

Business in the Community Ireland

Directors' Report and
Financial Statements
for the financial year ended
31 December 2017

BUSINESS IN THE COMMUNITY IRELAND

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

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BUSINESS IN THE COMMUNITY IRELAND

DIRECTORS AND OTHER INFORMATION

BOARD OF DIRECTORS

Ronan Murphy (Chairperson)
Richard George
Bernie Gray
Kyrán Johnson
Chris Martin
Siobhán Masterson
Aengus McClean
Carmel McQuaid
George O'Connor
Aileen O'Toole
Maurice Pratt
John Reynolds

CHIEF EXECUTIVE OFFICER

Tomás Sercovich (appointed 3 January 2018)
Tina Roche (resigned 2 January 2018)

SECRETARY AND REGISTERED OFFICE

Moirá Horgan
29 Earlsfort Terrace
Dublin 2

PRINCIPAL OFFICE

3rd Floor Phibsborough Tower
Phibsborough Road, Dublin 7
D07 XH2D

CHARITY REGISTERED NUMBER

CHY 13968

COMPANY REGISTERED NUMBER

338442

CHARITIES REGULATOR NUMBER

20044893

AUDITORS

Deloitte Ireland LLP
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

BANKERS

Bank of Ireland
Lower Baggot Street
Dublin 2

Allied Irish Banks plc
Bankcentre
Ballsbridge
Dublin 4

BUSINESS IN THE COMMUNITY IRELAND

DIRECTORS' REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT GOVERNING DOCUMENT

Business in the Community Ireland is a company limited by guarantee, not having share capital, governed by its Constitution dated 11 October 2016. The company is registered as a charity with the Revenue Commissioners. There are currently 7 company members (7 in 2016), each of whom has agreed to contribute €1.27 in the event of the charity winding up. The board of Business in the Community Ireland complies with the Governance Code for Community, Voluntary and Charitable Organisations in Ireland. This was based on an assessment of the 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 wholly 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 with 100% holding. The Community Foundation for Ireland is a fellow 100% wholly controlled subsidiary, of the Foundation for Investing in Communities and is also a registered charity, operating from the same premises in Phibsborough.

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, administers the charity. The board meets at least 4 times per annum. There were 6 meetings in 2017 (2016: 6) at which there was an average of 75% attendance (2016: 67%). Business in the Community Ireland shows the cumulative attendance figure by directors rather than individual directors as the organisation believes this impinges on the privacy of individual volunteer directors, without providing significantly enhanced information. There are no emoluments, including travel expenses, paid to directors.

There is Finance, Audit, Investment and Governance committee which meets in addition to the Board. The committee met 6 times in 2017 (2016: 4) with 92% attendance (2016: 94%). 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.

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. Tina Roche resigned as CEO on 2 January 2018 with the appointment of Tomás Sercovich on 3 January 2018 as the new CEO for Business In The Community Ireland.

BUSINESS IN THE COMMUNITY IRELAND

DIRECTORS' REPORT (CONTINUED)

RISK MANAGEMENT

The directors developed a risk management strategy which comprises:

- Risk register to assess the likelihood and potential impact of those risks and to identify the principal risks;
- Annual review of the risks the charity may face;
- Establishment of systems and procedures to mitigate those risks identified in the review; and
- Implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

OBJECTIVES AND ACTIVITIES

Founded in 2000, Business in the Community Ireland is the network for responsible business. Its vision is to have all businesses in Ireland responsible and sustainable.

The objectives of Business in the Community Ireland include:

1. Assist companies to engage in corporate responsibility and sustainability;
2. Help organisations to measure, report and communicate on corporate responsibility and sustainability;
3. Run The Business Working Responsibly Mark, its NSAI (National Standards Authority of Ireland) audited standard based on ISO 26000; and
4. Operate innovative social inclusion programmes under Business Action on Education and Employment.

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

- Offer specialist advice and guidance to companies on corporate responsibility and sustainability;
- Provide networking opportunities for companies to share and learn best practice;
- Operate The Business Working Responsibly Mark and offer tools to reach that standard;
- Encourage and inspire companies to embed best practice across all of their activities;
- Engage companies in our social inclusion programmes targeting education and employment; and
- Engage members and other stakeholders, such as the government, on sustainability issues.

ACHIEVEMENTS AND PERFORMANCE

During 2017, Business in the Community Ireland had the following impacts:

Membership Services

- 130 projects were delivered across the 82 member companies in the network and 294 one-to-one meetings were held.
- 45 different events delivered, (including webinars), engaging over 1,100 people.
- 29 companies attained certification to the Business Working Responsibly Mark; 7 new companies were certified and one re-certified in 2017.
- 18 member companies progressed to the Leader stream. 4 CEO/MD Roundtables were held involving all 18 CEOs, and 3 sub-groups were convened and each led by a CEO, to define Leader work programmes on the topics of the Transition to the Low Carbon Economy; Workplace of the Future; and Social Cohesion.
- Environmental Protection Agency funding of €13,000 was secured to deliver an SME collaborative project with Dún Laoghaire-Rathdown County Council
- The service offering was expanded in regard to materiality assessment, the Sustainable Development Goals and Human Rights
- 57 member companies participated in the "Business Impact Map 2016" which was published in March 2017 to reflect corporate giving in 2016. It showed contributions of over €32 million and 227,144 volunteer hours to charities and community groups.
- 62 partnerships were facilitated between member companies and NGOs/Community groups;
- 200 business leaders attended the annual CEO Forum;
- Maintained working relationships with the National Standards Authority of Ireland, CSR Europe, World Business Council for Sustainable Development, National CSR Stakeholder Forum, Chambers Ireland, Cork Chamber and the Code of Practice for Good Governance of Community, Voluntary and Charitable Organisations in Ireland.

BUSINESS IN THE COMMUNITY IRELAND

DIRECTORS' REPORT (CONTINUED)

Business Action on Education

- 47 companies delivered the Time to Read programme to 47 schools nationwide (a year on year increase of 7).
- 5 companies took part in the Time to Count pilot, extended to 2018
- 95% business retention was achieved in post primary programmes (down from 96% in 2016).
- 17 new businesses joined in 2017. 355 partnerships between companies and post primary schools have been established since inception in 2001
- 3,653 students took part in the Skills at Work programme
- 256 students were engaged in the Mentoring programme
- 475 volunteers and 465 children participated in the Time to Read programme, with 1, 412 children impacted to date.
- Almost 1,000 principals and deputy principals participated in the Management Excellence for Principals & Deputy Principals programmes in Donegal, Cork, Limerick, Clare, Kerry and Dublin.
- 21 Management Excellence for Teachers sessions were delivered to 273 teachers, of which seven were in the area of science, technology, mathematics and engineering. This area of work is funded by the Teacher Education Section of the Department of Education & Skills.

Business Action on Education Funders

- €207,299 (€207,299 in 2016) was received from Tusla for the Skills at Work and Student Mentoring programmes.
- €38,092 (€38,092 in 2016) was received from Marks & Spencer Ireland as the main corporate sponsor.
- €20,000 (€20,000 in 2016) was provided from Cornmarket to sponsor the Management Excellent for Principals programme.
- €30,000 (€30,000 in 2016) was provided by an Anonymous Donor from the Community Foundation for Ireland (Year 2 of a three year agreement).
- €12,000 (€nil in 2016) was provided by ESB for the extended pilot of the Time to Count numeracy support initiative.
- €13,500 (€nil in 2016) was provided by basis.point which is the first tranche of a 2 year funding totaling €45,000 for 2017-19 to expand the mentoring programme to 7 more schools.

Business Action on Employment

The main initiatives under this programme are:

- Employment of People from Immigrant Communities (EPIC) works with immigrants
- Ready for Work works with marginalised people
- Refugee Integration, Skills and Employability (RISE) works with recently arrived refugees mainly from Syria Restart is a returners training programme by Standard Life
- SSE Works is a work placement programme for the long term unemployed by SSE Airtricity.

During 2017:

- 423 clients engaged
- 210 clients entered employment
- 76 people undertook training, volunteering or work placements (excluding Ready for Work placements)
- 42 nationalities engaged through the EPIC programme
- 73 services in the community referred to the Ready for Work programme
- 19 member companies worked with the programmes and a further 23 non-member companies were engaged

BUSINESS IN THE COMMUNITY IRELAND

DIRECTORS' REPORT (CONTINUED)

Business Action on Employment Funders

The core Employment Programmes are mainly funded by government.

- **Four years** funding for the EPIC programme under the European Social Fund Programme for Employment, Inclusion and Learning, managed by The Department of Justice was achieved starting 1 April 2017.
- Partial funding for the RISE programme for 3 years starting 1 June 2017 under the National Fund to Promote the Integration of Migrants, also managed by the Department of Justice was also achieved.
- The Ready for Work Programme received continued funding from The Department of Employment Affairs and Social Protection.
- Marks and Spencer Ireland continued its long term commitment to contribute financially for work placement provision.
- Debenhams also paid costs for work placement activity.
- REStart was funded by Standard Life and SSE Works was funded by SSE Airtricity.

FINANCIAL REVIEW

Significant activity in excess of income received in 2017, resulted in net incoming resources of €560,984 in 2017, (2016: (€191,885). The board are pleased to note the management accounts show Business in The Community Ireland has continued to show a surplus, through increased membership and ongoing cost reductions.

INVESTMENT POWERS AND POLICY

The directors, having regard to the liquidity requirements of operating Business in the Community Ireland, 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.

PLANS FOR FUTURE PERIODS

Embedding the new membership streams of Engage, Strategist and Leader will continue during 2018. The critical focus areas will be defining and mobilising members within the Leader stream, together with ensuring that the Engage offering remains relevant to the market place. We will issue version four of the Business Working Responsibly Mark. In addition we will look at our regional approach ensuring that our national presence is built on.

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.

DIRECTORS

The directors and secretary, who served at any time during the financial period except as noted, were as follows:

Directors:

Ronan Murphy (Chairperson) (appointed on 7 March 2017)
Kieran McGowan (resigned the chair and as director on 7 March 2017)
Mary-Rose Burke (resigned on 7 March 2017)
Richard George
Bernie Gray
Kyran Johnson

BUSINESS IN THE COMMUNITY IRELAND

DIRECTORS' REPORT (CONTINUED)

DIRECTORS (CONTINUED)

Aengus McClean
Aileen O'Toole
Maurice Pratt
George O'Connor
John Reynolds
Carmel McQuaid
Chris Martin
Siobhán Masterson (appointed on 7 March 2017)

Moirá Horgan-Company Secretary

APPROVAL OF REDUCED DISCLOSURES

The company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 paragraph 1.12. Objections may be served on the company by The Foundation for Investing in Communities, 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 business office at 3rd Floor, Phibsborough Tower, Phibsborough Road, Dublin 7, D07 XH2D.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that:

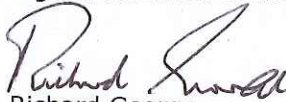
- (i) So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (ii) The director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish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


This confirmation is given and should be interpreted in accordance with the provisions of Section 330 of the Companies Act 2014.

AUDITORS

The auditors, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, continue in office in accordance with Section 383(2) of the Companies Act, 2014.

Signed on behalf of the Board;


Richard George
Director


George O'Connor
Director

Date: 7/8/2012

BUSINESS IN THE COMMUNITY IRELAND

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.

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

Independent auditor's report to the members of Business in the Community Ireland

Report on the audit of the financial statements

Opinion on the financial statements of Business in the Community Ireland (the 'company')

In our opinion the financial statements:

- Give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2017 and of the net movement in funds 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.

The financial statements we have audited comprise:

- Statement of Financial Activities;
- Balance Sheet; and
- Related notes 1 to 19, including a summary of significant accounting policies as set out in note 1.

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" ("the relevant financial reporting framework").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the directors' use of the going concern basis of accounting in 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 Directors' Report and Financial Statements for the financial year ended 31 December 2017, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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Independent auditor's report to the members of Business in the Community Ireland

Other information (continued)

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.

Responsibilities of directors

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, 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 directors either intend to liquidate the company or to cease operations, or have 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity (or where relevant, the group) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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Independent auditor's report to the members of Business in the Community Ireland

Auditor's responsibilities for the audit of the financial statements (continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

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 auditor's 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.

Report on other legal and regulatory requirements

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:

- 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 and the directors' report has been prepared in accordance with the Companies Act 2014.

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 material misstatements in the directors' report.

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

Margarita Martin
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, Earlsfort Terrace, Dublin 2

Date: 13 August 2018

BUSINESS IN THE COMMUNITY IRELAND

STATEMENT OF FINANCIAL ACTIVITIES (Including Income & Expenditure Account) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

	Notes	Unrestricted Funds €	Designated Funds €	Restricted Funds €	Total 2017 €	Unrestricted Funds €	Designated Funds €	Restricted Funds €	Total 2016 €
Income from:									
Donations and legacies	4	1,308,715	35,945	1,770,086	3,114,746	1,243,106	1,800	1,424,187	2,669,093
Investments	4	282	-	-	282	5,592	-	-	5,592
Total income	15	1,308,997	35,945	1,770,086	3,115,028	1,248,698	1,800	1,424,187	2,674,685
Resources expended									
Raising funds	5	(204,369)	-	-	(204,369)	(171,940)	-	-	(171,940)
Charitable activities	5	(653,514)	(14,487)	(1,355,991)	(2,023,992)	(647,992)	(10,446)	(1,367,282)	(2,025,720)
Other	5	(325,683)	-	-	(325,683)	(285,140)	-	-	(285,140)
Total resources expended	15	(1,183,566)	(14,487)	(1,355,991)	(2,554,044)	(1,105,072)	(10,446)	(1,367,282)	(2,482,800)
Taxation	9	-	-	-	-	-	-	-	-
Net income/(expenditure)		125,431	21,458	414,095	560,984	143,626	(8,646)	56,905	191,885
Net transfer between funds	15	(232,270)	258,780	(26,510)	-	(66,694)	76,875	(10,181)	-
Net movement in funds		(106,839)	280,238	387,585	560,984	76,932	68,229	46,724	191,885
Total funds brought forward	15	1,096,469	252,462	653,079	2,002,010	1,019,537	184,233	606,355	1,810,125
Total funds carried forward	15	989,630	532,700	1,040,664	2,562,994	1,096,469	252,462	653,079	2,002,010

BUSINESS IN THE COMMUNITY IRELAND

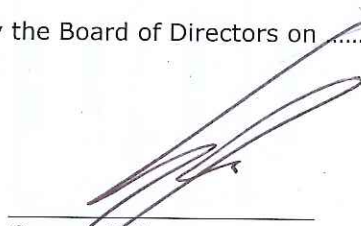
BALANCE SHEET AS AT 31 DECEMBER 2017

	Notes	2017 €	2016 €
FIXED ASSETS			
Tangible fixed assets	11	203,978	47,340
CURRENT ASSETS			
Due from group companies	12	23,731	1,266
Cash at bank		2,558,967	2,150,056
		2,582,698	2,151,322
CREDITORS AND ACCRUALS: (amounts falling due within one year)	13	(223,682)	(196,652)
NET CURRENT ASSETS		2,359,016	1,954,670
NET ASSETS		2,562,994	2,002,010
FUNDS OF THE CHARITY:			
Unrestricted funds	15a	989,630	1,096,469
Designated funds	15b	532,701	252,462
Restricted funds	15c	1,040,663	653,079
TOTAL FUNDS		2,562,994	2,002,010

The financial statements were approved by the Board of Directors on 7/2/2018 and signed on its behalf by:



Richard George
Director


George O'Connor
Director

BUSINESS IN THE COMMUNITY IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES

General information and format of financial statements

Business in the Community Ireland is a company incorporated in Ireland under the Companies Act 2014 as a company limited by guarantee and is a registered charity. The nature of the company's operations and its principal activities are set out in the directors' report on pages 3 to 7. The financial statements have been prepared under the historical cost convention and in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council, as applied in accordance with the provisions of the Companies Act 2014, and with the Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS102 ("the Charities SORP") ("relevant financial reporting framework").

The functional currency of the company is considered to be euro because that is the currency of the primary economic environment in which the company operates.

As permitted by section 291(3)(4) of the Companies Act 2014, the company has varied the standard formats specified in that Act for the Statement of Financial Activities and the Balance Sheet. Departures from the standard formats, as outlined in the Companies Act 2014, are to comply with the requirements of the Charities SORP and are in compliance with Sections 4.7, 10.6 and 15.2 of the Charities SORP.

The Company meets the definition of a Public Benefit Entity under FRS102. As a registered charity, the Company is exempt from the reporting and disclosure requirements to prepare a directors' report under section 325 (1) (c), Companies Act 2014 but does so in compliance with the Charities SORP. There is nothing to disclose in respect of directors' interests in shares or debentures of the Company under section 329, Companies Act 2014.

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. 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.

In accordance with Section 1180(8) of the Companies Act, 2014, the company is exempt from including the word "Limited" in its name. The company is limited by guarantee and has no share capital.

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.

1. ACCOUNTING POLICIES (CONTINUED)

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.

Incoming resources – voluntary 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.

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

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, the SORP specifically does not require disclosure of these services.

Resources expended

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

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.

Fundraising costs are those costs incurred in attracting voluntary income.

Charitable activities include those costs incurred directly in the delivery of programme services and include 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.

BUSINESS IN THE COMMUNITY IRELAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES (CONTINUED)

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 from start of use in equal annual instalments over their estimated useful lives and in full in the year of disposal.

Office/Premises	5 years
IT equipment	3 years
Departmental equipment	3 years

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. Following successful completion of the probationary period and a confirmation of appointment as staff member, the organisation will contribute 5% of that person's salary to the PRSA scheme, subject to the individual making a 5% contribution to the PRSA scheme. 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.

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).

1. ACCOUNTING POLICIES (CONTINUED)

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.

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 €1,200,000 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 Ireland has unrestricted reserves at 31 December 2017 of €989,630 (2016: €1,096,496).

Designated Reserves are those which have been set aside for particular purposes by the directors in the furtherance of the Company's charitable objectives.

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 in addition to designated reserves listed in note 1.

BUSINESS IN THE COMMUNITY IRELAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

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

	2017 €	2016 €
Membership fees	45,619	5,592
Government grants	1,120,271	959,393
Donations	1,948,856	1,704,108
	3,114,746	2,669,093

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 financial year amounted to €282 (2016: €5,592).

5. EXPENDITURE

Raising funds

	2017 €	2016 €
Staff costs	122,850	120,292
Administration costs	53,138	24,778
Overhead allocation	28,381	26,870
	204,369	171,940

Charitable activities

	2017 €	2016 €
Staff costs	1,465,610	1,528,047
Administration costs	199,726	191,187
Overhead allocation	358,656	306,486
	2,023,992	2,025,720

BUSINESS IN THE COMMUNITY IRELAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

5. EXPENDITURE (CONTINUED)

Other costs

	2017 €	2016 €
Staff costs	235,463	230,560
Administration costs	30,539	35,651
Overhead allocation	59,681	18,929
	325,683	285,140

6. STAFF NUMBERS AND COSTS

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

Programme	2017 No	2016 No
BITC membership services	12	12
Schools' Business Partnership	8	8
Employment Services	10	10
Shared services (Finance, HR, Marketing & Communications etc.)	9	8
Total full time equivalent	39	38

(b) No staff member is yet to receive retirement benefit.

(c) Accrued holiday time at the 31 December 2017 was €13,645 (2016: €5,789)

6. STAFF NUMBERS AND COSTS (CONTINUED)

	2017 €	2016 €
(d) Analysis of staff costs		
Salaries and wages	1,636,811	1,681,523
Employer's PRSI contribution	158,580	168,144
Employer's pension costs	28,532	29,232
	1,823,923	1,878,899

The CEO works in The Foundation for Investing in the Communities whose salary is allocated to Business in the Community Ireland and sister company The Community Foundation for Ireland. The CEO's total salary and pension entitlement is €112,500 of which €67,500 is allocated to Business in the Community Ireland.

The salary bands (exclusive of Employer's PRSI) for staff paid over €60,000 are noted below, including pension entitlement, in the Foundation for Investing in Communities, the holding company for Business in the Community Ireland.

Salary Band	2017 No	2016 No
60,000 - 70,000	1	2
70,000 - 80,000	2	1
110,000 - 120,000	1	1

BUSINESS IN THE COMMUNITY IRELAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

7. KEY MANAGEMENT COMPENSATION/REMUNERATION

Some members of the Senior Management Team work in two of the group companies (Business in the Community Ireland and The Community Foundation for Ireland). The total cumulative amount paid to key management including pension entitlements is €456,008 (2016: €459,615) of which €285,437 (2016: €307,295) is attributable to Business in the Community Ireland and €170,571 (2016: €152,320) is attributable to The Community Foundation for Ireland.

The salary bands (exclusive of Employer's PRSI) for salaries of staff, allocated to, Business in the Community Ireland, including pension entitlement are noted below.

Salary Band	2017 No	2016 No
60,000 – 70,000	1	3
70,000 – 80,000	1	-

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

8. DIRECTOR REMUNERATION AND RELATED PARTY TRANSACTIONS

No director received remuneration or expenses during the financial year (2016: €Nil). No director had any personal interest in any contract or transaction entered into during the financial year (2016: €Nil).

9. TAXATION

Business in the Community Ireland is a registered charity and has been granted tax exemption status by Revenue.

10. NET INCOME

	2017 €	2016 €
The net income for the financial year is stated after charging:		
Depreciation	34,139	35,198

BUSINESS IN THE COMMUNITY IRELAND

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

11. TANGIBLE FIXED ASSETS

	IT Equipment €	EPIC Equipment €	Ready for Work Equipment €	Departmental Equipment			Premises Fittings €	Total €
				School business partnership Equipment €	Membership service team Equipment €			
Cost								
At 1 January 2017	80,164	14,449	1,296	45,205	62,976		-	204,090
Additions	11,629	-	-	2,286	10,519		166,343	190,777
At 31 December 2017	91,793	14,449	1,296	47,491	73,495		166,343	394,867
Accumulated depreciation								
At 1 January 2017	(59,279)	(14,449)	(1,027)	(38,590)	(43,405)		-	(156,750)
Charge	(15,090)	-	(269)	(5,071)	(13,709)		-	(34,139)
At 31 December 2017	(74,369)	(14,449)	(1,296)	(43,661)	(57,114)		-	(190,889)
Carrying value								
At 31 December 2017	17,424	-	-	3,830	16,381		166,343	203,978
At 31 December 2016	20,885	-	269	6,615	19,571		-	47,340

BUSINESS IN THE COMMUNITY IRELAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

12. DEBTORS: (amounts falling due within one year)	2017 €	2016 €
Amounts due from group companies:		
- The Foundation for Investing in Communities	18,002	-
- The Community Foundation for Ireland	5,729	1,266
	<u>23,731</u>	<u>1,266</u>

13. CREDITORS: (amounts falling due within one year)	2017 €	2016 €
Trade creditors	24,665	11,245
Accruals	199,017	151,143
Amounts due to group companies:		
- The Foundation for Investing in Communities	-	34,264
	<u>223,682</u>	<u>196,652</u>

14. FINANCIAL INSTRUMENTS

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

	2017 €	2016 €
Financial assets		
<i>Measured at undiscounted amount receivable</i>		
Amounts due to group companies	<u>23,731</u>	<u>1,266</u>
Financial liabilities		
Trade creditors	24,665	11,245
Amounts due from group companies	-	34,264
	<u>24,665</u>	<u>45,509</u>

BUSINESS IN THE COMMUNITY IRELAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

15. ANALYSIS OF FUNDS

(a) Analysis of unrestricted fund movements

	Opening balance 1 January 2017 €	Incoming resources €	Resources expended €	Transfers between funds €	Closing balance 31 December 2017 €
Total	1,096,469	1,308,997	(1,183,566)	(232,270)	989,630

(b) Analysis of designated fund movements

€	Opening balance 1 January 2017 €	Incoming Resources €	Resources Expended €	Transfers to/from unrestricted reserves €	Closing balance 31 December 2017
Business Working Responsibly Mark Business Model Marketing/Social Media Document Management Biodiversity Research SME Campaign Stem Research Leave Contribution Accounts System Office Relocation basis.point Mentoring Social Innovation Fund Workday	19,868 78,167 22,544 25,000 23,371 3,925 2,712 51,875 25,000 - - - - -	9,860 - - - - - - - - 13,500 2,069 10,516	(10,889) - (2,473) - - - (1,124) - - - - - - -	- - - - - - - 46,280 212,500 - - -	18,839 78,167 20,071 25,000 23,371 2,801 2,712 98,155 25,000 212,500 13,500 2,069 10,516
Total	252,462	35,945	(14,486)	258,780	532,701

The transfer from unrestricted funds to leave contribution is to setup up a designated fund to cover cost of absence/leave and the transfer to office relocation is to cover the costs of the move to the new offices in Phibsborough.

BUSINESS IN THE COMMUNITY IRELAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

15. ANALYSIS OF FUNDS (CONTINUED)

(c) Analysis of restricted fund movements

	Opening balance 1 January 2017	Incoming resources	Resources expended	Transfers to/from unrestricted funds	Closing Balance 31 December 2017
	€	€	€	€	€
EPIC programme	64,303	644,476	(436,199)	-	272,580
Epic Mesi project	10,390	-	-	(10,390)	0
Corporate Leader's Group	432	-	-	-	432
School Business					0
Partnership	190,595	603,409	(481,562)	(12,777)	299,665
Ready for Work	(17,502)	233,683	(143,353)	(7,436)	65,392
Youth Employment	27,787	15,127	(31,803)	(10,101)	1,010
Technology Project	29,995	-	(8,860)	-	21,135
Social Networking	4,027	-	(61)	-	3,966
Time to Read	77,879	150,232	(132,465)	(6,297)	89,349
Grant Making Fund	640	-	-	-	640
Bridge to Employment	2,222	-	-	-	2,222
Epic Support Fund	78,686	47,496	(44,223)	69,257	151,216
Employment Programmes	47,503	15,663	(5,922)	(48,766)	8,478
Deferred BITC					0
Offenders Fund	112,323	-	-	-	112,323
Genio Trust	2,486	-	-	-	2,486
CEO event/Conference	21,313	-	(21,313)	-	0
Rise		45,000	(45,000)	-	0
SSE Airtricity		15,000	(5,231)	-	9,769
Total	653,079	1,770,086	(1,355,992)	(26,510)	1,040,663

Transfers out of reserves are in line with donor agreements in place.

16. FINANCIAL COMMITMENTS

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

Buildings:	2017 €	2016 €
In one year or less	176,876	43,050
In more than one year, but not more than five years	592,042	-
	<u>768,918</u>	<u>43,050</u>

BUSINESS IN THE COMMUNITY IRELAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

17. CURRENT FUNDING

TUSLA provided current funding in 2017 to the amount of €207,299 (2016: €207,299). Funding is granted for a 12 month period.

The Department of Education and Skills provided current funding in 2017 to the amount of €29,826 (2016: €29,826). Funding is granted for a 12 month period.

The Department of Justice and Law Reform provided current funding in 2017 to the amount of €689,476 (2016: €516,000). Funding is granted for a 12 month period.

The Department of Employment Affairs and Social Protection provided current funding in 2017 to the amount of €193,670 (2016: €84,273). Funding is granted for a 12 month period.

POBAL provided current funding in 2017 to the amount of €nil (2016: €27,729). Funding is granted for a 12 month period.

The City of Dublin Education and training board provided current funds in 2017 to the amount of €nil (2016: €94,266)

18. 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 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.

19. ULTIMATE CONTROLLING PARTY

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