

Merchant's Quay Project CE Scheme CLG

Reports and Financial Statements
for the financial year ended
31 December 2021

MERCHANT'S QUAY PROJECT CE SCHEME CLG
REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED DECEMBER 2021

CONTENTS

	PAGE
DIRECTORS AND OTHER INFORMATION	2 - 3
DIRECTORS' REPORT	4 - 6
DIRECTORS' RESPONSIBILITIES STATEMENT	7
INDEPENDENT AUDITOR'S REPORT	8 - 11
STATEMENT OF INCOME AND RETAINED EARNINGS	12
BALANCE SHEET	13
STATEMENT OF CASH FLOWS	14
NOTES TO THE FINANCIAL STATEMENTS	15 - 18
SUPPLEMENTARY INFORMATION	19 - 23

MERCHANT'S QUAY PROJECT CE SCHEME CLG

DIRECTORS AND OTHER INFORMATION

DIRECTORS:

Mr Ray Langton
Rev Kieran Cronin OFM
Rev Patrick Lynch OFM
Mr Brian Melaugh
Dr Joanne Fenton
Ms Margaret Hennessy
Mr Derek Bell
Mr David Kiely
Ms Cliona Ni Cheallaigh (Resigned 20th February 2022)
Mr Ray Jenkins (Appointed 1st January 2021)
Ms Paula Byrne
Ms Jennifer Owens (Resigned 29th April 2022)
Mr Shane Doherty (Resigned 13th August 2021)
Mr Sanjay Gulati (Appointed 1st August 2021, Resigned 10th December 2021)
Ms Sharon Owens (Appointed 10th December 2021)

COMPANY SECRETARY

Ms Sharon Owens
Merchants Court
24 Merchants Quay
Dublin 8

Mazars
Harcourt Road
Dublin 2

REGISTERED OFFICE

Merchants Court
24 Merchants Quay
Dublin 8

COMPANY NUMBER

533762

CHARITY (REVENUE) NUMBER

CHY 21187

**CHARITIES REGULATOR
REGISTERED CHARITY NUMBER**

20084325

AUDITORS

Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin 2

BANKERS

Allied Irish Bank
7/12 Dame Street
Dublin 2

MERCHANT'S QUAY PROJECT CE SCHEME CLG

DIRECTORS AND OTHER INFORMATION

SOLICITORS

Marcus A. Lynch & Son
12 Lower Ormond Quay
Dublin 1

PLACES OF OPERATION:

Payne's Lane
Athlone
Co Westmeath

Acot House
Farnham Road
Drumnavanagh
Co Cavan

MERCHANT'S QUAY PROJECT CE SCHEME CLG

DIRECTORS' REPORT

The directors present their report, together with the audited financial statements, for the financial year ended 31 December 2021.

PRINCIPAL ACTIVITIES

The company operates a Community Employment Scheme for Merchants Quay Ireland. The results for the financial year are set out on page 13.

The Company is recognised by the Revenue Commissioners as having charitable tax exemption – registration number CHY 21187. The Charities Regulatory Authority (CRA) which was established in 2014 is Ireland's national statutory regulatory agency for charitable organisations. The Company is registered with the CRA - registration number of 20084325.

The Company is governed by its memorandum and articles.

Merchant's Quay Project CE Scheme CLG is one of three companies operating under the banner name of Merchant's Quay Ireland carrying out activities for social justice for homeless persons and drug users on a nationwide basis. The other companies are: -

- St. Francis Housing Association CLG
- Merchant's Quay Ireland CLG

Services continue to incorporate the provision of meals, drug services, crisis intervention, needle exchange, rehabilitation and detox services, together with day programmes, aftercare and training.

PRINCIPAL RISKS AND UNCERTAINTIES

In the normal course of business, the Company is exposed to strategic, operational, funding and reputational risks all of which are managed in accordance with the policies approved by the Board. The principal risks and uncertainties that the company faces are that the company is dependent on the ongoing support of its principal funder, Department of Social Protection and Merchants Quay Ireland CLG. Ongoing funding at an appropriate level is fundamental to the company's ability to continue as a going concern.

POST BALANCE SHEET EVENTS

At the financial year end 31 December 2021 there were no impacts on the recognition and measurements of assets and liabilities.

GOING CONCERN

In the event that funding is not received from the Department of Social Protection (DSP) the related expenditure does not occur in this company and thus the Board have a reasonable expectation that the organisation has adequate resources to continue in operational existence for the foreseeable future. They have continued to adopt the going concern basis of accounting in preparation of the annual financial statements.

MERCHANT'S QUAY PROJECT CE SCHEME CLG

DIRECTORS' REPORT (CONTINUED)

DIRECTORS AND SECRETARY

The directors, and secretary, who served at any time during the financial year except as noted, were as follows:

Directors:

Mr Ray Langton
Rev Kieran Cronin OFM
Rev Patrick Lynch OFM
Mr Brian Melaugh
Dr Joanne Fenton
Ms Margaret Hennessy
Mr Derek Bell
Mr David Kiely
Ms Cliona Ni Cheallaigh (Resigned 20th February 2022)
Mr Ray Jenkins (Appointed 1st January 2021)
Ms Paula Byrne
Ms Jennifer Owens (Resigned 29th April 2022)
Mr Shane Doherty (Resigned 13th August 2021)
Mr Sanjay Gulati ((Appointed 1st August 2021, Resigned 10th December 2021)
Ms Sharon Owens (Appointed 10th December 20

Secretary:

Mr Shane Doherty (Resigned 13th August 2021)
Mr Sanjay Gulati (Appointed 1st August 2021, Resigned 10th December 2021)
Ms Sharon Owens (Appointed 10th December 2021)

GOVERNANCE AND MANAGEMENT

Directors are appointed by the Members of the Company. The Members are the Definitory of the Order of Friars Minor in Ireland (Franciscan Province of Ireland).

The Board shall consist entirely of three Ex Officio Directors and not less than five but not more than twelve Appointed Directors, unless otherwise determined by a meeting of the Members. The term of office of an Appointed Director shall be three years and an Appointed Director may be reappointed for further successive terms. The Chairperson of the Board shall be the Ex Officio Director, who holds the position of CEO in Merchant's Quay Ireland Company Limited by Guarantee. The quorum for meetings is four Appointed Directors.

All Directors are chosen on the basis of their willingness to serve, their ability, governance experience and support of the ethos and mission of the Company. The Board is committed to ensuring it has the necessary mix of skills and expertise and where necessary, seeks professional advice.

During 2021, the Board met once.

The Members meet annually to receive the annual report and audited financial statements of the Company. Other meetings may take place as required.

POLITICAL CONTRIBUTIONS

There were no political donations made during the financial year (2020: €Nil).

ACCOUNTING RECORDS

The measures that the directors have taken 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 employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at 24 Merchants Quay, Dublin 8.

MERCHANT'S QUAY PROJECT CE SCHEME CLG

DIRECTORS' REPORT (CONTINUED)

FINANCIAL CONTROLS

The measures the directors have taken to ensure adequate financial control systems in place to manage granted funds is the appropriately qualified accounting personnel.

In respect to expenditure for the CE Projects operated within this entity we note:

- the invoices used to support their claims relate to activities and services appropriate to the grant scheme objectives,
- the amounts invoiced have been paid, and
- the invoices have not and will not be used in support of another claim for reimbursement from any other funder(s) (except as provided for in agreed joint-funding arrangements)

The terms of the SLA have been adhered too during this period.

LIMITED LIABILITY

The company is Limited by guarantee. Each member is liable to the extent of €1 in the event of the company being wound up.

DISCLOSURE OF INFORMATION TO AUDITORS


In the case of each of the persons who are directors at the time the directors' report and financial statements are approved:

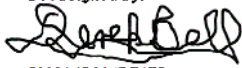
- A) So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- B) Each director has taken all steps that ought to have been taken by the director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, continue in office in accordance with Section 383(2) of the Companies Act 2014.

Approved by the Board and signed on its behalf by:

DocuSigned by: 23-Jun-2022

B2978077C90D47B...
Ray Langton
Director

DocuSigned by: n-2022

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Derek Bell
Director

Date: 15th June 2022

MERCHANT'S QUAY PROJECT CE SCHEME CLG

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the directors' report and the financial statements in accordance with the Companies Act 2014.

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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council* ("relevant financial reporting framework"). 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 profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies for the company financial statements 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 the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and 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.

Independent auditor's report to the members of Merchant's Quay Project CE Scheme CLG

Report on the audit of the financial statements

Opinion on the financial statements of Merchant's Quay Project CE Scheme CLG (the 'company')

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 the result for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- the Statement of Income and Retained Earnings;
- the Balance Sheet;
- the Statement of Cash Flows; and
- the related notes 1 to 12, including a summary of significant accounting policies as set out in note 1.

The relevant 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 ("the relevant financial reporting framework").

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 described below 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 the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, 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.

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Independent auditor's report to the members of Merchant's Quay Project CE Scheme CLG

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 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.

Other information

The other information comprises the information included in the Reports and Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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Independent auditor's report to the members of Merchant's Quay Project CE Scheme CLG

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 IAASA'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.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements and the directors' report has been prepared in accordance with the Companies Act 2014.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

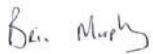
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Independent auditor's report to the members of Merchant's Quay Project CE Scheme CLG

Use of our report

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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.



Brian Murphy
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, Earlsfort Terrace, Dublin 2

Date 5 July 2022

MERCHANT'S QUAY PROJECT CE SCHEME CLG**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE FINANCIAL YEAR ENDED DECEMBER 2021**

	<i>Notes</i>	2021 €	2020 €
INCOME	3	381,747	201,537
Staff Costs	4	(365,263)	(192,644)
		<u>16,484</u>	<u>8,893</u>
Other expenses		(21,383)	(8,893)
RESULTS ON ORDINARY ACTIVITIES BEFORE TAXATION	5	(4,899)	-
Taxation	6	-	-
RESULTS ON ORDINARY ACTIVITIES AFTER TAXATION		(4,899)	-
Retained earnings brought forward		-	-
RETAINED EARNINGS CARRIED FORWARD		<u>(4,899)</u>	<u>-</u>

The above comparison includes income and expenditure relating to discontinued operations detailed in the corresponding notes.

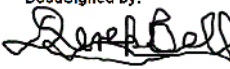
MERCHANT'S QUAY PROJECT CE SCHEME CLG**BALANCE SHEET
AS AT 31 DECEMBER 2021**

	<i>Notes</i>	2021 €	2020 €
Current Assets			
Bank		61,021	30,439
Debtors	7	16,788	7,899
		<u>77,809</u>	<u>38,338</u>
Creditors: Amounts falling due within one year	8	(77,809)	(38,338)
NET ASSETS		<u>-</u>	<u>-</u>
FINANCED BY:			
Retained earnings		<u>-</u>	<u>-</u>

The financial statements were approved and authorised for issue by the Board of Directors on 15th June 2022 and signed on its behalf by:

DocuSigned by:

 B2978077C90D47B...
 Ray Langton
 Director
 23-Jun-2022

DocuSigned by:

 5832A4D904DF4F5...
 Derek Bell
 Director
 23-Jun-2022

MERCHANT'S QUAY PROJECT CE SCHEME CLG**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021****RECONCILIATION OF OPERATING RESULT TO CASH GENERATED BY OPERATIONS**

	2021	2020
	€	€
Operating result		-
Increase in debtors	(8,889)	1,218
Increase in creditors	39,471	(2,037)
NET CASH GENERATED BY OPERATIONS	<u>30,582</u>	<u>(820)</u>
Net cash flows from operating activities		
Net cash generated by operations	<u>30,582</u>	<u>(820)</u>
Change in cash and cash equivalents in the reporting year	30,582	(820)
Cash and cash equivalents in the beginning of the reporting year	<u>30,439</u>	<u>31,259</u>
Cash and cash equivalents at the end of reporting year	<u>61,021</u>	<u>30,439</u>

MERCHANT'S QUAY PROJECT CE SCHEME CLG**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED DECEMBER 2021**

1. ACCOUNTING POLICIES**Basis of Preparation**

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with the Companies Act 2014 and the Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

Merchant's Quay Project CE Scheme CLG is a company incorporated in Ireland under the Companies Act 2014. The address of the registered office is 24 Merchants Court, Merchant's Quay, Dublin 8. The nature of the company's operations and its principal activities are set out in the Directors Report on pages 5 to 8. In accordance with Section 1180(8) of the Companies Act, 2014, the company is exempt from including the word "Limited" in its name. The company is limited by guarantee and has no share capital.

Going concern

In the event that funding is not received from the Department of Social Protection (DSP) the related expenditure does not occur in this company and thus the Board have a reasonable expectation that the organisation has adequate resources to continue in operational existence for the foreseeable future. They have continued to adopt the going concern basis of accounting in preparation of the annual financial statements.

Revenue recognition

Grants from the government have been included as income to fund activities in furtherance of the charity's objects and accounted for on a receivable basis

Financial Instruments

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the entity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are recognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the entity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party. Financial liabilities are recognised only when the obligation specified in the contract is discharged, cancelled or expires.

Taxation

The company has been granted charitable status by the Revenue Commissioners and is therefore exempt from taxation.

MERCHANT'S QUAY PROJECT CE SCHEME CLG**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED DECEMBER 2021****2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The directors do not consider there are any critical judgements or sources of estimation requiring disclosure.

3. INCOME

Income represents grants amounting to €381,747 (2020: €201,537), from the Department of Social Protection's (DSP) Community Employment Scheme.

4. STAFF COSTS

The average number of persons employed by the company (including executive directors) was as set out below:

	2021	2020
	No.	No.
Participants	25	12
Supervisors	3	2
	<u>28</u>	<u>14</u>

The aggregate payroll costs of these persons were as follows:

	2021	2020
	€	€
Salaries	364,109	192,133
PRSI (Participants Only)	1,154	511
	<u>365,263</u>	<u>192,644</u>

MERCHANT'S QUAY PROJECT CE SCHEME CLG**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED DECEMBER 2021**

5. RESULT ON ORDINARY ACTIVITIES BEFORE TAXATION	2021	2020
	€	€
The result for the financial year is stated after charging:		
Directors' remuneration	-	-
	<u> </u>	<u> </u>
6. TAXATION ON RESULT ON ORDINARY ACTIVITIES		
No taxation liability arises as the company is not carrying on a trade and receives grant income only.		
7. DEBTORS	2021	2020
	€	€
Debtors DSP	16,787	7,663
Other debtors	-	236
	<u> </u>	<u> </u>
	16,787	7,899
	<u> </u>	<u> </u>
8. CREDITORS: Amounts falling due within one year	2021	2020
	€	€
Creditors and accruals	77,411	38,338
PAYE/PRSI Due	54	-
Other Creditors	6,343	-
	<u> </u>	<u> </u>
	77,809	38,338
	<u> </u>	<u> </u>