

**ENCLUDE LTD**  
**(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST DECEMBER 2013**

**ENCLUDE LTD**  
**(A company limited by guarantee not having a share capital)**

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**ENCLUDE LTD**

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**DIRECTORS AND OTHER INFORMATION  
FOR THE YEAR ENDED 31ST DECEMBER 2013**

**DIRECTORS**

Colm Butler  
Ava Battles  
Al Ryan

**SECRETARY**

Eamon Stack

**REGISTERED OFFICE**

5 The Close,  
Beaumont Woods,  
Dublin 9

**COMPANY NUMBER**

442488

**CHARITABLE STATUS NUMBER**

CHY 17286

**AUDITORS**

Marie T Walsh & Co.,  
Certified Public Accountants,  
2 Meadow Park Close,  
Ballyvolane,  
Cork.

**BANKERS**

Bank of Ireland,  
26 Marino Mart,  
Fairview,  
Dublin 3

**BUSINESS ADDRESS**

Drumcondra Business Centre,  
120 Drumcondra Road,  
Dublin 9.

## **ENCLUDE LTD**

**(A company limited by guarantee not having a share capital)**

### **DIRECTORS' REPORT** **FOR THE YEAR ENDED 31ST DECEMBER 2013**

The directors present their report and the financial statements for the year ended 31st December 2013.

#### **PRINCIPAL ACTIVITIES**

The company, which is limited by guarantee, is a non-profit organisation.

To advance its mission Enclude focused on three major programmes: ENCLUDEit Product Donations programme, the ENCLUDE Solutions (consultancy, application development) business and our new Community of Learning (membership) programme.

The ENCLUDEit product donations programme has continued to grow. We consistently exceeded our targets for new registrations and product donations (set by TSG). Our reputation continues to grow and word of mouth promotion is delivering many of the new registrations. We deliver on our marketing strategy, targeting different types of charities in different locations each month. Adobe joined the programme as a donor.

The ENCLUDE Solutions programme moved into a new league during 2013. The development of the eCASS package for addiction services with its built in reporting to the Health Research Board (HRB) proved to be hugely attractive to services especially that it was four times less expensive than any alternative. However, the success of the product provoked a reaction from the HSE and they blocked funding for deployment in addiction services for 9 months. Eventually, after interventions from many parties, including the chairperson of ENCLUDE, the HSE approved expenditure on client management systems that met 10 criteria (which only eCASS could meet).

We deployed major systems in national organisations including MQI, Macra na Feirme and Depaul during the year. We also deployed a comprehensive client management system to IASIO (who work with ex-offenders). This included an Irish based sub-system that retained all identifiable information, separate to the main information stored on Salesforce CRM.

The ENCLUDE Community of Learning programme has been formalised this year. This included delivery of training to groups of charities at the Carmichael Centre each month. The theme of the sessions included Standard and Advanced Administer Training on Salesforce CRM, Communications and Marketing, Reports training using the CRM and CEO workshop on Reporting and Management using a CRM. Our membership of this programme has increased to 60 and is steadily growing. All our new Project Proposals require our fellow charities to join the Community of Learning programme for at least 12 months. While a support element is essential to this programme, and training on specific functionality of Salesforce CRM is a necessary element, our strategy is to develop a wider organisational capacity building programme for the Irish charity sector.

The Board committed to working towards full compliance with the Governance Code for Irish Charities. To this end we contracted Quality Matters to review all our policies and procedures and to develop a Board Guidebook and a Staff Handbook containing all required policies and procedures by the Governance Code. Meeting with Staff and Board to consult on policies and procedures was completed this year and draft versions of most documents were also completed during the year. These will be finalised during the coming year. All Board documents are stored on the Board SharePoint site.

#### **REVIEW OF ACTIVITIES**

In September, Microsoft announced that it was going to donate its Office 365 suite of online services to Irish charities. ENCLUDE's role in the donation process for Office 365 is to determine that applicant charities are eligible (according to the Microsoft criteria) only if that charity has not already registered for the ENCLUDEit donations programme. This role involves less engagement with the individual charities as they register for Office 365 through the Microsoft website.

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### **DIRECTORS' REPORT** **FOR THE YEAR ENDED 31ST DECEMBER 2013**

ENCLUDE decided to develop our ability to deploy Office 365 for Charities and took on a new employee on a part-time contract. We also took on a contractor in Venezuela to build websites on Office 365. Early work on Office 365 projects was very challenging due to technical issues with Office 365 and the need to upgrade individual PCs in recipient charities to take full advantage of Office 365.

While the ENCLUDEit donations programme exceeded targets, the cost of running the programme to the required standard was higher than the income. Techsoup Global (TSG) who organise the donations programme, began the process of drafting a new type of contract to cover our relationship with them during this year. ENCLUDE has used this opportunity to request a change in income share for the next three years. We have developed a strong argument for this change based on discussions with the Irish Franchise Association and the experience of commercial franchisees in a small market like Ireland. The main negotiations took place in San Francisco in March 2014.

During the year, especially with the work with addiction services, we have entered into a charity to charity partnership with Quality Matters. Quality Matters (QM) have a long experience working with charities on quality standards and outcome measurement. We share our work in addiction services with QM, with their staff delivering the initial consultation and training. QM will produce training resources for eCASS and YeSS. We are working with QM to develop the outcome measurement standard for Irish Addiction services.

#### **FUTURE DEVELOPMENTS**

The success of eCASS (electronic Collaborative Addiction Services Solution) and our work with Depaul Ireland in homeless services and Badog, Rialto and Ballymun youth services has created a new approach to our solutions programme. As well as delivering services to individual charities, we focus on developing reusable and standardised solutions for "service delivery chains" while building in reporting to funding agencies. We also want to include credible outcome measurement and impact measurement elements to our Solutions. To this end we need to increase our staff resources and to work with QM more closely. Our contractor in Venezuela will increase his team by two to manage the huge volume of data cleansing and import requests he is receiving. ENCLUDE will also employ more consultants. We will hold on to a consultant on JobBridge. We employed a previous JobBridge consultant and he is now placed full time for a year with a major client.

We received a significant grant from Salesforce Foundation at the end of the year. This will fund the development of eCASS2, the development of YeSS (the youth service app), the migration of old addiction and youth service clients to the new systems, the development of a Health and Safety App for Depaul Ireland, the development of the outcome measurement app for addiction services and creating training material for both products. The receipt of the grant was conditional on the completion of Salesforce Consultant certification of Eamon Stack and the commitment for other staff to achieve certifications as Salesforce administrators, consultants and developers. Salesforce Foundation also asked that eCASS be certified on Salesforce App Exchange and this has been completed.

We plan to build on the Community of Learning, delivering programmes each month and developing new programme material on marketing, Office 365 and addiction and youth service specific workshops. We will explore how we can formally establish the Community of Learning as an organisational capacity development initiative in the Irish C & V/charity sector.

We plan to explore other possibilities of funding for the ENCLUDE R & D fund, to build the Office 365 programme and to continue to increase the reach of the ENCLUDEit donations programme. The Board aims to have a new ENCLUDE Strategy and Business Plan completed by next year.

#### **RESULTS**

The surplus for the year amounted to €22,068 (2012 - €34,509)

## **ENCLUDE LTD**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31ST DECEMBER 2013**

#### **DIRECTORS**

The Directors who held office during the year under review were:

Siobhan McGee

Colm Butler

Ava Battles

Al Ryan

Siobhan McGee resigned as director on 15th June 2013.

#### **EVENTS AFTER THE BALANCE SHEET DATE**

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

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The directors confirm that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the company, and that it has been in place for the year under review and up to the date of approval of the financial statements. A formal Risk Register will be developed along with the policy and procedure and a Review of Risk will take place for the Board meeting during March of each year.

#### **ACCOUNTING RECORDS**

The directors acknowledge their responsibilities under Section 202 of the Companies Act 1990 to keep proper books and records for the company. In order to comply with the requirements of the act, a number of accounts staff are employed. Our books and records are kept at Drumcondra Business Centre, 120 Drumcondra Road, Dublin 9.

#### **DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Acts 1963 to 2013. 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.

#### **AUDITORS**

The auditors, Marie T Walsh & Co., have indicated their willingness to continue in office in accordance with the provisions of Section 160(2) of the Companies Act, 1963.

**ENCLUDE LTD**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31ST DECEMBER 2013**

**On behalf of the Board**

**Director**

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**Al Ryan**

**Director**

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**Colm Butler**

**7th August 2014**

## **ENCLUDE LTD**

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### **INDEPENDENT AUDITORS' REPORT**

#### **TO THE MEMBERS OF ENCLUDE LTD**

We have audited the financial statements of Enclude Ltd for the year ended 31st December 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Certified Public Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the company's members, as a body, in accordance with Section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the company's members those matters that we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company or the company's members as a body for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities, the company's directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in the circumstances set out in note 11 to the financial statements.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Directors report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

#### **Opinion**

In our opinion, the financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the state of the company's affairs as at 31st December 2013 and of its profit for the year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Acts 1963 to 2013.

#### **Matters on which we are required to report by the Companies Acts 1963 to 2013**

1. We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
2. In our opinion, proper books of account have been kept by the company.
3. The financial statements are in agreement with the books of account.
4. In our opinion, the information given in the directors' report is consistent with the financial statements.

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**Matters on which we are required to report by exception**

We have nothing to report in respect of the provisions in the Companies Acts 1963 to 2013 which require us to report to you if, in our opinion the disclosures of directors' remuneration and transactions specified by law are not made.

**MARIE WALSH,  
FOR AND ON BEHALF OF:  
MARIE T WALSH & CO.,  
STATUTORY AUDIT FIRM,  
2 MEADOW PARK CLOSE,  
BALLYVOLANE,  
CORK.**

**7TH AUGUST 2014**

**ENCLUDE LTD****(A company limited by guarantee not having a share capital)****STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31ST DECEMBER 2013**

	Notes	Restricted Income	Unrestricted Income	Total 2013 €	Total 2012 €
<b>INCOMING RESOURCES</b>					
Sales		-	349,172	349,172	350,596
Other Income		17,500	58,135	75,635	15,782
<b>TOTAL INCOMING RESOURCES</b>		<u>17,500</u>	<u>407,307</u>	<u>424,807</u>	<u>366,378</u>
<b>RESOURCES EXPENDED</b>					
Direct costs			54,628	54,628	37,138
Staff costs	2	17,500	292,513	310,013	264,378
Direct Sales & Marketing costs		-	4,902	4,902	5,205
Travel & Subsistence		-	3,071	3,071	3,393
General Administration		-	30,125	30,125	21,755
<b>TOTAL RESOURCES EXPENDED</b>		<u>(17,500)</u>	<u>(385,239)</u>	<u>(402,739)</u>	<u>(331,869)</u>
<b>NET MOVEMENT IN FUNDS</b>		<u>-</u>	<u>22,068</u>	<u>22,068</u>	<u>34,509</u>

There are no recognised gains or losses other than the net movement in funds arising from continuing operations for the year.

**On behalf of the Board of Directors****Director**

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**Al Ryan****Director**

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**Colm Butler****7th August 2014**

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**BALANCE SHEET AS AT 31ST DECEMBER 2013**

	<b>Notes</b>	<b>2013</b> €	<b>2012</b> €
<b>CURRENT ASSETS</b>			
Stocks	<b>5</b>	3,500	-
Debtors	<b>6</b>	108,680	77,706
Cash at bank and in hand		164,869	56,612
		<u>277,049</u>	<u>134,318</u>
<b>CREDITORS (amounts falling due within one year)</b>			
	<b>7</b>	(199,053)	(78,390)
<b>NET CURRENT ASSETS</b>			
		<u>77,996</u>	<u>55,928</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>77,996</u>	<u>55,928</u>
<b>CAPITAL AND RESERVES</b>			
Accumulated Funds	<b>8</b>	<u>77,996</u>	<u>55,928</u>

The notes on pages 12 - 15 form part of these financial statements.

**On behalf of the Board**

**Director**

\_\_\_\_\_  
**Al Ryan**

**Director**

\_\_\_\_\_  
**Colm Butler**

**7th August 2014**

**ENCLUDE LTD****(A company limited by guarantee not having a share capital)****CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER 2013**

Notes	2013 €	2012 €
<b>RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES</b>		
Operating surplus	22,068	34,509
(Increase in stocks)	(3,500)	-
(Increase) in debtors	(30,974)	(40,932)
Increase in creditors	120,663	27,295
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<u>108,257</u>	<u>20,872</u>

**CASH FLOW STATEMENT**

<b>Increase in cash in the year</b>	<u>108,257</u>	<u>20,872</u>
<b>Reconciliation of net cash flow to movement in net funds (Note 10)</b>		
Increase in cash in the year	108,257	20,872
Net funds at Beginning of Year	<u>56,612</u>	<u>35,740</u>
<b>Net funds at End of Year</b>	<u>164,869</u>	<u>56,612</u>

## **ENCLUDE LTD**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2013**

#### **1. ACCOUNTING POLICIES**

##### **1.1. Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts 1963 to 2013 and with reference to the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005). Accounting standards generally accepted in Ireland, in preparing financial statements giving a true and fair view, are those issued by the Accounting Standards Board and published by the Institute of Certified Public Accountants in Ireland.

##### **1.2. Restricted and unrestricted reserves**

###### **Restricted funds**

Restricted income funds are to be used for specific purposes as laid down by the donor or grantor. Expenditure which meets these criteria is shown as charged to the fund.

###### **Unrestricted funds**

Unrestricted income funds are invoices for services to charitable organisations and other incoming resources received for charitable purposes which can be used at the discretion of Enclude Ltd in furtherance of the objects of the charity.

##### **1.3. Resources expended**

Resources expended are accounted for when they are incurred and include amounts due at the end of the year but not paid. Resources expended include attributable VAT which cannot be recovered.

##### **1.4. Governance costs**

Governance costs are the costs associated with the governance of the charity including constitutional and statutory requirements and strategic management of the charity's activities.

##### **1.5. Stock and work in progress**

Work in progress is reflected in the accounts at the expected revenue due for work carried out during the year that has not yet been invoiced.

##### **1.6. Grants**

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

**ENCLUDE LTD****(A company limited by guarantee not having a share capital)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2013**

<b>2. STAFF COSTS</b>	<b>2013</b>	<b>2012</b>
	€	€
Wages and salaries (Note 4)	244,562	187,733
Staff training	140	218
Membership fees	486	552
Subcontractors	64,825	75,875
	<u>310,013</u>	<u>264,378</u>
<b>3. NET INCOMING RESOURCES</b>	<b>2013</b>	<b>2012</b>
	€	€
Net incoming resources is stated after charging:		
Auditors' remuneration	<u>1,722</u>	<u>1,720</u>
<b>4. EMPLOYEE INFORMATION</b>		
<b>Number of employees</b>		
The average numbers of employees during the year were:		
	<b>2013</b>	<b>2012</b>
	No.	No.
Management and Administration	<u>7</u>	<u>5</u>
<b>Employment costs</b>	<b>2013</b>	<b>2012</b>
	€	€
Wages and salaries	210,637	159,133
Social welfare costs	22,835	17,800
Pension costs	11,090	10,800
	<u>244,562</u>	<u>187,733</u>
<b>5. STOCKS</b>	<b>2013</b>	<b>2012</b>
	€	€
Work in progress	<u>3,500</u>	<u>-</u>

**ENCLUDE LTD****(A company limited by guarantee not having a share capital)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2013****6. DEBTORS**

	<b>2013</b>	<b>2012</b>
	€	€
Trade debtors	104,797	72,348
Prepayments and accrued income	3,883	2,291
Other Debtors	-	3,067
	<u>108,680</u>	<u>77,706</u>

**7. CREDITORS (amounts falling due  
within one year)**

	<b>2013</b>	<b>2012</b>
	€	€
Trade creditors	12,241	13,147
PAYE/PRSI	8,067	6,803
VAT	1,940	-
Accruals and deferred income	176,805	58,440
	<u>199,053</u>	<u>78,390</u>

**8. RECONCILIATION OF MOVEMENTS IN ACCUMULATED FUNDS**

	<b>2013</b>	<b>2012</b>
	€	€
Surplus for the year	22,068	34,509
Accumulated funds at the beginning of the year (unrestricted)	55,928	21,419
	<u>77,996</u>	<u>55,928</u>

**9. CAPITAL COMMITMENTS**

There were no capital commitments at the year end.

**10. ANALYSIS OF CHANGES IN NET FUNDS**

	<b>Opening balance</b>	<b>Cash flows</b>	<b>Closing balance</b>
	€	€	€
Cash at bank and in hand	<u>56,612</u>	<u>108,257</u>	<u>164,869</u>

**ENCLUDE LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2013**

**11. APB ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES**

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

**12. APPROVAL OF FINANCIAL STATEMENTS**

The directors approved the financial statements on 7th August 2014.