Business in the Community Ireland

Directors' Report and Financial Statements for the financial year ended 31 December 2018

COMPANY REGISTERED NUMBER 338442

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DIRECTORS AND OTHER INFORMATION

BOARD OF DIRECTORS	Ronan Murphy (Chairperson) Richard George Tony Hanway (appointed 10 April 2018) Bernadette Lavery (appointed 12 June 2018) Kyran Johnson (resigned 10 April 2019) Aengus McClean (resigned 10 April 2019) Carmel McQuaid Chris Martin Siobhán Masterson George O'Connor Maurice Pratt (resigned 17 April 2018) John Reynolds Margot Slattery (appointed 10 April 2018) Aileen O'Toole (resigned 17 April 2018)
CHIEF EXECUTIVE OFFICER	Tomás Sercovich (appointed 3 January 2018) Tina Roche (resigned 2 January 2018)
SECRETARY AND REGISTERED OFFICE	Moira 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
INDEPENDENT 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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Business in the Community Ireland (BITCI) 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 and Charity Regulator. There are currently 10 company members (12 in 2017), 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

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, and also a related party of Business in the Community Ireland.

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.

DIRECTORS

The Foundation for Investing in Communities shall nominate the directors. Initial appointment is for a three year term, as recommended by the chair for approval. A director can be reappointed for a second three year term as per the chairs recommendation to the board. A director may be re-appointed for a third three year term, if it is agreed by all of the Directors. In exceptional circumstances, agreed by all of the directors, a director may remain on the Board having completed three ,three year terms for an additional maximum one year term. When considering co-opting directors, the board has regard to the requirement for any specialist skills needed.

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

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 Constitution, 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.

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

Directors:
Ronan Murphy (Chairperson)
Richard George
Tony Hanway (appointed 10 April 2018)
Bernadette Lavery (appointed 12 June 2018)
Kyran Johnson (resigned 10 April 2019)
Aengus McClean (resigned 10 April 2019)
Carmel McQuaid
Chris Martin
Siobhán Masterson
George O'Connor
Maurice Pratt (resigned 17 April 2018)
John Reynolds
Margot Slattery (appointed 10 April 2018)
Aileen O'Toole (resigned 17 April 2018)

ORGANISATION

The board of directors, which must have a minimum of 4 directors, oversee the operation of the Company. The board meets at least 4 times per annum. There were 6 meetings in 2018 (2017: 6) at which there was an average of 72% attendance (2017: 75%). 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 a Finance, Audit, Investment and Governance committee which meets in addition to the Board. The committee met 4 times in 2018 (2017: 6) with 100% attendance (2017: 92%). 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 Company. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation, approved by the directors, for operational matters.

FINANCIAL REVIEW

The net incoming resources were €292,230 in 2018 (2017: €560,984). 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.

FINANCIAL REVIEW (CONTINUED)

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 2019. 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.

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.

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. Fluctuaions in the value of 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.

ACHIEVEMENTS AND PERFORMANCE

During 2018, Business in the Community Ireland had the following impacts:

Membership Services

- Having started the year with 82 members, we ended 2018 with 89 members and a member profile of 28 Leaders, 40 Strategists and 21 Engage.
- The annual retention rate was 95%. We had four exits and one downgrade resulting in a loss of €70k (budgeted loss €100k). The exiting members included Jazz Pharmaceuticals, Sisk, Roadbridge and OCS. We exceeded our upgrades target of €20,000 by €5,000.
- During the year we worked on 234 different projects with members and held 360 meetings.
- 57% of our services to members relate to strategy design & development, and 26% relates to services on community & employee programmes.
- We hosted 30 different events, and reached nearly 1000 delegates.
- By year end, there were 33 companies certified to The Business Working Responsibly Mark, and many other members were applying the management framework to their programmes & strategies.
- Our Leaders' Group increased from 18 to 28 engaged members during the year, and we hosted four CEO Roundtables to support programme delivery. In May we publicly launched the Group and in November we invited all network members to join the Low Carbon Pledge.
- 57 companies participated on our Business Impact Map.
- We received a high Net Promoter Score ranking of 67 from our annual member's survey, which positions us well with our target market.
- We maintained active relationships with key stakeholders such as NSAI, CSR Europe, World Business Council for Sustainable Development and various government departments.

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 extended pilot and the evaluation report was sent to all stakeholders. Business in the Community Ireland applied and was successful for funding for Time to Count national rollout.
- 95% business retention was achieved in post primary programmes (same in 2017).
- 20 new businesses joined in 2018. 376 partnerships between companies and post primary schools have been established since inception in 2001.
- 3,466 students took part in the Skills at Work programme.
- 277 students were engaged in the Mentoring programme.
- 589 volunteers and 559 children participated in the Time to Read programme, with 1,412 children impacted to date.
- 1,060 (125 in 2018) principals and deputy principals have participated to date in the Management Excellence for Principals & Deputy Principals programmes.
- 18 Management Excellence for Teachers sessions were delivered to 273 teachers, with a further 8 to take place in Q1 of 2019. This area of work is funded by the Teacher Education Section of the Department of Education & Skills.

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Business Action on Education Funders

- €207,299 (2017:€207,299) was received from Tusla for the Skills at Work and Student Mentoring programmes.
- €38,092 (2017:€38,092) was received from Marks & Spencer Ireland as the main corporate sponsor.
- €20,000 (2017:€20,000) was provided from Cornmarket to sponsor the Management Excellent for Principals programme.
- €30,000 (2017:€30,000) was provided by an Anonymous Donor from the Community Foundation for Ireland (Year 2 of a three year agreement).
- €27,000 (2017:€13,500) was provided by basis.point which is the second year tranche of a 3 year funding totaling €45,000 for 2017-19 to expand the mentoring programme to 7 more schools.
- €25,000 (2017:€nil) was received from the Department of Education & Skills from Dormant Account Funding for Time to Count expansion as year 1 of a two year funding totally €50,000.

Business Action on Employment

The main initiatives under this programme are:

- Employment of People from Immigrant Communities (EPIC) works with migrants to equip them to gain employment or training;
- Ready for Work works with marginalised people to help them gain and sustain employment;
- Refugee Integration, Skills and Employability (RISE) works with recently arrived refugees mainly from Syria;
- REStart is a returners training programme by Standard Life; and
- SSE Works is a supported employment programme for the long term unemployed by SSE Airtricity.

During 2018:

- 360 (2017:423) clients engaged in availing of our services;
- 202 (2017:210) clients entered employment;
- 69 (2017:76) people undertook training, volunteering or work placements (excluding Ready for Work placements);
- 40 (2017:42) nationalities engaged through the EPIC programme.;
- 64 (2017:73) services in the community engaged with the Ready for Work programme;and
- 22 (2017:19) member companies worked with the programmes and a further 24 non-member companies were engaged

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.
- Lidl contributed to provision of their first year of work placements.
- REStart was funded by Standard Life and SSE Works was funded by SSE Airtricity.

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, 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;

Ronan Murphy
Director

Richard George
Director

Date: 11/6/2019

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 issued by the Financial Reporting Council* ("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 2018 and of its incoming resources and application of resources, including the income and expenditure account 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 2018, 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'sability 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.

J. Schmidt

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

Date: 27 June 2019

STATEMENT OF FINANCIAL ACTIVITIES (Including Income & Expenditure Account) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

	Notes	**Unrestricted Funds €**	**Designated Funds €**	**Restricted Funds €**	**Total 2018 €**	Unrestricted Funds €	Designated Funds €	Restricted Funds €	Total 2017 €
Income from:									
Donations and legacies	4	**1,402,979**	**34,199**	**1,619,454**	**3,056,632**	1,308,715	35,945	1,770,086	3,114,746
Investments	4	-	-	-	-	282	-	-	282
Total		**1,402,979**	**34,199**	**1,619,454**	**3,056,632**	1,308,997	35,945	1,770,086	3,115,028
Expenditure on:									
Raising funds	5	**(204,815)**	-	-	**(204,815)**	(204,369)	-	-	(204,369)
Charitable activities	5	**(722,553)**	**(48,393)**	**(1,428,857)**	**(2,199,803)**	(653,514)	(14,487)	(1,355,991)	(2,023,992)
Other	5	**(359,784)**	-	-	**(359,784)**	(325,683)	-	-	(325,683)
Total		**(1,287,152)**	**(48,393)**	**(1,428,857)**	**(2,764,402)**	(1,183,566)	(14,487)	(1,355,991)	(2,554,044)
Taxation	9	-	-	-	-	-	-	-	-
Net income		**115,827**	**(14,194)**	**190,597**	**292,230**	125,431	21,458	414,095	560,984
Net Transfer between funds	15	**(1,934)**	**46,280**	**(44,346)**	-	(232,270)	258,780	(26,510)	-
Net movement in funds		**113,893**	**32,086**	**146,251**	**292,230**	(106,839)	280,238	387,585	560,984
Total funds brought forward	15	**989,630**	**532,700**	**1,040,664**	**2,562,994**	1,096,469	252,462	653,079	2,002,010
Total funds carried forward	15	**1,103,523**	**564,786**	**1,186,915**	**2,855,224**	989,630	532,700	1,040,664	2,562,994

There are no other recognised gains or losses other than those listed expenditure and the net income for the financial year. All income and expenditure derives from continuing activities.

BUSINESS IN THE COMMUNITY IRELAND

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Notes	**2018**	2017
		€	€
FIXED ASSETS			
Tangible fixed assets	*11*	**215,599**	203,978
CURRENT ASSETS			
Due from group companies	*12*	**34,766**	23,731
Cash at bank		**2,862,651**	2,558,967
Total current assets		**2,897,417**	2,582,698
LIABILITIES:			
Creditors: amounts falling due within one year	*13*	**(257,792)**	(223,682)
NET CURRENT ASSETS		**2,639,625**	2,359,016
TOTAL NET ASSETS		**2,855,224**	2,562,994
THE FUNDS OF THE CHARITY:			
Restricted funds	*15a*	**1,186,915**	1,040,664
Unrestricted funds	*15b*	**1,103,523**	989,630
Designated funds	*15c*	**564,786**	532,700
TOTAL CHARITY FUNDS		**2,855,224**	2,562,994

The financial statements were approved by the Board of Directors on 11/6/2019
and signed on its behalf by:

Ronan Murphy
Director

Richard George
Director

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 8. 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 prepared 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, Gloucester Place Lower, Mountjoy, Dublin D01 c576.

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.

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.

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.

Expenditure

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.

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 equipment	5 years
IT equipment	3 years
Epic equipment	3 years
Ready for work equipment	3 years
School Business Partnership equipment	3 years
Membership services team equipment	3 years
New Office Capital	8 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.

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).

Funds Accounting

Funds held by the charity are:

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.

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.

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 2018 of €1,103,523 (2017: €989,630).

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.

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	2018 €	2017 €
Membership fees	**73,711**	45,619
Government grants	**1,055,720**	1,120,271
Donations	**1,927,201**	1,948,856
	3,056,632	3,114,746

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 €nil (2017: €282).

5. EXPENDITURE

Raising funds	2018 €	2017 €
Staff costs	**141,156**	122,850
Administration costs	**47,004**	53,138
Overhead allocation	**16,655**	28,381
	204,815	204,369

Charitable activities	2018 €	2017 €
Staff costs	**1,588,549**	1,465,610
Administration costs	**105,763**	199,726
Overhead allocation	**505,491**	358,656
	2,199,803	2,023,992

Other	2018 €	2017 €
Staff costs	**272,020**	235,463
Administration costs	**51,852**	30,539
Overhead allocation	**35,912**	59,681
	359,784	325,683

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	2018 No	2017 No
BITC membership services	**16**	12
Schools' Business Partnership	**13**	8
Employment Services	**13**	10
Shared services (Finance, HR, Marketing & Communications etc.)	**9**	9
Total full time equivalent	**51**	39

(b) **Analysis of staff costs**

	2018 €	2017 €
Salaries and wages	**1,785,017**	1,636,811
Social Insurance Costs	**183,108**	158,580
Employer's pension costs	**33,600**	28,532
	2,001,725	1,823,923

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	2018 No	2017 No
€60,000 – €70,000	**3**	1
€70,000 – €80,000	**1**	2
€90,000 – €100,000	**1**	-
€100,000 – €110,000	**1**	-
€110,000 – €120,000	-	1

7. KEY MANAGEMENT COMPENSATION/RENUMERATION

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 €578,686. (2017: €456,008) of which €355,275 (2017: €285,437) is attributable to Business in the Community Ireland and €223,411 (2017: €170,571) 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	**2018** **No**	2017 No
€60,000 - €70,000	**1**	1
€70,000 - €80,000	**1**	1
€100,000 - €110,000	**1**	-

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

The CEO's total salary and pension entitlement is €94,269 plus an additional €6,000 paid as relocation allowance.

8. DIRECTOR REMUNERATION AND RELATED PARTY TRANSACTIONS

No director received remuneration or expenses during the financial year (2017: €nil). No director had any personal interest in any contract or transaction entered into during the financial year (2017: €nil).

9. TAXATION

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

10. NET INCOME

	2018 **€**	2017 €
The net income for the financial year is stated after charging:		
Auditors remuneration	**11,788**	6,000
Depreciation	**83,094**	34,139
Director's remuneration	**-**	-

11. TANGIBLE FIXED ASSETS

			Departmental Equipment				
	IT Equipment €	EPIC Equipment €	Ready for Work Equipment €	School business partnership Equipment €	Membership service team Equipment €	Premises Fittings €	Total €
Cost							
At 1 January 2018	91,793	14,449	1,296	47,491	73,495	166,343	394,867
Additions	3,703	557	-	3,145	6,559	80,751	94,715
At 31 December 2018	95,496	15,006	1,296	50,636	80,054	247,094	489,582
Accumulated depreciation							
At 1 January 2018	(74,369)	(14,449)	(1,296)	(43,661)	(57,114)	-	(190,889)
Charge	(14,312)	(186)	-	(4,116)	(15,061)	(49,419)	(83,094)
At 31 December 2018	(88,681)	(14,635)	(1,296)	(47,777)	(72,175)	(49,419)	(273,983)
Carrying value							
At 31 December 2018	6,815	371	-	2,859	7,879	197,675	215,599
At 31 December 2017	17,424	-	-	3,830	16,381	166,343	203,978

12. DEBTORS: (amounts falling due within one year)

	2018	2017
	€	€
Amounts due from group companies:		
- The Foundation for Investing in Communities (note 18)	-	18,002
- The Community Foundation for Ireland (note 18)	**34,766**	5,729
	34,766	23,731

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

	2018	2017
	€	€
Trade creditors	**12,466**	24,665
Accruals	**166,444**	199,017
Amounts due to group companies:		
- The Foundation for Investing in Communities (note 18)	**78,882**	-
	257,792	223,682

14. FINANCIAL INSTRUMENTS

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

	2018	2017
	€	€
Financial assets		
Measured at undiscounted amount receivable		
Amounts due from group companies (note 12)	**34,766**	23,731
Financial liabilities		
Trade creditors (note 13)	**12,466**	24,665
Amounts due to group companies (note 13)	**78,882**	-
	91,348	24,665

15. ANALYSIS OF FUNDS

(a) Analysis of restricted fund movements

	Opening balance 1 January 2018 €	Incoming Resources €	Resources expended €	Transfers to/from unrestricted funds €	Closing Balance 31 December 2018 €
EPIC programme	272,580	577,500	(453,696)	-	**396,384**
Re- Start	-	8,263	(8,263)	-	**-**
Corporate Leader's Group	432	-	-	-	**432**
School Business Partnership	299,665	497,667	(551,546)	(23,977)	**221,809**
Ready for Work	65,393	176,676	(146,144)	(7,436)	**88,489**
Youth Employment	1,010	-	-	-	**1,010**
Technology Project	21,135	-	-	-	**21,135**
Social Networking	3,966	-	-	-	**3,966**
Time to Read	89,349	177,307	(154,723)	(6,297)	**105,636**
Grant Making Fund	640	-	-	-	**640**
Bridge to Employment	2,222	-	-	-	**2,222**
Epic Support Fund	151,216	78,821	(50,926)	(6,636)	**172,475**
Employment Programmes	8,478	20,880	(8,263)	-	**21,095**
Offenders Fund	112,323	-	-	-	**112,323**
Career Leap		1,380	-	-	**1,380**
Genio Trust	2,486	-			**2,486**
Get Ready Programme	-	15,000	(5,981)	-	**9,019**
Rise	-	45,000	(45,000)	-	**-**
SSE Airtricity	9,769	20,960	(4,315)	-	**26,414**
Total	1,040,664	1,619,454	(1,428,857)	(44,346)	**1,186,915**

(b) Analysis of unrestricted fund movements

	Opening balance 1 January 2018 €	Incoming resources €	Resources expended €	Transfers between funds €	**Closing balance 31 December 2018 €**
Total	989,630	1,402,979	(1,287,152)	(1,934)	**1,103,523**

15. ANALYSIS OF FUNDS (CONTINUED)

(c) Analysis of designated fund movements

	Opening balance 1 January 2018 €	Incoming Resources €	Resources Expended €	Transfers to/from unrestricted reserves €	**Closing balance 31 December 2018 €**
Business Working Responsibly Mark	18,839	-	-	-	**18,839**
Business Model	78,167	-	-	-	**78,167**
Marketing/Social Media	20,071	7,199	(5,893)	-	**21,377**
Document Management	25,000	-	-	-	**25,000**
Biodiversity Research	23,371	-	-	-	**23,371**
SME Campaign	2,801	-	-	-	**2,801**
Stem Research	2,712	-	-	-	**2,712**
Leave Contribution	98,155	-	-	46,280	**144,435**
Accounts System	25,000	-	-	-	**25,000**
Office Relocation	212,500	-	(42,500)	-	**170,000**
basis.point Mentoring	13,500	27,000	-	-	**40,500**
Social Innovation Fund	2,069	-	-	-	**2,069**
Workday	10,515	-	-	-	**10,515**
Total	532,700	34,199	(48,393)	46,280	**564,786**

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.

16. FINANCIAL COMMITMENTS

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

Buildings:	**2018 €**	2017 €
Less than one year	**148,358**	176,876
One to five years	**445,075**	592,042
Greater than five years	-	-
	593,433	768,918

17. CURRENT FUNDING

TUSLA provided current funding in 2018 to the amount of €207,299 (2017: €207,299). Funding is granted for a 12 month period.

The Department of Education and Skills provided current funding in 2018 to the amount of €29,826 (2017: €29,826). Funding is granted for a 12 month period.

The Department of Justice and Law Reform provided current funding in 2018 to the amount of €577,500 (2017: €689,476). Funding is granted for a 12 month period.

The Department of Employment Affairs and Social Protection provided current funding in 2018 to the amount of €173,387 (2017: €193,670). Funding is granted for a 12 month period.

18. 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, which also wholly controls, The Community Foundation for Ireland, a related subsidiary to Business in the Community Ireland.

19. SUBSEQUENT EVENTS

There have been no events subsequent to the year-end that require any adjustment to, or additional disclosure in the 2018 financial statements.