

**THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE
T/A AN COSÁN
Report and Financial Statements
for the year ended
31 December 2021
(A company limited by guarantee and not having a share capital)**

AN COSÁN

REPORT AND FINANCIAL INFORMATION 2021

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AN COSÁN

DIRECTORS AND OTHER INFORMATION

BOARD OF DIRECTORS

Anna Durkan (Chair)
Conal Henry (Vice Chair)
Mairead Butler (Company Secretary)
Ger French
Bill Roche
Dee Kehoe
Siobhán Wall
Martina Genockey (Resigned 19 Oct 2021)

SECRETARY AND REGISTERED OFFICE

Mairead Butler
The Shanty Educational Project CLG
An Cosán
Kiltalown Village Centre
Jobstown
Tallaght
Dublin 24

CEO

Heydi Foster Breslin

CHARITY NUMBER

CHY 8659
Registered Charity Number 20021528
CRO NUMBER 131383

AUDITORS

Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Centre
Block 3
Harcourt Road
Dublin 2

BANKERS

Allied Irish Bank
Village Green
Tallaght
Dublin 24

Bank of Ireland
Ballsbridge
Dublin 4

SOLICITORS

A&L Goodbody
North Wall Quay
Dublin 1

AN COSÁN

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2021.

1. STRUCTURE, GOVERNANCE AND MANAGEMENT

a) Constitution

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). The company currently operates under the registered business name An Cosán. The company is established for charitable purposes only and is governed by its Constitution.

b) Structure

The company currently has three members (Eileen Durkan, Dara Hogan and Brenda O'Malley Farrell), each of whom agrees to contribute €1.27 in the event of the company winding up. The Board of Directors is currently comprised of seven Directors and great efforts are underway to grow this number and also to appoint Directors who are resident in the community to the Board.

c) Governance

The Board of Directors

Board Member	Role	Appointed / Resigned	Member of Finance & Risk Committee	Member of Early Years Working Group
Anna Durkan	Chair	Re-Appointed		
Conal Henry	Vice Chair	Continuing		
Mairead Butler	Company Secretary / Chair of Finance & Risk Committee	Re-Appointed	✓	
Ger French	Director / Chair of Early Years Working Group	Continuing		✓
Bill Roche	Director	Re-Appointed	✓	
Dee Kehoe	Director	Continuing		
Siobhán Wall	Director	Continuing	✓ Appointed to FRC 16 Sept 2021	
Martina Genockey	Director	Re-Appointed Resigned 19 Oct 2021		

In 2021 no new board members were appointed. Four members continued on the board, and four members were re-appointed to the board at the AGM. One of the re-appointed members subsequently resigned. Membership and changes to membership were in line with the provisions of the constitution.

DIRECTORS' REPORT

1. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The Board identifies prospective new Directors having regard to the overall competencies required by the An Cosán Board and those represented amongst continuing Board members (following an annual self-assessment skills review). A process of engagement with prospective Board members is undertaken to familiarise them with An Cosán, its Board and senior management and to assess "fit" with our organisation prior to proceeding with their ratification. An Cosán will only appoint directors who will uphold the organisation's core mission and values.

There were eight board meetings in the year. The AGM was held on 24 June 2021.

Number of Directors	% Attendance at Board Meetings 2021
3	100%
1	80%
1	75%
3	63%
<u>8</u>	

The Board has delegated some of its specific functions to standing committees which undertake detailed oversight in accordance with agreed Terms of Reference approved by the Board.

There are currently two sub-committees of the Board in operation (Finance & Risk Committee and Early Years Working Group).

However, following a review of Adult Community Education Services, we have approved the establishment of an Education Advisory Group as a sub-committee of the Board to oversee Adult Community Education within An Cosán as of Quarter 3 2022.

The process to identify and invite members to the Education Advisory Group is well underway by the CEO, the Board and Adult Education Manager. It is envisaged that the committee will be chaired by a Director of the Board, include at least two external experts in the provision of Adult Community Education, a learner and tutor representative and that membership will not exceed seven members. The Chair of the Adult Community Education Advisory Group will update the CEO and the Board about Committee activities. The minutes of Adult Community Education Advisory Group meetings shall be noted by the Board and the Adult Community Education Advisory Group through its Chair shall report to the Board on the Group's activities on at least one occasion each year.

Finance & Risk Committee**Mission**

The Finance and Risk Committee ("FRC") oversees, supports and guides the financial structures and sustainability of An Cosán, helping to ensure that risk is identified, considered and managed.

Objectives of the Committee

- Guide the financial sustainability of the organisation
- Ensure appropriate financial policies and procedures are developed and implemented
- Ensure all accounting records are maintained in a proper fashion
- Ensure company secretarial activity and external audits are conducted appropriately
- Meet with the external auditors as and when required
- Ensure compliance with Charities Regulatory Authority (CRA) and other statutory requirements

DIRECTORS' REPORT

1. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The FRC met five times in 2021. At 31 December 2021, the committee comprised of three Board Directors (all with expertise in finance, accounting and governance), the CEO, Deputy CEO, Finance Manager and Corporate Services Manager. The Finance Manager presents updates at every meeting and the Chair prepares relevant minutes. The FRC oversaw the Tender Process for Audit services in line with best practice and the Governance Code compliance document in 2021.

Early Years Working Group**Mission**

This Working Group will support, guide, promote and advocate for the work of An Cosán in reaching and, where possible, exceeding An Cosán's quality standards (to be defined) in early years education and care.

Objectives of the Early Years Education Working Group

- To gain an in-depth understanding of An Cosán Early Years education and care programmes
- To identify strategic issues relating to quality in the early years services for the attention of the Board
- To review the early years quality control systems in place and how each service is performing against the quality standards
- To understand how each operation contributes appropriately to the successful implementation of the current Strategic Plan
- To play a key role in the early childhood education elements of new An Cosán Strategic Plans
- To bring the insights of new research to the attention of the working group
- To link into external agencies on behalf of An Cosán as ambassadors of the organisation where assigned by the Early Years Education Working Group Members
- To link into government and their agencies with a view to influencing early years education policy development
- To identify the best ways and means of evaluating performance, tracking children and measuring outcomes in early years services
- To keep abreast of emerging issues in early childhood education and to share them within the organisation
- To report to the Board of Directors at each meeting of the Board of Directors
- To maintain the dynamism of the Terms of Reference which will be reviewed annually

The Early Years Working Group met six times in 2021. At 31 December 2021, the committee comprised of one Board Director (an expert in Early Years Education & Care), Deputy CEO, Senior Early Years Manager, Early Years Manager and the CEO also attends on occasion. Minute-taking and responsibility rotate and items for the agenda are forwarded by all to the minute-taker for the following meeting. The Early Years Education Working Group reports to the Board of Directors through its Chair via the Chair's reporting form and the minutes of the meetings.

d) Schedule of matter 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. Recruitment and selection of the CEO, terms and conditions and performance reviews.
5. Considering developments or actions that may have significant impact on the organisation's strategy, finances, reputation, and capacity to fulfil its mission.
6. Considering significant matters that may impact staff and client wellbeing.
7. Approval of overall organisational salary increases are approved by the Board
8. Two Directors must approve new credit card applications
9. Payroll is authorised by a specified Director

DIRECTORS' REPORT

1. STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

e) **Governance Code**

The Board was delighted to approve that An Cosán is fully compliant with the Charities Governance Code (as submitted in Annual Report to the Charities Regulator in October 2021). Adherence to each of the core principles takes tremendous effort, determination and high standards across the entire An Cosán family: Board, Management and the An Cosán team.

f) **Management**

The Board has appointed the CEO and has delegated operational decision-making powers to the CEO and Senior Management Team. The CEO provides a Management Report to the Board of Directors at every Board meeting. This report sets out progress on achievement of the strategic goals for the year. During 2021, the outcome of an organisational re-design at senior management level, saw the creation of two new senior management positions. Both of these positions were filled during the year. Bronagh Moore joined as Corporate Services Manager in March 2021 and Carole Byrne, an internal candidate, was appointed as Finance Manager in June 2021. Adelaide Nic Chárthaigh, Adult Community Education Manager was appointed in July 2021.

2. OBJECTS AND ACTIVITIES OF THE COMPANY

OUR VISION

A world where people can access education to achieve their full potential

OUR MISSION

To empower women and children left furthest behind through learning, leadership and enterprise

OUR VALUES

Connected:

Meeting the needs of our community in an inclusive way

Compassionate:

Being kind, supportive and loving

Courageous:

Being ambitious and resilient

The main objects for which the company is established are:

- To provide for the relief of poverty, deprivation 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 or centres, real or virtual, or such facilities as may be thought desirable.

DIRECTORS' REPORT

3. ACHIEVEMENTS AND PERFORMANCE

An Cosán ensured services were delivered to the highest standard during 2021. Our community education service nationwide continued to provide pathways to learning, leadership and enterprise. Services include early years education and care, counselling & family support, and adult education at access, further and higher levels. As an essential service, key state & community agencies, corporates and foundations looked to An Cosán through the Covid crisis and supported us in many ways. As restrictions began to ease in September, the adult education programme returned to face-to-face classes in our Jobstown centre, blended with online delivery. The CEO led a process of renewal and built the team with new managerial positions and plans for a new Customer Relationship Management system with improved data management processes.

Measurement of Key Performance:

- 1,153 learner places: Access Education 144; Further Education 434; Higher Education 503; Continuing Professional Development 72
- 20 Higher Education learners graduated with BA degrees
- 229 community partners, including 15 new partners. A highlight was our Erasmus+ Fatherhood Project which developed training programmes to empower young fathers in their parenting role.
- 190 children received daily high-quality education and care across our 7 Early Years Education and Care Centres in Tallaght West, and Cabra & Whitehall on Dublin's northside. Services include: early years (ECCE) using the interactive HighScope curriculum; afterschool services and activities in the Jobstown service; and supports to parents to inform and involve them as much as possible in their children's education. The Jobstown service also works closely with Tusla to include children with particular needs who are referred to us.
- 43 families supported through the Lifestart programme. This is an outreach parenting programme operating in Tallaght West specifically targeting parents and carers of children from 0 to 3 years. Children are visited monthly in their homes to support their educational and developmental needs. For those with the greatest needs, visits are more frequent.
- 1,500 counselling sessions for learners and local community members which is an increase over the previous year, as we responded especially to increased levels of stress and disadvantage arising from Covid. The team of counsellors expanded their service to include counselling for teenage clients, and also clients affected by increased levels of violence or abuse such as coercive control, including the provision of group therapy sessions for women.
- 3,689 people used An Cosán's Digital Stepping Stones (DSS) online assessment tool where users can measure their IT skills and confidence levels, before making a plan to upgrade their skills.
- 50+ laptops lent to adult learners

Other key long term achievements included:

- The process of strategic renewal of our new 5 year strategic plan for 2022-2026 led to the production of the strategic plan document which is now in place. To ensure the process was inclusive, interactive and constructive, strategy renewal sessions were held with staff and Board members.
- An external review of our nationwide Adult Community Education (ACE) provision ensured we meet the needs of those left furthest behind. An Cosán's ACE provision is fully aligned to the SOLAS FET (Further Education & Training) Strategy 2020 – 2024.
- We expanded our Digital Inclusion Unit, ensuring it could upskill and develop new initiatives to tackle the digital divide, including a suite of e-learning curricula. We developed the DSS tool with Accenture, which is a first in Ireland.
- We contributed towards the EU target of 80% of people to have digital skills by 2030, and we campaigned at national and European levels for policy and practice to end the digital divide and to bring about true digital inclusion. (EC digital strategy 'Digital Compass 2030')

DIRECTORS' REPORT

3. ACHIEVEMENTS AND PERFORMANCE (continued)

Specific measures to support beneficiaries:

An Cosán's wraparound services in 2021 provided effective supports to learners. The most important is our culture of hospitality which reflects our ethos and vision. This ensures an inclusive environment to attract and support those who are disadvantaged and returning to learning and who may have been alienated by the Irish education system. For example, An Cosán meetings and classes begin with an 'opening circle' to allow a mindful pause and bring participants together, and this continues for online classes also. Tea and scones are available to ensure visitors feel welcome, and for busy mothers especially it may be their first moment of the day to take a break. We continued to provide the following specific measures:

- Free Early Years Education and Care which ensured parents enrolled in courses could attend classes in person or online.
- Student Welfare and Support: Students who encounter unexpected difficulties (e.g. finances, fees, registration) can access direct support.
- Financial Support: this includes bursaries, phased payment options, and assistance to apply for other funding supports for which people may be eligible.
- Counselling: Any learner who wishes is offered subsidised counselling. Adults returning to learning often find they face, and want to talk through, old fears and challenges that resurface.
- Tutor Mentoring and IT Support: Tutors provide a one-to-one service to learners, especially those who need additional help with their coursework and assignments. There is online IT support during classes; this is from an IT moderator available to assist learners. We provide resources for online learning, including both software and hardware solutions.
- The Flipped Classroom: This technique is based on group activities inside the classroom where the focus is on student interaction and learning, and not the tutor lecturing. Tutors are trained to facilitate learner participation and achievement of learning outcomes; they assist proactively in different ways tailored to learners.
- Laptop Loan Scheme including access to WiFi. We continued to lend laptops to low-income learners.

Advocacy & impact

An Cosán's advocacy work is committed to having an impact in the longer term. This is mainly through the transformative potential of education, particularly in breaking the cycle of inter-generational poverty and promoting social inclusion. These highlights show how we are a leading education voice for those left furthest behind and the need to enhance the education system in Ireland:

- The CEO and Learners spoke at An Cosán's International Women's Day online celebration in March advocating for greater education for women "educate a woman and she will lift not only herself out of poverty, but her children too." #OneGenerationSolution
- An Cosán advocates for tackling the digital divide and digital transformation. In July, the CEO spoke at the launch of the report 'Digital Inclusion in Ireland: Connectivity, Devices and Skills' (National Economic and Social Council, 2021) on how our Digital Stepping Stones (DSS) assessment tool had helped learners identify their skills level and signpost further learning.
- In September as a member of the advisory committee the CEO spoke at the launch of the Government's Adult Literacy for Life 10 Year Strategy. She highlighted how essential it is to address literacy and digital exclusion.
- In October she addressed 115 people representing 70 organisations at our Leaving No One Behind Digital Inclusion Webinar: "without digital literacy, citizens cannot participate fully in society, or acquire the skills and knowledge necessary to thrive."
- In December, the CEO outlined at the Oireachtas Committee Meeting on Child Poverty how our One Generation Solution is a proven model of community transformation. She drew directly from our experience of running Early Years Services for disadvantaged children and our 36-year track record of tackling child poverty in Tallaght West, and also in Dublin's northside.

In conclusion, An Cosán has come through Covid stronger than ever. Still firmly rooted in our feminist principles and in the local Tallaght West community, but now also online with hundreds of learners and community partners and connected to platforms across Ireland. An Cosán is proud that since it was established, over 20,000 adults and more than 4,700 children have benefited from our activities.

DIRECTORS' REPORT

4. FINANCIAL REVIEW

An Cosán had an exceptional year financially. This follows a number of years where the organisation had no reserves and growing deficits, leaving us vulnerable. In order to stabilise An Cosán's financial sustainability, we engaged with Tusla and Solas. The result of their combined effort was that we received an increase in core funding from both Tusla and Solas. The arrival of the Covid-19 pandemic introduced a huge level of additional uncertainty as well as service disruption. An Cosán focused on cost containment to mitigate this uncertainty.

We were also fortunate to avail of comprehensive government funding in 2021 relating to Covid-19 pandemic supports. These exceptional supports from the State amounted to 14% of total income. €629,000 of exceptional income was received from the following State funding streams: Employment Wage Subsidy Scheme, related PRSI Credits, Covid-19 Stability Scheme, Covid Operational Support Payment and a once-off increase in Tusla funding.

Another exceptional factor in An Cosán achieving a surplus of €763,306 in 2021 was due to the donations received from our charity partner, Goodbody. This relationship has grown over the last three years and proved invaluable throughout 2021. They provided An Cosán with both unrestricted financial donations and also pro bono support, covering the production costs of running our online International Women's Day event in March. They also brought support and expertise to members of our team working alongside them on various projects.

Because our usual flagship fundraisers – our annual International Women's Day lunch celebration and Winter Ball - could not take place face-to-face due to the pandemic, we were deeply appreciative of the unrestricted support of €139,000 our charity partner, Goodbody, gave us in 2021.

This meant that An Cosán could continue to provide essential services to our learners, our families, our little ones, and those furthest behind during a challenging year.

It was fantastic to see a 26% increase in our traded income in 2021 (namely, learner and parent fees and counselling contributions) as it was an indication that more and more face-to-face classes, educational programmes and counselling sessions could take place, which is the heart of all we do at An Cosán.

The exceptional funding received in 2021 (noted above) has enabled An Cosán to stabilise our financial position and has built confidence in our ongoing ability to provide essential services to those furthest behind for the foreseeable future.

Please note that the comparative amounts in the statement of financial activities and balance sheet reflect a prior year adjustment in respect of the recognition of capital grants. In prior years capital grants were treated as deferred income and amortised over the useful life of the related assets. In preparing the 2021 financial statements a prior period adjustment was made to recognise the capital grant as income at the time it was received in order to meet the SORP requirements for income recognition.

Total reserves at the end of the financial year are €1,523,137 (2020: €759,831), of which €1,328,429 (2020: €742,928) is restricted and €194,708 is unrestricted (2020: €16,903).

Our reserves policy aims to achieve and maintain a level of reserves equivalent to three months' worth of operational expenditure for the organisation. As An Cosán is a not-for-profit charitable organisation, the approach to achieving this target is to be gradual and sustainable, while ensuring the delivery of our quality core services of Early Years Education & Care, Adult Community Education and Counselling & Family Support.

DIRECTORS' REPORT

4. FINANCIAL REVIEW (continued)

For 2022, the value of three months reserves equates to €940,000. This figure includes three months' worth of payroll and revenue expenditure and three months' worth of day to day, non-exceptional, operational expenditure for the entire organisation. As our unrestricted reserves position is at €194,708 at year ended 31 December 2021, we have a future target of €745,292 to attain.

In order to achieve this target, we intend to further diversify our income across corporate, philanthropic and fundraised sources. This is one of the enabling goals in our Strategic Plan 2022-2026. We hope to grow monthly donor support and to promote legacy giving to build our unrestricted reserves in a sustainable way. The intention of the Board of Directors is to build our reserves through gradual sustainable annual surplus in the approximate amounts of €10k - €20k per annum.

As part of our recent organisational re-design, two new roles (Communication & Information Officer and Grants & Development Officer) were introduced to enable this area to thrive. Through improved communications and connectivity with our network, unified branding of An Cosán's work and regular well organised fundraising events and promotions, corporate and philanthropic donations and unrestricted fundraised income are poised to grow.

The current modest unrestricted reserves position gives the Board and management reasonable comfort and ability to plan longer term. It affords the organisation the capacity to withstand the risks associated with potential future income shocks and growing cost base, and to provide essential services while seeking additional funding that may be needed to address any potential future deficit.

Over the last couple of years, actions have been taken by senior management to attain core state funding across a range of government departments. This diversification has helped to mitigate our funding risk and develop more sustainable income streams to underpin our essential service delivery into the future.

5. PLANS FOR FUTURE PERIODS

During 2021 there was a process of internal planning and external consultations leading to the following goals outlined below, in our new 5 year strategic plan for 2022-2026. Despite the restrictions of Covid, the Board were centrally involved in the strategic planning process and Adult Education Review. The Board were specifically consulted at their own planning day and inputted at all stages at Board meetings. They also joined the staff for strategic planning discussions, all led by the CEO and Caplor Horizons consultants.

Two decisions are of note: that we must continue to prioritise the most disadvantaged by reaching out to "the furthest behind first". Also, that the voice of learners as ambassadors must come across, as they can express their experience and the An Cosán vision. It was agreed that the future direction will continue to provide a pathway to learning, leadership and enterprise for those who are most marginalised in our society. While we welcome all, An Cosán is a feminist organisation and our focus is primarily on women and children as we believe this is the most effective way to end intergenerational poverty. #OneGenerationSolution

Goal 1: Strengthen Our Core Services

A. Early Years Education and Care:

- Expand our services, including providing an initiative for mothers of new babies who may require additional support.
- Further develop and monitor our early years environments to ensure they are offering rich literacy and numeracy experiences for all children
- Develop our research, training and continued professional development activities to enable us to attract, employ and retain skilled, reflective Early Years professionals.

DIRECTORS' REPORT

5. PLANS FOR FUTURE PERIODS (continued)

B. Counselling and Family Support:

- Continue to develop and embed a robust family therapy model for all families attending all of our services
- Research and develop shared psychological, speech and language plus occupational therapy services for all children
- Sustain and expand our Lifestart Child Development Programme

C. Adult Community Education:

- Be recognised as the most effective community education provider in the country that empowers women: and enabling this in various ways, including by building confidence, having pathways for progress and brokering new career opportunities for learners.
- Be Ireland's leading universal, inclusive, accessible technology adult community education provider by actively embracing new approaches and technological developments; regularly refining our teaching and learning approach and practice.
- Be part of the community; be learner led; have equality between the learner and tutor; include critical reflection; foster empowerment; advance social justice; contribute to civic society; develop skills; support progression; be committed to the development of inclusive learning environments where all learners can be supported to achieve their full potential.
- Grow and develop our Adult Community Education programmes based on: evidence of needs and ensuring a high standard of inclusive teaching; undertaking research and sharing our innovative work in creating and delivering new progressive pathways for non-traditional learners; designing, delivering and assessing our work according to the highest quality assurance standards and by using continuous improvement process and innovation

Goal 2: Promote Inclusivity

A. Exemplify how to work with marginalised communities inclusively:

- Increase participation and evaluate our work with the furthest behind communities in Ireland.
- Engage with women and children in marginalised communities, identifying needs and enabling access to our services.
- Continue to be a leading feminist and anti-racist organisation, facilitating empowerment and addressing specific issues relating to the Sustainable Development Goals (e.g. sexual health) whilst working with women from a range of backgrounds (e.g. lone parents, women of colour, Traveller and Roma, LGBTQIA2+, homeless, individuals addicted to substances, etc).

B. Continue to be pioneers in the area of digital inclusion:

- Be Ireland's national champion in driving digital inclusion in the community sector
- Be a leading advocate to raise awareness and promote the active participation of women in IT and other Science, Technology, Engineering and Maths (STEM)-related careers involving digital skills
- Build and participate in international networks of like-minded communities of practice such as 'DigComp CoP' (EU), 'Digital Inclusion National Alliance' (US), 'DigiCo' (pan European), 'Digital Poverty Alliance' (UK), etc.

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DIRECTORS' REPORT

5. PLANS FOR FUTURE PERIODS (continued)

C. Create accessible and inclusive educational community spaces:

- Include the voices of learners, and ensure best practices, as part of processes to improve our work (e.g. as part of curriculum development and evaluation).
- Harness our community partner network
- Expand online and blended learning opportunities

Goal 3: Influence Systemic Change

A. Influence public policy:

- Be a key contributor to relevant national policies (eg community and further education, early years, digital inclusion, socio economic rights as it relates to women and children etc.)
- Enable and encourage women and children towards more active citizenship

B. Evidence our impact on people's lives:

- Share robust evidence showing the scale and depth of the impact of our work (e.g. through publishing the results of internal research plus partnering and participating in external research)

C. Become an influential voice in the education sector:

- Become an internationally recognised leader in the community education sector, including through continuous learning, consistency in messaging and building networks.
- Use digital platforms to educate and influence change

6. DIRECTORS

The names of the persons who were Directors at any time during the year ended 31 December 2021 are set out below. Unless indicated otherwise, they served as Directors for the entire year.

Anna Durkan (Chair)
Conal Henry (Vice-Chair)
Mairead Butler
Ger French
Bill Roche
Dee Kehoe
Siobhán Wall
Martina Genockey (Resigned 19/10/2021)

Secretary
Mairead Butler

7. TRANSACTIONS WITH DIRECTORS

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

DIRECTORS' REPORT

8. RISK MANAGEMENT

Identifying, managing and controlling An Cosán's organisational risks, along with ensuring that an exceptional standard of corporate governance continues to permeate throughout the organisation, are of paramount focus of the Board and management of An Cosán.

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

- Maintenance of a Risk Register comprising all organisational and financial risks as identified by the Senior Management Team, Finance & Risk Committee and the Board of Directors (full details of review, update, controls and mitigation of said risks are contained in Section 8. Principal Risks and Uncertainties below)
- Annual risk management review by the Senior Management Team and Board of Directors
- Discussion by CEO and Finance & Risk Committee Chair of emerging risks with action plan at each Board meeting
- Health and Safety officers appointed at each site to conduct and manage risk
- 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 risks to which An Cosán is exposed and they have taken the appropriate action to mitigate these risks.

9. PRINCIPAL RISKS AND UNCERTAINTIES

An Cosán maintains a Risk Register comprising all organisational and financial risks as identified by the Senior Management Team, Finance & Risk Committee and the Board of Directors. This document records the following: likelihood and severity of the named risk, controls to mitigate said risk, testing of controls, residual risk severity post mitigating controls, actions required (by date) and the person responsible.

The risk register is reviewed twice a year by the Finance & Risk Committee and updated accordingly. It is then brought to the Board for review, discussion and further updates as necessary.

The principal risks are reviewed, managed and mitigated on an ongoing basis by the Senior Management Team and wider team as appropriate.

The directors consider the principal risks and uncertainties faced by the organisation to be as follows:

- **Covid 19 Pandemic: immediate effects and the longer-term impact & uncertainties**

Continually review the effects on staffing, children, learners and determine and monitor the related financial impact. Plan for uncertainty and what long term impacts (positive & negative) Covid 19 will have. Plan for continued return to the building and blended working from home/office combination.

- **Large Reduction in Annual Income / Over Reliance on any one source of Funding**

This risk is of medium likelihood, but high severity should it arise. As a way to mitigate against this happening An Cosán aims to diversify funding streams as much as possible (balanced across Government / Corporate / Earned Income & Fundraised) and to diversify sources of income as much as possible within each funding stream. This is an enabling goal in our 2022-2026 strategic plan.

DIRECTORS' REPORT

9. PRINCIPAL RISKS AND UNCERTAINTIES (continued)

- **Service User Significant Complaints / Child Protection Issues**

Although the likelihood of this risk occurring is low due to the number of robust controls that the organisation has in place in this area, the risk would be high, as many service users are part of vulnerable adult groups or are children.

An Cosán has excellent quality control procedures and proper complaints procedures in operation. All Early Years teams are compliant with and fully trained in our practice, policies & procedures. All parents & learners are fully aware of An Cosán's complaints policies and procedures. There is a Designated Child/Vulnerable Adult Protection and Welfare Officer and a Deputy Designated Child/Vulnerable Adult Protection & Welfare Officer in Place. An Cosán is compliant with Children First (Tusla) Guidelines. All Early Years Educators are trained in child protection and Children First – National Guidance for the Protection and Welfare of children.

There is a Child Protection and Welfare Policy in place throughout the organisation and our recruitment process includes Garda Vetting and Reference Checks. These are under constant review and attention by the senior early years manager and the Deputy CEO.

- **Loss of key staff**

In the current environment the loss of key staff carries with it a high likelihood and is of medium risk to the organisation. To that end we ensure pay and terms and conditions are compared with similar roles in the sector through benchmarking. We also ensure that staff have comprehensive performance reviews and regular one to one sessions with line managers so that feedback can be given and issues raised and discussed in an open and honest environment. We ensure that CPD (Continuous Professional Development) / Training is made available to staff in a consistent, transparent and fair way and that our CPD policy is regularly updated.

- **The Risk of poor GDPR systems and implementation lead to breaches or loss of data**

To this end An Cosán has appointed a Data Protection Officer and has a GDPR champion in each operation of the organisation. It has an active Data Protection Policy and GDPR statement in place. All staff receive training in GDPR twice a year and administrative staff are available to carry out or track any Data Subject Access Requests (DSARs) should they arise.

- **Information and Communications Technology (exposure to Hacking / Ransomware)**

As An Cosán's budget continues to rise annually along with its cash balances, the organisation may become more exposed to a cyber-attack. With this in mind, we identified the need to acquire cyber security insurance to mitigate against the financial risks associated with this threat. In recent years we contracted the services of a third party contractor to ensure the safety of our information, data, records and systems.

10. EVENTS SUBSEQUENT TO THE YEAR END

In the period since year end Ukraine has been invaded by Russia with far-reaching global ramifications. An Cosán is monitoring events in Ukraine and considering any potential impact arising from same on operations, service delivery and finances. The impact of developments after the balance sheet date is not considered to impact the carrying value of assets and liabilities at the balance sheet date. While there is likely to be a future financial impact from an economic downturn, inflation, and rising fuel costs this has not yet been quantified.

DIRECTORS' REPORT

11. ACCOUNTING RECORDS

The measures taken by the Directors to secure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014, with regard to the keeping of accounting records, are the implementation of necessary policies and procedures for recording transactions, employment of appropriately qualified accounting personnel with appropriate expertise, the provision of adequate resources to the financial function and the maintenance of computerised accounting systems. The Company's accounting records are maintained at the Company's registered office at Kiltalown Village Centre, Fortunestown Road, Jobstown, Tallaght, Dublin 24.

12. STATEMENT ON RELEVANT AUDIT INFORMATION

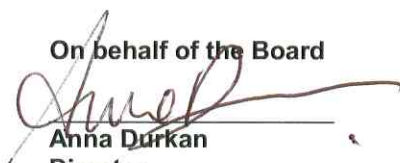
In the case of each of the persons who are directors at the time this report is approved in accordance with Section 332 of the Companies Act 2014:

- (a) so far as each director is aware, there is no relevant audit information of which the company's statutory auditors are unaware, and
- (b) each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

13. AUDITORS

The auditors, Mazars, Chartered Accountants and Statutory Audit Firm, having been appointed during the year, continue in office in accordance with the Companies Act 2014.

On behalf of the Board



Anna Durkan

Director

Date: 30 June 2022



Mairead Bulter

Director

Date: 30 June 2022

DIRECTORS' RESPONSIBILITIES STATEMENT

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 period. 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" issued by the Financial Reporting Council. Under the law, the Directors must not approve the financial statements unless they are satisfied they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial period end and of the result of the Company for the financial period and otherwise comply with the Companies Act 2014.


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

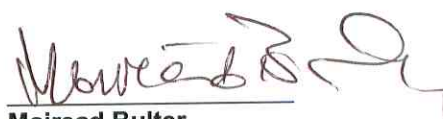
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

On behalf of the Board


Anna Dúrkán
Director
Date: 30 June 2022


Mairead Bulter
Director
Date: 30 June 2022

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AN COSÁN****Report on the audit of the financial statements*****Opinion***

We have audited the financial statements of An Cosán ('the Company') for the year ended 31 December 2021, which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including the 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 issued in the United Kingdom by the Financial Reporting Council (FRS 102).

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 2021 and of its surplus for the year then ended;
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been properly prepared in accordance with 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 the 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 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

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AN COSÁN*****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:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the Directors' report has been prepared in accordance with applicable legal requirements;
- the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited; and
- the financial statements are in agreement with the accounting records.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

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 requirements of any of Sections 305 to 312 of the Act, which relate to disclosures of Directors' remuneration and transactions are not complied with by the Company. 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 set out on page 17, the Directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
AN COSÁN**

Responsibilities of Directors for the financial statements (continued)

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 operations, or has no realistic alternative but to do so.

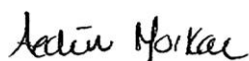
Auditor's responsibilities for the audit of the financial statements

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 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 Irish Auditing and Accounting Supervisory Authority's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This 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 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.



Aedín Morkan
For and on behalf of Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Centre
Block 3
Harcourt Road
Dublin 2

4 July 2022

THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES (incorporating the Income and Expenditure Account)
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020 Restated
		€	€	€	€
INCOME FROM:					
Donations and Legacies	3.1	232,356	316,923	549,279	602,835
Charitable Activities	3.2	-	3,458,795	3,458,795	2,822,917
Other Trading Activities	3.3	-	390,534	390,534	309,215
Total Income		232,356	4,166,252	4,398,608	3,734,967
EXPENDITURE ON:					
Charitable Activities	4.1	45,354	3,580,751	3,626,105	3,452,261
Raising Funds	4.2	9,197	-	9,197	37,454
Total expenditure		54,551	3,580,751	3,635,302	3,489,715
NET INCOME		177,805	585,501	763,306	245,252
Net movement in funds		177,805	585,501	763,306	245,252
Total funds brought forward	15	16,903	742,928	759,831	514,579
TOTAL FUNDS CARRIED FORWARD	15	194,708	1,328,429	1,523,137	759,831

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 notes on pages 24 to 32 form part of these financial statements

THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE

BALANCE SHEET AS AT 31 DECEMBER 2021

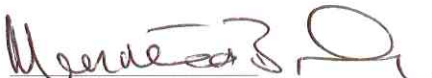
	Notes	2021 €	2020 Restated €
FIXED ASSETS			
Tangible assets	9	919,531	954,215
CURRENT ASSETS			
Debtors and prepayments	10	381,245	405,061
Cash and cash equivalents	11	994,839	508,681
		1,376,084	913,742
CREDITORS (amounts falling due within one year)			
Other creditors	12	(719,552)	(1,047,557)
NET CURRENT ASSETS / (LIABILITIES)			
		656,532	(133,815)
CREDITORS (amounts falling due after more than one year)			
	14	(52,926)	(60,569)
TOTAL NET ASSETS			
		1,523,137	759,831
INCOME FUNDS			
Restricted Funds	15	1,328,429	742,928
Unrestricted funds	15	194,708	16,903
TOTAL FUNDS			
		1,523,137	759,831

Signed on behalf of the Board:


Anna Durkan

Date: 30 June 2022

The notes on pages 24 to 32 form part of these financial statements


Mairead Butler

Date: 30/06/2022

THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 €	2020 Restated €
NET CASH GENERATED FROM OPERATING ACTIVITIES	17.1	545,909	346,732
NET CASH GENERATED USED IN INVESTING ACTIVITIES	17.2	(59,750)	(47,165)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD	17.3	<u>486,159</u>	<u>299,567</u>
RECONCILIATION OF NET CASHFLOW TO MOVEMENT IN NET FUNDS			
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD	17.3	486,159	299,567
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE REPORTING PERIOD	17.3	508,681	209,114
CASH AND CASH EQUIVALENTS AT THE END OF REPORTING PERIOD	17.3	<u>994,840</u>	<u>508,681</u>

The notes on pages 24 to 32 form part of these financial statements

1. GENERAL INFORMATION

These financial statements comprising the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes 1 to 26 constitute the financial statements of The Shanty Educational Project Company Limited by Guarantee, "the charity", for the financial year ended 31 December 2021.

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. It is a registered charity and is a public benefit entity. Its registered office is Kiltalawn Village Centre, Fortunestown Road, Jobstown, Tallaght, Dublin 24 which is also its principle place of business.

STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102). The financial statements have also been prepared in accordance with the Statement of Recommended Practice (SORP) (FRS 102) "Accounting and Reporting by Charities".

CURRENCY

The financial statements have been presented in Euro (€) which is also the functional currency of the charity.

2. STATEMENT OF ACCOUNTING POLICIES

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention. The financial reporting framework that has been applied in their preparation is the Companies Act 2014, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council and the Statement of Recommended Practice (Charities SORP (FRS102)) as published by the Charity Commission for England and Wales, the Charity Commission for Northern Ireland and the Office of the Scottish Charity Regulator which are recognised by the UK Financial Reporting Council (FRC) as the appropriate body to issue SORPs for the charity sector in the UK. While reporting under Charities SORP is not a legal requirement in Ireland it is considered to be best practice.

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 charity's accounting policies, see below.

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

INCOME

All income is included in the Statement of Financial Activities when the charity is entitled to the income, the amount can be measured with reasonable accuracy and receipt is probable. The following specific policies are applied to categories of income:

Grant and service income: Grants from public authorities and other agencies in Ireland are credited to the Statement of Financial Activities in the year to which they relate. Grants received towards capital expenditure are treated as described under the heading "Capital Grants". Grants are recognised when there is evidence of entitlement and their receipt is probable. Grant income is deferred where the charity is restricted by specific performance related conditions that are evident in the grant agreement, where there is a specification of a time period that limits the charity's ability to spend the grant until it has performed that activity related to the specified time period and when there are specific terms or conditions within the agreement that have not been met and are not within the control of the charity.

Fundraising Income: Fundraising income is credited to the Statement of Financial Activities in the year in which it is receivable by the charity.

Donations and legacies: Voluntary income including donations, gifts and legacies are recognised where there is entitlement, receipt is probable, and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies that the grant or donation must only be used in future accounting periods or the donors have imposed conditions which must be met before the charity has unconditional entitlement.

Donated services and facilities: Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with Charities SORP (FRS 102), general volunteer time is not recognised. On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market, a corresponding amount is then recognised in expenditure in the period of receipt.

Fees: Fee income is credited to the Statement of Financial Activities as soon as it is receivable by the charity.

2. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

EXPENDITURE

Expenditure is 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 arise from those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include Human Resources, ICT, Procurement and Administration. Costs are charged to each service and activity in proportion to direct expenditure, which is considered to reflect estimated benefits received. Costs are not allocated to designated or fixed asset funds.

EMPLOYEE BENEFITS

The charity provides a limited range of benefits to employees being paid holiday arrangements and defined contribution pension plans in some cases.

DEFINED CONTRIBUTION PENSION PLAN

The charity operates a defined contribution plan for an employee. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid the charity has no further payment obligations.

The contributions are recognised as an expense in statement of financial activities when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the charity in an independently administered fund.

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 charity. Where any such wishes are not intended to be legally binding, they are taken into account and recognised in appropriately designated funds.

UNRESTRICTED RESERVES

Unrestricted reserves represent amounts which are expendable at the discretion of the directors in furtherance of the objectives of the charity 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 from public authorities and other agencies in Ireland are credited to the Statement of Financial Activities in the year to which they relate. Grants received towards capital expenditure are credited to the Statement of Financial Activities when received or receivable whichever is earlier. Grants are recognised when there is evidence of entitlement and their receipt is probable.

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, Media and Computer Equipment	33% Straight Line
Fixtures and Fittings	10% Straight Line
Early Years Manual	20% Straight Line

FINANCIAL INSTRUMENTS

The charity 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.

TAXATION

No charge to taxation arises as the charity 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 2021

2. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

OPERATING LEASES: THE CHARITY AS LESSEE

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

A lease agreement exists between "The County Council of the County of South Dublin" and "The Shanty Educational Project CLG" in respect of the plot of land on which the An Cosán building stands. The term of the lease is 99 years from the 1st January 2010. As long as the demised premises are used as a multi purpose centre for education, training, enterprise and childcare then an abated rent of €1.27 is payable annually under this lease.

A Lease agreement exists with SDCC for the rental of the Eco House premises where our Early Years Kiltipper service operates from. The term of the lease is 99 years from the 1st November 2010, amounting to €127 per annum.

JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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 charity 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 charity makes an estimate of the recoverable value of trade and other debtors. The charity uses estimates based on historical experience in determining the level of debts, which the charity 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. The level of provision required is reviewed on an on-going basis.

(c) Income recognition

In applying the income recognition principles of the Charities SORP, judgements are occasionally required to ascertain whether a grant agreement is performance or non-performance based. This is done using established criteria that are applied consistently across all funding instruments and from one period to the next. Furthermore, where grant agreements are found to be performance based, judgements are required as to the level of income that should be recognised for the year. The organisation typically uses incurred expenditure as the most appropriate basis to measure progress on grant agreements and to recognise the related income. This is done in conjunction with a qualitative assessment of the status of the underlying projects in order to ensure this represents the most appropriate basis of recognition. All judgements are made at the individual grant level and are subject to appropriate review and approval processes.

(d) Going concern

The financial statements have been prepared on the going concern basis. The validity of this assumption is dependent on achieving sufficient operating cash flows for future years. The directors have prepared budgets and cashflows for a period of at least 12 months from the date of approval of the financial statements which demonstrate that there is no material uncertainty regarding the charity's ability to meet its liabilities as they fall due. The charity is heavily reliant on donations and grant revenue streams in order to carry out its operations. If funding was reduced the ability to continue as a going concern may be affected.

3. INCOME

Income is mainly derived from within the Republic of Ireland, with a few income streams from within the European Union. Income is composed of Donations and Legacies, Income from Charitable Activities and Other Income as follows:

	2021	2020
	€	€
3.1. Donations and Legacies		
<i>Restricted</i>		
Private and Corporate Funding	316,923	512,478
	<u>316,923</u>	<u>512,478</u>
<i>Unrestricted</i>		
Fundraising activities	187,002	54,357
Donated services (Support in Kind)	45,354	36,000
	<u>232,356</u>	<u>90,357</u>
	<u>549,279</u>	<u>602,835</u>

THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. INCOME (CONTINUED)

3.2. Income from Charitable Activities - Restricted

State Funding:		2021	2020
State Organisation	Type of Funding	€	Restated €
Dublin & Dun Laoghaire ETB	Programme Funding - Education & Training	153,642	154,100
Department of Social Protection	School Meals Programme	3,493	4,876
Department of Social Protection	Community Employment Scheme	300,538	328,556
SICAP - Dublin Northwest Partnership	Community Grants	1,483	-
EU Funding	Erasmus (Thricee)	4,802	9,109
EU Funding	Erasmus (Fatherhood)	16,789	-
Tusla	Counselling Service Grant	28,875	27,500
Tusla	Core Funding & Programme Funding	705,604	672,958
Dept. of Communications	Capital I.T. Grant - Benefit 4	-	-
Solas	Programme Funding and Core Funding	659,837	449,809
Solas/DDLETB	Mitigating Against Educational Disadvantage Fund	40,040	17,182
City of Dublin ETB	ETB Early Years Programme Funding	-	-
Higher Education Authority - Department of further and Higher Education, Research, Innovation and Science	Innovation and Transformation Call 2018	52,022	22,715
SOLAS - Department of Further & Higher Education, Research, Innovation & Science	Fastrack Into Technology Grant	2,746	308
POBAL - Department of Rural and Community Development	Public Participation Networks Funding	24,847	80,290
POBAL - Department of Children, Equality, Disability, Integration and Youth	Fire Safety Improvements Grant	55	55
SDCCC - Department of Children, Equality, Disability, Integration and Youth	Parent and Toddler Grant	680	-
SDCC	Social Inclusion Grant	55	-
SDCC	COVID 19 Emergency Response Funding	1,000	-
SDCC	Wellbeing Grant	3,261	-
SDCC	Capital Grants	3,807	-
POBAL	ADM Capital Buildings Grant	-	51,098
POBAL - Community Services Programme	Salary (15 FTE's)	291,210	273,164
POBAL - Department of Rural and Community Development	Stability funding	104,241	92,429
POBAL - Department of Children, Equality, Disability, Integration and Youth	Early Childhood Care & Education Programme (ECCE)	279,994	189,322
POBAL - Department of Children, Equality, Disability, Integration and Youth	RSP Grant	-	15,500
POBAL - Department of Children, Equality, Disability, Integration and Youth	AIM	25,778	50,274
POBAL - Department of Children, Equality, Disability, Integration and Youth	Childcare Education & Training Support Programme	-	4,858
POBAL - Department of Children, Equality, Disability, Integration and Youth	Playing Outside Grant	7,000	-
POBAL - Department of Children, Equality, Disability, Integration and Youth	Ventilation Grant	10,500	-
Dublin City Council - Department of Rural Community Development	COVID 19 Emergency Fund	2,190	-
POBAL - Department of Children, Equality, Disability, Integration and Youth	Covid Operational Support Pay	26,736	-
POBAL - Department of Children, Equality, Disability, Integration and Youth	Community Childcare Subvention Plus	93,690	132,566
POBAL - Department of Children, Equality, Disability, Integration and Youth	National Childcare Scheme	72,973	31,929
Rethink Ireland - Department of Rural and Community Development	Mná na hEireann	59,674	-
Revenue Commissioners - Department of Enterprise, Trade and Employment	Employee Wage Subsidy Scheme	429,074	155,118
Revenue Commissioners - Department of Enterprise, Trade and Employment	VAT Compensation Scheme	909	-
Irish Aid - Department of Foreign Affairs	2021 Development Education Grants	2,200	-
		<u>3,409,745</u>	<u>2,763,716</u>

THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. INCOME (CONTINUED)

3.3. Other Charitable Income (restricted):

	2021	2020
	€	€
Childhood Development Initiative - CDI Powerful Parenting ELC Programme	49,050	59,201
	<u>49,050</u>	<u>59,201</u>
Total Income from Charitable Activities	<u>3,458,795</u>	<u>2,822,917</u>

3.4. Other Income (restricted):

	2021	2020
	€	€
Learner Fees	220,749	193,551
Early Years Education & Care Fees	163,078	108,616
Participant Contributions	4,123	5,740
Counselling Income	2,420	1,308
Other Income	165	-
	<u>390,534</u>	<u>309,215</u>

4. EXPENDITURE ON:

4.1. Charitable activities

	Adult Education €	Early Years Childcare €	Total 2021 €	Total 2020 €
Wages & Salaries	1,405,808	1,236,036	2,641,844	2,639,501
Other Staff Costs	134,496	29,891	164,387	79,936
Human Relations Costs	16,478	542	17,020	9,690
Programme Costs (incl. Course, Best Start, Food & Virtual L.)	103,300	38,033	141,333	106,009
Premises Costs	118,451	117,800	236,251	290,013
Advertising & Promotion	21,988	5,544	27,532	23,766
Depreciation	37,084	33,623	70,707	78,357
Bank Interest & Charges	2,765	4,958	7,723	9,803
Management & Administration	221,409	17,299	238,708	153,191
Other Costs	14,094	2,232	16,326	9,395
Governance Costs	9,707	9,213	18,920	16,600
Support in Kind	34,144	11,210	45,354	36,000
	<u>2,119,724</u>	<u>1,506,382</u>	<u>3,626,105</u>	<u>3,452,261</u>

4.2. Raising Funds

	2021	2020
	€	€
Fundraising - International Women's Day Lunch	777	28,486
Fundraising - Gala Ball	-	2,115
Fundraising - Golf Classic	7,898	6,199
Fundraising - Other	522	654
	<u>9,197</u>	<u>37,453</u>

4.3. Governance costs include the following

	2021	2020
	€	€
<u>Auditors' remuneration</u>		
Statutory audit services	20,295	12,915
Assistance with preparation of financial statements	2,460	-
Audit of CE Scheme	3,690	3,685
Over provision in prior year	(7,525)	-
	<u>18,920</u>	<u>16,600</u>

5. PENSION COSTS

	2021	2020
	€	€
Retirement Benefits	<u>10,075</u>	<u>9,341</u>

The charity operates a defined contribution pension scheme. The expense has been fully allocated to the restricted fund as these costs were incurred on restricted activities. The pension cost represents contributions payable by the charity to the fund. Contributions outstanding at year end were €nil (2020: €nil).

6. 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.

THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

7. EMPLOYEES AND REMUNERATION

The average number of employees during the year was 116 (2020: 140) and is analysed into the following categories:

	2021 Full Time	2021 Part Time	2020 Full Time	2020 Part Time
Management	9	1	4	-
Administration	2	5	5	6
Education and Training	16	45	14	17
Early years education and care	6	2	16	46
CE Scheme	1	20	1	22
Other Services	-	6	3	3
Hospitality	-	3	-	3
	<u>34</u>	<u>82</u>	<u>43</u>	<u>97</u>

The staff costs are comprised of:

	2021 €	2020 €
Wages and Salaries	2,461,219	2,414,101
Employers PRSI	170,550	216,059
Employers pension contribution	10,075	9,341
Statutory redundancy	-	15,756
	<u>2,641,844</u>	<u>2,655,257</u>

Senior staff remuneration:

The number of employees whose employee benefits (excluding employer's pension cost and PRSI) is greater than €60,000 is 4 (2020:2) as follows:

	2021	2020
€60,000 - €69,999	3	1
€70,000 - €79,999	-	-
€90,000 - €99,000	1	1
	<u>4</u>	<u>1</u>

Key Management remuneration:

Key management personnel include the Chief Executive Officer and the senior management team for whom the total remuneration cost was €330,102 (2020: €175,342). The CEO Heydi Foster Breslin was paid a gross remuneration (inclusive of employer's pension cost and PRSI) of €110,164 (2020: €110,853).

8. TAXATION

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

9. TANGIBLE FIXED ASSETS

	Buildings €	Fixtures and Fittings €	Office, Media and Computer Equipment €	Early Years Manual €	Total €
COST					
At 1 January 2021	1,275,655	529,312	491,203	77,501	2,373,671
Additions	-	14,622	45,128	-	59,750
Disposals	-	(406,545)	(378,893)	(77,501)	(862,939)
At 31 December 2021	<u>1,275,655</u>	<u>137,389</u>	<u>157,438</u>	<u>-</u>	<u>1,570,482</u>
DEPRECIATION					
At 1 January 2021	516,667	398,585	426,703	77,501	1,419,456
Charge for the year	24,408	17,543	28,756	-	70,707
On disposals	-	(383,792)	(377,919)	(77,501)	(839,212)
At 31 December 2021	<u>541,075</u>	<u>32,336</u>	<u>77,540</u>	<u>-</u>	<u>650,951</u>
NET BOOK VALUE					
At 31 December 2021	<u>734,580</u>	<u>105,053</u>	<u>79,898</u>	<u>-</u>	<u>919,531</u>
At 31 December 2020	<u>758,988</u>	<u>130,727</u>	<u>64,500</u>	<u>-</u>	<u>954,215</u>

THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

10. DEBTORS (Amounts falling due within one year)

	2021	2020
	€	€
Grants and Funding Receivable	179,234	304,227
Fees Due	127,990	21,502
Prepayments & Sundry Receivables	74,021	79,332
	<u>381,245</u>	<u>405,061</u>

All debtors and funders are due within one year. All fees, grants and funding is due within the terms of the grant or funding agreements, which varies between one and twelve months, dependant on the source of income. Fees are shown net of impairment in respect of doubtful debts.

11. CASH AND CASH EQUIVALENTS

	2021	2020
	€	€
Cash at bank and in hand	<u>994,839</u>	<u>508,681</u>

12. CREDITORS (Amounts falling due within one year)

	2021	2020
	€	€
Creditors & Accruals	191,657	120,881
Deferred Income (Note 13)	461,363	819,770
Payroll Taxes & Temporary Wage Subsidy Scheme	66,532	106,906
	<u>719,552</u>	<u>1,047,557</u>

Creditors and accruals are payable at various dates in the next 12 months in accordance with the suppliers' usual terms and conditions. Payroll taxes are payable within the first month of the new year in accordance with the applicable statutory provisions.

13. DEFERRED INCOME

	2021	2020
	€	€
At 1 January 2021	819,770	687,487
Credited to Statement of Financial Activities	(694,540)	(379,967)
Amounts to be refunded	(39,416)	(1,950)
Deferred during the year	375,549	514,200
At 31 December 2021	<u>461,363</u>	<u>819,770</u>

Deferred income relates to: Grants and funding received for which certain expenditure has not been expended yet, grants relating to a scheme period, where the charity only becomes entitled to the income after a certain date, donations to which conditions are attached that have not yet been met.

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

	2021	2020
	€	€
Department of Social Protection - Redundancies	<u>52,926</u>	<u>60,569</u>
	<u>52,926</u>	<u>60,569</u>

An arrangement was made with the Redundancy & Insolvency Payments Section of the Department of Employment Affairs and Social Protection in 2018 to repay this creditor over 120 monthly instalments. The monthly instalments are in the amount of €637 and are being paid over a 10 year period.

THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

15. FUNDS OF THE CHARITY

15.1. ANALYSIS OF MOVEMENTS ON FUNDS

	Opening Balance	Income	Expenditure	Closing Balance
	Restated			
	€	€	€	€
Restricted Income	742,928	4,166,252	(3,580,751)	1,328,429
Unrestricted Income	16,903	232,356	(54,551)	194,708
Total Funds	759,831	4,398,608	(3,635,302)	1,523,137

15.2. ANALYSIS OF NET ASSETS

	Unrestricted Funds	Restricted Funds	Total Funds
	€	€	€
Tangible assets	-	919,531	919,531
Current Assets	194,708	1,181,377	1,376,084
Current Liabilities	-	(719,552)	(719,552)
Non-current Liabilities	-	(52,926)	(52,926)
	194,708	1,328,429	1,523,137

16. FINANCIAL INSTRUMENTS

	2021	2020
	€	€
Financial assets		
Financial assets measured at amortised cost	1,302,063	834,410
Financial liabilities		
Financial liabilities measured at amortised cost	653,020	940,651

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

17. RECONCILIATION OF NET CASH MOVEMENTS IN NET FUNDS

17.1. OPERATING ACTIVITIES

	2021	2020
	€	Restated €
Net movement in funds	763,306	245,252
Depreciation	70,707	78,357
Decrease / (increase) in debtors	23,816	(124,870)
(Decrease) / increase in creditors	(311,920)	147,993
Net cash flow from operating activities	545,909	346,732

17.2. INVESTING ACTIVITIES

	2021	2020
	€	€
Payments to acquire tangible fixed assets	(59,750)	(47,165)
Net cash outflow from financing activities	(59,750)	(47,165)

17.3. ANALYSIS OF CHANGES IN NET FUNDS

	01-Jan 2021	Cash Flows	31-Dec 2021
	€	€	€
Cash and cash equivalents	508,681	486,159	994,839

THE SHANTY EDUCATIONAL PROJECT COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

18. COMMITMENTS

At 31 December 2021 the charity had annual commitments under non-cancellable operating leases as follows:

	2021	2020
	€	€
Not later than 1 year	128	128
Later than 1 year and not later than 5 years	512	512
Later than 5 years	10,636	10,764
	<u>11,276</u>	<u>11,404</u>

19. CAPITAL COMMITMENTS

There were no capital commitments at the balance sheet date.

20. PRIOR YEAR ADJUSTMENT

The comparative amounts in the statement of financial activities and balance sheet reflect a prior year adjustment in respect of the recognition of capital grants.

In prior years capital grants were treated as deferred income and amortised over the useful life of the related assets. In preparing the 2021 financial statements a prior period adjustment was made to recognise the capital grant as income at the time it was received in order to meet the SORP requirements for income recognition.

The prior year adjustment impacts the financial statements as follows:

	As previously stated 2020 €	Effect of adjustment 2020 €	As restated 2020 €
STATEMENT OF FINANCIAL ACTIVITIES			
Income from charitable activities - restricted	2,824,959	(2,042)	2,822,917
- Reversal of amortisation		49,098	
- Accounting for grants received		(51,140)	
BALANCE SHEET			
Unamortised capital grants	715,567	(715,567)	-
Restricted fund balance	27,361	717,609	744,970

21. RELATED PARTY TRANSACTIONS

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

22. POST BALANCE SHEET EVENTS

In the period since year end Ukraine has been invaded by Russia with far-reaching global ramifications. The Shanty Educational Project is monitoring events in Ukraine and considering any potential impact arising from same on operations, service delivery and finances. The impact of developments after the balance sheet date is not considered to impact carrying value of assets and liabilities at the balance sheet date. While there is likely to be a future financial impact from an economic downturn, inflation, and rising fuel costs this has not yet been quantified.

23. 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.

24. LEGAL STATUS OF THE CHARITY

The charity is a public benefit entity and operates as a charity limited by guarantee without share capital. At 31 December 2021, there were 3 members (2020: 3), whose guarantee is limited to €1.27 each.

25. ULTIMATE CONTROLLING PARTY

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

26. APPROVAL OF FINANCIAL STATEMENTS

The Board of Directors approved these financial statements for issue on 30 June 2022.