

**THE SHANTY EDUCATIONAL
PROJECT
COMPANY LIMITED BY GUARANTEE**



Annual Report and Financial Statements

2018



Energy for generations

Goodbody



J.P.Morgan



AN BAINN DAL AGUS EILE AGUS COPHOIR ANNAIS DEPARTMENT OF JUSTICE AND EQUALITY

accenture

Lauritzson Foundation

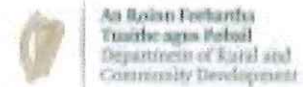


State Corporate Administration of the Revenue & Customs, Department of Communications, Energy and Transport



SOCIAL INNOVATION FUND

City&Guilds Group



An tAonán Forbartha Tráchtáil agus Heolaíoch Department of Rural and Community Development



A&L Goodbody



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About The Shanty Educational Project

The name of the Company is The Shanty Educational Project Limited by guarantee trading as An Cosán, An Cosán VCC and An Cosán Fledglings.

The Company is established for charitable purposes only. The main objects for which the Company is established are:

- To provide for the relief of poverty, deprivations and disadvantage in disadvantaged areas through the provision of education, training, employment, enterprise and childcare.
- To empower local people through education and enable them to fully participate with local authorities and State agencies in the delivery of Government.
- To promote sustainable local development by the development of the leadership, strategic and entrepreneurial capacities of local people.
- To provide education, training, enterprise and childcare by establishing, building, maintaining and conducting a centre of centres or such facilities as may be thought desirable.

An Cosán is a registered charity in Ireland, our company registration number is 131383 and our charity (CHY) number is 8659.

COMPANY SECRETARY: Barbara Cotter

CEO: Elizabeth Waters

Charity Regulator Number: **20021528**

| <u>Board of Directors</u> | <u>Auditors</u> | <u>Solicitors</u> | <u>Principal Bank</u> |
|---|---|--|---|
| Anna Durkan Geraldine French Bill Roche Conal Henry Barbara Cotter Mairead Butler – appointed 14/06/2018 Martina Genockey – appointed 14/06/2018 Michael Duggan – resigned 16/04/2018 Gillian McWilliams – resigned 14/06/2018 Bernie Ruane – resigned 7/11/2018 | Crowe Ireland, Marine House, Clanwilliam Court, Dublin 2 | A&L Goodbody, North Wall Quay, Dublin 1 | Allied Irish Bank Village Green Tallaght Dublin 24 <u>Other Bank</u> Bank of Ireland Ballsbridge Dublin 4 |

Our address is Kiltalown Village Centre, Fortunestown Road, Jobstown, Tallaght, Dublin 24.

The following Directors are retiring by rotation

| |
|------------------|
| Anna Durkan |
| Bill Roche |
| Mairead Butler |
| Martina Genockey |

The following Directors have been re-elected

| |
|------------------|
| Anna Durkan |
| Bill Roche |
| Mairead Butler |
| Martina Genockey |

The Members are as follows:

| First Name | Surname |
|------------|------------------|
| Dara | Hogan |
| Adrienne | Molloy |
| Anne | Genockey |
| Brenda | O'Malley Farrell |
| Eileen | Durkan |
| Elizabeth | Waters |

Registered Office: An Cosán, The Shanty Educational Project CLG, Kiltalown Village Centre, Jobstown, Tallaght, Dublin 24.

An Cosán continues to serve disadvantaged communities not just in West Tallaght but all over Ireland. Our mission is to empower through education – we do that by providing people of all ages with pathways to learning, leadership and enterprise. An Cosán offers a variety of programmes in early years education and care, parenting, community foundation, further and higher education. Our Virtual Community College also now brings our ethos beyond Jobstown to locations across the country.

2018 has been another busy year for An Cosán and An Cosán Virtual Community College – the re-integration of the two entities was successfully undertaken and overseen by CEO Liz Waters with the support of the senior Management team, and the cooperation and support most importantly from all of the team members. The transformation continues and the learnings from each operation have been hugely beneficial and have strengthened the organisation and great credit is due to everyone involved. Our adult education programmes go from strength to strength.

Our Early Years Services have also developed under the auspices of our COO Anne Genockey. It is particularly important to see pre-school children introduced to STEM at such a young age. In November I attended the Launch of the Early Years STEM project - launched by Minister Katherine Zappone - encouraging young children to dream big and to be what they want to be – an astronaut, an engineer, a scientist... and encouraging these dreams is part of the fabric of An Cosán and it was a pleasure to witness such excitement amongst the children and their parents as they demonstrated their skills with Dr. Niamh Shaw who worked with Anne and the team to develop the programme content.

We officially launched our strategic plan 2018-2021 which is visionary and ambitious, the Board of An Cosán oversaw its development and are pleased to see it as a 'first' for An Cosán as a national organisation.

2018 saw the continued success of our International Women's Day lunch, our Golf Classic and Our Winter Ball – support of these events goes from strength to strength and continues to spread the wonderful message of An Cosán and the support of these events is very much appreciated. Fundraising is a key component of the work of the Chair and the Board and makes a significant contribution to the creation of unrestricted funds for the organisation.

We work closely with our government departments who fund us – ensuring compliance and results for everything we undertake and we continue to source new strands of funding as we strive to become a sustainable organisation. In 2018 we continued to develop corporate partnerships which resulted in JP Morgan contracting to sponsor our 2 year Young Women's Education programme with a start date in 2019 and the HEA announcing a significant grant award for An Cosán in collaboration with IT Carlow and Goodbody Stockbrokers, following their successful collaboration with our learner Avril Hannifin, inviting us to compete for their official charity partner nomination. These partnerships are a tremendous validation of our work and a lot of hard work goes into bringing them to fruition.

An Cosán VCC and Accenture were shortlisted finalists in the European Digital Skills Awards 2018 for the roll out of the Skills to Succeed Academy project last summer. A personal Highlight was to watch Liz Waters collect the prize for Social Entrepreneur at the Image Woman of the Year Awards on the occasion of her 70th Birthday. Liz also won an Award at the Women Mean Business Awards. Liz always promotes the best interests of An Cosán and has helped to promote our brand and image and no one deserved these awards more than she.

As a board we are very concerned for the future sustainability of the organisation, without increased state funding we will be singularly challenged to be sustainable despite the small surplus this year. As a Board we are committed to

working to ensure a bright future for An Cosán and all the beneficiaries of our work nationally. I thank all of the board members who continue to support so generously with their time and expertise, the challenges of sitting on a board increase every year but I know I speak on behalf of all of the board when I say it is a great honour to sit on the Board of An Cosán and to support the work and dreams of all of the amazing teams and we will continue to remain committed in our duties.

Anna Durkan
Chair of the Board of Directors
June 2019

Vision:

A society free from all forms of poverty and inequality, rich in resources where people of all ages have access to the education they need to enhance their wellbeing and to achieve their full potential.

Mission:

To use the power of transformative education through learning, leadership and enterprise to end the injustice of poverty wherever we find it.

'Fail fast, fail forward, take risks and innovate'

Over the past thirty two years An Cosán has been a flexible and adaptable organisation, responding to a variety of forces for change; community needs, state strategy, limited resources and rapidly changing national, European and global economic conditions. Such forces shaping, supporting and sometimes challenging our work but we have always stayed true to our vision and mission. The organization has a history of supporting calculated risk, innovation and a willingness to accept failure at times all in the effort to expand and deepen our commitment to serving communities across Ireland. Through the darkest recession, An Cosán scaled it's delivery regionally and nationally through collaborative partnerships with state, corporate and community organisations throughout the country and now has a presence in 22 counties across Ireland. The decision taken by the Board to support the scaling of An Cosán's work is an outstanding example of what have become buzzwords for contemporary organizational development and innovation: ***'Fail fast, fail forward, take risks and innovate'***. The result of this approach to organisational and community development is the growth of An Cosán from a local organisation in West Tallaght to a regional and national organisation working in collaboration with a variety of stakeholders.

2018 saw the launch of our latest Strategic Plan, our first strategic plan framed within a national context. We are a 21st Century lifelong learning initiative and the strategic plan anchors our vision firmly in this young century with its innovation and developments harnessing the power of technology. This plan is ambitious in its scope, it focuses on goal building that reflects all that is best in 21st century teaching and learning: it is learner centred, reflective, inclusive, collaborative and fit for a digitised world. An Cosán is a learning community where all involved, board, staff, learners and other stakeholders work proactively together to reimagine our world, co-creating new knowledge and bringing about social change nationally.

The **Strategic Plan** lists five key goals for the coming three years.

Goal 1: *Be a world class technologically enhanced community education initiative, with local, regional and national reach*

Goal 2: *Develop a range of initiatives promoting and delivering high quality early years education that nurtures children's learning and development in partnerships with families*

Goal 3: *Initiate and support the development of social enterprises across Ireland*

Goal 4: *Invest in strengthening our organisational capability, culture and wellbeing to allow us to operate as a cohesive and valuable national organisation*

Goal 5: *Source new and sustainable funding which allows us to continue to achieve our mission*

Our strategic planning process was a consultative process, informed and shaped by consultation and feedback exercises involving board members, staff and other stakeholders. The research component of this strategy planning process involved a review of previous strategic plans, current state policies, annual and programme evaluations and a review of contributions from a range of stakeholders. The process allowed ideas and issues to be examined and discussed in an open spirit of inquiry,

with the aim of creating a strategic plan owned by the entire organisation and describing and directing An Cosán's work and plans up to 2021.

Principal Activities undertaken to achieve our mission

An Cosán is an educational social enterprise facility with its national office in Jobstown Tallaght West. An Cosán is recognised as the biggest and one of the leading community education organisations, a distinct segment of the education sector. It has gained both significant corporate and state recognition and financial support growing from a local organisation to a national organisation as it has scaled its services to other disadvantaged communities across Ireland. An Cosán offers a supportive and holistic environment, rooted in the philosophy that "Education is the key to eradicating poverty and social injustice". An Cosán's innovative and collaborative approach works meeting the needs of the most disadvantaged in our society as we fight to demolish the digital divide, eradicate poverty and enable social cohesion.

An Cosán provides a range of educational opportunities for children and adults to access in pursuit of learning, leadership, employment and enterprise. These educational pathways include a HighScope curriculum, STEM programmes for children workshops and one to one support for their parents. Rainbow House is An Cosán's local early years' service for preschool and afterschool children. Short and year-long courses spanning the National Framework of Qualifications, with wrap around learner support services including early years and after school care, counselling, IT access, and mentoring are available for adult learners. An Cosán's Virtual Community College now reaches across 22 counties supporting disadvantaged communities across Ireland. An Cosán also supports six additional early years services serving disadvantaged communities across Dublin. Learner's report that the three most important reasons for starting a course in An Cosán are: to build self-confidence; enhance employment prospects; and to access an educational qualification. Education, apprenticeship and employment progression are integral parts of our programmes which focus on ensuring every citizen has economic and social security.

Since 1986 over 19,500 adults and children have availed of our services.

Currently in excess of 2,000 access our adult education programmes nationally and 300+ children and families access our early years services annually.

The social and economic context of our work

Ireland is coming firmly out of recession, with unemployment levels falling back to boom time lows, and GDP ranking 5th internationally in 2016. However, many of the benefits of the recent upturn in the economy are not being universally or evenly distributed, with communities of disadvantage still feeling the negative effects of cumulative years of recession deeply.

Educational inequality is one of the most serious social issues facing Ireland today. Educational underachievement is intergenerational and characterised by poverty. Communities struggling with the injustice of poverty are, as a whole, characterised by very poor educational achievement and all the associated outcomes; intergenerational unemployment, poor health and wellbeing, multiple addictions, mental health issues, homelessness and suicide. It takes resilient, creative communities focused on personal and social change to challenge the underlying inequality and disadvantage and turn the tide, there are such communities all across Ireland.

Barriers faced by individuals returning to education

Individuals taking the risk to return to education as adults often have a very challenging pathway, they may have to journey through fear, shame, a deep sense of failure, often they are characterised by a deep lack of self-belief and confidence, it takes courage to cross the threshold of An Cosán. The specific barriers facing people accessing further and higher education in Ireland are varied and intersectional. They include financial cost, there are no higher education grants for part-time students, childcare considerations, geography, public transport availability and lack of institutional access (HEA, 2013).

A myriad of reports from the EU, United Nations, IMF and other research organisations prove over the decades the important connection between investing in education and successfully reducing avoidable intergenerational social outcomes including but not limited to poverty and social exclusion.

Research published by the ESRI and Pobal (July 2018) indicates the many barriers to social inclusion that people from marginalised communities experience. Five barriers to social inclusion have been identified by this study:

- (a) belonging to a jobless household,
- (b) being a lone parent,
- (c) having a disability,
- (d) being homeless or affected by housing exclusion
- (e) belonging to an ethnic minority.

The study found that the most commonly reported barrier was belonging to a jobless household. People with low levels of educational attainment are more likely to face all five barriers. People educated to above Leaving Certificate level are 10 per cent less likely to belong to a jobless household, be a lone parent, or have a disability.

Lone parents emerge in all current research as the group most affected by poverty and deprivation. The poverty rate among Ireland's working lone parents more than doubled in just five years from 2012 with their living standards now among the worst in Europe, according to a report from the Society of St Vincent de Paul 2019 (SVP)¹.

The report found that in 2012 one in 11 working lone parents was living below the poverty line but that number had jumped to one in five by 2017.

A further ESRI report highlights the importance of providing longer-term targeted supports for lone parents facing multiple challenges, such as low levels of education, lack of self-confidence and living in disadvantaged neighbourhoods.

Ireland is in the process of responding to the fourth industrial revolution, **Digitalisation** which is disrupting our social and economic circumstances and fundamentally altering the nature and future of work and education and training. Understanding the opportunities, challenges and impact of digitalisation on work and life-long learning is key to supporting the personal fulfilment and development, employability, social inclusion and active citizenship for every adult and child engaged in lifelong learning. Everyone now needs to have a sufficient level of digital competence in order to play an active part in society. 52% of the Irish adult population do not have basic digital skills. Adults who do not possess a sufficient level of such skills face a high risk of social exclusion, by 2024, roles requiring digital skills will grow by 12%. The ability to manipulate digital tools will become critically important in the next 5 years.² The ability to seize the opportunities provided by digitalisation however, is not evenly distributed. Vulnerable and marginalized populations will face a 'double disadvantage' in the future, due to a lack of awareness of or the means to adapt to these changes. Relentless change is the new normal and technology will be a powerful tool that will allow us to innovate and create new ways of teaching and learning.

While Ireland ranked first in reading scores on the PISA test with children in 2015, there is considerable work to be done in raising adult literacy levels. 18% of Irish adults score on or below Level 1 (the lowest level) of the PIAAC literacy scale, with 25% at this level for numeracy and 48% for IT literacy. These are particularly alarming when it is considered that those over 65 years were excluded from the survey. Low literacy levels create social inclusion concerns, in particular IT literacy levels, which increasingly impact access to information, public services, education and employment opportunities. For those with proficient

¹ The Society of St Vincent de Paul (SVP), [Working, Parenting and Struggling](#).

² Accenture Skills of the Future Survey 2017

literacy levels across the spectrum, there has been increased emphasis internationally on the importance of critical media literacy.

Lifelong learning and adult education

Lifelong learning participation rates in Ireland are low, at 6-7%, compared to 10% across Europe. Marginalised community members are less likely to participate in lifelong learning, with adults who have completed secondary school, 65% more likely to engage in adult education programmes (Global Education Monitoring Report Education for all 2000-2015: Achievements and Challenges).

Children and Young People

A child or young person's socio-economic background influences both their school completion chances as well as their achievements within examinations. A mother's educational level and the amount of educational resources in the home (such as books) has been shown to impact significantly on the reading, mathematics and science test results of 4th class primary school children (Cosgrove and Creadon, 2013). The Growing Up in Ireland study shows that children whose parents are not in employment, have low household income, or whose mother is an immigrant, find it substantially harder to transition into primary school than other children. A 2007 study showed that 54% of young people from a higher professional background achieved a minimum of 4 grade Cs in Higher Level papers compared to 13% of young people from an unskilled background. A 2014 study (McCoy et. al.) showed the same trend continuing to exist in the Junior Certificate.

Our secondary school completion rates have increased dramatically over recent decades. In 2014, 91% of students completed secondary school, a high rate, but still leaving almost 1 in 10 who did not (DES, 2015). The Leaving Certificate acts as a gateway to further and higher education, and hence, employment so the 4,500 young people who leave school before completing the Junior Certificate face serious challenges

Many communities struggling with disadvantage still feel the negative effects of cumulative years of recession deeply:

- 14.7% of young people are currently not in education, training or employment, with that rate worryingly rising to 20% for 20-24 year olds (OECD).
- 99% of children from Dublin 6 progress into higher education compared to 21% in Killinarden.
- 48% of children are living in one parent households
- 34% of households do not possess a personal computer of any kind (Census 2016).
- Part-time students must pay fees and are excluded from state supports including the SUSI grant and the Back to Education Allowance.

There is an increased focus in public policy on employability, in particular in further and higher education policy, and a shift away from a lifelong learning focus that encourages active citizenship, social inclusion and social action models of education.

Early Years Education

Early childhood is a time of great opportunity for learning and development. 'Better Start' talks about how early childhood is a critical period in life, and *high-quality* education and care in early childhood is essential if we are to give children strong foundations.

There is a substantial body of evidence supporting the impact that early years services can have on improving outcomes for children from disadvantaged backgrounds. (Breaking Point, 2016.) Many families and children are faced with multiple challenges every day. A Community based Early Years Service operating in a disadvantaged community will provide children and families with a huge range of services and address a huge range of needs such as developmental delays and learning needs, emotional difficulties etc. Highly qualified, experienced early childhood professionals can support parents to deal with these

ongoing difficulties and break out of the cycle of poverty, while all the time providing early learning opportunities to their children.

The impact that early years services can have on improving outcomes for children from disadvantaged backgrounds has been widely evidenced. Early intervention has been shown to be cost effective, saving money in the medium to long term.

2018 also saw the beginning of a new Social Enterprise in Early Years in An Cosán – the Relief Cover Panel programme, like Fledglings and VCC this initiative underpins An Cosán’s commitment to social enterprise development.

In An Cosán we know what works:

- increasing maternal education levels improves the social and economic outcomes for children growing up in disadvantaged communities.
- providing meaningful and participant centred educational programmes for young people who are currently both unemployed and not in education is crucial. We know that these must reach those who are most disadvantaged.
- providing high quality early years education, is one of the key ways to increase the educational outcomes for children living with disadvantage.
- Facilitating a mother to access and complete a degree programme, has the real potential to lift her entire family out of poverty - #OneGenerationSolution.
- Providing a wide range of digital skills programmes from basic digital skills, through pre-apprenticeship skills and 21st century business administration skills prepares learners for a digitised society.

An Cosán is prepared for the new world of work, as pointed out in *Future Jobs Ireland* ‘technological advances such as automation and artificial intelligence, and our transition to a low carbon economy are already beginning to reshape sectors, business models and jobs. We will see profound changes in some areas and the emergence of new sectors and sub-sectors. Job roles will also change and new types of jobs will appear that will need new and diverse skillsets.’

We know that meaningful access to education for disadvantaged adults means providing transformative community education - a curriculum that touches the mind, heart, body and soul in a belief that it can generate enough individual and communal energy to change lives and communities. It means providing childcare, a warm and welcoming environment, one-to-one academic support and mentoring, literacy (particularly IT literacy) support, guidance and counselling. These are particularly important for those who have had negative childhood educational experiences, or who are alienated from the mainstream education system. This is our An Cosán model.

Overall assessment - A Year of Challenge and Achievement

This is the context within which An Cosán has worked in 2018, a year of challenge and achievement. We will present our achievements in the first place and focus on key challenges under our Finance Review.

In An Cosán we know what is needed to support our work with the most marginalised, to achieve social justice and build a society characterised by equality for all. The outline of our achievements and performance below will highlight the significant contribution An Cosán has made in 2018 to achieving our mission. We believe in working collaboratively with state agencies to achieve many shared goals and recognise their support for our work locally in Tallaght West. We have gained considerable corporate support to pilot and showcase our national growth and impact through VCC but it is clear we need mainstream state funding to ensure the sustainability of that national impact over the coming years. We are committed to working in partnership with local and national organisations to build a united response to the educational needs of marginalised communities across Ireland.

Community Employment Scheme (CE Scheme)

An application to run a An Cosán CE scheme was finalised, and accepted by the Department of Social Protection in 2018. The plan for the scheme was to recruit 20 participants across a mixture of roles in the organisation. Following the acceptance on the scheme a supervisor was recruited, and is based in An Cosán. By the end of the year we had ten participants recruited for

the scheme, with plans to recruit 10 more. The participants are in a range of roles such as early years educators, administrators, receptionist, basic IT tutors, education facilitators, and financial assistants. An Individual Learning Plan (ILP) was put together for each participant to ensure they meet their personal goals, and meet the criteria for DEP.

PPN Programme

An Cosán also tendered to host the PPN (Public Participation Network) position, and was successful with our application. Our role is to employ and manage the HR side of the co-ordinator’s post. Monthly progress meetings are held with the Secretariat of the PPN and a representative from South Dublin County Council.

Community Education Technology Network (CETN)

During 2018, An Cosán founded the Community Education Technology Network. The key objective of the Network is to support community organisations to grow and develop their organisation’s technological skills and abilities and technologically enhance their own curriculum development and delivery.

An Cosán makes a significant contribution to local economies, employment figures and to revenue.

| | Contribution to the local Economies | Number of Staff in An Cosán | Contribution to the Exchequer | Contribution to the Revenue |
|------|-------------------------------------|-----------------------------|-------------------------------|-----------------------------|
| 2018 | Tallaght West €455k | 44 Full Time | €121k | €522k |
| | Other Local Economies €1.9m | 75 Part Time | | |

An Cosán Education and Training Programmes

Our adult learning provision is founded on concepts of inclusion, participation, social action, capacity building and transformational practice. In short, empowerment through community education. We embrace the possibilities of the 21st century, in particular those offered by technology enhanced learning. 2018 saw a major development in this respect. The process of the integration of the Virtual Community College with An Cosán in Jobstown commenced. This was supported by the creation of the new post of National Director of Education and the appointment of Dr Catherine Bre... as Director in September 2018. Integration has opened-up significant opportunities to expand our range of learning provision and progression pathways from Access Education through Further Education to Higher Education based on our core ethos, and to extend who will have access to these.

As we move forward, and through vital collaboration with our community partners, these opportunities will enable learners to pursue their individual learning and progression pathways, discovering and achieving their ambitions.

At our home at An Cosán in Jobstown, our commitment to our local community is obvious in our efforts to strengthen our centre for lifelong learning, meeting the needs of adult learners while simultaneously Rainbow House offers excellence in early childhood education. We offer adult learning opportunity spanning 'returning to learning' unaccredited provision through accredited learning from NFQ Level 3 to Level 7. QQI accredits our further education. Higher education studies are accredited by our collaborative partner, IT Carlow.

We are building a continuum of learning modes: face-to-face provision through blended to pure online learning opportunities. This aims to make our empowerment focused learning opportunities as accessible as possible to learners wherever they are, and whenever they are available to learn. Learner-centred, flexible, competence-based learning opportunities and progression routes is a key objective.

To date, provision at An Cosán Jobstown has been through face-to-face learning. Now, with the integration with the Virtual Community College, blended and online learning is also taking place there. Through VCC and our Technology Enhanced Community Education Network of local community education partners (CETN), major and minor awards at levels 6-7, as well as introductory non-accredited courses, are now available nationwide. The VCC utilises a unique approach to blended learning, imbued with the philosophy of learner-centred, community education.

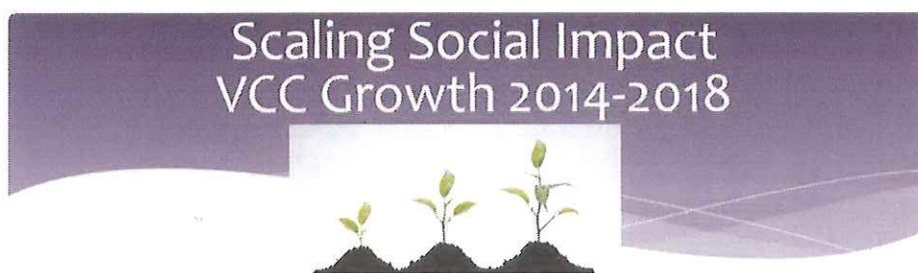
Our Technology Enhanced Community Education Network (CETN) was launched at our Community Partner Forum in July. The membership of this consists of our collaborative community education partners nationwide. This will be a major enabler of learner participation in blended learning provision across the country and will enable the technological capacity of the community education partners involved.

Our focus on contributing to meeting the challenges of the digital divide in Ireland was maintained during 2018. In association with Accenture, we extended our provision of digital training opportunities and access to the Skills to Succeed Academy (S2S). Our Young Women into Technology programme is now available via blended learning also. Our response is enhanced by our ongoing involvement with FIT. A further innovation in this area was the provision by Goodbody's of a Technology Apprenticeship placement for an An Cosán graduate.

In addition to the continued and welcome support from Pobal and DDETB, additional corporate and philanthropic sponsorship was secured. This enabled further innovative work to be undertaken. At the end of 2018, JP Morgan agreed to fund a new

iteration of the Young Women's Education Programme. This includes two exciting developments: the provision of the programme in two locations, Jobstown and northeast inner-city Dublin, and the embedding of digital skills, including the utilisation of blended learning. The Higher Education Authority awarded funding for a collaborative three-year project with IT Carlow. This will focus on the development of flexible, competency-based, learner-centred higher education pathways to level 7 degree for non-traditional learners.

To enable necessary growth to meet both need and demand, a review was undertaken of our core systems and services. We identified areas where increased capacity is required. Plans are now in place for the enhancement of our learner supports, administrative and information, quality assurance, marketing and recruitment, technology enhanced learning systems, and counselling service.



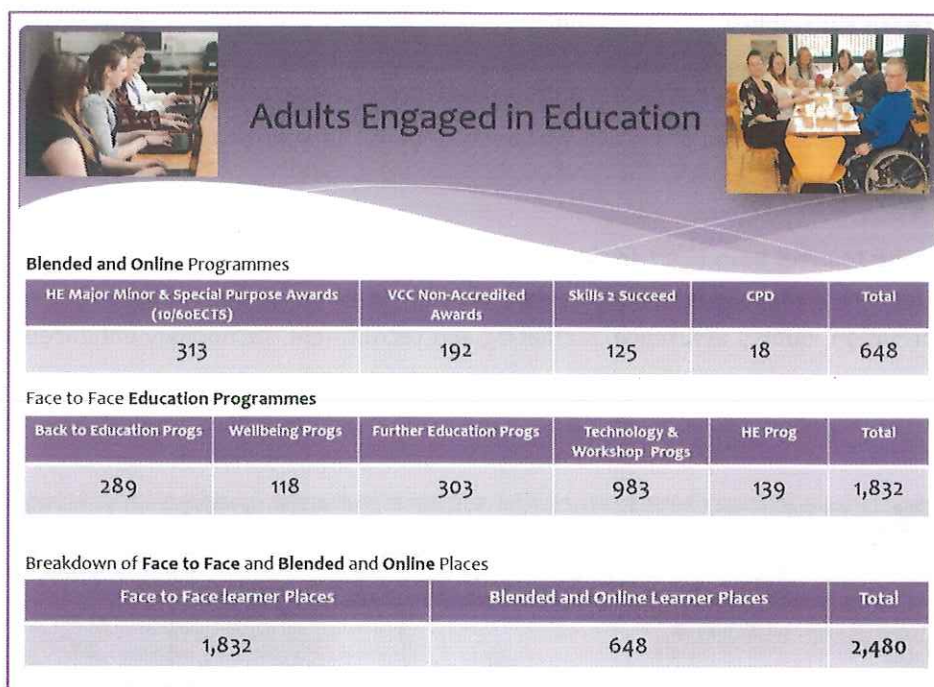
| Year | Number of programmes | Number of Community Partners | Number of Learner enrolments* |
|--------------|----------------------|------------------------------|-------------------------------|
| ➤ 2014 | 1 | 2 | 30 |
| ➤ 2015 | 3 | 3 | 50 |
| ➤ 2016 | 9 | 18 | 194 |
| ➤ 2017 | 22 | 33 | 429 |
| ➤ 2018 | 25 | 25 | 648 |
| Total | 60 | 81 | 1,351 |

* Note Individual Learners can be registered on multiple programmes. This is not a unique number of learners rather the number of enrollments on each programme.



Range of Provision – An Cosán, Tallaght

| | |
|--|---|
| Back to Education Programmes | 5 |
| Wellbeing Programmes | 5 |
| Technology Programmes | 4 |
| Further Education Programmes QQI Level 5-6 | 6 |
| Higher Education Programmes | 6 |



Highlights 2018

- The integration of adult learning at An Cosán and VCC successfully completed.
- Successful, innovative delivery in blended, group-to-group format, linking Wexford, Southend Family Resource Centre with An Cosán, Tallaght learner groups.
- Expansion of the technology enhanced learning facilities in both An Cosán Jobstown and at VCC.
- First blended, year-long Certificates in Leadership and Community Development and Certificate in Applied Addiction Studies and Community Development delivered through blended learning.
- City and Guilds funded Certificate in Leadership and Social Enterprise with Donegal/Derry women's groups completed.
- 'Collaborative Training for Community Education' CPD programme successfully delivered to members of the Community Education Network, part of An Cosán's and AONTAS's involvement in the European Agenda for Adult Learning.
- Significant expansion of the role and work of the Educational Technology function, including CPD delivery to tutors, and partnership projects with Kineo, Social Entrepreneurs Ireland, and the Wheel in an international Erasmus+ project.
- The Counselling Service continued to actively support our learners and local community in Jobstown.
- A new Business and IT Skills Level 5 major award was submitted for accreditation to QQI.
- The Technology Enhanced Community Education Network (TECEN) was launched at the Community Partner Forum in July 2018. Over 100 participants from all over Ireland participated.
- Funding was secured for a new iteration of the Young Women's Education Programme.
- In association with IT Carlow, HEA funding was secured for an exciting development of our higher education progression pathways for non-traditional learners.

Challenges 2018

Aside from the requirement for core funding, two particular challenges emerged this year. These are

- The requirements of the new GDPR regulations, and
- The requirement for systems development to enable sustainable growth in learner numbers. This relates in particular to marketing and recruitment, administration, information and quality assurance, learner supports including counselling and educational technology.

Education Excellence at An Cosán and at VCC

“Greetings from a very healthy visit to An Cosán. Their programme is always in the best shape...It is always a great pleasure to visit both of these projects as they are doing outstanding work with great care and attention to the students many of whom are from non-traditional journeys.....It may be appropriate to express a high level of satisfaction with the delivery and assessment of the courses examined [at VCC]. CIT can be confident that the students are both cared for a very high level on their learning careers and are producing high quality work in their assignments - as is also the case with the courses in An Cosán Tallaght”.

External Examiner Higher Education, Dr. Ted Fleming

An Cosán Early Years Care and Education

In 2018 we had eight early years' services operating under An Cosán – Rainbow House Educational Childcare Centre and seven Fledglings Early Years services. We were also in the second year of providing a Relief Cover Panel enterprise for early years, which supported all our services to operate at maximum capacity. Our home visiting programme- Lifestart - Iso supported many families throughout 2018.

Rainbow House Educational Childcare Centre continued to offer high quality early years education and care and intensive family support to parents /carers who were struggling with different issues and difficulties in their lives. 29 places for children from 3 months up to 4+ years were made available every day to parents to enable them to participate in education and training opportunities. Another 29 children attended for five days per week; the majority of these children were referred from Tusla, Child and Family Agency for a number of different reasons such as developmental delays, child welfare issues and other family difficulties. Our afterschool programmes provided fun educational activities for up to 28 children each day throughout the school year, and a Summer programme for the month of July.

We were also very excited to receive funding from the Department of Children and Youth Affairs (DCYA) for the development of a STEM in Early Years programme and worked with Scientist Niamh Shaw to develop the programme and offer it to the children attending the centre. The aim of the project was to enhance the quality of the curriculum offered to young children attending our early years and out of school services through the introduction of STEM activities; better enabling parents to support their children's education and to up-skill early year's educators in their practice.

Rainbow House also took part in an Erasmus + programme Thrience, which was co-ordinated by Marino Institute of Education, and has partners in Ireland, Poland and Portugal. These partners are across three levels of education: Higher Educational Institutions, Primary Schools and Early Childhood Educational settings.

Funding for Rainbow House is provided from Tusla and under the Government Subvention programmes.

Fledglings Early Years Education and Care Centres are based in Whitehall, Cabra and Tallaght. There were 34 staff employed and 182 children attending between the services. Fledglings celebrated their 10th anniversary in 2018 with a staff party and everyone present really enjoyed the evening.

Two of the Fledglings services received grants from DCYAs to develop their outdoor play spaces, and the Managers and staff were all delighted with the results, with the children reaping the benefits from the upgrade.

Four of our services received support under the Access and Inclusion Model (AIM) which is a model of supports designed to ensure that children with disabilities can access the Early Years programmes. The goal of AIM is to empower providers to deliver an inclusive early years experience, ensuring that every eligible child can meaningfully participate in the ECCE Programme and reap the benefits of quality early years care and education.

An Cosán Early Years continued to engage in a considerable variety of external structures, such as with Tusla under the Meitheal Programme and child welfare conferences to support families. Our Two Parent Carer Facilitators funded by Tallaght West Childhood Development Initiative (CDI) continued to identify needs and offer support in a wide range of ways.

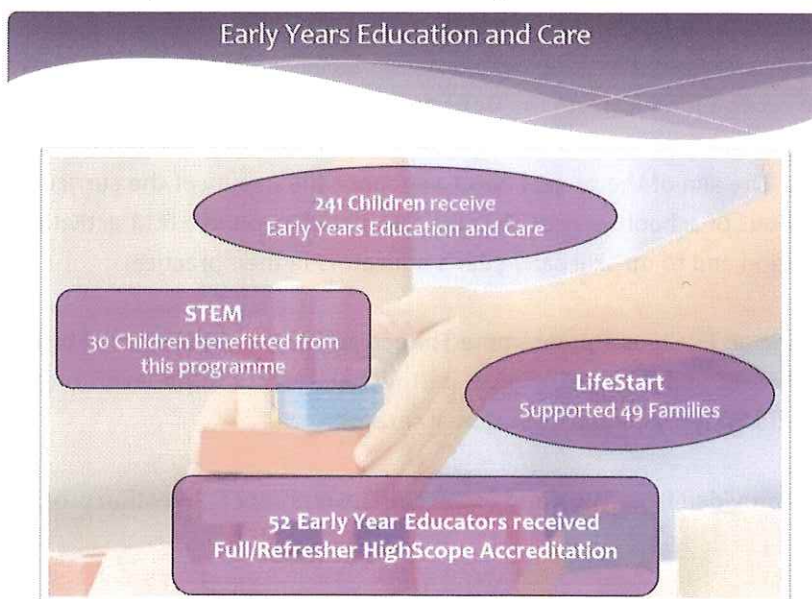
Annual inspections and audits of the services were carried out in the early years' services which included audits from Pobal and the pre-school inspectorate.

Family Days took place throughout the year e.g. trips to the Zoo, Easter Celebrations and trips to a farm. The children had a great Christmas celebration and the families in Rainbow House were joined by families from the Lifestart programme. We were delighted to be supported in all the Tallaght services and some of the North side ones by Tilman Brewin, who supplied books and selection boxes for the children.

Parents whose children were attending our Tallaght services were all supported to sign up to the Dolly Parton Imagination Library, a CDI scheme where free age appropriate books are posted monthly to all children up to age 5 years.

Lifestart Early Year's Programme

An Cosán's home visiting programme provided a service to 49 families in 2018, with links made into other An Cosán services where possible. A number of family events in An Cosán were held throughout the year, and focused on early literacy, messy play and child development. We were also successful in obtaining a small grant to purchase equipment to set up a Parent and Toddlers group, and this is facilitated by one of the home visitors every week.



The Relief Cover Panel Enterprise

Our Relief Cover Panel programme continued into its second year in 2018. The programme provided cover when early year educators were out on leave, and in some cases the support of these cover staff kept the centre with the correct staff ratios and prevented the centre from having to close on a particular day. The programme provided support to our early years services to operate when they experience staffing shortages, with a total of 2,640 hrs of cover work provided during the year. The internal and external working groups provided support to the panel with a total of eight meetings throughout the year.

Continuous Professional Development

52 early years staff across the services participated in HighScope training. 20 of these staff will receive full HighScope IHA Accreditation, and the remainder were refreshing their HighScope practises. This includes the relief cover staff and the Lifestart programme co-ordinator. Five full day, six-hour workshops were delivered to staff in the various centres. The programme was delivered on the North side and South side of Dublin to facilitate the EYE's from both sides of the city. The remaining seven days will be carried out in 2019. This training will ensure that all children receive a high-quality programme based on their interests and strengths and will give staff core knowledge and better understanding of the curriculum, along with skills and strategical approaches to perform more confidently in every day working situations.

Along with the compulsory training which early years educators and Managers completed such as First Aid, Child Protection, Manual Handling and Fire Safety, staff also engaged in a number of other programmes such as training in Access and Inclusion (AIM programme), Infant Mental Health Master Classes, LINC Training, speech & language and specialised language development training. There are also staff members who completed their Level 6, and others who started the BA in Early Childhood Education and Care.

During 2018 the Departments of Education and Skills, Children and Youth Affairs and Health developed a programme to provide in-school and in early years therapy services. The project is managed and co-ordinated by the National Council for Special Education (NCSE). Rainbow House and Fledglings St Anne's participated in this programme. The model is part of the government's overall aim to help every child to fulfil their full potential. The purpose of the project is to test a model of tailored therapeutic supports that allow for early intervention in terms of providing speech and language and occupational therapy within educational settings.

Our early years' service supported and provided placements for students from Marino Institute of Education, TU Tallaght, St Patricks DCU, and Partas Enterprise Training Centre.

The early years working group met on five occasions throughout the year to support the services and oversee the early years goals in the Strategic Plan.

Challenges

- Ensuring sustainability is the biggest challenge
- One of the big challenges for the early years services was recruiting and retaining staff, and this continued to be a problem for all the sector. Throughout the year staff raised the issue of pay scales and salary increases but it was not possible to address this in most cases.

- Ensuring our budgets allow us to offer high quality environments and programmes can be challenging, along with remaining sustainable. Services also have very little noncontact time and this can impact on the curriculum on offer to the children.



IMPACT

| | Early Years Education | Family Support | Lifestart Home Visiting Service |
|-------------|--------------------------|---------------------|------------------------------------|
| 2018 | 400 Children | 354 Families | 342 Visits with 42 Families |

Financial Review

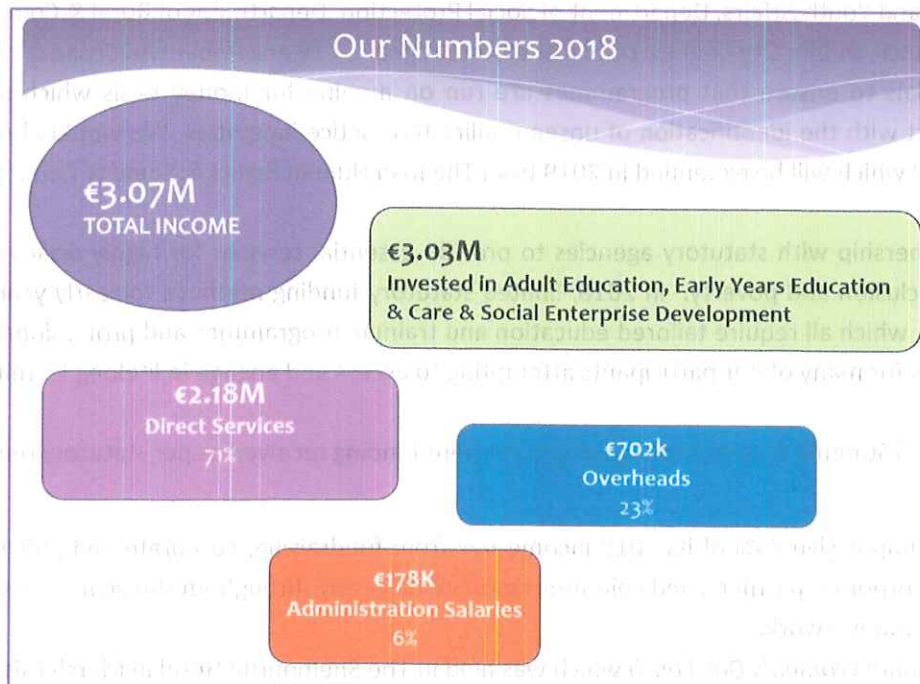
Our Financial Statements are showing a surplus €52,056 with a depreciation charge of €59,068. Our reserves figure is a deficit of (€159,973). It is worth noting that in the latter part of 2018 we had planned to carry out essential capital and ICT infrastructure upgrades using eligible funding from fundraised profit and donations (Approx. €30k). However, due to operational needs these works have been postponed to 2019. Therefore, this funding has been released and recognised in the year end profit figure of €52k.

During 2018 An Cosán launched its three year Strategic Plan and began implementing Goal No. 5 which is to source new and sustainable funding to allow us to continue to achieve our mission. 2018 marked an important step towards this goal. Overall we made good progress and going forward our objective remains consistent and clear and we're confident that we have the right strategy and plans in place to achieve this.

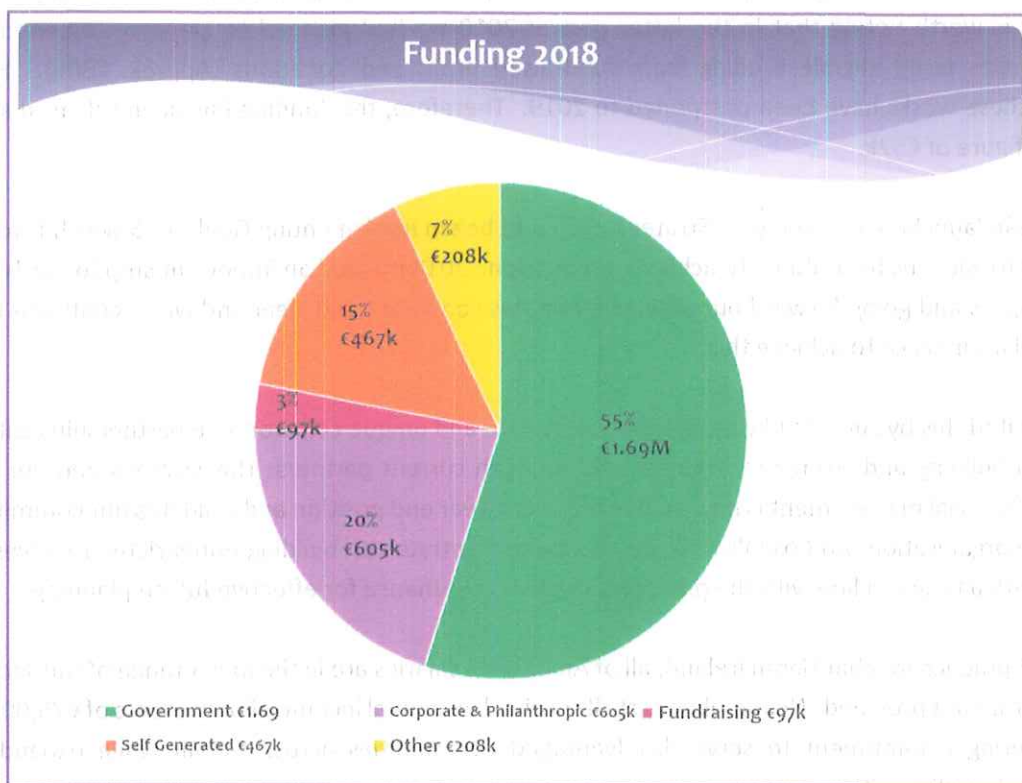
An Cosán demonstrated this by successfully developing innovative and unique collaborative partnerships with new corporate partners along with building and strengthening relationships with current partners. This strategy and our ongoing focus & attention to strong financial management is now evidenced in our year end position and validates our commitment to building the reserves for the organisation. An Cosán's Reserves Policy concentrates on building unrestricted reserves as a key part of the strategic plan with a target in line with the principles of good governance for effective future planning.

In keeping with best practice for charities in Ireland, all of An Cosán's salaries are in the lower range of the sector and company pensions or benefits are not provided. No member of staff received an annual income of or in excess of €75,000. This illustrates An Cosán's unwavering commitment to serve disadvantaged communities across Dublin while expanding our services nationally to others struggling with poverty.

At the date of approving this report and the financial statements, there are no uncertainties about the organisation's ability to continue as a going concern for the next 12 months.



State funding was limited to 55% (€1.69m) of our 2018 operating budget. An Cosán generated an impressive 45% (€1.3m) of income ourselves. During the period of the economic downturn An Cosán made a strategic decision to continue to support communities in need which resulted in exhausting our unrestricted reserves in order to maintain the much needed services to the communities we serve.



Statutory Support

An Cosán acknowledges the financial support it received from a range of government departments including TUSLA, Department of Children and Youth Affairs, Department of Social Protection, Department of Rural & Community Development, South Dublin County Council, Dublin City Council, Dublin and Dún Laoghaire ETB and Pobal. An Cosán staff work collaboratively with various state officials to ensure that programmes are run on a value for money basis which meets national policy objectives and also assist with the identification of unseen policy to practice inequities. We would also like to acknowledge funding awarded in 2018 which will be expended in 2019 from The Irish Human Rights & Equality Commission.

An Cosán works in partnership with statutory agencies to provide essential services for highly disadvantaged communities struggling with social exclusion and poverty. In 2018, limited statutory funding methods for early years, basic, further, and higher education access, which all require tailored education and training programmes and professional supports, continued to create serious barriers for many of our participants attempting to access and engage in lifelong learning.

Included in these Financial Statements are details of all government funding received as per statutory requirement Circular 13.

Fundraising

An Cosán generated an impressive 23% of its 2018 income mix from fundraising, corporate and philanthropic support. An Cosán's staff, directors, corporate partners, and volunteers worked diligently throughout the year to raise these much needed funds for direct line programme work.

- Our annual *International Women's Day Lunch* which was held in The Shelbourne Hotel in March raised a surplus €29k
- Our annual *Golf Classic* which was held in Powerscourt Golf Club in August successfully raised €6k in surplus
- Our *Winter Ball* which was held at The Shelbourne Hotel in November raised €28k surplus
- A series of smaller community fundraising events raised €2.9k surplus

Corporate Support

Corporate support for our wide-ranging programme streams at An Cosán continued to play an integral role in our daily operations in allowing the organisation to increase both the quantity and quality of the services we provide. In particular, corporate funders supporting the Virtual Community College took a leadership role which facilitated innovation and development of education and enterprise opportunities for hundreds of new learners to access An Cosán from diverse locations nationwide. Our Virtual Community College now has over 80 community partners.

Our new corporate and philanthropic partnerships allowed us to create innovative social enterprise solutions for emerging societal problems impacting on the women, children and men we work with as well as building up our Education Bursary Fund for our participants to enable them to engage in further education. We rely on these funds garnered from our partnerships to fund the shortfalls in state funding and ensure the continued success of our extensive programme streams in support of a growing number of disadvantaged communities. The Community Foundation of Ireland led the support on a number of these initiatives in key areas such as higher education.

Financial support was provided in 2018 from the Community Foundation of Ireland, Accenture, The City and Guilds of London Institute, ESB, IBM, Social Entrepreneurs Ireland, Three, JP Morgan, St Patricks Cathedral and Xilinx. An Cosán also acknowledges with thanks financial support from a number of private and anonymous funders.

An Cosán partnerships with Goodbody Stockbrokers, Accenture, Carlow IT, The City and Guilds of London Institute and Kineo provided invaluable pro bono supports across a wide range of skills such as staff development, mentoring, higher education scholarships, curriculum development, and project management.

During 2018 we were also successful in our collaborations and engagement in European Union funded projects and sharing our experiences at EU level. We sourced EU Funding to further develop and sustain our services in line with European best practice along with engaging as an 'active citizenship organisation' to inform policy and practice within the union.

An Cosán's Reserves Policy was revised by management and signed off by the Board in 2018, It forms part of our corporate governance framework, is consistent with SORP legislation and our strategic intent.

Plans for the Future & Building Reserves

In order to continue and develop our services it is crucial that we source new avenues of funding for the organisation to ensure its sustainability. Whilst we have successfully grown our corporate support in 2018 we are committed to attracting more new corporate donors and seek increased state funding. An Cosán has developed an ambitious strategic plan, while elements of the plan are funded by corporate partner's investment, significant challenges remain. ***The more successful we are in attracting programme funding the more demands there are on our administration and overhead resources.*** We have had to invest in the recruitment of essential staff for the management and support of the delivery of our services in particular ICT development and support and a Chief Operations Officer, with funding available for neither. From a social justice perspective we became a 'living wage' organisation in September 2018.

Significant investment by the state in An Cosán is required as we are now a national organisation delivering adult education and early years education in a local, regional and national context. It is imperative that An Cosán is in a position to recover the full cost of core or operational costs for our services which are delivered on behalf of the state.

Central funding has improved for state bodies post the recession yet An Cosán, in the context of strong national economic recovery, is facing a financial crisis;

- That improved public sector funding hasn't been reflected in the funding available to An Cosán.
- An Cosán is a particularly acute example of where this confluence of poverty, labour force competition and reduced funding is stretching finances to breaking point.

- The cost interventions imposed at the height of the crisis (salary freeze, unpaid leave etc.) remain in place here while they have been reversed in public sector equivalent areas
- Experienced and committed staff are leaving to take up posts in the public sector
- Reserves remain negative, and can't support unexpected events
- Surpluses are not available to recreate reserves
- Cashflow barely meets ongoing expenses, with no cash buffer
- To date the cuts to the Community Services Programme for administration and overheads have not been restored
- Resources to meet the demands of GDPR, Charity Regulations, SORP are not available
- Generous 6 year funding from ESB to pilot and prove the VCC model ends 2019.

In light of the increased demands for our services and the improving economy, greatly improved multi-year state funding is an essential goal for An Cosán in order to properly support individuals re-engaging and progressing through education on the pathway to personal empowerment and employment. To that end we have developed an advocacy strategy which we intend to bring to Government during 2019.

As An Cosán moves into 2019 with the commitment and ability to make a significant contribution to the social and economic development of marginalised and excluded communities across Ireland we seek:

- Recognition as a proven innovative model of excellence in lifelong learning
- Adequate resources to continue to grow, develop and serve marginalised communities.
- Assurance of sustainability for An Cosán into the future enabling the organisation to deliver on its mission to use the power of transformative education to end the injustice of poverty where ever we find it.

Structure, Governance & Management

Chair of the Board – Anna Durkan
Vice Chair – Conal Henry
Secretary – Barbara Cotter
Chief Executive Officer – Elizabeth Waters
Chief Operating Officer – Anne Genockey

It is noted that neither the CEO or the COO are members of the Board

Governance

Good governance means focusing on the organisation’s purpose and on outcomes for the local community and the women, children and men who use our services

Being clear about the organisation’s purpose and its intended outcomes for the local community and service users.

Making sure that service users receive a high-quality service.

Making sure our funds are used efficiently and represent value for money.

Ensuring appropriate and clear procedures are in place for the board’s governance responsibilities; that they are known to board members and management and reviewed periodically.

Good governance means performing effectively in clearly defined functions and roles being clear about the functions of the Board of Directors.

Being clear about the responsibilities of non-executives and the management and making sure that those responsibilities are carried out.

Being clear about the relationships between directors and all stakeholders.

Good governance means promoting values for the whole organisation and demonstrating the values of good governance through behaviour

Putting organisational values into practice.

Individual directors behaving in ways that uphold and exemplify effective governance.

Good governance means taking informed, transparent decisions and managing risk

Being rigorous and transparent about how decisions are taken.

Having and using good quality information, advice and support.

Making sure that an effective risk management system is in operation.

Good governance means developing the capacity and capability of the Board of Directors to be effective

Making sure that appointed and elected directors have the skills, knowledge and experience they need to perform well.

Developing the capability of people with governance responsibilities and evaluating their performance as individuals and as a group.

Striking a balance in the members of the governing body between continuity and renewal.

Good governance means engaging stakeholders and making accountability real understanding formal and informal accountability relationships.

Taking an active and planned approach to dialogue with and accountability to all stakeholders.

Taking an active and planned approach to responsibility to staff.

Selection and Election of Directors

All directors have a right and responsibility to identify individuals who might make a significant contribution to the organisation as a director.

The following process will be followed in the recruitment and selection of Directors:

When a potential Director has been selected either by a current Director or through Boardmatch they will be invited to An Cosán for an induction meeting including overview of An Cosán and overview of the work of the Directors. This will be conducted by the team in An Cosán and the Chief Operating Officer

After this meeting the potential Directors will be asked to contact again if they feel they are a good fit for An Cosán and they will be asked to express their interest in becoming a Director

The next step will be to meet with the CEO and/or the Chair to go over the handbook and corporate governance

Post this meeting the CEO and Chair should assess the individual's skills, experience, availability and 'organisational fit'

If in agreement the person will be proposed at the next Board meeting

If the Board agree, the individual should be invited to join the Board. The director can then approach the potential director and seek their agreement to be proposed to the Board at the appropriate time.

Retirement/Resignation of Directors

On retirement or resignation, directors will be acknowledged for their contribution to the organisation and the Chair of the Board will conduct an exit interview a minute of which will be held on file.

Selection and election of Chair and Vice Chair and other officers of the Board

The Officers of the Board of Directors are elected to office for a term of two years. Any officer can be proposed for a further term of two years.

In January of the year in which officers will be elected, a Succession/Nominating Committee will be established by the Chair of the Board. This committee will consider which directors might have the time, skills, experience and enthusiasm to make a good Chair of the Board. It will consult and solicit nominations from other directors. It will assess directors' willingness to undertake the role. This committee can recommend a director for the role of Chair. The committee will also consider and can recommend individual directors for the position of Vice-Chair, Company Secretary and Chairs of Working Groups.

The Succession/Nominating Committee is responsible for ensuring the names of all the members who wish to stand for vacant positions are considered by the Board of Directors. Two weeks before the AGM, forms to propose and second directors as officers must be submitted to the company secretary.

In the event of only one nomination being received for any post the relevant director will be deemed to be elected to the post and that will be announced at the AGM.

In the event of more than one nomination being received for any post, an election will be held at the AGM. The auditor with two members of the organisation will be the scrutinisers for the election.

Induction Process

Potential directors are invited to meet with the chair of the Board and the CEO, to tour the building and discuss the organisation, its mission, culture and ethos. Each potential director is given background information on the organisation to read. An Induction Process for directors elected at the AGM is outlined below. When individual directors are elected at other times a tailored induction process is possible.

Upon election to the Board at the AGM a date is set for a day long induction process for new directors. This is the responsibility of the Chair of the Board and the CEO but other directors are welcome to engage in the process and support new directors find their feet. This is an intensive day's induction but it is interspersed with coffee breaks, lunch and space for some social interaction with managers, staff and people who have used the services An Cosán offers.

Directors are offered a tour of the organisation.

The Chair, or a long serving Director, shares the history of the organisation.

The CEO presents the vision and organisational values, culture and ethos.

The Chair presents on the governance processes of the organisation and organisational structure.

A Board Manual is presented to each new director including the following:

An overview, brief biographies and photographs of current Board of Directors

Directors role description and letter of agreement

Board Papers for the previous three Board Meetings,

the organisations Memorandum and Articles of Association

The current strategic plan

the previous year's Financial Accounts

All Board policies and procedures

'Buddies' are selected for new directors and details exchanged

The CEO introduces the Strategic Plan and current challenges facing the organisation

New directors are assigned to a Working Group or Sub-Committee.

The Managers of each operation meet with the new directors and introduce them to their particular operation ☐ Before the first Board Meeting for new directors all Board members will arrive for supper and time to welcome and socially interact with the new directors.

Board Attendance

Attendance at Board Meetings is an expected commitment of directors. It is understood that occasionally issues arise for directors which will make it impossible to attend Board Meetings.

Board members who are not in attendance, are not available to provide input from their unique perspectives and expertise; are not available to vote on issues; are not available to learn from the other board members and staff, are missing and they are missed.

If a member cannot attend regularly, the Chair should discuss continued membership with them. Where the situation cannot be rectified, the members should be asked to resign in the interest of the organisation. If a difference of opinion arises, the Chair will convene the Succession/Nominating committee to resolve the situation on behalf of the Board.

A serious Board-attendance problem occurs if any of the following conditions exist in regard to a board member's attendance to board meetings:

The member has two un-notified absences in a row.

The member has three notified absences in a row.

The member misses one third of the total number of board meetings in a twelve-month period.

Directors Responsibilities

Chairperson

Plan Board meetings and develop agenda with CEO.

Ensure the Board meets at least 6 times per year.

Ensure maximum participation.

Ensure Agenda, Minutes, Reports and other necessary papers are sent to Directors before Board Meetings in a timely and clear manner.

Ensure adequate information is available to support directors make informed decisions.

Preside over meetings - keeping order, sticking to the agenda and time, and ensuring everyone has their say.

Make sure that decisions are made for relevant agenda items and that the decisions are implemented within a certain timeframe and by designated people, if necessary.

Provide leadership and make sure the Board of Directors works effectively.

Work closely with An Cosán's CEO to gather an overview of An Cosán's activities.

Act as a spokesperson for the Board of Directors and/or An Cosán, as needed.

Oversee and appraise the work of the CEO.

Be first signatory and certify An Cosán's annual accounts.

Vice-chairperson

Assist the chairperson with planning meetings.

Preside over meetings if the chairperson is absent.

Assist the chairperson with matters between meetings, for example making sure that decisions taken at meetings are implemented.

Deal with specific tasks or issues as defined by the Board of Directors.

Assist the chairperson in representing the organisation externally.

Company secretary - As a company limited by guarantee, An Cosán is legally obliged to have a company secretary. This is the only mandatory position on the Board of Directors. In An Cosán the company secretary will:

Make sure that An Cosán's full name is displayed outside its registered office and that An Cosán notifies the Companies Registration Office (CRO) of any change in the registered office within 14 days.

See to it that An Cosán's certificate of incorporation is displayed.

Make sure that the company name, registered number, place of registration, registered office and names of Board of Directors members appear on the organisation's website, letters and e-mails.

Keep An Cosán's registers (list of members and names of Board of Directors members) up to date and at the registered office (or inform the CRO if they are not there).

Notify the CRO of any change in Director, company secretary or home address within 14 days.

Make sure that all legal agreements and contracts are properly discussed, agreed by members of the Board of Directors and kept in a safe place.

Call annual general meetings (AGMs) and extraordinary general meetings (EGMs) at the request of other members of the Board and/or members of An Cosán, according to the rules in the constitution and articles of association.

Make sure that the AGM is held each calendar year, no more than 15 months apart.

Make sure that An Cosán issues to members the required notice of general meetings.

Make sure that an independent auditor is appointed at the AGM.

Make sure that the accounts are properly prepared and audited (with the Finance Working Group).

Send in the annual return to the CRO by the relevant annual return date.

Notify the CRO of any change to the memorandum and articles of association.

Notify the CRO within 15 days of the passing special resolutions.

Keep copies of all annual returns and accounts.

Comply with any other duties as imposed by the Companies Acts 2014.

Decision-making procedures at the Board

Within the framework of the mission, strategic plan and annual business plan, decisions should, in general, be straightforward where the matter that arises is within these.

Where this is not so, and wherever possible, decisions will be made by consensus following discussion. In cases, where the Board cannot reach consensus, the Chair may propose to:

Defer the matter to the next meeting and seek, in-between, to address the differences in opinion.

Refer the matter to an ad hoc committee (membership to be relevant to the matter at hand) of the Board and ask for a recommendation for the full Board.

Put the matter to a vote of the Board, with approval of a decision requiring 60% support.

Schedule of matters reserved for the Board

1. Approval of the strategic plan, business plan, budget.
2. Decision on legal matters which have, or are likely to be the basis of an action against An Cosán.
3. HR claims which involve the CEO; HR cases stipulated in the personnel policies as requiring attention of the Board.
4. Approval of capital and operational expenditure items over €500.
5. Recruitment and selection of the CEO, terms and conditions and performance reviews.
6. Considering developments or actions that may have significant impact on the organisation's strategy, finances, reputation, and capacity to fulfil its mission.
7. Considering significant matters that may impact staff and client wellbeing.

Fundraising

The Board has adopted the Statement of Guiding Principles for Fundraising and is responsible to ensure that An Cosán complies with those Guiding Principles and will ensure An Cosán will:

1. Adhere to the core principles of respect, honesty and openness by:

- 1.1 Respecting the rights, dignity and privacy of supporters, clients and beneficiaries.
- 1.2 Answering reasonable questions about fundraising activity and fundraising costs honestly.
- 1.3 Making information about our purpose, activities and governance available to the public.

2. Demonstrate its commitment to donors by:

- 2.1 Agreeing and making known a Donor's Charter consistent with the Statement of Guiding Principles for Fundraising containing commitments regarding the causes for which the charity is fundraising, the use of donations, and disclosures regarding the status and authority of those soliciting donations.
- 2.2 Operating a complaints and feedback procedure.

3. Ensure high standards of fundraising practice by:

- 3.1 Ensuring fundraisers are committed to the highest standards of good practice by providing information and training on the Statement of Guiding Principles for Fundraising.
- 3.2 Ensuring that fundraising activities are respectful, honest, open and legal and that images and messages are chosen and used in accordance with the Statement of Guiding Principles for Fundraising.
- 3.3 Having a policy in place regarding the management of volunteer fundraisers.

4. Be financially accountable by:

- 4.1 Publishing an annual report and statement of annual accounts, which includes a statement on compliance with the Statement of Guiding Principles for Fundraising.
- 4.2 Making sure that there are appropriate internal financial and management controls in place.
- 4.3 Making sure that all donations are recorded and that records comply with data protection legislation.

5. Ensure that the Board and senior management take responsibility for implementing and adhering to the Statement of Guiding Principles for Fundraising by:

- 5.1 Identifying any risks that may arise and ensuring appropriate mechanisms are in place given the size and complexity of the organisation to manage and deal with those risks.

Legal Structure

The Shanty Educational Project Company Limited By Guarantee was incorporated as a company limited by guarantee on 28 April 1988. The Shanty Educational Project Company Limited By Guarantee is a registered charity (CHY8659) and company limited by Guarantee and is governed by its Constitution. The company currently operates under the registered business name

An Cosán. The company currently has 6 members, each of whom agrees to contribute €1.27 in the event of the company winding up.

Risk Management

An Cosán manages risk management across the organisation on an on-going basis, including:

- Annual risk management review by the Senior Management Team and Board of Directors
- Discussion by CEO and Working Group Chair of emerging risks with action plan at each Board meeting
- Health and Safety officers appointed at each site to conduct and manage risk register
- On-going establishment of policies and procedures to mitigate risks identified
- Implementation of procedures designed to minimise any potential impacts on the charity should risks materialise

The Directors have reviewed the major risks to which An Cosán is exposed and they have taken the appropriate action to mitigate these risks.

Directors' Responsibility Statement

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

Irish company law requires the Directors to prepare financial statements for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice in Ireland, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and promulgated by the Institute of Chartered Accountants in Ireland and Irish law.

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 for the financial year end date and of the surplus or deficit of the company for that financial year and otherwise comply with the Companies Act 2014.

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

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

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

State of Affairs and Events Since the Balance Sheet Date

In the opinion of the Directors, the state of the company's affairs is satisfactory and there has been no material change since the Balance Sheet date.

Accounting Records

The measures taken by the Directors to ensure 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 premises at Kiltalown Village Centre, Fortunestown Road, Jobstown, Tallaght, Dublin 24.

Taxation Status

No charge to taxation arises as The Shanty Educational Project Company Limited By Guarantee has been granted charitable exemption by the Revenue Commissioners.

Lobbying and Political Donations

There were no political donations in 2018 and as a result no disclosures are required under the Electoral Act, 1997.

As required under the Regulation of Lobbying Act 2015, the Shanty Educational Project Company Limited By Guarantee now records all lobbying activity and communications with Designated Public Officials (DPOs). It has made the returns and submissions required by the Act.

Directors and their Interests

The Directors and secretary who held office during the year are set out on Page 1.

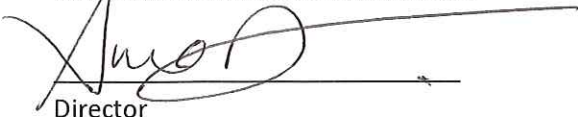
Disclosure of Information to Auditors

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that: in so far as that Director is aware, there is no relevant audit information of which the company's auditors are unaware, and that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

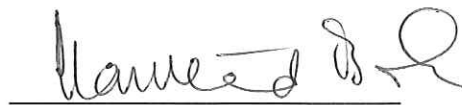
Crowe Ireland, Chartered Accountants and Statutory Audit Firm, were appointed as auditors to the company during the year and they have expressed their willingness to continue in office in accordance with Section 383(2) of the Companies Act 2014.

On Behalf of the Board of Directors:



Director

Date: 13/06/2019



Director

Date: 13/06/19

INDEPENDENT AUDITORS REPORT TO SHAREHOLDERS OF THE SHANTY EDUCATIONAL PROJECT LIMITED COMPANY LIMITED BY GUARANTEE

Report on the audit of the financial statements

Opinion

We have audited the financial statements of The Shanty Educational Project Limited CLG for the year ended 31 December 2018, which comprise Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the notes to the financial statements, including a summary of the significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is applicable Irish law and Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and with reference to Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company's affairs as at 31 December 2018 and of its net movement in funds for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and with reference to Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015;
- have been prepared in accordance with the requirements of the Companies Act 2014.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the provisions available for small entities, in the circumstances set out in note 22 to the financial statements 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 the ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the 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 Annual report, other than the financial statements and our Auditors' 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.

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.

INDEPENDENT AUDITORS REPORT TO SHAREHOLDERS OF THE SHANTY EDUCATIONAL PROJECT LIMITED COMPANY LIMITED BY GUARANTEE

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:

- in our opinion, the information given in the Directors' Report is consistent with the financial statements; and
- in our opinion, the Directors' Report has been prepared in accordance with applicable legal requirements.

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, and financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' 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 Auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: [https://www.iaasa.ie/Publications/ISA 700 \(Ireland\)](https://www.iaasa.ie/Publications/ISA_700_(Ireland)). The description forms part of our Auditors' report.

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

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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:



Neil Davitt

For and on behalf of:

Crowe Ireland

Chartered Accountants and Statutory Audit Firm

Marine House

Clanwilliam Place

Dublin 2

Date: 13/6/2019.

THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES (incorporating the Income and Expenditure Account)
FOR THE YEAR ENDED 31 DECEMBER 2018

| | Note | Unrestricted Funds € | Restricted Funds € | Total 2018 € | Total 2017 € |
|---|------|----------------------------|--------------------------|--------------------|--------------------|
| INCOME | | | | | |
| Donations and Legacies | 4.1 | 107,678 | 723,685 | 831,363 | 792,189 |
| Charitable Activities | 4.2 | - | 1,769,347 | 1,769,347 | 1,896,887 |
| Other Income | 4.3 | - | 466,821 | 466,821 | 591,709 |
| Total Income: | | 107,678 | 2,959,853 | 3,067,531 | 3,280,785 |
| EXPENDITURE ON: | | | | | |
| Charitable Activities | 5.1 | - | 2,939,450 | 2,939,450 | 3,322,850 |
| Raising Funds | 5.2 | 66,026 | - | 66,026 | 51,532 |
| Support Costs | 5.3 | 10,000 | - | 10,000 | 6,200 |
| Total resources expended: | | 76,026 | 2,939,450 | 3,015,475 | 3,380,582 |
| NET INCOMING/(OUTGOING) RESOURCES | | 31,653 | 20,403 | 52,056 | (99,797) |
| Transfers between funds | | (31,653) | 31,653 | - | - |
| Net movement in funds for the year | | - | 52,056 | 52,056 | (99,797) |
| Total funds brought forward | 16 | - | (212,029) | (212,029) | (112,232) |
| TOTAL FUNDS CARRIED FORWARD | 16 | - | (159,973) | (159,973) | (212,029) |

All income and expenditure arises from continuing operations.


There are no recognised gains or losses other than the income and expenditure for the above two financial years.

THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE

BALANCE SHEET AS AT 31 DECEMBER 2018

| | Notes | 2018 € | 2017 € |
|---|-------|------------------|------------------|
| FIXED ASSETS | | | |
| Tangible assets | 10 | 885,381 | 906,004 |
| CURRENT ASSETS | | | |
| Debtors and prepayments | 11 | 249,498 | 236,474 |
| Cash and cash equivalents | 12 | 91,893 | 8,318 |
| | | <u>341,391</u> | <u>244,792</u> |
| CREDITORS (amounts falling due within one year) | | | |
| Other creditors | 13 | (658,394) | (661,200) |
| NET CURRENT LIABILITIES | | <u>(317,003)</u> | <u>(416,408)</u> |
| CREDITORS (amounts falling due after more than one year) | 14 | (68,772) | (68,772) |
| TOTAL NET ASSETS | | <u>499,606</u> | <u>420,824</u> |
| CAPITAL FUNDS | | | |
| Unamortised Capital Grants | 15 | 659,579 | 632,853 |
| INCOME FUNDS | | | |
| Restricted Funds | 16 | (159,973) | (212,029) |
| Unrestricted funds | 16 | - | - |
| | | <u>(159,973)</u> | <u>(212,029)</u> |
| TOTAL FUNDS | | <u>499,606</u> | <u>420,824</u> |

Signed on behalf of the Board:


Director

Date: 13/06/19


Director

Date: 13/06/19

THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2018

| | Notes | 2018 € | 2017 € |
|--|-------|---------------|------------------|
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 18.1 | 55,172 | (158,276) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | 18.2 | (38,444) | (14,382) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | 18.3 | 66,847 | 6,691 |
| | | <hr/> | <hr/> |
| CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR | 18.4 | <u>83,575</u> | <u>(165,967)</u> |
| RECONCILIATION OF NET CASHFLOW TO MOVEMENT IN NET FUNDS | | | |
| CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR | 18.4 | 83,575 | (165,967) |
| CASH AND CASH EQUIVALENTS AT START OF YEAR | 18.4 | 8,318 | 174,285 |
| | | <hr/> | <hr/> |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | 18.4 | <u>91,893</u> | <u>8,318</u> |

THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. GENERAL INFORMATION

The Shanty Educational Project Company Limited By Guarantee is engaged in the provision of Adult and Early Years Education programmes and meeting the needs of the economically disadvantaged communities across Ireland. Its registered office is Kiltalown Village Centre, Fortunestown Road, Jobstown, Tallaght, Dublin 24 which is also its principle place of business.

2. STATEMENT OF ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and Irish statute comprising of the Companies Act 2014 and with reference to the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities issued by the Charities Commissioner in the UK.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 2.2).

The principal accounting policies are set out below. The policies have remained unchanged from the previous year.

INCOMING RESOURCES

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy and the income is probable. Entitlement to legacies is considered established when the company has been notified of a distribution to be made by the executors. Income received in advance of due performance under a contract is accounted for as deferred income until earned. Grants for activities are recognised as income when the related conditions for legal entitlement have been met. All other income is accounted for on an accruals basis.

- **Donations and Legacies** are recorded in Incoming Resources when receivable.
- Incoming resources from **Charitable Activities** are accounted for when earned.
- **Fee income** is recognised in Incoming Resources when receivable.
- **Donated Services (Support in Kind)** are credited to the Statement of Financial Activities in the year at market value and the corresponding charge made to expenditure.

RESOURCES EXPENDED

All resources expended are accounted for on an accruals basis. Charitable activities include costs of services and grants, support costs and depreciation on related assets. Costs of generating funds similarly include fundraising activities. Non-staff costs not attributed to one category of activity are allocated or apportioned pro-rata to the staffing of the relevant service. Finance, HR, IT and administrative staff costs are directly attributable to individual activities by objective. Governance costs are those associated with constitutional and statutory requirements.

SUPPORT COSTS

Support costs represent the cost to head office of administering projects. These resources expended on charitable activities include the direct costs of the charitable activities together with those support costs (Finance and Administration cost) incurred that enable these activities to be undertaken. These have been allocated across the activities based on headcount.

RESTRICTED FUNDS

Restricted funds are accounted for in accordance with the particular terms of trust arising from the express or implied wishes of donors in so far as these are intended to be binding on the company. Where any such wishes are not intended to be legally binding, they are taken into account and recognised in appropriately designated funds.

THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

CURRENCY

The company's functional and presentational currency is the Euro

UNRESTRICTED FREE RESERVES

Free reserves represent amounts which are expendable at the discretion of the directors in furtherance of the objectives of the company and which have not been designated for other purposes. Such funds may be held in order to finance working capital or capital expenditure.

CAPITAL GRANTS

Grants received specifically as a contribution towards the cost of tangible fixed assets are credited directly to the capital fund in the year of receipt. Such grants are amortised to the Statement of Financial Activities on the same basis as the assets are depreciated. Under Charities SORP 2015 the Accruals method for accounting for Grants under Section 24 of FRS 102 is not permitted. The Shanty Educational Project Company Limited By Guarantee have departed from this requirement as the Accruals method for accounting for grants is more appropriate for the organisation.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated in the Balance Sheet at cost or revalued amount less accumulated depreciation.

Depreciation is provided on all tangible fixed assets, so as to write off the cost or valuation, less estimated residual value of each asset over its expected useful economic life as follows:

| | |
|----------------------|-------------------|
| Buildings | 2% Straight line |
| Office Equipment | 33% Straight Line |
| Furniture & Fittings | 10% Straight Line |
| Manual | 20% Straight Line |
| Motor Vehicles | 20% Straight Line |

FINANCIAL INSTRUMENTS

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

DEBTORS

Short term debtors are measured at transaction price, less any impairment.

CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

CREDITORS

Short term creditors are measured at the transaction price.

OPERATING LEASES: THE COMPANY AS LESSEE

Rentals paid under operating leases are charged to the SOFA on a straight line basis over the lease term.

TAXATION

No charge to taxation arises as the company has been granted charitable status by the Revenue Commissioners under Section 207 and 208 of the Taxes Consolidation Act 1997.

THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2.2 JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Establishing lives for depreciation purposes of property, plant and equipment

Long-lived assets, consisting primarily of property, plant and equipment, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated lives of each type of asset and estimates of residual values. The directors regularly review these asset lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have a significant impact on depreciation and amortisation charges for the period. Details of the useful lives is included in the accounting policies.

(b) Providing for doubtful debts

The company makes an estimate of the recoverable value of trade and other debtors. The company uses estimates based on historical experience in determining the level of debts, which the company believes will not be collected. These estimates include such factors as the current credit rating of the debtor, the ageing profile of debtors and historical experience. Any significant reduction in the level of customers that default on payments or other significant improvements that resulted in a reduction in the level of bad debt provision would have a positive impact on the operating results. The level of provision required is reviewed on an on-going basis.

3. GOING CONCERN

The financial statements have been prepared on a going concern basis. The company's funders have indicated their willingness to continue supporting the company's activities. The Directors have considered the net current liability position at the year end and the deficit of restricted funds and are of the view that the company can maintain the positive net movement of funds achieved in 2018 for 2019 and beyond.

4. INCOMING RESOURCES

Income is composed of Donations and Legacies, Income from Charitable Activities and Other Income as follows:

| | 2018 | 2017 |
|------------------------------------|----------------|----------------|
| | € | € |
| 4.1. Donations and Legacies | | |
| <i>Restricted</i> | | |
| Ed. Bursaries | 111,438 | 39,785 |
| Private and Corporate Funding | 605,193 | 665,160 |
| Other | 7,054 | 4,787 |
| | <u>723,685</u> | <u>709,732</u> |
| <i>Unrestricted</i> | | |
| Fundraising activities | 97,678 | 76,257 |
| Support in Kind | 10,000 | 6,200 |
| | <u>107,678</u> | <u>82,457</u> |
| | <u>831,363</u> | <u>792,189</u> |

THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

4. INCOMING RESOURCES (CONTINUED)

4.2 Income from Charitable Activities - Restricted

State Funding:

| State Organisation | Type of Funding | 2018 € | 2017 € |
|---|--|------------------|------------------|
| POBAL (previously ADM) | Capital Buildings Grant | 40,121 | 41,632 |
| POBAL | Capital Grant - Dormant Accounts Refurbishment Grant | - | - |
| Department of Community, Rural and Gaeltacht Affairs | Capital Refurbishment Grant | - | - |
| Dublin & Dun Laoghaire ETB | Programme Funding - Education & Training | 154,100 | 154,562 |
| POBAL - Community Services Programme | Salary (15 FTE's) | 258,747 | 277,213 |
| Department of Environment, Community & Local Government | Core Funding & Capital Refurbishment Grant | - | - |
| Tusla | Counselling Service Grant | 27,560 | 27,500 |
| Department of Social Protection | School Meals Local Projects Scheme | 2,880 | 15,387 |
| Department of Social Protection | Programme Funding - Education & Training | - | - |
| POBAL - Dormant Accounts Fund | Capital Grant Shutters | - | - |
| Tusla | Core Funding & Programme Funding | 521,958 | 521,958 |
| Dept. of Communications | Capital I.T. Grant - Benefit 4 | - | - |
| City of Dublin ETB | ETB Early Years Programme Funding | 89,793 | 18,592 |
| Department of Children & Youth Affairs & POBAL | Early Childhood Care & Education Programme (ECCE) | 312,467 | 345,738 |
| POBAL | AIM | 34,620 | - |
| SDCC | Public Participation Networks | 16,596 | - |
| POBAL | Childcare Education & Training Support Programme | 38,175 | 62,541 |
| POBAL | Community Employment Childcare Programme | 1,424 | 4,576 |
| POBAL | Learner Fund | 11,485 | 14,590 |
| POBAL | Community Childcare Subvention Programme | 178,225 | 263,146 |
| | | <u>1,688,151</u> | <u>1,747,435</u> |

Other Income:

| | 2018 € | 2017 € |
|--|---------------|----------------|
| Tallaght West Childhood Development Initiative - Grant | 81,196 | 68,930 |
| Childcare Assistance Fund - IT Tallaght | - | 80,522 |
| | <u>81,196</u> | <u>149,452</u> |

Total Income from Charitable Activities

1,769,347 1,896,887

4.3 Other Income - Restricted

| | 2018 € | 2017 € |
|------------|----------------|----------------|
| Fee Income | 466,821 | 591,709 |
| | <u>466,821</u> | <u>591,709</u> |

THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

5. EXPENDITURE ON:

5.1 Charitable activities

| | Adult Education € | Early Years Childcare € | Total 2018 € | 2017 € |
|---|-------------------------|-------------------------------|--------------------|-----------|
| Wages & Salaries | 1,119,100 | 1,155,720 | 2,274,819 | 2,620,087 |
| Other Staff Costs | 47,176 | 9,267 | 56,443 | 78,464 |
| Human Relations Costs | 14,374 | - | 14,374 | 12,488 |
| Programme Costs (incl. Course, Best Start, Food & Virtual L.) | 67,594 | 38,215 | 105,809 | 122,633 |
| Premises Costs | 137,239 | 107,367 | 244,606 | 261,038 |
| Advertising & Promotion | 15,233 | 1,743 | 16,976 | 10,940 |
| Depreciation | 47,799 | 11,269 | 59,069 | 65,269 |
| Bank Interest & Charges | 7,803 | 554 | 8,357 | 9,843 |
| Management & Administration | 90,033 | 26,949 | 116,982 | 97,861 |
| Rental expense | - | - | - | - |
| Other Costs | 18,920 | 5,914 | 24,835 | 25,579 |
| Governance Costs | 5,351 | 11,829 | 17,180 | 18,648 |
| | 1,570,624 | 1,368,826 | 2,939,450 | 3,322,850 |

5.2 Raising Funds

| | 2018 € | 2017 € |
|---|-----------|-----------|
| Fundraising - International Women's Day Lunch | 29,207 | 21,273 |
| Fundraising - Gala Ball | 27,869 | 21,457 |
| Fundraising - Golf Classic | 6,031 | 5,403 |
| Fundraising - Strictly Come Dancing | - | - |
| Fundraising - Other | 2,917 | 3,399 |
| | 66,026 | 51,532 |

5.3 Donated Services

| | 2018 € | 2017 € |
|-----------------|-----------|-----------|
| Support in Kind | 10,000 | 6,200 |
| | 10,000 | 6,200 |

5.4 Governance costs include the following

| | 2018 € | 2017 € |
|---|-----------|-----------|
| Legal & professional fees | 200 | 200 |
| Board & annual general meeting expenses | 1,965 | - |
| Audit | 15,015 | 18,448 |
| | 17,180 | 18,648 |

THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

7. DIRECTORS' REMUNERATION AND TRANSACTIONS

No remuneration is paid to Directors for their services as Board Members. Directly incurred expenses are reimbursed, if claimed. No directors expenses were claimed in the year.

8. EMPLOYEES AND REMUNERATION

The average number of employees during the year was 98 (2017: 119) and is analysed into the following categories:

| | 2018 | | 2017 | |
|--------------------------------|-----------|-----------|-----------|-----------|
| | Full Time | Part Time | Full Time | Part Time |
| Management | 4 | - | 4 | 1 |
| Administration | 8 | 7 | 5 | 8 |
| Education and Training | 7 | 4 | 11 | 6 |
| Early years education and care | 18 | 34 | 24 | 55 |
| CE Scheme | - | 11 | - | - |
| Other Services | - | 5 | - | 5 |
| | <u>37</u> | <u>61</u> | <u>44</u> | <u>75</u> |

The staff costs are comprised of:

| | 2018 | 2017 |
|--------------------|------------------|------------------|
| | € | € |
| Wages and Salaries | 2,076,666 | 2,399,133 |
| Employers PRSI | 198,154 | 220,954 |
| Redundancy costs | - | 76,413 |
| | <u>2,274,820</u> | <u>2,696,500</u> |

Senior staff remuneration:

The number of senior staff receiving remuneration over € 60,000 is:

| | 2018 | 2017 |
|-------------------|----------|----------|
| €60,000 - €69,999 | 2 | 1 |
| €70,000 - €79,999 | 1 | 2 |
| | <u>3</u> | <u>3</u> |

Key Management remuneration:

Key management personnel include the Chief Executive Officer and the senior management team for whom the total remuneration cost was €185,176 (2017: €189,425). The CEO Elizabeth Waters was paid a salary of €74,925 (2017: €75,207).

9. TAXATION

No charge to taxation arises as The Shanty Educational Project Company Limited By Guarantee has been granted charitable exemption by the Revenue Commissioners.

THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

10. TANGIBLE FIXED ASSETS

| | Buildings € | Fixtures & Fittings € | Office Equipment € | Manual € | Motor Vehicles € | Total € |
|-----------------------|----------------|-----------------------------|--------------------------|-------------|------------------------|------------|
| COST | | | | | | |
| At 1 January 2018 | 1,275,655 | 382,519 | 385,009 | 77,501 | - | 2,120,684 |
| Additions | - | 20,194 | 18,250 | - | - | 38,444 |
| Disposals | - | - | - | - | - | - |
| At 31 December 2018 | 1,275,655 | 402,713 | 403,259 | 77,501 | - | 2,159,128 |
| DEPRECIATION | | | | | | |
| At 1 January 2018 | 443,442 | 339,044 | 354,693 | 77,501 | - | 1,214,680 |
| Charge for the year | 24,408 | 15,763 | 18,896 | - | - | 59,067 |
| On disposals | - | - | - | - | - | - |
| At 31 December 2018 | 467,850 | 354,807 | 373,589 | 77,501 | - | 1,273,747 |
| NET BOOK VALUE | | | | | | |
| At 31 December 2018 | 807,805 | 47,906 | 29,670 | - | - | 885,381 |
| At 31 December 2017 | 832,213 | 43,475 | 30,316 | - | - | 906,004 |

11. DEBTORS (Amounts falling due within one year)

| | 2018 € | 2017 € |
|--|-----------|-----------|
| Government Grants and Contributions Receivable | 148,165 | 140,435 |
| Fees Due | 12,158 | 4,789 |
| Prepayments & Sundry Receivables | 89,175 | 91,250 |
| | 249,498 | 236,474 |

12. CASH AND CASH EQUIVALENTS

| | 2018 € | 2017 € |
|--------------------------|-----------|-----------|
| Cash at bank and in hand | 91,893 | 8,318 |

13. CREDITORS (Amounts falling due within one year)

| | 2018 € | 2017 € |
|----------------------|-----------|-----------|
| Creditors & Accruals | 139,055 | 173,966 |
| Deferred Income | 405,305 | 433,769 |
| Payroll taxes | 114,034 | 53,465 |
| | 658,394 | 661,200 |

The deferred income is in respect of monies received which relate to expenditures yet to be incurred.

THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

14. CREDITORS (Amounts falling due more than one year)

| | 2018 | 2017 |
|---------------------------------|---------------|---------------|
| | € | € |
| Department of Social Protection | 68,772 | 68,772 |
| | <u>68,772</u> | <u>68,772</u> |

15. FIXED ASSET GRANTS

A grant of €838,027 (IR£660,000) was received in 1999 from the Irish Government (administered by Area Development Management) towards the construction of the Company's premises at a site provided by South Dublin County Council, at Kiltalawn Village Centre, at a cost of 1,057,241. The grant is to be amortised to the Statement of Financial Activities over 50 years from October 1999 in line with the rate of depreciation applied to buildings. Grants received in respect of other capital expenditures are similarly amortised to the Statement of Financial Activities in line with the depreciation of the underlying assets.

| | 2018 | 2017 |
|--|----------------|----------------|
| | € | € |
| Unamortised balance at the beginning of the year | 632,852 | 669,195 |
| Additions during the year | 66,847 | 6,691 |
| Amortised during the year | (40,120) | (43,033) |
| Unamortised balance at the year end | <u>659,579</u> | <u>632,853</u> |

16. FUNDS OF THE CHARITY

16.1 ANALYSIS OF MOVEMENTS ON FUNDS

| | Opening Balance | Receipts | Expenditure | Transfer | Closing Balance |
|---------------------|--------------------|------------------|--------------------|----------|--------------------|
| | € | € | € | € | € |
| Restricted Income | (212,029) | 2,959,853 | (2,939,450) | 31,653 | (159,973) |
| Unrestricted Income | - | 107,678 | (76,026) | (31,653) | - |
| Total Funds | <u>(212,029)</u> | <u>3,067,531</u> | <u>(3,015,475)</u> | <u>-</u> | <u>(159,973)</u> |

16.2 ANALYSIS OF NET ASSETS

| | Unrestricted Funds | Restricted Funds | Total Funds |
|-------------------------|-----------------------|---------------------|----------------|
| | € | € | € |
| Tangible assets | - | 885,381 | 885,381 |
| Current Assets | - | 341,391 | 341,391 |
| Current Liabilities | - | (658,394) | (658,394) |
| Non-current Liabilities | - | (68,772) | (68,772) |
| | <u>-</u> | <u>499,606</u> | <u>499,606</u> |

THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

17. FINANCIAL INSTRUMENTS

| | 2018 | 2017 |
|--|---------|---------|
| | € | € |
| Financial assets | | |
| Financial assets measured at amortised cost | 252,216 | 153,542 |
| Financial liabilities | | |
| Financial liabilities measured at amortised cost | 544,360 | 607,735 |

Financial assets measured at amortised cost comprise cash, amounts due from government grants and contributions receivable and fees due.

Financial liabilities measured at amortised cost comprise creditors and accruals and deferred income.

18. RECONCILIATION OF CHANGES IN RESOURCES TO NET CASHFLOW FROM OPERATING ACTIVITIES

18.1 OPERATING ACTIVITIES

| | 2018 | 2017 |
|---|----------|-----------|
| | € | € |
| Net movement in funds | 52,056 | (99,797) |
| Depreciation | 59,066 | 65,270 |
| Grant Amortised | (40,120) | (43,033) |
| Loss on disposals of fixed assets | - | - |
| (Increase)/Decrease in debtors | (13,024) | (89,435) |
| (Decrease)/Increase in creditors | (2,806) | 8,719 |
| Net cash flow from operating activities | 55,172 | (158,276) |

18.2 INVESTING ACTIVITIES

| | 2018 | 2017 |
|--|----------|----------|
| | € | € |
| Payments to acquire tangible fixed assets | (38,444) | (14,382) |
| Net cash outflow from financing activities | (38,444) | (14,382) |

18.3 FINANCIAL ACTIVITIES

| | 2018 | 2017 |
|--|--------|-------|
| | € | € |
| Capital Grant Funds Received | 66,847 | 6,691 |
| Net cash outflow from financing activities | 66,847 | 6,691 |

18.4 ANALYSIS OF CHANGES IN NET FUNDS

| | 01-Jan 2018 € | Cash Flows € | 31-Dec 2018 € |
|---------------------------|---------------------|--------------------|---------------------|
| Cash and cash equivalents | 8,318 | 83,575 | 91,893 |

THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

19. COMMITMENTS

Leasing commitments on non-cancellable operating leases are set out below:

| | 2018 | 2017 |
|--|----------------|----------------|
| | € | € |
| Not later than 1 year | 39,528 | 39,528 |
| Later than 1 year and not later than 5 years | 56,309 | 95,837 |
| Later than 5 years | 11,147 | 11,149 |
| | <u>106,984</u> | <u>146,514</u> |

20. CAPITAL COMMITMENTS

There were no capital commitments at the balance sheet date.

21. RELATED PARTY TRANSACTIONS

There were no transactions between the company and the directors, or between any related parties.

22. PROVISIONS AVAILABLE FOR SMALLER ENTITIES

In common with many other businesses of our size and nature, we use our auditors to assist in the preparation of the financial statements.

23. LEGAL STATUS OF THE COMPANY

The Company is a public benefit entity and operates as a company limited by guarantee without share capital. At 31 December 2018, there were 6 members (2017: 6), whose guarantee is limited to €1.27 each.

24. ULTIMATE CONTROLLING PARTY

The members of The Shanty Educational Project Limited Company Limited by Guarantee are considered to be the ultimate controlling party.

25. APPROVAL OF FINANCIAL STATEMENTS

The Board of Directors approved these financial statements for issue on the

