

**South Presentation Centre CLG**  
**Annual Report and Financial Statements**  
**for the financial year ended 31 December 2019**

## South Presentation Centre CLG

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## **South Presentation Centre CLG DIRECTORS AND OTHER INFORMATION**

<b>Directors</b>	Frances Crowe Eibhlin Grant Teresa Harrington Patrick Ledwidge Ger Marshall Antonia Murphy Gerard O'Donovan Mary O'Rourke Claire O'Sullivan Ted Owens Grace Redmond
<b>Company Secretary</b>	Shane Clarke (Resigned 14 July 2020) Antonia Murphy (Appointed 14 July 2020)
<b>Company Number</b>	504915
<b>Charity Number</b>	20077921
<b>Registered Office and Business Address</b>	Nano Nagle Place Evergreen Street Cork City Cork T12 XPX8
<b>Auditors</b>	Walsh O'Brien Harnett Chartered Accountants and Statutory Audit Firm 104 Lower Baggot Street Dublin 2 D02 Y940
<b>Bankers</b>	Allied Irish Bank 66 South Mall Cork T12 Y822
<b>Solicitors</b>	Comyn Kelleher Tobin 2 Georges Quay Cork T12 TR2A

# South Presentation Centre CLG DIRECTORS' REPORT

for the financial year ended 31 December 2019

The directors present their report and the audited financial statements for the financial year ended 31 December 2019.

## Organisation and Legal Status

South Presentation Centre Company Limited by Guarantee ("the company") is a Public Benefit Entity and was incorporated as a company limited by guarantee on 14 October 2011 (Registered number: 504915). It is registered with the Charity Regulatory Authority (Registered number: 20077921) and has been granted charitable tax status by the Revenue Commissioners (Registered number: CHY 19798).

The company does not have a share capital and consequently the liability of the members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding €1.

A Memorandum and Articles of Association, which establishes the objects and powers of the charitable company, govern the company. The Memorandum and Articles of Association was last amended at on 8 June 2017.

The company is located at Nano Nagle Place, Evergreen Street, Cork City.

## Object, Vision and Mission

### Object

The company is established for the following main object:

" The advancement of the educational and other charitable purposes and works of the Presentation Congregation in accordance with the principles and guidance set out by Nano Nagle and as pursued by the Congregation in the spirit of Nano Nagle, in response to the needs of the time and in a way that gives a living expression of her vision as enshrined in the 'Charter'

The legacy of Nano Nagle, namely her vision and charism, emanates from the site now known as Nano Nagle Place and continues to spread throughout the world. "

### Vision

In all aspects of Nano Nagle Place, God's reign of truth and goodness, justice, love and peace is proclaimed.

### Mission

Nano Nagle Place shares the values proclaimed in the life and mission of Jesus, offering all who come an opportunity to be informed, inspired, challenged and transformed so that they too might make a difference in our world.

## Principal Activity and Review of the Business

The principal activity of the company is the advancement of the educational and other charitable purposes and works of the Presentation Congregation in accordance with the principles and guidance set out by Nano Nagle and to operate the Site as a centre for heritage, archives, ministry and hospitality. The company will also fundraise to fund its activities.

There has been no significant change in the activities of the company during the financial year ended 31 December 2019.

## Financial Results

The deficit for the financial year after providing for depreciation amounted to €(486,966) (2018 - €(367,216)).

At the end of the financial year, the company has assets of €20,688,110 (2018 - €21,278,888) and liabilities of €11,643,579 (2018 - €11,747,391). The net assets of the company have decreased by €(486,966).

# South Presentation Centre CLG

## DIRECTORS' REPORT

for the financial year ended 31 December 2019

### Organisation and Governance

The company is governed by a Board of Directors, all of whom are non-executive and drawn from a diverse range of backgrounds to ensure that the Board has the necessary range of skills for decision making.

The company is committed to the highest standards of transparency, governance, and accountability.

The Board is responsible for providing leadership, setting strategy, managing financial and operational risk and monitoring performance. The Board ensures that the activities of the company are consistent with its charitable aims and objectives. The Board delegates the day to day operation of the company to the Chief Executive Officer (CEO), Shane Clarke, and his management team. There are clear distinctions between the roles of the Board and the CEO to whom day to day management is delegated. Matters such as policy, strategic planning, and budgets are prepared by the management team for consideration and approval by the Board.

The company's Constitution requires that the number of directors shall not be less than five and not more than twelve. The maximum term that a director can serve is eight years. In accordance with the Constitution, one third of the Directors shall retire by rotation at the Annual General Meeting of the company and offer themselves for re-election.

### Directors and Secretary

The names of persons who served as directors at any time during the year are set out below. Other than as indicated they served for the entire year.

Frances Crowe  
Eibhlin Grant  
Gerard O'Donovan  
Mary O'Rourke  
Claire O'Sullivan  
Grace Redmond  
Ger Marshall (Appointed 27 February 2019)  
Ted Owens (Appointed 24 April 2019)  
Teresa Harrington (Appointed 29 May 2019)  
Antonia Murphy (Appointed 29 May 2019)  
Patrick Ledwidge (Chairperson) (Appointed 30 October 2019)  
Bride Given (Resigned 24 April 2019)  
James A. Corr (Resigned 30 October 2019)  
Noreen Flaherty (Resigned 30 October 2019)

The secretary who served throughout the financial year was Shane Clarke. Antonia Murphy replaced Shane Clarke as company secretary on 14 July 2020.

The Board of Directors is voluntary and did not receive any remuneration for their services during the period.

### Conflicts of Interest and Conflicts of Loyalty

The company has a Conflicts of Interest and Conflict of Loyalty policy in place for all Board members and staff. No conflicts of interest were declared in 2019.

### Future Developments

The directors are not expecting to make any significant changes to the company's activities in the near future. At the time of approving the financial statements, the company is exposed to the effects of the Covid-19 pandemic which has had a negative effect on its activities since the year end. The directors will continue to monitor the situation and manage the effects on the company caused by this outbreak.

The company plans to continue its present activities and current trading levels. Employees are kept as fully informed as practicable about developments within the business.

# South Presentation Centre CLG

## DIRECTORS' REPORT

for the financial year ended 31 December 2019

### Post Balance Sheet Events

During the first quarter of 2020, the Covid-19 virus spread worldwide. In common with many other countries, the Irish government issued guidance and restrictions on the movement of people designed to slow the spread of this virus. As a result of the social distancing and cocooning guidelines issued by the Irish Government in March 2020, the company ceased all non-essential activities until the end of June 2020, at which time the company started opening the various departments as per Government issued advice. Due to Government support and a reduction in cost during the period, the company did not suffer major financial loss.

The company is adapting to Covid-19 in a planned and focussed way and is following Government, HSE and other relevant advice to provide a safe environment to all its stakeholders.

Forecasted figures show a reduction in customers/ visitors for the remainder of the year and therefore it is expected that the Balance Sheet will be affected negatively at the year end, however, not to a significant degree.

### Principal Risks and Uncertainties

The directors, in conjunction with the senior management team, follow a process to manage risks and uncertainties to which the company is exposed. They are satisfied that they have appropriate systems in place to mitigate these risks, and limit exposure. Significant risks are those that may have an impact on the operational performance of the company, its financial sustainability and meeting the expectations of the company's funders, supporters and users of the facilities.

The principal risks and uncertainties are categorised in an active Risk Register, which is a recurring agenda item in the Board meetings, as follows: Governance, Finance, Facilities/Buildings, Safeguarding and Management/Staff.

- a) The effect of Covid-19 presents many risks for the company, the effects of which cannot be fully quantified at the time of approving the financial statements. As a result, the directors consider the implications of the Covid-19 pandemic to be an uncertainty at the time of approving the financial statements. Although the effects cannot be fully determined, the directors believe that the main risks associated with Covid-19 are as follows.
  - a prolonged loss of income due to either closure or due to a significant reduced number of customers/ visitors.
  - forced lay off or redundancy of staff, due to prolonged closure or significant loss of income.
  - decreased effectiveness in pursuing the Main and Subsidiary Objects of the company as set in the Memorandum and Articles of Association.
  - reduction in cash balance.
- b) The company has entered into a sale agreement for the sale of the Western Apex in 2028. Consequently, rental income from that asset will no longer be available to the company. The Directors recognise this future risk to the sustainability of the company and the Directors and the Executive Team are actively working on solutions to minimise this risk.
- c) To mitigate the risk of a failure to provide a safe environment on-site to Children and Vulnerable Adults, the company has put appropriate procedures in place to monitor adherence and compliance with legislation and regulations.
- d) The company manages reputational risk by the development and implementation of a clear communications strategy with all stakeholders, supported by openness and transparency in the reporting of activities and financial results.

The Executive Management Team and the Directors are continuously working on limiting the effects of the COVID-19 pandemic on the company. This is achieved by balancing the reduced income to reduced expenses and availing of financial support from the Government.

### Dividends

The company is precluded by its Memorandum of Association from paying dividends either as part of its normal operations or on a distribution of its assets in the event of a winding-up.

### Auditors

The auditors, Walsh O'Brien Harnett, (Chartered Accountants) have indicated their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

### Statement on Relevant Audit Information

In accordance with section 330 of the Companies Act 2014, so far as each of the persons who are directors at the time this report is approved are aware, there is no relevant audit information of which the statutory auditors are unaware. The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

# **South Presentation Centre CLG DIRECTORS' REPORT**

for the financial year ended 31 December 2019

## **Accounting Records**

To ensure that adequate accounting records are kept in accordance with sections 281 to 285 of the Companies Act 2014, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The accounting records are located at the company's office at Nano Nagle Place, Evergreen Street, Cork City, Cork, T12 XPX8.

## **Signed on behalf of the board**

**Patrick Ledwidge**  
Director

**7 September 2020**

**Gerard O'Donovan**  
Director

**7 September 2020**

# **South Presentation Centre CLG**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

for the financial year ended 31 December 2019

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable 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 the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", applying Section 1A of that Standard, issued by the Financial Reporting Council. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the surplus or deficit of the company for the financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and 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 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 readily and properly audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Signed on behalf of the board**

**Patrick Ledwidge**  
Director

**7 September 2020**

**Gerard O'Donovan**  
Director

**7 September 2020**

# **INDEPENDENT AUDITOR'S REPORT**

## **to the Members of South Presentation Centre CLG**

### **Report on the audit of the financial statements**

#### **Opinion**

We have audited the financial statements of South Presentation Centre CLG ('the company') for the financial year ended 31 December 2019 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, the Reconciliation of Members' Funds, the Cash Flow Statement and the related notes to the financial statements, including a summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", applying Section 1A of that Standard.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2019 and of its loss for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", applying Section 1A of that Standard; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the Provisions Available for Audits of Small Entities, in the circumstances set out in note 4 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 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 Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

#### **Opinions 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- in our opinion, the Directors' Report has been prepared in accordance with the Companies Act 2014.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited. The financial statements are in agreement with the accounting records.

#### **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 any 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.

# **INDEPENDENT AUDITOR'S REPORT**

## **to the Members of South Presentation Centre CLG**

### **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 they 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 management either intends to liquidate the company or to cease operation, or has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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: <[www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf)> The description forms part of our Auditor's Report.

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

Our report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any 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.



**Ronan O'Brien**

**for and on behalf of**

**WALSH O'BRIEN HARNETT**

Chartered Accountants and Statutory Audit Firm

104 Lower Baggot Street

Dublin 2

D02 Y940

**8 September 2020**

## South Presentation Centre CLG INCOME AND EXPENDITURE ACCOUNT

for the financial year ended 31 December 2019

	Notes	2019 €	2018 €
Income	6	1,439,995	1,438,976
Expenditure	7	<u>(1,834,891)</u>	<u>(1,751,881)</u>
Deficit before interest		<b>(394,896)</b>	<b>(312,905)</b>
Interest receivable and similar income		53,279	41,384
Interest payable and similar expenses		<u>(145,349)</u>	<u>(95,695)</u>
Deficit for the financial year		<u><b>(486,966)</b></u>	<u><b>(367,216)</b></u>

The company's income and expenditure all relate to continuing operations.

Approved by the board on 7 September 2020 and signed on its behalf by:

Patrick Ledwidge  
Director

Gerard O'Donovan  
Director

**South Presentation Centre CLG**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**

for the financial year ended 31 December 2019

	2019 €	2018 €
<b>Deficit after taxation</b>	<b>(486,966)</b>	(367,216)
Revaluation reserve unrealised movement on revaluation of property	-	773,321
Total comprehensive income relating to the financial year	<u><b>(486,966)</b></u>	<u>406,105</u>

# South Presentation Centre CLG

## BALANCE SHEET

as at 31 December 2019

	Notes	2019 €	2018 €
<b>Fixed Assets</b>			
Tangible assets	9	<u>17,800,650</u>	<u>18,309,659</u>
<b>Current Assets</b>			
Stocks	10	81,538	38,226
Debtors	11		
- amounts falling due after more than one year		1,788,321	1,955,787
- amounts falling due within one year		508,169	388,453
Cash and cash equivalents		509,432	586,763
		<u>2,887,460</u>	<u>2,969,229</u>
<b>Creditors: Amounts falling due within one year</b>	12	<u>(545,768)</u>	<u>(426,768)</u>
<b>Net Current Assets</b>		<u>2,341,692</u>	<u>2,542,461</u>
<b>Total Assets less Current Liabilities</b>		<b>20,142,342</b>	20,852,120
<b>Creditors</b>			
Amounts falling due after more than one year	13	<u>(11,097,811)</u>	<u>(11,320,623)</u>
<b>Net Assets</b>		<u><u>9,044,531</u></u>	<u><u>9,531,497</u></u>
<b>Reserves</b>			
Revaluation reserve		773,321	773,321
Capital reserves and funds		13	13
Income and expenditure account		8,271,197	8,758,163
<b>Equity attributable to owners of the company</b>		<u><u>9,044,531</u></u>	<u><u>9,531,497</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", applying Section 1A of that Standard.

Approved by the board on 7 September 2020 and signed on its behalf by:

Patrick Ledwidge  
Director

Gerard O'Donovan  
Director

## South Presentation Centre CLG RECONCILIATION OF MEMBERS' FUNDS

as at 31 December 2019

	Retained surplus	Revaluation reserve	Capital contribution reserve	Total
	€	€	€	€
<b>At 1 January 2018</b>	9,125,379	-	13	9,125,392
Deficit for the financial year	(367,216)	-	-	(367,216)
Other gains and losses	-	773,321	-	773,321
Total comprehensive income	(367,216)	773,321	-	406,105
<b>At 31 December 2018</b>	8,758,163	773,321	13	9,531,497
Deficit for the financial year	(486,966)	-	-	(486,966)
<b>At 31 December 2019</b>	<b>8,271,197</b>	<b>773,321</b>	<b>13</b>	<b>9,044,531</b>

## South Presentation Centre CLG

### CASH FLOW STATEMENT

for the financial year ended 31 December 2019

	Notes	2019 €	2018 €
<b>Cash flows from operating activities</b>			
Deficit for the financial year		(486,966)	(367,216)
Adjustments for:			
Interest receivable and similar income		(53,279)	(41,384)
Interest payable and similar expenses		145,349	95,695
Depreciation		708,988	773,192
		<u>314,092</u>	<u>460,287</u>
Movements in working capital:			
Movement in stocks		(43,312)	(25,178)
Movement in debtors		47,750	(739,190)
Movement in creditors		68,569	(548,931)
		<u>387,099</u>	<u>(853,012)</u>
Cash generated from/(used in) operations		(95,695)	-
Interest paid			
		<u>291,404</u>	<u>(853,012)</u>
<b>Cash flows from investing activities</b>			
Interest received		53,279	41,384
Payments to acquire tangible fixed assets		(199,979)	(1,203,858)
		<u>(146,700)</u>	<u>(1,162,474)</u>
Net cash used in investment activities			
<b>Cash flows from financing activities</b>			
New long term loan		52,244	860,339
Repayment of short term loan		(274,279)	(149,252)
		<u>(222,035)</u>	<u>711,087</u>
Net cash (used in)/generated from financing activities			
<b>Net decrease in cash and cash equivalents</b>		<b>(77,331)</b>	<b>(1,304,399)</b>
<b>Cash and cash equivalents at beginning of financial year</b>		<b>586,763</b>	<b>1,891,162</b>
<b>Cash and cash equivalents at end of financial year</b>	<b>19</b>	<b>509,432</b>	<b>586,763</b>

# South Presentation Centre CLG

## NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2019

### 1. GENERAL INFORMATION

South Presentation Centre CLG is a company limited by guarantee incorporated in the Republic of Ireland. The registered office of the company is Nano Nagle Place, Evergreen Street, Cork City, Cork, T12 XPX8, Ireland which is also the principal place of business of the company. The nature of the company's operations and its principal activities are set out in the Directors' Report. The financial statements have been presented in Euro (€) which is also the functional currency of the company.

### 2. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### Statement of compliance

The financial statements of the company for the year ended 31 December 2019 have been prepared in accordance with the provisions of FRS 102 Section 1A (Small Entities) and the Companies Act 2014.

#### Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, issued by the Financial Reporting Council.

#### Income

All income is recognised in the income and expenditure account when the company is entitled to the income, the amount can be determined with reasonable accuracy and receipt is probable.

#### Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Fixtures, fittings and equipment	- 15% Straight line
Leasehold improvement	- over the remaining life of the lease

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

#### Investment properties

Investment property whose fair value can be measured reliably without undue cost or effort is measured at fair value with changes in fair value recognised in the Income and Expenditure Account. Revalued investment properties are not depreciated or amortised, unless the fair value cannot be measured reliably or without undue cost or effort.

Not depreciating or amortising property is a departure from the requirement of Company Law to provide depreciation on all fixed assets which have a limited useful life. However, these investment properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. If depreciation were to be provided it would be provided at a rate of 4% Straight line per annum on the revalued amount.

#### Stocks

Stocks are valued at the lower of cost and net realisable value.

#### Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

# South Presentation Centre CLG

## NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2019

### Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

### Employee benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

### Taxation

The company is a registered charity and had obtained charitable tax exemption from the Revenue Commissioners and, therefore is not liable to income tax or corporation tax on income derived from their charitable activities, as it falls within the various exemptions available to registered charities.

### Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Income and Expenditure Account.

## 3. GOING CONCERN

The directors have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements and have made the following assessment in respect of a period of 12 months from the date of approval of these financial statements.

The directors have considered the impact of the COVID-19 pandemic on the company's ability to continue as a going concern. The directors have reviewed revised budgets and cash flow forecasts prepared by management which include an assessment of the effects of COVID-19 on the company. These revised budgets and cash flows forecasts indicate that the company has sufficient cash and reserves to continue in operation for the foreseeable future. The directors have concluded that there are sufficient mitigation measures available to ensure cash flows are managed and that the company can continue to meet its obligations as they fall due for the period of at least twelve months from the date of approving these financial statements.

The financial statements have been prepared on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

## 4. PROVISIONS AVAILABLE FOR AUDITS OF SMALL ENTITIES

In common with many other businesses of our size and nature, we use our auditors to prepare and submit tax returns to the Revenue and to assist with the preparation of the financial statements.

<b>5. OPERATING DEFICIT</b>	<b>2019</b>	2018
	€	€
<b>Operating deficit is stated after charging:</b>		
Depreciation of tangible fixed assets	<b>708,988</b>	773,192
	<u>                    </u>	<u>                    </u>
<b>6. INCOME</b>	<b>2019</b>	2018
	€	€
Rental income	<b>808,507</b>	485,120
Grant income	<b>293,552</b>	804,325
Trading income	<b>213,247</b>	140,954
VAT refund	<b>77,909</b>	-
Donations	<b>46,780</b>	8,560
Bank interest	-	17
	<u>                    </u>	<u>                    </u>
	<b>1,439,995</b>	1,438,976
	<u>                    </u>	<u>                    </u>

**South Presentation Centre CLG**  
**NOTES TO THE FINANCIAL STATEMENTS**

for the financial year ended 31 December 2019

continued

<b>7. EXPENDITURE</b>	<b>2019</b>	2018
	€	€
Depreciation	<b>708,988</b>	773,192
Staff costs including wages and salaries	<b>492,389</b>	411,908
Operational expenses	<b>260,815</b>	165,691
Maintenance, repair and facilities	<b>254,326</b>	177,494
Utilities	<b>55,400</b>	67,073
Professional fees Operations	<b>33,995</b>	36,257
Marketing	<b>28,978</b>	24,460
Professional fees Western Apex	-	95,519
Other expenses	-	287
	<b><u>1,834,891</u></b>	<b><u>1,751,881</u></b>

**8. EMPLOYEES**

The number of employees during the financial year was 22, (2018 - 14).

	<b>2019</b>	2018
	Number	Number
Administration	<b>4</b>	4
Executive Management	<b>4</b>	2
Sales, Ambassador and other wages	<b>14</b>	8
	<b><u>22</u></b>	<b><u>14</u></b>

The staff costs comprise:

	<b>2019</b>	2018
	€	€
Wages and salaries	<b>434,839</b>	378,373
Social welfare costs	<b>45,177</b>	26,363
	<b><u>480,016</u></b>	<b><u>404,736</u></b>

During the year under review the company incurred wages and salaries costs of €480,016 (2018: €404,736).

**9. TANGIBLE FIXED ASSETS**

	<b>Investment properties</b>	<b>Fixtures, fittings and equipment</b>	<b>Leasehold improvement</b>	<b>Total</b>
	€	€	€	€
<b>Cost</b>				
At 1 January 2019	10,625,000	1,282,603	8,753,330	20,660,933
Additions	-	114,556	85,423	199,979
At 31 December 2019	<u>10,625,000</u>	<u>1,397,159</u>	<u>8,838,753</u>	<u>20,860,912</u>
<b>Depreciation</b>				
At 1 January 2019	-	504,318	1,846,956	2,351,274
Charge for the financial year	-	209,574	499,414	708,988
At 31 December 2019	<u>-</u>	<u>713,892</u>	<u>2,346,370</u>	<u>3,060,262</u>
<b>Net book value</b>				
At 31 December 2019	<b><u>10,625,000</u></b>	<b><u>683,267</u></b>	<b><u>6,492,383</u></b>	<b><u>17,800,650</u></b>
At 31 December 2018	<u>10,625,000</u>	<u>778,285</u>	<u>6,906,374</u>	<u>18,309,659</u>

**South Presentation Centre CLG**  
**NOTES TO THE FINANCIAL STATEMENTS**

continued

for the financial year ended 31 December 2019

**Revaluation Reserve**

The investment property, known as the Western Apex, was revalued in 2018 from initial cost of €9,851,679 to the agreed future sales price of €10,625,000. This resulted in a revaluation gain of €773,321.

<b>10. STOCKS</b>	<b>2019</b>	2018
	€	€
Finished goods and goods for resale	<u><b>81,538</b></u>	<u>38,226</u>

The replacement cost of stock did not differ significantly from the figures shown.

<b>11. DEBTORS</b>	<b>2019</b>	2018
	€	€
Trade debtors	<b>170,836</b>	96,878
Taxation	<b>112,071</b>	15,240
Prepayments	<b>4,487</b>	2,026
Amounts receivable from tenants	<b>2,009,096</b>	2,230,096
	<u><b>2,296,490</b></u>	<u>2,344,240</u>

At the 31<sup>st</sup> December 2019, University College Cork and Cork Institute of Technology owed South Presentation Centre CLG €1,883,818 (2018: €2,087,170) in relation to fit out costs incurred by the company at the Western Apex building. These costs are being recovered from the tenants over the term of the lease in accordance with the lease agreement. University College Cork and Cork Institute of Technology paid €251,612 during the year in line with the agreement.

At the 31<sup>st</sup> December 2019, University College Cork owed South Presentation Centre CLG €125,278 (2018: €141,000) in relation to fit out costs incurred by the company at the School of Physiology building. These costs are being recovered from the tenants over the term of the lease in accordance with the lease agreement. University College Cork paid €22,667 during the year in line with the agreement.

**Amounts falling due after more than one year and included in debtors are:**

	<b>2019</b>	2018
	€	€
Amounts receivable from tenants	<u><b>1,788,321</b></u>	<u>1,955,787</u>

<b>12. CREDITORS</b>	<b>2019</b>	2018
<b>Amounts falling due within one year</b>	<b>€</b>	<b>€</b>
Loans to Presentation Sisters	<b>275,086</b>	274,309
Payments received on account	<b>13,824</b>	5,998
Trade creditors	<b>190,463</b>	85,293
Taxation	<b>33,785</b>	32,548
Other creditors	<b>8,613</b>	1,051
Accruals	<b>23,997</b>	27,569
	<u><b>545,768</b></u>	<u>426,768</u>

**South Presentation Centre CLG**  
**NOTES TO THE FINANCIAL STATEMENTS**

continued

for the financial year ended 31 December 2019

<b>13. CREDITORS</b>	<b>2019</b>	<b>2018</b>
<b>Amounts falling due after more than one year</b>	<b>€</b>	<b>€</b>
Loans to Presentation Sisters	<b>11,097,811</b>	11,320,623
<b>Loans</b>		
Repayable in one year or less (Note 12)	<b>275,086</b>	274,309
Repayable between one and two years	<b>226,487</b>	220,748
Repayable between two and five years	<b>966,133</b>	941,614
Repayable in five years or more	<b>9,905,191</b>	10,158,261
	<b>11,372,897</b>	11,594,932

The loans to Presentation Sisters at 31 December 2019 of €11,372,897 comprises of €9,363,801 towards building costs and €2,009,096 towards the fit-out of the Western Apex and School of Physiology. These loans were provided by the Presentation Sisters and are interest bearing. The €2,009,096 of fit-out costs incurred have been included as amounts receivable by the company from the tenants. Under the terms of the lease agreement between the tenants and South Presentation Centre CLG, the former is to repay the fit-out costs to the company over the term of the 10 year lease (Note 11).

**14. STATUS**

The liability of the members is limited.

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while they are members, or within one year thereafter, for the payment of the debts and liabilities of the company contracted before they ceased to be members, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount as may be required, not exceeding € 1.

**15. CAPITAL COMMITMENTS**

The company had no material capital commitments at the financial year-ended 31 December 2019.

**16. RELATED PARTY TRANSACTIONS**

Bride Given, Grace Redmond, Noreen Flaherty, Antonia Murphy and Frances Crowe are members of the Presentation Sisters Congregation. The Presentation Sisters have leased the land and buildings at Evergreen Street to the company and have provided the company with loans of €11,372,897 (as set out at note 13) and contributions to fund the development and fit-out of Nano Nagle Place. Ministry activities of the company are part funded by the two Irish Units of the Presentation Sisters. During 2019, the South Presentation Centre received €100,000 from the Presentation Sisters North East Province and €120,000 from the Presentation Sisters South West Province.

During the year, the Presentation Sisters rented office, conference, and archive space from the company for a combined annual rent of €41,750 (2018: €44,000).

Gerard O'Donovan is Head of the Business Faculty and Humanities at Cork Institute of Technology and Mary O'Rourke is an employee of University College Cork. The company has entered into a lease agreement with University College Cork and Cork Institute of Technology for the Western Apex Building.

**17. ULTIMATE CONTROLLING PARTY**

The members of the South Presentation Centre CLG are considered to be the ultimate controlling party.

**South Presentation Centre CLG**  
**NOTES TO THE FINANCIAL STATEMENTS**

continued

for the financial year ended 31 December 2019

**18. POST-BALANCE SHEET EVENTS**

During the first quarter of 2020, the Covid-19 virus spread worldwide. In common with many other countries, the Irish government issued guidance and restrictions on the movement of people designed to slow the spread of this virus. As a result of the social distancing and cocooning guidelines issued by the Irish Government in March 2020, the company ceased all non-essential activities.

At the time of approving the financial statements, there is uncertainty regarding how the company's balance sheet may have been impacted by events since the year end, and as a result an estimate of its financial effect cannot be made. The directors have carefully considered the revised budgets and forecasts prepared by management together with the cash reserves of the company and are satisfied that there has been no impairment of assets.

There have been no other significant events affecting the company since the financial year end.

**19. CASH AND CASH EQUIVALENTS**

	<b>2019</b>	2018
	€	€
Cash and bank balances	<b>509,432</b>	586,763

**20. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

	<b>Opening balance</b>	<b>Cash flows</b>	<b>Other changes</b>	<b>Closing balance</b>
	€	€	€	€
Long-term borrowings	(11,320,623)	(53,279)	276,091	(11,097,811)
Short-term borrowings	(274,309)	274,279	(275,056)	(275,086)
<b>Total liabilities from financing activities</b>	<b>(11,594,932)</b>	<b>221,000</b>	<b>1,035</b>	<b>(11,372,897)</b>

**21. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved and authorised for issue by the board of directors on **7 September 2020**.

**SOUTH PRESENTATION CENTRE CLG**

**SUPPLEMENTARY INFORMATION**

**RELATING TO THE FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019**

**NOT COVERED BY THE REPORT OF THE AUDITORS**

**THE FOLLOWING PAGES DO NOT FORM PART OF THE AUDITED FINANCIAL STATEMENTS**

**South Presentation Centre CLG**  
**SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS**  
**DETAILED INCOME AND EXPENDITURE ACCOUNT**  
for the financial year ended 31 December 2019

		2019 €	2018 €
<b>Income</b>			
<u>Grant Income</u>			
Operations	293,552	279,325	
Conference Centre	-	450,000	
Western Apex	-	75,000	
	<hr/>	<hr/>	
		<b>293,552</b>	804,325
<u>Rental Income</u>			
University College Cork – Western Apex	600,000	350,000	
University College Cork – Physio	61,529	26,951	
Meeting room	39,476	20,120	
Conference space	34,232	25,548	
Office	20,747	19,500	
Cafe & services income	19,890	12,000	
Apartment	17,548	18,666	
Car Park	10,085	7,333	
Archive	5,000	5,002	
	<hr/>	<hr/>	
		<b>808,507</b>	485,120
<u>Trading Income</u>			
Shop sales	156,902	89,509	
Ticket sales	40,472	44,390	
Events income	14,859	6,513	
Courses income	1,014	542	
	<hr/>	<hr/>	
		<b>213,247</b>	140,954
VAT refund		<b>77,909</b>	-
Donations received		<b>46,780</b>	8,560
Bank interest received		-	17
		<hr/>	<hr/>
		<b>1,439,995</b>	<b>1,438,976</b>

**South Presentation Centre CLG**  
**SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS**  
**DETAILED INCOME AND EXPENDITURE ACCOUNT**  
for the financial year ended 31 December 2019

	2019	2018
	€	€
<b>Expenditure</b>		
Depreciation	<b>708,988</b>	773,192
<u>Staff costs including wages and salaries</u>		
Wages and salaries	434,839	378,373
Social welfare costs	45,177	26,363
Staff welfare and training	11,614	6,919
Recruitment costs	759	253
	<b>492,389</b>	411,908
<u>Maintenance, repair and facilities</u>		
Facilities	242,630	169,207
Landscaping	11,696	-
Repairs and maintenance Western Apex	-	8,287
	<b>254,326</b>	177,494
<u>Operational expenses</u>		
Stock purchases	133,090	70,074
Insurance	25,092	28,966
Cork Migrant Centre expenses	22,542	-
Computer bureau costs	21,220	11,018
Programming expenses	18,198	7,325
Lantern expenses	17,331	7,818
Events expenses	12,887	8,513
Meeting room expenses	12,401	4,952
Shop expenses	11,325	4,481
Consumables	8,047	5,021
Apartment expenses	6,600	3,803
Education expenses	5,042	7,252
General expenses	2,652	12,623
Materials	2,151	327
Administration, meetings and catering	2,022	2,340
Heritage centre expenses	1,432	2,031
Bank charges	787	857
Printing, postage and stationery	729	2,442
Security service operations	220	-
Cafe expenses	210	207
Computer costs Western Apex	149	1,877
Motor expenses	-	7,543
Telephone	-	1,061
Bank fees Western Apex	-	175
Travelling and entertainment	-	163
Movement in stock	(43,312)	(25,178)
	<b>260,815</b>	165,691
Professional fees Western Apex	-	95,519
<u>Utilities</u>		
Light and heat	52,979	58,332
Water and waste charges	2,421	8,741
	<b>55,400</b>	67,073
<u>Professional fees Operations</u>		
Auditor's remuneration	16,016	8,949
Legal and professional	14,132	16,854
Accountancy	3,847	10,454
	<b>33,995</b>	36,257

**South Presentation Centre CLG**  
**SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS**  
**DETAILED INCOME AND EXPENDITURE ACCOUNT**  
for the financial year ended 31 December 2019

	2019 €	2018 €
Marketing and public relations	<b>28,978</b>	24,460
<u>Other expenses</u>		
Charitable donations	-	287
	<u>-</u>	<u>287</u>
	<b><u>1,834,891</u></b>	<b><u>1,751,881</u></b>
 <b>Finance</b>		
Interest payable	<b><u>(145,349)</u></b>	<u>(95,695)</u>
 <b>Miscellaneous income</b>		
Interest receivable	<b><u>53,279</u></b>	<u>41,384</u>
 <b>Net deficit</b>	<b><u><u>(486,966)</u></u></b>	<b><u><u>(367,216)</u></u></b>