributable costs.

Costs of charitable activities

These are the costs that are incurred to deliver the strategies and programmes of the organisation, including both direct and indirect costs. The main component of charitable activities expenditure is the provision of grants from Endowment Income and Donor Advised Funds.

Other costs

Other costs are costs primarily associated with the governance of the organisation and consist predominantly of support costs.

**THE FOUNDATION FOR INVESTING IN COMMUNITIES LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

6. STAFF NUMBERS AND COSTS

- (a) The average number of full-time equivalent employees (including casual and part time staff) during the year was as follows:

	2015 No	2014 No
Programme		
BITC membership services	13	10
Schools' Business Partnership	8	9
Employment Services	11	12
Shared services (Finance, HR, Marketing & Communications etc.)	7	7
Total full time equivalent	<u>39</u>	<u>38</u>

- (b) No staff member receives retirement benefit.

- (c) Accrued Holiday Time at the 31st December 2015 was €34,700 (2014: €20,300)

	2015 €	2014 €
(d) Analysis of staff costs		
Salaries and wages	1,600,506	1,556,729
Employer's PRSI contribution	160,403	159,185
Employer's pension costs	29,160	28,399
	<u>1,790,069</u>	<u>1,744,313</u>

The CEO works in The Foundation for Investing in the Communities Limited whose salary is allocated to Business in the Community Limited and sister company The Community Foundation for Ireland Limited. The CEO's total salary and pension entitlement is €115,000 of which €68,000 is allocated to Business in the Community Limited.

The salary bands for staff paid over €40,000 are noted below, including pension entitlement, in the Foundation for Investing in Communities Limited, the holding company for Business in the Community Limited.

Salary Band	2015 No	2014 No
110,000 – 120,000	1	1
70,000 – 80,000	1	1
60,000 – 70,000	2	1
50,000 – 60,000	1	2
40,000 – 50,000	1	1

**BUSINESS IN THE COMMUNITY LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

7. KEY MANAGEMENT COMPENSATION/RENUMERATION

Some members of the Senior Management Team work in two of the group companies (Business in the Community Limited and The Community Foundation for Ireland Limited). The total cumulative amount paid to key management including pension entitlements is €436,000 (2014: €431,000) of which €273,000 (2014: €273,000) is attributable to Business in the Community Limited and 163,000 (2014: €159,000) is attributable to The Community Foundation for Ireland Limited.

The salary bands for salaries of staff, allocated to, Business in the Community Limited, including pension entitlement are noted below.

Salary Band	2015 No	2014 No
60,000 – 70,000	2	3
50,000 – 60,000	1	1

Benefits for all staff, including senior management, comprise entitlements to pension contributions, death in service, discretionary income protection and Employee Assistance Programme.

No staff member receives retirement benefit.

8. DIRECTOR REMUNERATION AND RELATED PARTY TRANSACTIONS

No director received remuneration or expenses during the year (2014: €Nil). No director had any personal interest in any contract or transaction entered into during the year (2014: €Nil).

9. TAXATION

Business in the Community is a registered charity and no provision is considered necessary for taxation.

10. NET (EXPENDITURE) / INCOME

	2015 €	2014 €
The net (expenditure) / income for the financial year is stated after charging /(crediting):		
Auditors' remuneration	6,000	6,000
Depreciation	15,855	9,902
	<hr/>	<hr/>

**BUSINESS IN THE COMMUNITY LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

11. TANGIBLE FIXED ASSETS

	Office capital	IT equipment	EPIC equipment	Bridge to employment	Ready for work	School business partnership	Membership service team	Total
	€	€	€	€	€	€	€	€
Cost								
At 1 January 2015	24,148	97,054	17,192	1,269	2,465	33,862	33,512	209,502
Additions	-	4,617	-	-	-	13,676	9,538	27,831
Disposals	(24,148)	(50,526)	(2,743)	(1,269)	(1,169)	(9,249)	(5,804)	(94,908)
At 31 December 2015	-	51,145	14,449	-	1,296	38,289	37,246	142,425
Depreciation								
At 1 January 2015	(24,148)	(95,632)	(17,192)	(1,269)	(1,928)	(29,637)	(30,799)	(200,605)
Charge	-	(2,531)	-	-	-	(7,432)	(5,892)	(15,855)
Disposals	24,148	50,526	2,743	1,269	1,169	9,249	5,804	94,908
At 31 December 2015	-	(47,637)	(14,449)	-	(759)	(27,820)	(30,887)	(121,552)
Net book value								
At 31 December 2015	-	3,508	-	-	537	10,469	6,359	20,873
At 31 December 2014	-	1,422	-	-	537	4,225	2,713	8,897

**BUSINESS IN THE COMMUNITY LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

11. TANGIBLE FIXED ASSETS (CONTINUED)

In respect of the prior year:

	New office capital	Office equipment	Linkage equipment	EPIC equipment	IPS dormant	Bridge to Employment	Ready for Work	School Business Partnership	Membership service team	Mentoring	Total
	€	€	€	€	€	€	€	€	€	€	€
Cost											
At 1 January 2014	24,148	95,763		17,192		1,269	1,660	29,809	31,135		200,976
Additions	-	1,291	-	-	-	-	805	4,053	2,377	-	8,526
Disposals	-	-	-	-	-	-	-	-	-	-	-
At 31 December 2014	24,148	97,054	-	17,192	-	1,269	2,465	33,862	33,512	-	209,502
Depreciation											
At 1 January 2014	(24,148)	(94,158)		(16,482)		(1,269)	(1,660)	(26,166)	(26,820)		(190,703)
Charge	-	(1,474)	-	(710)	-	-	(268)	(3,471)	(3,979)	-	(9,902)
Disposals	-	-	-	-	-	-	-	-	-	-	-
At 31 December 2014	(24,148)	(95,632)	-	(17,192)	-	(1,269)	(1,928)	(29,637)	(30,799)	-	(200,605)
Net book value											
At 31 December 2014	-	1,422	-	-	-	-	537	4,225	2,713	-	8,897
At 31 December 2013	-	1,605	-	710	-	-	-	3,643	4,315	-	10,273

**BUSINESS IN THE COMMUNITY LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

12. DEBTORS

2015
€

2014
€

Prepayments

-

1,547

-

1,547

13. DUE FROM GROUP COMPANIES

This represents interest free unsecured and with no fixed date of repayment, receivables from the fellow subsidiary company and the holding company.

2015
€

2014
€

The Foundation for Investing in Communities Limited
The Community Foundation for Ireland Limited

54,727

93,852

36,417

50,652

91,144

144,504

14. CREDITORS: (amounts falling due within one year)

2015
€

2014
€

Trade creditors
Accruals

26,633

13,735

70,877

73,842

97,510

87,577

15. FINANCIAL INSTRUMENTS

The carrying value of the group's financial assets and liabilities are summarised by category below:-

2015
€

2014
€

Financial Assets

Measured at undiscounted amount receivable

Prepayments

-

1,547

Financial Liabilities

Measured at undiscounted amount payable

Trade creditors
Accruals

26,633

13,735

67,085

73,842

**BUSINESS IN THE COMMUNITY LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

16. ANALYSIS OF FUNDS (CONTINUED)

(c) Analysis of restricted fund movements

	Opening balance 1 January 2015 €	Incoming resources €	Resources expended €	Transfers to/from unrestricted funds €	Closing balance 31 December 2015 €
EPIC programme	86,049	389,230	(464,000)	-	11,279
Epic Mesi project	10,650	-	(260)	-	10,390
Corporate Leader's Group	432	-	-	-	432
School Business Partnership	287,731	480,775	(506,059)	-	262,447
Ready for Work	8,746	160,086	(134,481)	-	34,351
Youth Employment	35,431	963	(36,394)	-	-
Technology Project	41,325	-	-	-	41,325
Social Networking	7,386	-	(61)	-	7,325
Capacity Building Programme	--	55,463	(58,396)	2,933	-
Time to Read	73,684	64,400	(86,884)	(2,433)	48,767
Grant Making Fund	640	-	-	-	640
Bridge to Employment	2,222	-	-	-	2,222
Epic Support Fund	17,887	13,436	(7,569)	-	23,754
Employment Programmes	-	27,301	-	-	27,301
Deferred BITC Offenders Fund	112,323	-	-	-	112,323
Genio Trust	2,486	-	-	-	2,486
Deferred Income C.E.O event/Conference	6,374	15,555	(616)	-	21,313
	<u>693,366</u>	<u>1,207,209</u>	<u>(1,294,720)</u>	<u>500</u>	<u>606,355</u>

17. FINANCIAL COMMITMENTS

At 31 December the company had annual commitments under a non-cancellable operating lease expiring as follows:

Buildings:	2015 €	2014 €
In one year or less	43,050	43,050
In more than one year, but not more than five years	43,050	86,100
	<u>86,100</u>	<u>129,150</u>

**BUSINESS IN THE COMMUNITY LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

18. CURRENT FUNDING

The Department of Children and Youth Affairs provided current funding in 2015 to the amount of €207,299 (2014: €207,299). Funding is granted for a 12 month period and paid in accordance with the terms and conditions of the funding agreement.

The Department of Education and Skills provided current funding in 2015 to the amount of €29,826 (2014: €29,826). Funding is granted for a 12 month period and paid in accordance with the terms and conditions of the funding agreement.

The Department of Justice and Law Reform provided current funding in 2015 to the amount of €389,230 (2014: €468,000). Funding is granted for a 12 month period and paid in accordance with the terms and conditions of the funding agreement.

The Department of Social Protection provided current funding in 2015 to the amount of €117,261 (2014: €198,102). Funding is granted for a 12 month period and paid in accordance with the terms and conditions of the funding agreement.

Pobal provided current funding in 2015 to the amount of €55,463 (2014: €41,521). Funding is granted for a 12 month period and paid in accordance with the terms and conditions of the funding agreement.

19. FINANCIAL RISK MANAGEMENT

Currency risk:

Much of the company's costs are denominated in euro and most income is received in euro with a small amount received in foreign currencies. A strengthening of a local currency against the euro could have an adverse effect on the company's ability to deliver its planned programme of work. These currency risks are monitored on an ongoing basis.

Cash flow risk

Business in the Community Limited hold a number of bank accounts deposited in a number of different financial institutions ensuring the security of our funds and also endeavouring to maximise the return available. The company's activities expose it primarily to the financial risks of changes in interest rates. Interest bearing assets are held at fixed rates to ensure certainty of cash flows.

Credit risk

The company's principal financial assets are bank balances and cash. The credit risk on cash at bank is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The organisation has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

20. ULTIMATE CONTROLLING PARTY

The charity's ultimate parent controlling party is The Foundation for Investing in Communities Limited which is an Irish registered charity CHY 13966, incorporated in Ireland, Company Number: 296139, Charities Registration Number: 20044879.

**BUSINESS IN THE COMMUNITY LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

21. EXPLANATION OF TRANSITION TO FRS 102

This is the first year the company has presented its financial statements under Financial Reporting Standards 102 (FRS 102) issued by the Financial Reporting Council. The last financial statements under previous Irish GAAP were for the year ended 31 December 2014 and the date of transition to FRS 102 was therefore 1 January 2014. As a consequence of adopting FRS 102, a number of accounting policies have been changed to comply with that standard. None of these changes have resulted in an adjustment to equity reported under previous Irish GAAP at 31 December 2014 or 1 January 2014 and there was no effect on net income previously reported for the year ended 31 December 2014.