

The Galway Rural Development Company Limited by Guarantee
(A company limited by guarantee, without a share capital)

Directors' Report and Financial Statements

for the year ended 31 December 2022

The Galway Rural Development Company Limited by Guarantee

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for the year ended 31 December 2022

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The Galway Rural Development Company Limited by Guarantee

(A company limited by guarantee, without a share capital)
for the year ended 31 December 2022

DIRECTORS AND OTHER INFORMATION

Directors	Peter Roche John Middleton Vincent Lyons Martina Kinnane Garry Lohan (Resigned 19/10/2022) Tracy Hannon David Egan Anne Kinsella (Chairperson) Jarleth Carney Sheila Holland Fox (Resigned 19/01/2022) Johnathan Cormican Bernadette Doherty Tom Seale Geneci Da Cruz Ui Fhatharta (Resigned 30/03/2022) Anne Mitchell Maria Henaghan Sara Ni Chuirreain (Appointed 15/02/2023) Karen Dunne (Appointed 15/02/2023)
Company Secretary	Sheila Holland Fox (Resigned 19/01/2022) Peter Roche (Appointed 19/01/2022)
Company Number	219337
Charity Number	CHY 12101
Charities Regulatory Authority Number	CRA 20034740
Registered Office and Business Address	Mellows Campus Athenry Co. Galway
Auditors	Mazars Chartered Accountants & Statutory Audit Firm Mayoralty House Flood Street Galway
Bankers	Bank of Ireland Loughrea Co. Galway
Solicitors	Gearoid Geraghty & Company Solicitors Society Street Ballinasloe Co. Galway

The Galway Rural Development Company Limited by Guarantee

(A company limited by guarantee, without a share capital)

DIRECTORS' REPORT

for the year ended 31 December 2022

The Directors are pleased to present their annual Directors' Report together with the audited financial statements of The Galway Rural Development Company Limited by Guarantee (henceforth referred to as The Galway Rural Development Company C.L.G. or the Company) for the year ending 31 December 2022, which are also prepared to meet the requirements of the Companies Act 2014. The financial statements comply with the Charities Act 2009, The Companies Act 2014, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102).

About The Galway Rural Development Company Limited by Guarantee

Since its establishment in 1994, The Galway Rural Development Company C.L.G. has been engaged in nurturing the development of sustainable and prosperous towns and villages while maintaining the unique culture, heritage, environment, and natural beauty of County Galway.

Mission

The mission of the Company is to advocate for, and implement, inclusive rural and community development programmes that enhance people's lives, revitalise communities, support enterprise development and maintain the natural and built heritage throughout County Galway.

Strategy

A strategic plan prepared by Cramdentech in consultation with staff was approved by the Executive Committee. The five overarching strategic aims for strategy implementation during the years 2020 – 2025 are:

- Strategic Aim 1: Individual Well-being
- Strategic Aim 2: Community Development
- Strategic Aim 3: Enterprise Growth
- Strategic Aim 4: Capacity Building
- Strategic Aim 5: Increased Visibility

In its implementation staff will work closely on an inter-agency basis with partners and stakeholders. Progress in implementing strategic aims and objectives will be measured during the period 2020 – 2025 using key performance indicators. Specific targets for each key performance indicator will be set annually in response to company and community needs and priorities.

Activities in Financial Year 2022:

In addition to the existing longer term programmes namely LEADER and SICAP and the scheme RSS, Tus and CE the following additional programmes have been obtained through the year:

HSE – two Outreach Officers were recruited during the year, one who began the process of identifying and mapping the Roma community in the Galway county local authority area and the other who began the process of assisting medical card applicants among the Ukrainian community. Mechanisms were developed to build relationships within each community, to encourage their involvement with local services, to support awareness of issues affecting them and to develop cross-agency responses.

Smart Villages training continued at the start of the year in Mountbellew and later in the year it commenced in Headford. Action plans were developed for each town and a committee was formed. A GRD office was opened in Mountbellew. A number of local initiatives have been formed as an outcome of the training in Mountbellew.

In July further funding of €165,376 was allocated specifically for Ukrainians which was administered through the SICAP programme. A number of staff were recruited specifically to work directly with Ukrainians and new communities.

Contracts for the ParentChild+ programme and its 5 staff in Ballinasloe were signed. This programme helps parents to improve their children's social, language and thinking skills from an early age and thereby, ensure that children enter school ready to learn, with the skills they need to be successful throughout their education. The programme has now been expanded to Tuam and additional staff have since been taken on.

Social Enterprise Regeneration Programme 2021 - 2022 (SERP) – received an extension to May 2022 which provided great assistance to the Ukrainian crisis.

Funding was allocated for a new programme "Empowering Communities" specifically for Ballinalsoe. A Community Engagement Worker was recruited with a view to engaging with the community to achieve sustainable outcomes, equitable decision-making processes, and deepen relationships and trust between government organisations and communities.

Other activities included a new website for the company which was finalised and an audit took place conducted by Galway County Council on SICAP 2021. This proved very successful.

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DIRECTORS' REPORT

for the year ended 31 December 2022

Financial Review

The surplus for the financial year after providing for depreciation of €53,544 amounted to €60,425 (2021: €69,122), comprising income of €11,370,837 (2021: €10,488,607) and total expenditure of €11,310,412 (2021: €10,419,485). The main element of expenditure was disbursements to projects totalling €8,801,316 (2021: €8,128,078).

Financial Performance

Income from charitable activities was €11,356,886 (2021: €10,487,107), which is an increase of €869,779 on the previous year.

The principal funding sources in terms of geographical breakdown are given in Note 4 to the financial statements. In terms of donor type, over 99% of funding was received through government grants in both 2022 and 2021.

At the end of the financial year, the company has assets of €711,354 (2021: €711,888) and liabilities of €520,527 (2021: €581,486). The net assets of the company have increased by €60,425. Restricted funds comprising of funds directed to specific programmes totalled €160,083 (2021: €128,254). The unrestricted surplus totalled €30,744 (2021: €2,148).

Overall, these financial results show strong underlying income from charitable activities, supporting a stable and sustainable level of disbursements to the various programmes. The Galway Rural Development Company C.L.G. is committed to broadening the range of programmes, generating unrestricted income, and increasing efforts in the area of fundraising.

Looking Forward

Plans and Challenges for 2023

The Company will continue to work in order to advocate for, and implement, inclusive rural and community development programmes. Particularly with the current LEADER Programme coming to an end, one of the main challenges for the Company for 2023 and beyond is the continuation of LEADER funding as the figure announced for Co. Galway is disappointing. The challenge, in terms of LEADER-funded projects being complete and drawdown in time, has receded given the extension to existing contracts agreed with the Department.

By the same token, a modest increase for SICAP has again been announced for 2023 and additional funds to deal with the Ukrainian crisis has also been indicated, though the specifics of same have not been confirmed. A challenge for the whole company last year was the unknown fact of how long COVID lockdowns and government restrictions would last; while this year the Ukrainian crisis and its impact on the company's programmes make planning for the future more challenging. As a board, we are also conscious of the challenges to staff and we praise their efforts to date.

Risks and Risk Management

Principal Risks and Uncertainties

Two years into the global pandemic and as economic growth picks up again, the Company aims to remain resilient. The Galway Rural Development C.L.G. has in place a risk management policy and a risk register. The directors consider that the principal risks and uncertainties faced by the company are in the following categories:

Economic risk:

The risk is that the economic environment may have an adverse impact on the ability of current and potential donors to contribute to the company going into the future.

The invasion of Ukraine by the Russian Federation presents several significant difficulties for the domestic economy. The increased global uncertainty may lead to lower levels of investment which may affect the demand for LEADER projects in terms of the availability of matched funding to obtain grant-aid. The impact of the crisis on energy prices will be the most significant factor, the associated increase in costs again may affect the ability of Leader projects to fulfill their contracts and complete their projects.

The energy crisis will also influence the administration budgets across all programmes within the Company.

The ESRI has stated the following:

- Households in the lowest income decile experienced higher inflation than households in the highest income decile (1.1% higher)
- Rural households experienced higher inflation than urban households (0.7% higher)
- Older households experienced higher inflation than younger households (1% higher)

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for the year ended 31 December 2022

Considering the Company works with low income, rural households, and older people this will have a significant impact on the priority of needs for the Galway Rural Development C.L.G.'s clients.

Although the labour market continues to see an improvement and the unemployment rate is expected to fall this may be counteracted by the number of Ukrainians seeking employment.

Financial risks:

The company has budgetary and financial reporting procedures to manage these risks. The Boards' committees monitor compliance with these procedures on an ongoing basis.

It is inevitable that The Galway Rural Development Company C.L.G. will encounter risks in delivering services and managing operations. The potential reduction in funding as a result of Covid-19 could lead to an impact on services and also to uncertainty for staff for future contracts.

This concern is enhanced where future tenders for programme funding are based on a cost bid type strategy instead of cost met. This is being closely monitored by the directors and management of the Company.

The CEO is participating through various agencies to ensure greater security of funding. Qualified and experienced staff are in place to carry out the aim and work of the Company to a high standard.

As the company does not hold significant reserves there is a risk that reserves may be depleted where there are gaps between programmes or where expenditure is determined ineligible. The Company pro-actively manages its relationship with its key funders to ensure that it is protected and actively seeks new funders on an ongoing basis. During COVID-19 restrictions the Company's ability to engage with individual and/or groups of donors and donor prospects had been greatly restricted. The recent introduction of the affiliation fees for all groups receiving support from the company has improved the situation and it is anticipated that this will generate yearly reserves. However, some of these reserves will be allocated to funding certain circumstances e.g. 50% top up for maternity leave which are not eligible for funding under schemes.

Other risk:

Climate change has become a dominant consideration for all sectors. A challenge for the Galway Rural Development C.L.G. will be to adapt its strategies to avail of programmes which are built on a transition to a greener Ireland e.g. Just Transition.

There is a risk to any business in a misappropriation of funds. However, within The Galway Rural Development C.L.G., procedures are in place to approve and authorise payments. A purchase order system and valid cheque requisition system is in place. All payments are approved by two signatories of which one must be a Director. The Financial Administrator approves payments and Banking on-line payments up to and including €5,000 and must be the first signatory on the cheque when on the very rare occasion there are cheque payments.

A Finance & Audit Sub-Committee is in situ which assists the CEO in the implementation and monitoring of financial control systems and procedures.

Lack of adherence to procurement guidelines is another risk. Staff have undergone training in relation to procurement. Procurement procedures are in place within the Company. Panels of suppliers are in place for IT Equipment, Outdoor Equipment, PPE, Print and Design and Stationery and Office Supplies.

The Galway Rural Development Company C.L.G. is aware that cyber-attacks are a growing risk nationally and internationally. An IT consultant is on contract to the Company who seeks to minimise the risk as much as possible.

Fundraising risk:

Fundraising risk is the risk that the entity will lose the support of its principal or other funders

Structure, Governance and Management

Legal Structure

The Galway Rural Development Company Limited by Guarantee is a registered charity in Ireland. The entity is governed by its Constitution and is controlled by its Board of Directors. The Board is assisted by a number of subcommittees. The Executive Committee is responsible for operational and management matters, financial matters, short term operations, legal and staff matters including staff levels, staff training and liaison with the CEO. The Finance & Audit Sub-Committee advises the Board and assists the CEO in the implementation and monitoring of financial control systems and procedures, complying with the requirements of company law, meeting best accounting and audit practices, and meeting the specific financial control and reporting requirements laid down by the funding bodies.

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The LEADER Evaluation & Strategy Committee assesses and scores projects for LEADER funding and is responsible for making recommendations to the Board in respect of whether projects should receive funding or not. Galway Rural Development has a staff complement of over 400, including participants of the schemes. There are four teams working within the staff structure, which are overseen by the CEO. The leader of each team reports to the CEO and the staff within each team report directly to the Team Leader. The teams with The Galway Rural Development Company C.L.G. comprise of the following:

- SICAP
- LEADER
- Rural Social Scheme, TÚS & CE
- Administration

Best Practice Governance

The Company continues to monitor evolving corporate governance in the charitable sector. All operational expenditure is subject to an annual budget approved by the Board.

In accordance with its Constitution, the Company is controlled by a Board of Directors who met 11 times in 2022.

Internal controls

The Directors acknowledge their overall responsibility for the Company's system of internal control. This system includes financial controls, which enable the Board to meet its responsibilities for the integrity and accuracy of the Company's accounting records.

The Board acknowledges their wider responsibility to maintain, review and report on all internal controls including operational as well as financial.

Key elements of the internal control system include:

- Board has the responsibility for the following:
 - Approval of programme and organisational budgets
 - Approval of financial policies and procedures
 - Authorisation of operational and grant payments
 - Approval of Company Annual Financial Statements
 - Monitoring of expenditure in compliance with the Department guidelines
 - Auditing/compliance checks.
- The Board has appointed sub-committees as outlined above to assist it in carrying out its functions.
- The company has a risk assessment policy and a risk register last approved by the Executive Committee in September 2020.
- Salaries for all employees are drawn up on an approval form and paid through Banking On-line.
- Each lodgement is made by the Department or Pobal by direct debit. Lodgement records are kept up to date.
- A Purchase order system and valid cheque requisition system in place. All banking on-line payments and cheques are signed by two signatories of which one must be a Director. The Financial Administrator signs cheques and Banking on-line payments up to and including €5,000 and must be the first signatory on the cheque.
- Health & Safety statements are in place for all offices and risk assessments are carried out on a regular basis.
- A maintenance contract is in place with an IT consultant.
- An alarm is installed in the Mellows Campus office and a contract is in place with Secure All. A fire alarm is also in place. All staff have company mobiles phones which increases their safety particularly while performing onsite visits etc. A fixed asset register is kept up to date and all equipment is included in The Galway Rural Development Company C.L.G.'s insurance cover.
- Yearly Pat testing is performed to ensure that all equipment is safe to use.
- Employment contracts are in place for all staff. Formal staff appraisals are in place and a staff handbook has been agreed by the Board.
- The QMS Procedures Manual is updated on a yearly basis and the management team ensure that procedures are complied with. This manual documents the financial controls in place, including procedures for the monthly accounts and reconciliations.
- Professional Indemnity insurance and the provision of insurance within the contract with the HR Company are in place.
- All public communications and announcements are overseen by a Team Leader or the CEO. A Media Committee is also in place.
- Relevant personal data which is gathered is protected and the company is compliant with GDPR.
- The Company has outsourced the IT maintenance so every effort is made to secure networks, an Information

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for the year ended 31 December 2022

Security Policy is in place which sets out the responsibilities of the company, its staff, volunteers, participants, contractors, agents and third parties associated with the Company, with respect to information security arrangements and policies which must be followed.

Directors and Secretary

The directors who served throughout the financial year were as follows:

Peter Roche
John Middleton
Vincent Lyons
Martina Kinnane
Garry Lohan (Resigned 19/10/2022)
Tracy Hannon
David Egan
Anne Kinsella (Chairperson)
Jarleth Canney
Sheila Holland Fox (resigned 19/01/2022)
Johnathan Cormican
Bernadette Doherty
Tom Seale
Geneci Da Cruz Ui Fhatharta (resigned 30/03/2022)
Anne Mitchell
Maria Henaghan
Sara Ni Chuirreain (Appointed 15/02/2023)
Karen Dunne (Appointed 15/02/2023)

The secretary who served throughout the period was Peter Roche.

Sheila Holland Fox resigned from her role as secretary on 19/01/2022. Peter Roche was appointed secretary effective 19/01/2022.

In accordance with the Articles of Association, the directors retire by rotation and, being eligible, offer themselves for re-election.

As a registered charity and in accordance with the Constitution, Directors are not entitled to any remuneration for their roles as Board members. The Company may reimburse Directors for expenses such as travel and accommodation which arise in carrying out their roles in support of the Company's mission.

Taxation

The Galway Rural Development Company C.L.G. is a registered charity (CHY number 12101) and is exempt from Corporation tax.

Going Concern

The Directors have no concerns about the ability of the Company to continue to carry out its mission and activities into the foreseeable future. We note this given the external audit requirement to assess this annually.

Future Developments

The Company will continue to work closely with its key stakeholders to secure funding for the Company's projects and delivery of the Company's mission and strategy.

Post Statement of Financial Position Events

There were no events occurring after the Statement of Financial Position date which impacts on these financial statements.

Auditors

The auditors, Mazars, (Chartered Accountants & Statutory Audit Firm) have indicated their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

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DIRECTORS' REPORT

for the year ended 31 December 2022

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 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.

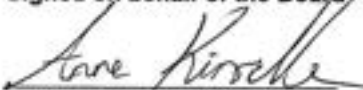
Prompt Payment of Accounts Act 1997

The requirements of the Prompt Payment of Accounts Act applies to this company. The Galway Rural Development Company C.L.G. has procedures in place to ensure that all invoices received are paid within the time limits specified on the invoices or the statutory time limit if no period is specified. While the procedures are designed to ensure compliance with the Act, they can only provide reasonable and not absolute assurance against material non-compliance with the Act.

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 Mellows Campus, Athenry, Co. Galway.

Signed on behalf of the Board



Anne Kinsella (Chairperson)
Director

Date: 21st June 2023



Peter Roche
Director

Date: 21st June 2023

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DIRECTORS' RESPONSIBILITIES STATEMENT

for the year ended 31 December 2022

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" issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland and Statement of Recommended Practice (Charities SORP (FRS 102)), issued by the Charity Commissioners for England and Wales and the Office of the Scottish Charities Regulator.

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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business; and
- to observe methods and principles in Charity SORP.

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 and 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



Anne Kinsella (Chairperson)
Director

Date: 21st June 2023



Peter Roche
Director

Date: 21st June 2023

INDEPENDENT AUDITOR'S REPORT

to the Members of The Galway Rural Development Company Limited by Guarantee

(A company limited by guarantee, without a share capital)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of The Galway Rural Development Company Limited by Guarantee ('the company') for the year ended 31 December 2022 which comprise the Statement of Financial Activity, the Statement of Financial Position, the Statement of Changes in Funds, the Statement of Cash Flows 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" (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 2022 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 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 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 The Galway Rural Development Company Limited by
Guarantee**

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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.

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

In our opinion, based on the work undertaken in the course of the audit, we report that:

- the information given in the directors' report for the financial 31 December 2022 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.

INDEPENDENT AUDITOR'S REPORT to the Members of The Galway Rural Development Company Limited by Guarantee

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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 out on page 9, 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.

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.



Austin Sammon
for and on behalf of
MAZARS

Chartered Accountants & Statutory Audit Firm
Mayoralty House
Flood Street
Galway

Date: 22/06/2023

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STATEMENT OF FINANCIAL ACTIVITY

for the year ended 31 December 2022

	Note	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
		2022	2022	2022	2021	2021	2021
		€	€	€	€	€	€
Income from:							
Incoming resources from charitable activities	4	17,722	11,339,164	11,356,886	4,383	10,482,724	10,487,107
Other incoming resources		13,951	-	13,951	-	1,500	1,500
Total income		31,673	11,339,164	11,370,837	4,383	10,484,224	10,488,607
Expenditure on:							
Charitable activities	5	3,077	11,307,335	11,310,412	1,500	10,417,985	10,419,485
Total expenditure		3,077	11,307,335	11,310,412	1,500	10,417,985	10,419,485
Net income	6	28,596	31,829	60,425	2,883	66,239	69,122
Transfer between funds		-	-	-	-	-	-
Net movement funds		28,596	31,829	60,425	2,883	66,239	69,122
Reconciliation of funds:							
Total funds brought forward	12	2,148	128,254	130,402	(735)	62,015	61,280
Total funds carried forward	12	30,744	160,083	190,827	2,148	128,254	130,402

There were no recognised gains and losses in the current or prior year other than those included in the Statement of Financial Activity. All incoming resources and resources expended derive from continued activities.

Approved by the Board on 21/06/23 and signed on its behalf by:


Anne Kinsella (Chairperson)
Director


Peter Roche
Director

The Galway Rural Development Company Limited by Guarantee

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STATEMENT OF FINANCIAL POSITION

as at 31 December 2022

	Notes	31 Dec 2022 €	31 Dec 2021 €
Non-Current Assets			
Tangible Fixed Assets	9	157,311	93,954
Current Assets			
Debtors	10	120,148	262,077
Cash and Cash Equivalents		433,895	355,857
		554,043	617,934
Creditors: Amounts falling due within one year	11	(520,527)	(581,486)
Net Current Assets		33,516	36,448
Net Assets		190,827	130,402
Funds			
Restricted Funds	12	160,083	128,254
Unrestricted Funds	12	30,744	2,148
Total Funds		190,827	130,402

Approved by the Board on 21/06/23 and signed on its behalf by:



Anne Kinsella (Chairperson)
Director



Peter Roche
Director

The Galway Rural Development Company Limited by Guarantee

(A company limited by guarantee, without a share capital)

STATEMENT OF CHANGES IN FUNDS

as at 31 December 2022

	Restricted Funds	Unrestricted Funds	Designated Funds	Total
	€	€	€	€
Balance at 31 December 2020	62,015	(735)	-	61,280
Net surplus for the year	66,239	2,883		69,122
Balance at 31 December 2021	<u>128,254</u>	<u>2,148</u>	<u>-</u>	<u>130,402</u>
Net surplus for the year	31,829	28,596	-	60,425
Balance at 31 December 2022	<u>160,083</u>	<u>30,744</u>	<u>-</u>	<u>190,827</u>

The Galway Rural Development Company Limited by Guarantee

(A company limited by guarantee, without a share capital)

STATEMENT OF CASH FLOWS

for the year ended 31 December 2022

	2022	2021
	€	€
Cash flows from operating activities		
Funds movement for the year	60,425	69,122
Adjustments for:		
Depreciation	53,544	38,310
Loss on disposal of fixed assets	24	-
Interest payable and similar charges	1,500	1500
	<u>115,493</u>	<u>108,932</u>
Movement in working capital:		
Movement in debtors	141,928	(39,596)
Movement in creditors	<u>(109,219)</u>	<u>120,188</u>
Cash generated from operating activities	148,203	189,524
Interest paid	<u>(1,500)</u>	<u>(1,500)</u>
Net cash generated from operating activities	<u>146,703</u>	<u>188,024</u>
Cash flows from investing activities		
Payments to acquire property, plant & equipment	<u>(116,925)</u>	<u>(73,802)</u>
Net cash used in investing activities	<u>(116,925)</u>	<u>(73,802)</u>
Net increase in cash and cash equivalents	29,778	114,222
Cash and cash equivalents at beginning of year	334,549	220,327
Cash and cash equivalents at end of year	14 <u>364,327</u>	<u>334,549</u>

The Galway Rural Development Company Limited by Guarantee

(A company limited by guarantee, without a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2022

1. GENERAL INFORMATION

The Galway Rural Development Company Limited by Guarantee (Galway Rural Development Company C.L.G.) is a company limited by guarantee and does not have a share capital. The company was incorporated in the Republic of Ireland and is a registered charity (CRA 20034740). The address of the registered office is Mellows Campus, Athenry, Co. Galway. The principal activity for which the company was established is the allocating, distributing and dispensing of Government and European Union funding to support local groups and communities working to make improvements throughout rural Galway.

The financial statements comprising the Statement of Financial Activity, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes constitute the individual financial statements of The Galway Rural Development Company C.L.G. for the financial period ended 31 December 2022.

The financial statements have been presented in Euro (€) which is also the functional currency of the company and rounded to the nearest Euro.

In order to provide information relevant to understanding the stewardship of the directors and the performance and financial position of the charity, The Galway Rural Development Company C.L.G. has prepared its financial statements in accordance with the formats provided for in the Charities SORP.

As permitted by section 291(3)(4) of the Companies Act 2014, the Company has varied the standard formats specified in that Act for the Statement of Financial Activities, the Statement of Financial Position and the Statement of Cash Flows. Departures from the standard formats, as outlined in the Companies Act 2014, are to comply with the requirements of the Charities SORP and are in compliance with Sections 4.7, 10.6 and 15.2 of the Charities SORP.

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 period ended 31 December 2022 have been prepared on the going concern basis and 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".

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 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" issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland and the Statement of Recommended Practice (Charities SORP (FRS102)). Financial reporting in line with SORP is considered best practice for charities in Ireland. As noted above, the directors consider that the adoption of the SORP requirements is the most appropriate accounting standard to properly reflect and disclose the activities of the organisation.

The Galway Rural Development Company Limited by Guarantee

(A company limited by guarantee, without a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2022

Income

All income is included in the Statement of Financial Activities when the Company is entitled to the income, the amount can be measured with reasonable accuracy and receipt is probable.

Voluntary income including grants, 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. Fundraising income is credited to the Statement of Financial Activities in the year in which it is receivable by the company.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred and is recorded as part of the expenditure to which it relates. Cost of raising funds comprises the costs associated with attracting voluntary income.

Expenditure on charitable activities are those costs incurred by the charity in the delivery of its services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them, including alumni activities.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity. Where costs cannot be directly attributed, they have been allocated in proportion to estimated benefits received.

Support costs arise from those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include finance, ICT, administration, legal and compliance fees. Costs are charged to each service and activity in proportion to expenditure, which is considered to reflect estimated benefits received. Costs are not allocated to designated or capital funds.

Financial Instruments

Financial assets - initial recognition:

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs.

Cash and cash equivalents are included in the statement of financial position at cost. Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with a maturity up to three months.

Income from financial fixed assets, together with any related tax credit, is recognised in the Statement of Financial Activity in the year in which it is receivable.

Provisions

A provision is recognised in the statement of financial position when the company has a present obligation (either legal or constructive) as a result of a past event, and it is probable that a transfer of economic benefits will be required to settle the obligation. Provisions are measured at the directors best estimate of the expenditure required to settle the obligation at the Statement of Financial Position date and are discounted to present value where the effect is material.

A contingent liability is not recognised but is disclosed where the existence of the obligation will only be confirmed by future events or where it is not probable that an outflow of resources will be required to settle the obligation or where the amount of the obligation cannot be measured with reasonable reliability.

Related party transactions

Related party transactions are disclosed in accordance with FRS 102 section 33 - Related Party Disclosures.

The Galway Rural Development Company Limited by Guarantee

(A company limited by guarantee, without a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2022

Capital Reserve

The Capital Account represents the accumulation of income and expenditure recorded under the rules of the various funding programmes.

Tangible Fixed Assets and depreciation

Tangible Fixed Assets are stated at cost, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost of equipment, less their estimated residual value, over their expected useful lives as follows:

Fixtures, Fittings and Equipment	-	20% Straight Line
Motor Vehicles	-	20% Straight Line

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

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.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the Statement of Financial Position bank overdrafts are shown within Creditors.

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

When employees have rendered service to the company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

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. Contributions are expensed as they become payable.

Taxation

The Galway Rural Development Company C.L.G. is a registered charity (CHY 12101) and is exempt from Corporation Tax.

Foreign currencies

Foreign currency transactions are initially recognised by applying, to the foreign currency amount, the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the Statement of Financial Position date are translated using the closing rate. The resulting exchange differences are dealt with in the Statement of Financial Activity.

Charity's funds

Restricted Funds: Restricted funds are funds received which can only be used for particular purposes specified by the donors and are binding on the Company. Such purposes are within the overall aims of the Company.

Unrestricted Funds: Unrestricted funds are those which are expendable at the discretion of the Company in furtherance of any of the objects of the Company. If part of an unrestricted fund is earmarked for a particular project, it may be designated as a separate fund, but the designation has an administrative purpose only, and does not legally restrict the Company's discretion to apply the fund.

The Galway Rural Development Company Limited by Guarantee

(A company limited by guarantee, without a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2022

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors consider that apart from the accounting policies above, there are no other accounting estimates and assumptions which are required to be disclosed.

The Galway Rural Development Company Limited by Guarantee

(A company limited by guarantee, without a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2022

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

a) Income from Charitable activities

	Unrestricted funds 2022 €	Restricted funds 2022 €	Total 2022 €	Unrestricted funds 2021 €	Restricted funds 2021 €	Total 2021 €
Donations	17,722	3,925	21,647	4,383	953	5,336
<i>Government Grants</i>						
Dept of Employment Affairs and Social Protection	-	6,730,952	6,730,952	-	6,391,453	6,391,453
Dept of Rural and Community Development	-	2,480,274	2,480,274	-	2,351,565	2,351,565
Galway County Council	-	1,975,161	1,975,161	-	1,738,753	1,738,753
HSE	-	70,500	70,500	-	-	-
Other	-	78,352	78,352	-	-	-
	<u>17,722</u>	<u>11,339,164</u>	<u>11,356,886</u>	<u>4,383</u>	<u>10,482,724</u>	<u>10,487,107</u>

The whole of the company's income is attributable to the Republic of Ireland and is derived from the principal activity of allocating, distributing and dispensing Government and European Union funding to support local groups and communities working to make improvements throughout rural Galway.

The Galway Rural Development Company Limited by Guarantee

(A company limited by guarantee, without a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2022

b) Grant Income Listing

Name of Grantor	Name of Grant	Purpose	Accrued/ (Deferred) as at 31 Dec 2021	Grant Received in 2022	Recognised as Income in 2022	Accrued/ (Deferred) as at 31 Dec 2022
Dept. of Employment Affairs and Social Protection	Tús	Administration, running costs of the programme	-	236,254	236,254	-
Dept. of Employment Affairs and Social Protection	Tús	Scheme Payroll Costs	-	2,597,000	2,597,000	-
Dept. of Employment Affairs and Social Protection	Rural Social Scheme	Administration, running costs of the programme	-	191,994	191,994	-
Dept. of Employment Affairs and Social Protection	Rural Social Scheme	Scheme Payroll Costs	-	3,349,558	3,349,558	-
Dept. of Employment Affairs and Social Protection	Community Employment Scheme	Administration, Training and Materials	(4,114)	366,960	356,146	(6,700)
Dept. of Rural and Community Development	LEADER	Administration and LEADER projects	7,568	2,569,706	2,480,274	(117,000)
Galway County Council	Social Inclusion & Community Activation Programme	Administration and Grants	8,890	1,931,734	1,901,461	(38,163)
Galway County Council	Healthy Ireland	Project grant	-	3,700	3,700	-
Galway County Council	Empowering Communities	Project grant	-	70,000	70,000	-
HSE	Roma & Ukrainian	Administration and Project grant	-	58,500	58,500	-
HSE	Positive Mental Health	Project grant	-	8,000	8,000	-
HSE	National Lottery	Project grant	-	4,000	4,000	-
National college of Ireland	Parent Child +	Administration and Project grant	-	20,000	20,000	-
IT Sligo	Research project	Administration	-	18,500	18,500	-

The Galway Rural Development Company Limited by Guarantee

(A company limited by guarantee, without a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2022

b) Grant Income Listing - continued

Name of Grantor	Name of Grant	Purpose	Accrued/ (Deferred) as at 31 Dec 2021	Grant Received in 2022	Recognised as Income in 2022	Accrued/ (Deferred) as at 31 Dec 2022
ILDN	SERP	Administration and Project grant	-	30,340	30,340	-
ILDN	ARISE	Project grant	-	2,500	2,500	-
GRETB		Project grant	-	2,296	2,296	-
ETB	REACH	Project grant	-	4,716	4,716	-
			12,344	11,485,758	11,335,239	(162,863)

5. CHARITABLE ACTIVITIES – DELIVERY OF PROGRAMMES

	Unrestricted funds 2022	Restricted funds 2022	Total 2022	Unrestricted funds 2021	Restricted funds 2021	Total 2021
	€	€	€	€	€	€
Disbursements to Projects	-	8,801,316	8,801,316	-	8,128,078	8,128,078
Direct Staff costs	-	1,297,956	1,297,956	-	1,193,608	1,193,608
Office supplies and postage	-	43,804	43,804	-	39,354	39,354
Premises and equipment	-	220,175	220,175	-	188,917	188,917
Communications	-	36,749	36,749	-	32,091	32,091
Financial & Administration	-	360,306	360,306	-	343,435	343,435
Sales and promotional	-	175,505	175,505	-	139,888	139,888
Depreciation	-	53,544	53,544	-	38,310	38,310
Governance costs	3,077	317,980	321,056	1,500	314,304	315,804
	3,077	11,307,335	11,310,412	1,500	10,417,985	10,419,485

The Galway Rural Development Company Limited by Guarantee

(A company limited by guarantee, without a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2022

6. NET EXPENDITURE

	2022	2021
Net expenditure is stated after charging/ (crediting):	€	€
Depreciation of tangible assets	53,544	38,310
Auditors' remuneration – for external audit services	11,931	10,947
Auditors' remuneration – other non-audit services	2,677	1,411
	<u> </u>	<u> </u>

7. SUPPORT COSTS AND ALLOCATION OF EXPENDITURE

(a) Support Costs

Support costs include Finance, Governance and Administration which are allocated across Charitable Activities (100%). All costs are allocated to restricted funds.

(b) Allocation of expenditure

	Direct Costs* €	Support Costs €	Governance Costs €	Total €
Charitable Activities	10,099,272	890,083	321,057	11,310,412
Cost of Raising Funds	-	-	-	-
Total Resources Expended	<u>10,099,272</u>	<u>890,083</u>	<u>321,057</u>	<u>11,310,412</u>

*Direct Costs on Charitable Activities include transfers to projects €8,801,316 and direct administrative expenses of €1,297,956.

(c) Governance costs

	2022	2021
	€	€
External Audit	11,931	10,947
Professional and Financial	40,383	53,171
Meetings, Travel and Subsistence	77	193
Staff Costs	268,666	251,493
	<u>321,057</u>	<u>315,804</u>

Members of the Board do not receive remuneration. Board Expenses include expenses related to the performance of Directors' roles in the furtherance of the Company's mission and strategy which are incurred by the Company or reimbursed to Directors.

The Galway Rural Development Company Limited by Guarantee

(A company limited by guarantee, without a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2022

8. EMPLOYEES AND STAFF COSTS

(a) Number of employees

The average number of persons employed (including executive directors) during the period was as follows:

	2022 Number	2021 Number
Management and administration	431	438
Employees by Programme	2022 Number	2021 Number
Rural Social Scheme	210	223
Management & Administration	41	35
Community Employment Scheme	22	19
TÚS Scheme	158	161
	<u>431</u>	<u>438</u>

(b) The staff costs comprise:

	2022 €	2021 €
Wages and salaries	7,791,772	7,356,953
Social welfare costs	261,870	250,300
Pension costs	132,168	131,086
	<u>8,185,810</u>	<u>7,738,339</u>

Direct Programme Employment Costs including ER PRSI

Included in wages and salaries charge for the period ended 31 December 2022 are the following costs that relate to participants who were directly employed under specific programmes:

	2022 €	2021 €
Rural Social Scheme	3,349,558	3,313,013
TÚS Scheme	2,597,000	2,387,286
Community Employment Scheme	322,858	302,602
	<u>6,269,416</u>	<u>6,002,901</u>

(c) Senior staff remuneration

The number of staff earning salaries (excluding the benefits and pension costs outlined below) over €60,000 is:

	2022 Number	2021 Number
Band: €60,000 - €69,999	1	-
Band: €70,000 - €79,999	1	1
Band: €80,000 - €100,000	-	-

All staff, who are required to travel as part of their roles, may claim vouched expenses or subsistence allowances and mileage allowances in line with Revenue approved rates. The Company operates a health insurance scheme for employees.

The Galway Rural Development Company Limited by Guarantee

(A company limited by guarantee, without a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2022

(d) Key management remuneration

The directors and key management have the authority and responsibility for planning, directing and controlling the activities of the company. They are considered to be the key personnel. The directors do not receive any remuneration. The total remuneration in respect of key management was €358,181 (2021: €374,090).

(e) Pension Costs

All staff are eligible to join the Company's defined contribution scheme or a personal retirement savings account (PRSA) scheme of their choice. The defined contribution scheme has employer contributions of 10% and employee contributions of 5 - 10%. The cost of employer contributions in FP2021 was €132,168 (2021: €131,086).

9. TANGIBLE FIXED ASSETS	Motor Vehicles	Fixtures, Fittings & Equipment	Total
	€		€
Cost			
At 1 January 2022	26,200	638,608	664,808
Additions	27,790	89,135	116,925
Disposals	-	(622)	(622)
At 31 December 2022	<u>53,990</u>	<u>727,121</u>	<u>781,111</u>
Depreciation			
At 1 January 2022	5,240	565,614	570,854
Charge for the year	10,720	42,824	53,544
Disposals	-	(598)	(598)
At 31 December 2022	<u>15,960</u>	<u>607,840</u>	<u>623,800</u>
Net book value			
At 31 December 2022	<u>38,030</u>	<u>119,281</u>	<u>157,311</u>
At 31 December 2021	<u>20,960</u>	<u>72,994</u>	<u>93,954</u>
10. DEBTORS		2022	2021
		€	€
Other debtors		39,520	55,584
Prepayments and accrued income		80,628	208,493
		<u>120,148</u>	<u>262,077</u>

All debtors are due within one year. All transactions were conducted under the company's normal terms, which is thirty days.

The Galway Rural Development Company Limited by Guarantee

(A company limited by guarantee, without a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2022

11. CREDITORS	2022	2021
Amounts falling due within one year	€	€
Amounts owed to credit institutions	69,568	21,308
Other creditors	51,200	84,000
Accruals	174,765	241,063
Deferred income	220,035	199,383
PAYE/PRSI	-	35,732
Trade creditors	4,959	-
	<u>520,527</u>	<u>581,486</u>

Included in other creditors are loans from third parties of €50,000. Interest is paid at 3%. The loan is unsecured and repayable on demand.

Other amounts included within creditors not covered by specific note disclosures are unsecured, interest free and repayable on demand.

12. STATEMENT OF FUNDS

Year Ending 31 December 2022	At 1 January 2022	Income	Expenditure	Transfers	At 31 December 2022
	€	€	€	€	€
Restricted Funds					
Capital Account	93,955	-	-	63,356	157,311
Reserve Fund	34,299	11,339,164	(11,307,335)	(63,356)	29,616
	<u>128,254</u>	<u>11,339,164</u>	<u>(11,307,335)</u>	<u>-</u>	<u>160,083</u>
Unrestricted Funds					
Reserve Fund	2,148	31,673	(3,077)	-	30,744
	<u>130,402</u>	<u>11,370,837</u>	<u>(11,310,412)</u>	<u>-</u>	<u>190,827</u>

The funds of the charity include the above restricted funds which have been set aside by the company for specific purposes in accordance with donors and grantors wishes.

The unrestricted funds consist of donor funds which may be applied to the company's expenses at the discretion of the directors. The Company is committed to broadening the range of programmes, generating unrestricted income and increasing efforts in the area of fundraising.

The Galway Rural Development Company Limited by Guarantee

(A company limited by guarantee, without a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2022

12.1 STATEMENT OF FUNDS

Year Ending 31 December 2021	At 1 January 2021	Income	Expenditure	Transfers	At 31 December 2021
	€	€	€	€	€
Restricted Funds					
Capital Account	58,463	-	-	35,492	93,955
Reserve Fund	3,552	10,484,224	(10,417,985)	(35,492)	34,299
	<u>62,015</u>	<u>10,484,224</u>	<u>(10,417,989)</u>	<u>-</u>	<u>128,254</u>
Unrestricted Funds					
Reserve Fund	(735)	4,383	(1,500)	-	2,148
	<u>61,280</u>	<u>10,488,607</u>	<u>(10,419,485)</u>	<u>-</u>	<u>130,402</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Year Ending 31 December 2022	General Unrestricted Funds	Designated Funds	Total Unrestricted Funds	Restricted Funds	Total Funds
	€	€	€	€	€
Tangible Fixed Assets	-	-	-	157,311	157,311
Cash & cash equivalents	80,744	-	80,744	353,151	433,895
Debtors	-	-	-	120,148	120,148
Creditors due within one year	(50,000)	-	(50,000)	(470,527)	(520,527)
	<u>30,744</u>	<u>-</u>	<u>30,744</u>	<u>160,083</u>	<u>190,827</u>

13.1 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Year Ending 31 December 2021	General Unrestricted Funds	Designated Funds	Total Unrestricted Funds	Restricted Funds	Total Funds
	€	€	€	€	€
Tangible Fixed Assets	-	-	-	93,954	93,954
Cash & cash equivalents	52,148	-	52,148	303,709	355,857
Debtors	-	-	-	262,077	262,077
Creditors due within one year	(50,000)	-	(50,000)	(531,486)	(581,486)
	<u>2,148</u>	<u>-</u>	<u>2,148</u>	<u>128,254</u>	<u>130,402</u>

The Galway Rural Development Company Limited by Guarantee
(A company limited by guarantee, without a share capital)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2022

14. CASH & CASH EQUIVALENTS

	2022	2021
	€	€
Cash and bank balances	212,231	104,859
Bank Overdraft	(69,568)	(21,308)
Cash equivalents	221,664	250,998
	<u>364,327</u>	<u>334,549</u>

15. STATUS

The company has no share capital as it is a company limited by guarantee and not having a share capital. 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 €1.27.

16. RELATED PARTY TRANSACTIONS

Board appointees are nominated by various organisations which are defined within the company's Memorandum and Articles of Association. The company has internal control procedures to ensure that all transactions with these organisations are at arm's length and that no conflicts of interest arise.

17. EVENTS AFTER END OF REPORTING PERIOD

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

18. CONTINGENT LIABILITIES

The company has no contingent liabilities as at 31 December 2022.

19. CAPITAL COMMITMENTS

The company had no material capital commitments at 31 December 2022.

20. CONTROLLING INTEREST

The company is under the control of the board of directors.

21. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 21/6/2023.