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Annual Report

Template

DIRECTORS' (OR TRUSTEES') ANNUAL REPORT SAMPLE TEMPLATE¹

Introduction

The objective of the Director's/Trustees' annual report (the report) and accounts is to provide information about an organisation's financial performance and financial position that will be useful to a wide range of stakeholders in assessing the directors'/trustees' stewardship and management of the organisation's funds, and to assist the user of the accounts to make economic decisions in relation to the organisation. Although past, current and potential funders, donors and financial supporters of a not-for-profit organisation are the primary audience for the financial information contained in an organisation's report and accounts, the preparer should also be aware that interest in this information may also extend to an organisation's service users and other beneficiaries.

The report and accounts should not be viewed simply as a statutory requirement or a technical exercise. The report and accounts, when read together, should help users of the information to understand what the organisation is set up to do, the resources available to it, how these resources have been used and what has been achieved as a result of its activities, how it is governed, how effective it is in achieving its objectives and its future plans.

The Good Governance Awards

The Good Governance Awards seek to acknowledge, encourage and promote good governance practice particularly, in the area of annual reports. The Awards have been developed by Carmichael with the support of the Charities Institute Ireland, Dóchas, Enclude, Volunteer Ireland, The Wheel, Boardmatch, Davy, Governance-Online.com, Mason Hayes Curran and Mazars Ireland.

The annual report represents a real opportunity for organisations in the not-for-profit sector across Ireland to showcase its transparency and trust by outlining its performance, governance, culture and financials. An annual report can provide a comprehensive picture of an organisation, as well as its achievements and future plans rather than meagrely meeting minimum compliance requirements. An annual report serves to reinforce relationships with stakeholders and build relationships with the public, potential donors, volunteers and supporters. As such, the Good Governance Awards aims to support and encourage the community, voluntary and charity (CVC) sector to use their annual reports and financial statements to showcase their embracement of and adherence to good governance.

Purpose of this Template

This template is for guidance only and it is important that your annual report tells your story in the style and tone of your organisation. The template sets out what the Good Governance Awards considered to be good governance practice for the annual report and financial statements. The board of each organisation needs to determine what it believes to be appropriate for its organisation's annual report bearing in mind its legal requirements and any specified requirements of its funders and members.

¹ This template was developed by Carmichael and Mazars Ireland as an aid to nonprofit organisations and to provide guidance on the content of an annual report and financial statements.

Front/Cover Page

Name of the organisation

Organisation Type: For example; A company limited by guarantee

Title: Directors'/Trustees' Annual Report and Financial Statements

Period Covered:

Charity number (if applicable):

Charity Registration Number (if applicable):

Company number (if applicable):

Reference and Administrative Details

The report must provide the following reference and administrative information about the organisation and its directors/trustees:

- the name of the organisation, which in the case of a registered charity/company means the name by which it is registered;
- any other name which the organisation uses;
- details of how the organisation is organised and governed. For example, its legal structure
- where applicable, the charity registration number(s) for the jurisdiction(s) in which it is registered as a charity, its company registration number and/or its Revenue Charity (CHY) Number;
- the address of the principal office of the organisation and, in the case of a company, the address of its registered office;
- the names of all those who were the organisation's directors/charity's trustees on the date the report was approved or who served as a director/trustee in the reporting period;
- where a charity/company has any corporate trustees, the names of the directors of the body corporate on the date the report was approved; and
- the names of any director/trustee for the organisation holding the title to property belonging to the organisation (for example, custodian trustee or nominee) on the date the report was approved; or
- who served as a director/trustee for the organisation in holding the title to property belonging to the organisation in the reporting period;
- details of its accountants/auditor, solicitors and principal bankers.

Section (1): Chairperson's (and CEO if applicable) Statements

The Chairperson should represent the interests of the organisation's stakeholders and board of Directors/Trustees. As such, a Chairperson's statement should be written with that in mind, using a language from the perspective of the organisation's beneficiaries, its members, funders, donors, supporters and the general public.

Besides the audited financials the chairperson's statement should also address any major achievements or developments, any significant variations from the organisation's plans and risks. It might also, for example, note any hopes/aims of the organisation for the next year. It also might be used as an opportunity to include any special note of thanks to those who have assisted the organisation in the past year.

The Chair's statement should preferably be written concisely, honestly and factually.

A CEO's statement should provide an overview of the health of the organisation, its past, present and future outlook, and specifically highlight any major achievements, shortfalls and projects. Ideally, a CEO's statement should not duplicate the message from the Chairperson, but some overlaps are unavoidable, especially when reporting the audited financials and forecasts for the future.

Like the Chairperson's statement, a CEO's statement should be prepared in a positive tone, describing solutions and plans of executions rather than problems. However, it should not gloss over or ignore any challenges or key issues facing the organisation.

Section (2): Summary of the Organisation's Purpose and Activities (A Directors/Trustees Report Requirement)

For nonprofit organisations, their purpose or mission is central to the organisation's reason for existence. Therefore, as a communication device to stakeholders and other interested parties, the annual report² should clearly set out;

- (a) The organisation's purpose as set out in its governing document
- (b) Its key objectives
- (c) Its core values and
- (d) The main activities it undertakes in relation to its purpose and key objectives

Best practice annual reports will provide this information in a way that is easily understood and will also provide insightful commentary on the organisation's broader environment and the implication this has on the organisation's purpose and objectives.

² The term "annual report" for the purposes of the Good Governance Awards, covers an organisation's Annual Report/Directors' Report and Financial Statements. For organisations that produce separate annual reports and financial statements, both documents need to be submitted to ensure that all areas of assessment areas are taken into account.

Section (3): Achievements & Performance (A Directors/Trustee Report Requirement)

The report must contain a summary of the main achievements of the organisation. The report should identify the difference the charity's work has made to the circumstances of its beneficiaries and, if practicable, explain any wider benefits to society as a whole.

The report should explain the activities, projects or services identified in the accompanying accounts. As far as practicable, numerical information provided in the report about the resources spent on particular activities should be consistent with the analysis provided in the accounts.

The annual report should tell the story of the organisation and put into context what was achieved in the reporting year against the achievement of its longer term strategy. The annual report under this section should:

1. Provide a clear review of the organisation's performance for the relevant year as well showing how the current year's strategic performance links to the achievement of the longer term strategy of the organisation.
2. Set out measurable goals or Key Performance Indicators (KPIs) for its key objectives and show what progress the organisation has made on an annual and multi-year basis against those goals.
3. Show what the organisation achieved in the current year (its performance against its KPIs).
4. Describe any challenges or barriers that the organisation encountered that prevented or constrained the achievement of goals and describe what actions/measures the organisation plans to take to address these challenges and constraints.
5. Describe its future plans to achieve its strategic goals.
6. Demonstrate the difference or impact (in concrete numbers and targets) the organisation has made in the year in terms of what it has done or achieved (outcomes) and the difference it has made (impact).
7. Provide specific measures of outputs, outcomes and impact. Where relevant and helpful make good use of case studies, testimonials, graphics and photographs to support the achievements and impact. (The Dóchas Code of Conduct on Images and Messages provides helpful guidance on the use of images - see link below)
8. Provide long-term trend data in relation to the progress being made by the organisation in the achievement of its target outcomes.
9. Show the link between the current year performance metrics and the achievement of the organisation's long-term strategy objectives.

Section (4): Financial Review (A Directors/Trustee Report Requirement)

Under this section the annual report should;

- (a) Contain a review of the organisation's financial position at the end of the reporting period.
- (b) Explain any policy it has for holding reserves and state the amounts of those reserves and why they are held. If the directors/trustees have decided that holding reserves is unnecessary or not possible, the report must disclose this fact and provide the reasons behind this decision. Where the reserves held are less than the target level per the policy, a detailed explanation/roadmap for achieving that target should be set out.
- (c) Explain if, at the date of approving the report and accounts, there are uncertainties about the organisation's ability to continue as a going concern, the nature of these uncertainties.
- (d) Identify any fund or subsidiary undertaking that is materially in deficit, explaining the circumstances giving rise to the deficit and the steps being taken to eliminate the deficit.
- (e) Provide clear information on the funding the organisation received in the relevant year by source/type and how that funding was used.
- (f) Provide analysis or information on key movements in or changes to the organisation's funding from previous years.
- (g) Where there have been movement/changes, that the report should provide reasons or explanations for the movements/changes.
- (h) Set out planned actions to be taken to improve/ensure sustainability of future funding for the organisation.
- (i) Comment on continuing availability of funding and highlight any risks/challenges to future funding.
- (j) The impact, if any, of a material pension liability arising from obligations to a defined benefit pension scheme or pension asset on the financial position of the organisation; and
- (k) Where the organisation holds material financial investments, the extent (if any) to which it takes social, environmental or ethical considerations into account in its investment policy.

It is important that the financial review is not just a repeat or a summary of what is in the financial statements. It should provide insight to the financial statements and the financial performance of the organisation.

Plans for Future Periods

The report should provide a summary of the organisation's plans for the future, including its aims and objectives and details of any activities planned to achieve them. The report should explain the directors/trustees' perspective of the future direction of the organisation. It should explain, where relevant, how experience gained or lessons learned from past or current activities have influenced future plans and decisions about allocating resources to their best effect.

Section (5): Structure, Governance & Management (A Directors/Trustee Report Requirement)

Under this section, the annual report should provide clear information on how the organisation is governed. In particular, it should;

- (a) Give details of the role of the board, its board committees and the appointment and term of directors/trustees,
- (b) Disclose the name of the Board Chairperson, (the Vice chair, if applicable), Company Secretary and the CEO or manager of the organisation?
- (c) Provide details of how often the board and board committees met and the attendance record of board and committee members.
- (d) Provide a profile of Board members. For example, their skills & experience, tenure, independence and rotation.
- (e) Describe how conflicts of interests and loyalties are managed.
- (f) Provide details of how it engages and communicates with its stakeholders.
- (g) Make it clear that the CEO is not a member of the board.
- (h) Provide details on how new board members/trustees are recruited, inducted and how their on-going development is addressed.
- (i) Provide details of the organisation's decision-making process and the delegation and oversight of delegated decision-making powers. For example, which types of decisions are taken by the directors/trustees and which are delegated to staff;
- (j) Set out the organisation's approach to risk management and provide a description of the principal risks and uncertainties facing the charity (and its subsidiary undertakings), as identified by the directors/charity trustees, together with a summary of their plans and strategies for managing those risk.
- (k) Describe the organisation's approach to remuneration & performance management.
- (l) If relevant, describe the organisation's fundraising activities, if the organisation has signed up to the Statement of Guiding Principles for Fundraising, this should be stated in the annual report that it is in compliance with these principles.
- (m) Describe the organisation's investment policy.
- (n) If the organisation has adopted/or is in compliance with the Charities Governance Code/ the Governance Code for CVCs and/or other Best Practice Codes & Quality Standards, this should be stated in the annual report that it is in compliance with these Codes/Standards.

Section (6): Other Directors'/Trustee Report Requirements

The Directors'/Trustees Report should also include the following items;

- Subsequent events – details of any events which occurred between the end of the reporting period and the approval of the financial statements.
- Research and development – details of any research and development activity undertaken by the entity (or if none refer to that fact).
- Political donations – details of any political donations (or if none refer to that fact).
- Transactions with directors – details of any transactions with directors (of if none refer to that fact).
- Accounting records – details of where the accounting records are maintained as required by Companies Act 2014. In this instance it is acceptable to use standard wording in so far as it applies to your organisation, for example:-
 - *The measures taken by the Directors 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 implementation of necessary policies and procedures for recording transactions, employment of appropriately qualified accounting personnel with appropriate expertise, the provision of adequate resources to the financial function and the maintenance of computerised accounting systems. The Company's accounting records are maintained at the Company's registered office at [INSERT ADDRESS OF REGISTERED OFFICE].*
- Statement on relevant audit information – this is a new requirement for 2016 year ends. It is acceptable in this instance to use standard wording as follows;
- *In the case of each of the persons who are directors at the time this report is approved in accordance with Section 332 of the Companies Act 2014:*
- *so far as each Director is aware, there is no relevant audit information of which the Company's statutory auditors are unaware, and*
- *each Director has taken all of the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.*
- Auditors – statement regarding auditors continuing in office. It is acceptable in this instance to use standard wording;
 - *The auditors, XYZ, Chartered Accountants and Statutory Audit Firm have expressed their willingness to continue in office in accordance with the Companies Act 2014.*
 - **OR**
 - *The auditors, XYZ, Chartered Accountants and Statutory Audit Firm, having been appointed during the year, continue in office in accordance with the Companies Act 2014.*

Section (7): Financial Reporting

Specifically in regard to the financial statements component of the annual report, it should;

- (a) Tell a consistent story throughout the financial statements by reference to both qualitative and quantitative information.
- (b) Ensure that the financial statements are consistent with the rest of the report and that there aren't parts of the financial statements, that are unclear, difficult to understand or inconsistent with the rest of the annual report.
- (c) Ensure that the financial results of the organisation make sense and stack up in the context of the rest of the document. For example, the surplus or breakeven position in the income statement should be discussed in the report as to how it was achieved. The activities generating the income should be identified. Where an organisation incurs a loss/deficit, there should be a clear explanation of how the loss arose and the actions taken/to be taken to address this situation. The actions should make sense and stack up in the context of the rest of the document.
- (d) Set out a clear reserves policy and ensure that the policy sets out the target minimum reserves level.
- (e) Have a detailed disclosure note showing the reserves at the start and end of the period and which shows and explains the movements on those reserves. Where reserves are below the target minimum level, that there is an explanation of actions to be taken to reach the target level.
- (f) Ensure that the financial statement technically meet the requirements of the accounting standards under which they were prepared (e.g. FRS102, SORP) and Companies Act 2014 requirements for companies.

Section (8): Guidance for Preparing Financial Statements

1. STATEMENT OF FINANCIAL ACTIVITIES (SOFA) (including an income and expenditure account)

- The SOFA is the equivalent of the Statement of Comprehensive Income required by FRS102.
- The SOFA should include all income, gains, expenditure and losses recognised for a reporting period.
- The format of the SOFA should be in accordance with Section 4 of Charities SORP (FRS102) (see Appendix 1)
- All items of income and expenditure presented in the SOFA should be split between Restricted, Unrestricted and (where applicable) Designated, Endowment
- Terminology should be in accordance with Section 4 of Charities SORP (FRS102) (*note change in terminology in latest version of Charities SORP*) (see Appendix 1)
- Consolidated income and expenditure should be presented where applicable
- Comparative information (split by fund type – restricted /unrestricted /designated /endowment) **must** be provided for all items of income and expenditure presented in the SOFA albeit this can be presented in a note to the financial statements rather than on the face of the SOFA

- Reporting of income and expenditure should be on a consistent basis, e.g. if an activity basis of reporting is adopted for income, expenditure should also be reported on an activity basis
- Governance costs are no longer required to be disclosed on the face of the SOFA but should be separately disclosed in the notes to the financial statements
- Transfers between different classes of funds must be shown in the transfer row of the SOFA with the total on the transfer line netting to nil
- The opening and closing balances for each class of fund should be presented at the end of the SOFA. The closing funds should agree to the balance sheet
- Cross references to notes should be included for all material line items in the SOFA.

2. STATEMENT OF FINANCIAL POSITION (Balance Sheet)

- The balance sheet should show the resources available to the charity and whether these are available for all purposes of the charity or whether they must be 'restricted' to particular purposes
- Format and terminology should be in accordance with Section 10 of Charities SORP (FRS102) (see Appendix 2)
- Where consolidated financial statements are required to be presented, both a consolidated balance sheet and a parent company balance sheet should be presented
- The balance sheet must be signed by two Trustees/Directors and the date which the financial statements were approved by the Trustees/Directors must be specified

Cross references to notes should be included for all line items in the balance sheet with the exception of cash

3. STATEMENT OF CASH FLOWS

- Charities preparing their accounts in accordance with FRS102 and Charities SORP (FRS102) must provide a statement of cash flows except where disclosure exemptions apply (e.g. the charity is a subsidiary of a parent which prepares a cash flows statement, the results of the subsidiary are consolidated with the parent and those consolidated financial statements including the consolidated statement of cash flows are publicly available)
- The Statement of Cash Flows identifies a charity's cash flows and the net increase or decrease in cash and cash equivalents in the reporting period.
- Format and terminology should be in accordance with Section 14 of Charities SORP (FRS102) (see Appendix 3) (*note the change in format in the new SORP – cash flows must now be presented under operating, investing or financing activities – Sections 14.8 to 14.13 of Charities SORP (FRS102) provide examples of cash flows under each of these categories*)

Where significant cash or cash equivalents are held which are not available for use to further charitable activities (e.g. cash held in endowment funds), the charity should disclose the amount which is unavailable and the reason why it is unavailable)

4. ACCOUNTING POLICIES

- The accounting policies should be included in the notes to the financial statements (*note that this is a change from previously whereby there were variations as to the positioning of accounting policies*)
- Accounting policies explain the basis on which the financial statements are prepared and explain the accounting treatment of **material** transactions or items in those financial statements (note that only material items need to be explained but, equally, all material items must be explained)
- The accounting policies should be **specific** to the charity and, **for each material item** included in the financial statements, should set out the basis for recognition and measurement
- Accounting policies are supplemented by estimation techniques where judgement is required in measuring income, expenditure, assets or liabilities. Any estimation techniques or judgements applied must be explained in the accounting policies.
- Appendix 4 sets out the accounting policies which would be expected. It should be noted, however, that this list is not necessarily all inclusive and an individual charity may have particular transactions or circumstances which warrant the inclusion of additional accounting policies. Equally there may be accounting policies within this list which are not applicable to a particular charity.

5. NOTES TO THE FINANCIAL STATEMENTS

- The notes to the financial statements should support and provide further detail on items included in the SOFA, Balance Sheet and Statement of Cash Flows
- As noted under Section 1 above, all SOFA items should include full comparatives split by fund type
- At a minimum the following notes would be expected:-
 - Income – split by funder type/source, activity type, geographic location
 - Expenditure – split by activity type; breakdown of support costs and governance costs
 - Analysis of what has been charged/credited in arriving at surplus/deficit – in particular the following items – depreciation, foreign exchange, operating lease rentals, impairment of stock, cost of stock recognised as an expense, auditors remuneration (split between statutory audit, other assurance, tax, other non-audit)
 - Finance costs (interest paid and received)
 - Taxation – even though charities are by and large exempt from Corporation Tax, this fact (along with CHY number) should be disclosed
 - Note for **each class of asset and liability** presented on the balance sheet with both debtors and creditors split between less than/greater than one year and full comparatives provided for all. The terms and conditions attaching to debtors and creditors should be disclosed.
 - Where charges or mortgages are registered against properties owned by the charity, details of such charges or mortgages must be disclosed (property address, carrying amount, amount secured, person entitled, nature of charge, effective date)
- Staff Costs should be disclosed as follows:-

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- Average number of employees split by category (e.g. management, administration, services, etc.)
- Total staff costs split between Wages & Salaries, Social Welfare Costs, Pension Costs, Other compensation (e.g. termination costs, medical benefits, etc.)
- Amount of capitalised staff costs
- Salary bands (number of employees whose total employee benefits (excluding employer pension costs) fell within each band of €10,000 from €70,000 upwards)
- Total amount of employee benefits received by 'key management personnel'. The SORP notes that it may be helpful to disclose such benefits on an individual basis. In addition, in respect of key management personnel the following should be disclosed:-
 - The arrangements for setting the pay and remuneration of the charity's key management personnel and any benchmarks, parameters or criteria used in setting their pay
 - The name of any CEO or other senior management personnel to whom the charity trustees/directors delegate day to day management of the charity on the date the report was approved or who served in such a position in the reporting period in question
- CEO remuneration package (as opposed to just salary)
- Directors' remuneration – while it would be expected to be nil, this should be explicitly stated. Reimbursement of expenses to directors should be disclosed in the notes including the total amount reimbursed, nature of those expenses, number of directors reimbursed. Ideally the amount of expenses reimbursed would be split out by Director although this is not a requirement of the SORP.
- Funds should be analysed as follows:-
 - Movement by fund type from opening position to closing position (current and prior year)
 - Explanation of what each fund type relates to, restrictions pertaining to each fund and the purpose for which it is held
 - Explanation for any material transfers between funds
 - Details of the planned use of any material designated funds explaining the purpose of the designation
 - A summary of the assets and liabilities of each category of fund
- Other items to include in the notes (where relevant):-
 - Analysis of borrowings – split between current and non-current, maturity analysis, details of security attaching
 - Leases – note the change in FRS102 that **total amounts payable** should be disclosed (split between leases expiring in less than a year, between 2 and 5 years and after 5 years) rather than annual commitments
 - Notes supporting the Statement of Cash Flows (reconciliation of net income/expenditure to net cash provided by/used in operating activities; analysis of cash and cash equivalents; reconciliation of net cash and cash equivalents to movement in net funds)
 - Contingent liabilities
 - Commitments (capital and other)
 - Guarantees
 - Related party transactions (note – if there are no related party transactions this fact should be stated)
 - Where there are investments in group undertakings (subsidiaries, joint ventures, associates), the following disclosures are required:- name of entity, country of

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incorporation, shareholding, company/charity number, principal activity, performance for current year (income, expenditure, surplus/deficit), financial position at current year end (assets, liabilities, funds)

- Employee benefits / Retirement benefits
 - Financial instruments (even if only basic financial instruments such as cash, trade debtors, trade payables are held)
 - Provisions and deferred income notes should include a reconciliation from opening to closing position
 - Subsequent events
 - Where the charity has transitioned to, say, Charities SORP in the current year a note showing the effect of the transition should be presented
 - Detail any disclosure exemptions which are being availed of
 - Approval of financial statements
- For those entities required to comply with DPER Circular 13/2014, the notes to the financial statements should include the items specified in Section 5 of that circular (see link below).

6. FIVE YEAR FINANCIAL SUMMARY

While not a requirement, including a five year financial summary – even at quite a summary level – gives the reader a significantly better insight into the finances and performance over time of the organisation.

Useful links

- <http://www.charitySORP.org/>
- http://www.charitySORP.org/media/623807/esorp_helpsheet1.pdf
- <http://www.charitySORP.org/media/642655/frc-staff-education-note-13.pdf>
- The Dóchas Code of Conduct on Images and Messages <http://www.dochas.ie/images-and-messages>
- <http://circulars.gov.ie/pdf/circular/per/2014/13.pdf>

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APPENDIX 1 – Statement of Financial Accounts (SOFA)

	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Prior period total funds
	€	€	€	€	€
Income and endowments:					
Donations					
Earned from charitable activities					
Earned from other activities					
Investment and other income					
Total					
Expenditure:					
Cost of raising funds					
Expenditure on charitable activities					
Other expenditure					
Total					
Net incoming resources (resources expended) before investment gains/(losses)					
Net gains/(losses) on investments					
Net incoming resources (resources expended)					
Transfers between funds					
Other recognised gains/(losses):					
Gains/(losses) on revaluation of fixed assets					
Actuarial gains/(losses) on defined benefit pension schemes					
Other gains/(losses)					
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward					
Total funds carried forward					

APPENDIX 2 – Statement of Financial Position (Balance Sheet)

Note ref.		Total funds	Prior year funds
		€	€
	Fixed assets:		
	Intangible assets		
	Tangible assets		
	Heritage assets		
	Investments		
	<i>Total fixed assets</i>		
	Current assets:		
	Stocks		
	Debtors		
	Investments		
	Cash at bank and in hand		
	<i>Total current assets</i>		
	Liabilities:		
	Creditors: Amounts falling due within one year		
	<i>Net current assets or liabilities</i>		
	<i>Total assets less current liabilities</i>		
	Creditors: Amounts falling due after more than one year		
	Provisions for liabilities and charges.		
	<i>Net asset or liabilities excluding pension asset or liability</i>		
	Defined benefit pension scheme asset or liability		
	<i>Total net assets or liabilities</i>		

APPENDIX 2 – Statement of Financial Position (Balance Sheet) (Continued)

	The funds of the charity:		
	Endowment funds		
	Restricted income funds		
	Unrestricted funds		
	Revaluation reserve		
	Pension reserve		
	<i>Total unrestricted funds</i>		
	<i>Total charity funds</i>		

APPENDIX 3 – Statement of Cash Flows

	Total funds	Prior year funds
	€	€
Cash flows from operating activities:		
<i>Net cash provided by (used in) operating activities</i>	X	(X)
Cash flows from investing activities:		
Dividends, interest and rents from investments	X	X
Proceeds from the sale of property, plant and equipment	X	X
Purchase of property, plant and equipment	(X)	(X)
Proceeds from sale of investments	X	-
Purchase of investments	-	(X)
<i>Net cash provided by (used in) investing activities</i>	X	X
Cash flows from financing activities:		
Repayments of borrowing	(X)	(X)
Cash inflows from new borrowing	X	-
Receipt of endowment	X	X
<i>Net cash provided by (used in) financing activities</i>	X	X
<i>Change in cash and cash equivalents in the reporting period</i>	X	X
Cash and cash equivalents at the beginning of the reporting period	X	X
Change in cash and cash equivalents due to exchange rate movements	X	(X)
<i>Cash and cash equivalents at the end of the reporting period</i>	X	X

APPENDIX 3 – Statement of Cash Flows (Continued)

	Current Year	Prior Year
	€	€
<i>Net movement in funds for the reporting period (as per the statement of financial activities)</i>	X	(X)
Adjustments for:		
Depreciation charges	X	X
Dividends, interest and rents from investments	(X)	(X)
Loss/(profit) on the sale of fixed assets	X	(X)
(Increase)/decrease in stocks	(X)	X
(Increase)/decrease in debtors	(X)	X
Increase/(decrease) in creditors	X	(X)
<i>Net cash provided by (used in) operating activities</i>	X	(X)

APPENDIX 4 – Accounting Policies (included within the notes to the financial statements)

(Note; this list is not necessarily all inclusive and will require consideration by an individual organisation in the context of its material income, expenditure, assets and liabilities. Organisations should aim to develop accounting policies that are specific to the organisation rather than using boilerplate policies)

- General Information – will usually refer to some or all of the following:-
 - What the financial statements include (i.e. SOFA, Balance Sheet, etc.)
 - The legal and charitable status of the entity
 - Location of registered office and principal place of business
 - At present, due to the anomaly within the Companies Act 2014 with regard to using the presentational format of SORP, an explanation of the departure from Companies Act 2014
- Statement of Compliance (with FRS102 and Charities SORP (FRS102))
- Currency (presentational and functional)
- Basis of preparation (reference to FRS102, Charities SORP (FRS102) and Companies Act 2014 as applicable)
- Going Concern (*note – going concern must be referred to regardless of whether there is any doubt as to the ability of the entity to continue on a going concern basis*)
- Judgements and key sources of estimation uncertainty
- Income
- Grants
- Donated services and facilities
- Expenditure
- VAT
- Taxation
- Allocation of support costs
- Leases
- Employee benefits/retirement benefits
- Foreign currencies
- Tangible fixed assets (including depreciation)
- Stocks
- Financial assets
- Business combinations/joint ventures/partnership etc.
- Cash and cash equivalents
- Financial instruments (*note – required even if only basic financial instruments are held. Basic financial instruments include cash and bank balances, trade and other receivables, inter-company balances, trade and other payables*)
- Unlisted investments
- Trade and other debtors
- Trade and other payables
- Deferred income (*note – as deferral of income is only allowed in quite limited circumstances under Charities SORP (FRS102) it is important where income is deferred to include a very clear explanation of the reasons underpinning that deferral*)
- Provisions and contingencies
- Funds (restricted, unrestricted, designated, endowment).