

Charity Registration No. 20064006

**ENCLUDE COMPANY LIMITED BY GUARANTEE  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

# ENCLUDE COMPANY LIMITED BY GUARANTEE

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Directors</b>	Lucy Hederman Alan McSweeney Michael Stobbs Edward Wallace	
<b>Secretary</b>	Paul Donnelly	(Appointed 15 June 2020)
<b>Registered charity number</b>	20064006	
<b>Charity number</b>	CHY 17286	
<b>Company number</b>	442488	
<b>Principal address and business address</b>	117 - 126 Upper Sheriff Street North Wall Dublin 1	
<b>Auditor</b>	UHY Farrelly Dawe White Limited Unit 4A Fingal Bay Business Park Balbriggan Co. Dublin	
<b>Bankers</b>	Bank of Ireland 26 Marino Mart Fairview Dublin 3	

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# ENCLUDE COMPANY LIMITED BY GUARANTEE

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# ENCLUDE COMPANY LIMITED BY GUARANTEE

## DIRECTOR'S REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

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The directors present their report and financial statements for the year ended 31 December 2020.

#### Chairperson's statement

It gives me great pleasure to report on Enclude's activities for the year ending 31st December 2020.

During 2020 the impact of the COVID-19 pandemic was felt across our society and impacted heavily on service demand and provision within our sector. Enclude, like many other organisations, had to adjust its operating model in response to the restrictions while also endeavouring to support fellow charities to transition their services to web and mobile based services to allow them to continue operating in a remote environment.

With Enclude's own management systems being web-based we were quickly able to adjust to working remotely. Each of our core programmes: Technology Donations, Solutions Implementation and Support & Training had a busy year delivering valuable services to new and existing client charities.

Despite the significant disruption to the global economy, Enclude were able to increase Income in 2020 to €1,110,991, an increase of 11% on income in 2019 which was €1,003,800. Solutions Implementations continued to be our largest programme of work in 2020, representing 70% of income, with 22% of income relating to post-implementation Support and Training and 8% to our Technology Donations programme.

In the year we completed 38 system implementation projects for charities across the Homeless, Domestic Violence, Counselling, Mental Health and Youth sectors and assisted 15 new organisations to get access to Salesforce CRM licence donations.

We delivered 26 training courses in the period and provided 277 training places to system administrators from 103 organisations, an increase on the 2019 figures of 240 training places to system administrators from 89 organisations.

Our Technology Donations programme continued to deliver a valuable resource for the sector in 2020. In total 3,334 product licences were accessed through the programme. The savings on retail pricing accruing to the sector was €1,143,548. We also assisted 99 charities to avail of Microsoft Cloud Solutions for Non-profits and provisioned 1,189 licences. In addition, we validated a further 497 organisations so that they could access Microsoft Cloud Solutions for Non-profits through other implementation partners.

Due to the COVID restrictions certain strategic plans for the year had to be curtailed in relation to marketing, strategy implementation and a planned office move. We will review and refresh these plans in 2021, with a clearer view on the medium-term impact of the COVID-19 pandemic on the sector: its structures, operations and funding.

The curtailment of certain planned activities allowed for savings on related expenditures and added to our overall surplus of €132,822 for 2020 (€6,417 in 2019). This surplus bolsters our unrestricted reserves at the end of 2020 to €329,440 which equates to 14 weeks of planned expenditure in 2021. This is slightly above the 13 weeks set out in our reserves policy.

2020 was a momentous year for Enclude with the retirement of Eamon Stack as CEO on April 30th. Eamon co-founded Enclude in 2006 and gave fourteen years of energetic and committed service to the organisation and the sector. The fruit of this work is reflected in the thousands of charities across the country who have been able to avail of affordable technology offerings and who have strengthened their digital capacity to deliver more for their service users. On behalf of the Board and staff, I would like to extend our gratitude to Eamon for his service to Enclude and wish him well in his retirement.

Finally, I would like to thank our client charities, donors, partners, board members and staff for their work, support and collaborative efforts to advance the mission of Enclude in 2020.

# ENCLUDE COMPANY LIMITED BY GUARANTEE

## DIRECTOR'S REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Summary of the Enclude's purpose and activities

Enclude is a non-profit and registered charity, with a mission to increase the digital capacity of charities.

Our goal as an organisation is to work with charities across the sector to adopt appropriate technology solutions to improve their capacity to better service the needs of their service users and achieve a great impact in their work. To accomplish this goal we seek to:

- constantly renew and improve our services, products offerings and delivery models to ensure affordability and accessibility;
- support the continuous improvement of good practice within the sector and encourage and promote information and good practice sharing for social impact;
- Ensure that Enclude has the right structure, capacity and capabilities to deliver on its mission in a sustainable manner.

#### Beliefs and values

Our mission was formed from the strong belief that the non-profit sector plays a critical role in providing vital supports and services to communities across our country. We believe that a strong and vibrant community and voluntary sector can make important and transformative contributions to our society. We further believe that with access to appropriate and affordable technology and supports, community-based organisations can significantly strengthen their capacity to improve their operational efficiency and effectiveness and ultimately their impact for social benefit. These strong beliefs underpin our value system:

- We value and hold a strong empathy with the mission and work of fellow charities who provide needed services to those who are marginalised and disadvantaged in any way.
- We value collaborative working as an engagement approach that helps to achieve a shared understanding, deepens relationships, strengthens solutions and improves impact overtime.
- We value a sectoral approach because it can harness the potential of the collective, make better use of scarce resources and deliver greater impact in the pursuit of the common good.
- We value and subscribe to high standards of good practice and governance within our sector.

Since Enclude's foundation in 2006 it has become the primary implementer of technology solutions for Irish Charities. In its 14 years of operations, it has implemented over 400 client relationship management projects and channelled over €75 million in technology donations to over 2000 charities.

#### Core activities

Our main activities fall under three programme areas:

- **Technology Donations Programme:**
  - We channel technology donations and discounted offerings to Charities from major technology donors.
- **Solutions Programme:**
  - We design and implement CRM (Client Relationship Management) database solutions which enable charities to manage service provision, manage stakeholder relationships and meet their reporting requirements.
  - We design and implement Financial Management solutions which enable charities to manage their key financial processes and reporting requirements in compliance with SORP standards.
  - We design and implement integrations between an organisation's core systems (CRM, Finance, Websites) which can help to streamline processes and accommodate greater throughput.
  - We seek to promote the development and adoption of sectoral solutions.
- **Support and Training Programme:**
  - We provide post systems implementation support to charities to help ensure the smooth ongoing operation of their systems and their development overtime. We provide a range of training courses for both general system users and speciality systems support roles which improve the capacity of the organisation to use, develop and support their own systems.

# ENCLUDE COMPANY LIMITED BY GUARANTEE

## DIRECTOR'S REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Achievements & performance

##### Overview

2020 was a challenging and busy year for Enclude as we sought to cope with the impact of COVID-19 restrictions on our staff and operations while also seeking to respond to the changing and urgent requirements of client charities. Many clients had to change their service delivery models in response to the restrictions and move quickly to enhance their web-based communications and management systems.

Income for the year at €1,110,991 was in line 2020 budget and reflected growth of €107,191 (11%) on the 2019 income total of €1,003,800. A surplus of €132,822 was achieved which was well ahead of that planned for the year and represents a significant increase on the €6,417 achieved in 2019. The increase in surplus for 2020 on 2019 is largely accounted for by a series of one-off savings on various cost lines which arose as a result of COVID-19 trading conditions and staffing vacancies. Adjusting for these savings, which totalled approximately €85,000, the underlying steady state surplus would have been around €48K.

As all of our management and communication systems are web-based this allowed us to effectively transition to home-based working when COVID-19 restrictions took effect in March 2020. Traditionally we would have relied heavily on a face-to-face service delivery model, particularly in relation to system requirements information gathering and training delivery. However, using web-based communications and collaboration platforms we quickly transitioned these service components to an online service model. This allowed us to maintain service continuity and quality as well as realise savings in travel time, related expenses and on the hiring of training facilities.

##### Technology donations programme:

During 2020 we recorded an income of €91,620 in administration fees on the technology donations programme. This was a decrease on the 2019 figure which was €124,807. Part of this decrease in income is due to ongoing changes in the CSR offerings from the large technology donors as they shift from an on premise software model, to a web-based services model. Both models have quite different cost-revenue structures. This coupled with a shifting emphasis from donated products to discounted offerings and validation services is impacting on the administration fee structures and causing a drop in our administration fee income. However, with additional technology partners joining the programme, the range of discounted offerings is expanding so we are hoping that programme revenues will recover and grow in the medium term.

Non-profits are welcome to register on the programme and depending on their fit with a programme partner's selection criteria, they may qualify for a range of donated and discounted offerings. Membership of the programme continued to grow in 2020 with 209 new organisations qualifying to benefit, bringing the total number of organisations on the programme to 2406.

Although revenue from the programme dropped in 2020, the performance of the programme in terms of value and impact for the sector was considerable. The €91,620 administration fees paid supported 440 community and voluntary organisations to avail directly of a range of donated and discounted productivity tools from technology partners such as Microsoft, Google, Adobe, Box, Bitdefender Antivirus, Zoom and others. In total 3,334 project licences were accessed through the programme. The savings on retail pricing accruing to the sector under the programme in the period was €1,143,548.

In the period, we also validated community and voluntary organisations so that they could avail of a selection of other donated and discounted services from a growing range of programme partners who use Enclude for validation services but who fulfil the particular service request directly themselves. These include: Google, Microsoft, Facebook, Slack, Benevity, Okta and others.

Through its Cloud Solutions Programme (CSP), Microsoft works through partners to promote the uptake and adoption of its web-based offerings. In 2019 Enclude joined with TechSoup to act as a local CSP partner to help Irish non-profits access CSP offerings such as Microsoft Office 365. In 2020 we directly assisted 99 charities to avail of Microsoft Cloud Solutions for Non-profits and provisioned 1,189 licences. In addition, we validated a further 497 organisations so that they could access Microsoft Cloud Solutions for Non-profits through other partners.

# ENCLUDE COMPANY LIMITED BY GUARANTEE

## DIRECTOR'S REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### **Solutions Programme:**

2020 was a busy year for the Solutions programme with fee income of €805k, a 32% increase over the 2019 figure of €612k. The solutions projects implemented in 2020 comprised the main CRM (Client Relationship Management) database solutions for individual organisations and also sectoral solutions. The project mix for 2020 also included the implementation of AccountsIQ financial management solutions for charities seeking to upgrade and improve their financial management systems and controls.

#### **CRM - Client Relationship Management database solutions**

In the year we worked on 83 CRM projects and completed 38 projects. The completed projects spanned services in the Homeless, Domestic Violence, Counselling, Mental Health and Youth sectors. All of our CRM solutions are web-based and are built and deployed on the Salesforce CRM cloud platform. This approach has allowed us to leverage Salesforce's highly sophisticated, robust and secure infrastructure to develop and deploy solutions for the sector and to avail of Salesforce's donated and discounted offerings for the sector. We assisted 15 new organisations to get access to Salesforce licence donations (representing a commercial value of €330k).

Collaborating with charities within sectoral groupings to co-design solutions brings significant benefits and advantages to all the stakeholders involved. Best practice can be shared and standardised solutions reflecting these practices can be developed which in turn makes the solutions affordable and accessible to more charities. With a growing stock of standard solution components, we can speed up implementations and make adoption, training and support easier. Consequently, we can help charities realise the operational benefits of their systems more quickly.

Having a ready stock of web-based solutions which we could deploy and upgrade quickly gave us the capability to respond quickly and effectively to the needs of the sector when COVID-19 restrictions forced a lockdown on society in March 2020. Many charities had to switch quickly from their traditional face-to-face based service delivery and fundraising models to online offerings. This was a hugely challenging period for charities and in particular for those facing increased demand for services due to the impact of the extended lockdown on many vulnerable services users and their families. Fortunately, we were able to respond quickly with a variety of web based and mobile phone solutions to support charities to successfully maintain their services.

#### **Sectoral Solution for Domestic Violence Services**

A particular case in point of this rapid systems development and deployment is a web-based reporting solution we implemented in a matter of days for services in the Domestic Violence (DV) sector.

This allowed individual services to report incidents of domestic violence which were automatically aggregated to provide nationwide statistics. In turn this information was used by Safe Ireland, a national representative body for services in the DV sector, to frame discussions and responses with statutory partners and to launch a public communications campaign.

Further progress was also made in the period on our eSAFE sectoral CRM solution for the DV sector. This programme of work continued in conjunction with our programme partners Safe Ireland, Quality Matters and DV services.

#### **Sectoral Solution for Drug and Alcohol Addictions Services**

The number of services using eCASS, which is our dedicated solution for the drug and alcohol addiction sector expanded in the period to include an additional 2 services, bringing the total number of services using the system to 72. While COVID-19 restrictions meant that face-to-face eCASS training sessions, at the Carmichael Centre, had to be suspended, we managed to move eCASS support and training online. We continued to work with relevant stakeholders to investigate options to refresh the system's NDTRS reporting connections with the Health Research Bureau LINK system.

#### **Sectoral Solution for Homeless Services**

2020 was a busy year for Homeless Services as they endeavoured to respond to the needs of homeless individuals and families both in terms of housing and various wrap-around support services required. We have worked with services in the homeless sector for several years and 2020 was one of our busiest years with over 9 separate CRM, data migration and support projects in train.

# ENCLUDE COMPANY LIMITED BY GUARANTEE

## DIRECTOR'S REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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During the year we progressed efforts to frame a standardised solution for this sector. The support from services and other stakeholders for this approach is strong and we will drive further progress in this regard in 2021 (see plans below).

#### **Sectoral Solution for Youth, Child and Family Support Services**

During 2020 we worked on 7 CRM projects to support the work of services in the Youth and Child and Family sectors. These projects included a number of system upgrades to integrate the charity's CRM system with their web site to make it easier for service users to engage with the charity. Other projects included system upgrades on reporting capability to enable service providers to better track service activities.

#### **Health, Mental Health and Counselling Services**

Services in Health, Mental Health and Counselling sectors were impacted heavily by the COVID-19 event which drove demand for services but which also made it significantly more challenging for service providers to deliver services to their service users. During 2020 we worked on 10 CRM projects across these sectors. A strong theme of these projects was a drive to automate core services and to facilitate remote working through online systems. These organisations were also able to avail of discounted offerings of Zoom from our Technology Donations programme. This provided cost savings and critically a platform to enable remote collaboration among staff and with service users.

#### **Web based Financial Accounts System**

We supported a number of organisations during the year to implement AccountsIQ, a web-based financial management system. We also assisted a number of our existing client charities to upgrade their existing systems to add additional automation features to help with asset management, batch payments and bank reconciliations. These upgrades have helped the organisations to increase efficient processing and derive greater value from their investment in existing systems.

#### **Support and Training Programme**

The Support and Training programme provides assistance to organisations following the adoption of CRM and financial management solutions.

The key objective of the Support and Training programme is to ensure that client charities get benefits from their investment in systems and that their particular solutions evolve to accommodate changes in their operations over time.

#### **Training**

The training most in demand during 2020 was Basic System Administration and Reporting. In 2020 we offered 26 courses and provided 277 training places to System Administrators from 103 Organisations. This compares favourably with 2019 figures of 240 training places to System Administrators from 89 Organisations.

Before COVID-19 restrictions took effect in March we delivered two courses and trained 24 people in-person at the Carmichael Centre. From March we switched to an online training delivery model which allowed us to increase the schedule of courses and to run courses of a shorter duration, with a focus on specific in-demand topics. Previously, we took a break from training during summer months, but in 2020 we provided training throughout the summer. Switching to online delivery also allowed us to lift the limits on the number of attendees that could attend training sessions.

Participants provided positive feedback in relation to these changes:

- "I really like the short focused sessions"
- "I found it easier as no distractions from other attendees"
- "Easier to fit in a shorter training session into the working day"

Attendees also mentioned the benefits of not having to travel to attend. The switch to online delivery also allowed us to realise savings on related travel, hosting and delivery costs.

# ENCLUDE COMPANY LIMITED BY GUARANTEE

## DIRECTOR'S REPORT (CONTINUED)

### *FOR THE YEAR ENDED 31 DECEMBER 2020*

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#### **Membership – Support**

In 2020 we provided direct support membership to 198 charities. Covid impacted the support levels provided as in the period April to August many services adjusted to remote working and their inability to offer direct services during lockdown.

Our SMS service proved particularly versatile and valuable as charities endeavoured to maintain services during COVID-19 restrictions. We modified the SMS service to cater for changes in working practices in counselling and support organisations as services moved to web-based and phone based platforms. These modifications allowed the sending of additional reminders for counselling service appointments and for targeted communications to the elderly cocooning in our community, informing them of the availability of virtual courses and food parcels.

Other supports provided in the period that enabled client charities to continue to service their constituents during the lockdown included, the development of online input and feedback forms which integrated with Salesforce CRM thereby enabling charities to gather client input and switch to online only campaigns.

#### **Financial Review**

The results for the financial year are set out in the detailed financial statements where additional notes are provided showing income and expenditure in greater detail.

#### **Income**

Income totalled €1,110,991 of which 70% derived from delivering solutions to charities to support and enhance their service provision, manage their stakeholder relationships and improve reporting capacity. The remaining income derived from post implementation support and training (22%) and our technology donations programme (8%).

#### **Expenditure**

Expenditure totalled €978,169 of which 79% related to staff costs. Direct costs (including rent and computer purchases) accounted for 18% of expenditure and the remaining 3% was spent on general administration, legal & audit, staff expenses and travel.

# ENCLUDE COMPANY LIMITED BY GUARANTEE

## DIRECTOR'S REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### **Financial Results**

In 2020 Enclude operated at a significant surplus of €132,822. However, this surplus is driven by two once off factors during the year.

#### 1. COVID-19

The COVID-19 pandemic and associated restrictions on movement meant certain plans were delayed, including a move to larger premises and postponement of a planned Impact Assessment Review. Additionally, traditional training facilities were not hired and travel costs became non-existent. The savings from these items was approximately €40,000.

#### 2. Staffing Vacancies

There were a number of staff changes in the year primarily the retirement of the founding CEO and a long term illness of one staff member. This resulted in vacancies being carried for a period of time resulting in one off savings of approximately €45,000.

#### **Reserves Position & Policy**

In line with best practise in accounting and reporting by Charities, the Board of Directors have adopted the Statement of Recommended Practise (SORP) which requires a charity to state its reserves policy within its annual report. The Board have examined the charity's requirements for reserves in light of the main risks to the organisation and also making allowance for the charity's ability to respond to any crisis situation that may arise without the need to wait for third party funding

The Board have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be at least 13 weeks of the budgeted future annual expenditure. This is in line with minimum recommended levels for the sector. The reserves are needed to meet the working capital requirements of the charity in order to maintain services. The Board of Directors are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in income while allowing time to take remedial action; whilst at the same time not holding excessive reserves that would unnecessarily detract from achieving the aims of Enclude's charitable purpose.

The Board have developed the reserves policy to assist in strategic planning, to inform a balanced budget process and to inform the risk management process by identifying any uncertainty in future income streams.

At the end of the 2020 financial year – Enclude has reserves of €329,440 which equate to 14 weeks of planned expenditure in 2021.

#### **Principle Risks and Uncertainties**

Enclude is reliant upon a not for profit sector that is healthy, active and resourced in a manner that provides for investment in innovative and progressive IT solutions to assist organisations fulfil their charitable purpose. During 2020 the impact of the COVID-19 pandemic was felt and it continues to impact on society, individuals, business and charities. The social and economic impact is likely to be felt for some considerable time and the impact on Enclude's activities and on the charitable sector is unknown at the date of signing these financial statements.

#### **Future Developments**

The directors are not expecting to make any significant changes in the nature of the business in the near future. In planning its future activities, the directors will seek to develop Enclude's activities in line with our charitable purpose and with regard for wider social and economic factors.

# ENCLUDE COMPANY LIMITED BY GUARANTEE

## DIRECTOR'S REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Plans for the Future

Looking ahead our plans, activities and efforts will be directed towards the achievement of our three key organisational goals:

#### **1. Constantly renew and improve our services, products offerings and delivery models to ensure affordability and accessibility**

We plan to undertake a review of a number of operational components and to chart a course to bring the benefits of Enclude's programme to many more charities nationwide. After fifteen years of operations Enclude has (i) gained a deep knowledge of the sector, (ii) developed strong relationships with stakeholders in the sector, (iii) developed a stock of technical solutions and (iv) built a strong team with the requisite skills and experience to achieve further growth. Components of the review include:

- **Research, Development & Packaging**

In recent years we have acquired a skill set in the development of mobile apps and achieved great success with development and launch of the Volunteer Ireland 'iVol Mobile App'. We will continue our research and development in the mobile solutions space with plans to build a Service User Mobile App (SUMA) to enable service users to have more direct involvement in their personal care journeys.

We are planning to review our stock of technical components and artefacts to examine how these might be packaged and leveraged to maintain affordability and bring their benefits to more charities.

- **Expand the range of offerings on the Enclude Technology Donations Programme**

With the perceptible shift in CSR strategies among the large technology donors and a move to cloud services we plan to work closely with TechSoup to increase the range of technology partners on the programme and the range of discounted product offerings.

- **Strategy Refresh**

The Board and staff are hugely committed to the mission of Enclude and are keen to grow and increase Enclude's impact and influence nationally and internationally. With a strong catalogue of solutions to emerge from the planned Research, Development & Packaging initiative above we plan a strategy refresh to strengthen foundations and scale our reach.

#### **2. Support the continuous improvement of good practice within the sector and encourage and promote information and good practice sharing for social impact**

As an infrastructure charity, Enclude is committed to working in close collaboration with fellow charities and infrastructure organisations and networks. We are keen to lead and support sectoral initiatives which support improvements in the sharing of information, learning and good practice for positive social impact.

- **Strengthen Sectoral Relationships**

We have worked in partnership with Quality Matters over many years and each organisation has brought complementary skills to deliver productivity solutions such as eCASS and eSafe. Strengthening this relationship to deliver value add services in the area of benchmarking best practice, quality assurance and reporting on programme impact would be of considerable strategic value to the sector going forward.

We have close and important relationships with other infrastructural organisations such as The Wheel and The Carmichael Centre. Both organisations continue to be hugely supportive to Enclude. Looking ahead we plan to explore suitable initiatives on which to collaborate in order to deliver positive sectoral impact.

As part of our efforts to develop sectoral solutions we will continue to strengthen links and relationships with network organisations and key stakeholders within the Domestic Violence, Homeless, Drug Addiction, Youth and Family Support sectors.

# ENCLUDE COMPANY LIMITED BY GUARANTEE

## DIRECTOR'S REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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- **Strengthen Relationships with State Agencies**

State agencies play an important and critical role in funding, framing service provision across the sector and setting compliance and reporting obligations. These agencies have established reporting guidelines and requirements which services need to comply with in line with defined reporting cycles and schedules. With critical numbers of services adopting standard web-based sectoral solutions we believe that there is considerable potential to automate data reporting and aggregation. We have championed this potential for several years and are committed to working with state agencies and relevant stakeholders to seek to realise this potential. In this regard we will continue to dialogue and collaborate with the HSE, HRB and Tusla and others.

- **Technology Donors**

We will continue to build relationships with technology partners and donors such TechSoup, Salesforce.org, Microsoft, and others. We will continue to advance our certification in the Salesforce platform and add to our current strong repertoire of Systems Administrators' certifications at Developer Level, Pardot and Non-profit Cloud Consultant.

### **3. Ensure that Enclude has the right structure, capacity and capabilities to deliver on its mission in a sustainably manner**

The donations programme has experienced some contraction in 2020 and the mix of offerings within the programme portfolio is shifting from product donations to cloud services and validation services. We need to examine select growth opportunities within the evolving portfolio and review the organisational structure and resources required to pursue.

The organisation continues to experience growth in its Solutions programme and with that is a requirement to add additional capacity and capability in the areas of business consultancy, system developer and programme and project management. The growth in our consultancy-based activities will in turn require us to consider expanding our helpline and training support activities and will require additional office supports.

Looking ahead we plan a number of initiatives in 2021 to strengthen our team and enhance a number of key systems.

- **Staff Development and Recruitment**

We plan to review and revise our structures and processes and recruit additional staffing where required to support our service delivery capacity. We also plan to provide for staff development and succession planning.

- **Improvements to internal systems.**

With an increase in the volume of projects and related activities we need to review and update the key support systems and seek to further streamline processes.

### **Structure, Governance & Management**

The directors who served during the year and up to date of signature of the financial statements were:

Lucy Hederman  
Alan McSweeney  
Diarmud O'Corrbui (Resigned 9 March 2020)  
Michael Stobbs  
Edward Wallace

The secretaries who served throughout the year were as follows:

Eamon Stack (Resigned 15 June 2020)  
Paul Donnelly (Appointment 15 June 2020)

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

# ENCLUDE COMPANY LIMITED BY GUARANTEE

## DIRECTOR'S REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### Management

The organisation's founder and Chief Executive, Eamon Stack retired in April 2020 following fourteen years of dedicated service. Manus Hanratty was appointed as CEO May 2020. Manus left the organisation in July 2020. Although Manus' time with the organisation was short, he made a valuable contribution to the work of Enclude. Sylvester Murphy was appointed to the role from July 2020.

Work commenced in autumn 2020 to review structures and systems. One of critical blocks of work undertaken in this period was the review and revision of our staff remuneration structure and its' alignment with our performance review processes. We appointed an Office Manager and began the recruitment process for a number of additional programme staff. In late 2020 work also commenced on finding alternative office accommodation that is more suited to our needs due to organisational growth in recent years.

#### Governance

The Board met seven times during 2020. Board composition and attendance record is shown below.

Board Member	Attendances
Lucy Hederman (Chairperson)	7 of 7
Diarmaid Ó Corrbuí (Resigned March 2020)	1 of 1
Michael Stobbs	6 of 7
Alan McSweeney	7 of 7
Edward Wallace	6 of 7

#### Risk Register and Skills Audit

The process to update the organisation's risk register involves requesting inputs and risk scores from the senior management team and board members. This is followed by a compilation and review process to assess risks and to identify appropriate skills and actions to mitigate these risks were possible. Critical items identified are constantly monitored. An audit and review of Board skills was completed in September 2020. The Board adopted the Governance Code at its September 2020 board meeting.

#### Board Development

Diarmaid O' Corrbui resigned from the Board in March 2020, due to other commitments. With a number of other Board members due to pass their three-year term in 2021, Enclude plans to recruit a number of new Board members during 2021. It is envisaged that this will be undertaken in two stages in order to stagger the process and provide an overlap between new recruits joining and current board members stepping down. The plan for the first stage of recruitment is to seek to recruit three members, who would bring specialist professional skills (finance, legal, marketing) and to have these in place by early autumn. As part of stage two recruitment, we would seek to recruit a number of members with sectoral experience and to bring these individuals on board by early 2022.

# ENCLUDE COMPANY LIMITED BY GUARANTEE

## DIRECTOR'S REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### On-going nature of business

The directors are not planning or expecting to make any significant changes to the nature of the business at the time of approving these financial statements.

### Events after the reporting period

There are no significant events after the reporting period to report.

### Auditor

Auditors UHY Farrelly Dawe White Limited were appointed as auditors on 30 September 2019. In accordance with the company's articles, a resolution proposing that UHY Farrelly Dawe White Limited be reappointed as auditor of the Company will be put at the General Meeting.

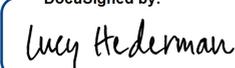
### Statement of relevant audit information

So far as the directors are aware, there is no relevant audit information of which the statutory auditors are unaware. The directors have taken all steps that should be considered reasonable to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of the information.

### 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 117-126 Upper Sheriff Street, North Wall, Dublin 1.

Signed on behalf of the board

DocuSigned by:  
  
D59DD3386A01489...  
**Lucy Hederman**  
Director  
Dated: 14 June 2021

DocuSigned by:  
  
05F2B2170B4946A...  
**Michael Stobbs**  
Director  
Dated: 14 June 2021

# ENCLUDE COMPANY LIMITED BY GUARANTEE

## STATEMENT OF DIRECTOR'S RESPONSIBILITIES

### FOR THE YEAR ENDED 31 DECEMBER 2020

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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. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the surplus or deficit of the company for the financial year and otherwise comply with the Companies Act 2014.

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

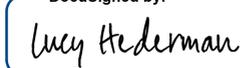
- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

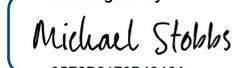
The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and surplus or deficit of the company to be determined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

In so far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditor in connection with preparing the auditor's report) of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Signed on behalf of the board

DocuSigned by:  
  
.....D59DD3386A01489.....  
**Lucy Hederman**  
Director  
Dated: 14 June 2021

DocuSigned by:  
  
.....05F2B2170B4946A.....  
**Michael Stobbs**  
Director  
Dated: 14 June 2021

# ENCLUDE COMPANY LIMITED BY GUARANTEE

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF ENCLUDE COMPANY LIMITED BY GUARANTEE

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#### Opinion

We have audited the financial statements of Enclude Company Limited by Guarantee (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is the Companies Act 2014, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been 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 charity 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 (IAASA), and we have fulfilled out other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (Ireland) require us to report to you where:

- the Director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Director's have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

# **ENCLUDE COMPANY LIMITED BY GUARANTEE**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF ENCLUDE 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2014**

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

- the information given in the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit. In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited. The financial statements are in agreement with the accounting records.

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

Based on the knowledge and understanding of the charity 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 our obligation under the Companies Act 2014 to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act are not made.

#### **Responsibilities of directors**

As explained more fully in the statement of Director's responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 charity'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 charitable company or to cease operations, or have no realistic alternative but to do so.

# **ENCLUDE COMPANY LIMITED BY GUARANTEE**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF ENCLUDE COMPANY LIMITED BY GUARANTEE**

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#### **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 IAASA's website at: [http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/International-Standards-on-Auditing-\(Ireland\)/ISA-700-\(Ireland\)](http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/International-Standards-on-Auditing-(Ireland)/ISA-700-(Ireland)) . This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charitable 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 charitable company's members those matters 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Richard Berney (Statutory Auditor)**  
**for and on behalf of UHY Farrelly Dawe White Limited**

**Chartered Certified Accountants**  
**Statutory Auditor**

Unit 4A  
Fingal Bay Business Park  
Balbriggan  
Co. Dublin  
14 June 2021

## ENCLUDE COMPANY LIMITED BY GUARANTEE

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 €	Restricted funds 2020 €	Total 2020 €	Total 2019 €
<b><u>Income from:</u></b>					
Charitable activities	3	1,043,460	-	1,043,460	963,836
Software donations	3	20,164	-	20,164	20,164
Grant income	3	-	47,367	47,367	19,800
<b>Total income</b>		<b>1,063,624</b>	<b>47,367</b>	<b>1,110,991</b>	<b>1,003,800</b>
<b><u>Expenditure on:</u></b>					
Charitable activities	4	930,802	47,367	978,169	997,383
<b>Total resources expended</b>		<b>930,802</b>	<b>47,367</b>	<b>978,169</b>	<b>997,383</b>
<b>Net movement in funds</b>		<b>132,822</b>	<b>-</b>	<b>132,822</b>	<b>6,417</b>
Fund balances at 1 January		196,618	-	196,618	190,201
<b>Fund balances at 31 December</b>		<b>329,440</b>	<b>-</b>	<b>329,440</b>	<b>196,618</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

**ENCLUDE COMPANY LIMITED BY GUARANTEE****BALANCE SHEET****AS AT 31 DECEMBER 2020**

	Notes	2020 €	€	2019 €	€
<b>Current assets</b>					
Work in progress	8	50,280		12,000	
Debtors	9	262,247		204,613	
Cash at bank and in hand		669,569		424,864	
		<u>982,096</u>		<u>641,477</u>	
<b>Creditors: amounts falling due within one year</b>	<b>10</b>	<b>(652,656)</b>		<b>(444,859)</b>	
Net current assets			<u>329,440</u>		<u>196,618</u>
<b>Income funds</b>					
Unrestricted funds			329,440		196,618
Restricted funds			-		-
			<u>329,440</u>		<u>196,618</u>

The financial statements were approved by the on 14 June 2021

DocuSigned by:

*Lucy Hederman*  
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Lucy Hederman  
**Director**

DocuSigned by:

*Michael Stobbs*  
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Michael Stobbs  
**Director**

**ENCLUDE COMPANY LIMITED BY GUARANTEE****STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 DECEMBER 2020**


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	Notes	2020 €	€	2019 €	€
<b>Cash flows from operating activities</b>					
Cash generated from operations	18	244,705		158,174	
		_____		_____	
<b>Net increase in cash and cash equivalents</b>		244,705		158,174	
Cash and cash equivalents at beginning of year		424,864		266,690	
		_____		_____	
<b>Cash and cash equivalents at end of year</b>		669,569		424,864	
		=====		=====	

# ENCLUDE COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

#### Charity information

Enclude Company Limited by Guarantee is a company limited by guarantee incorporated in the Republic of Ireland. The registered office of the company is 117 - 126 Upper Sheriff Street, North Wall, Dublin 1, which is also the principal place of business of the company. The nature of the company's operations and its principal activities are set out in the Directors' Report.

#### 1.1 Accounting convention

The financial statements of the company for the year ended 31 December 2020 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 company has applied the recommendations contained in Charities SORP (FRS 102) effective 1 January 2015.

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

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention. The financial statements have been prepared on the going concern basis and in accordance with the Charities SORP (Statement of Recommended Practices) applicable to charities preparing their financial statements in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2014. 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.

The financial statements are prepared in euros, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest €.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the company continues to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

The following funds are operated by the charity.

##### (i) 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.

##### (ii) 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 Company Limited by Guarantee in furtherance of the objects of the charity.

# ENCLUDE COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

##### 1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Grant income is credited to income when they are received. If there are any restrictions on the timing of expenditure, recognition is deferred.

Investment income is included when receivable. All other income is accounted for on an accrual's basis.

Any donations of software are recognised as income in line with the accounting standard at market value.

##### Deferred Income

Invoices relating to projects and membership support are often raised in advance of the project commencing. The associated sums are deferred in full in the Balance Sheet at the invoice date and are recognised as income when pre-agreed milestones are met or in preparation to progress towards project delivery.

##### 1.5 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.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the company.

All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource.

##### 1.6 Work in progress

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

##### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# ENCLUDE COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's legal contractual obligations expire or are discharged or cancelled.

#### 1.9 Employee benefits

The company contributes to a defined contribution pension scheme for certain employees. Employer contributions are charged to the Statement of Financial Activities in the year in which they become payable.

#### 1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.11 Foreign exchange

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

#### 1.12 Departure from Companies Act 2014 Presentation

The directors have elected to present a Statement of Financial Activities instead of a Profit and Loss Account in these financial statements as this company is a not-for-profit entity,

# ENCLUDE COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Work in Progress

Work in Progress is estimated based on the unbilled hours worked and progress on a project at the year end. Calculation of this figure requires judgements to be made to quantify the amount recognised as Work in Progress.

### 3 Incoming resources

	Unrestricted income 2020 €	Restricted income 2020 €	Total 2020 €	Total 2019 €
<b>Income from charitable activities</b>				
Client consultancy and support services	951,840	-	951,840	839,029
ENCLUDEit (Technology Donations Programme)	91,620	-	91,620	124,807
Grant income	-	47,367	47,367	19,800
<b>Income from donations gifts and legacies</b>				
Software donations	20,164	-	20,164	20,164
	<u>1,063,624</u>	<u>47,367</u>	<u>1,110,991</u>	<u>1,003,800</u>

## ENCLUDE COMPANY LIMITED BY GUARANTEE

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 DECEMBER 2020*

#### 4 Resources expended

	Unrestricted 2020 €	Restricted 2020 €	Total 2020 €	Total 2019 €
<b>Charitable activities</b>				
Direct costs	74,824	47,367	122,191	203,621
Direct sales and marketing costs	-	-	-	2,515
Staff costs (including employer's PRSI)	755,644	-	755,644	668,824
Subcontractors costs	45,270	-	45,270	43,870
Staff recruitment and training	5,072	-	5,072	7,028
Membership fees	1,968	-	1,968	2,736
Travel and subsistence	2,492	-	2,492	11,060
Establishment, administration and governance	45,532	-	45,532	57,729
	<u>930,802</u>	<u>47,367</u>	<u>978,169</u>	<u>997,383</u>

**ENCLUDE COMPANY LIMITED BY GUARANTEE****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020****5 Operating surplus**

	<b>2020</b>	<b>2019</b>
	€	€
<b>Operating surplus is stated after charging:</b>		
Auditor's remuneration	4,116	4,016
	<u>          </u>	<u>          </u>

**6 Key management compensation**

Key management includes all members of the company management. The compensation paid or payable to key management for employee services is shown below:

	<b>2020</b>	<b>2019</b>
	€	€
Salaries and other short-term benefits	65,195	55,000
	<u>          </u>	<u>          </u>

# ENCLUDE COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 7 Employees

##### Number of employees

The average monthly number of employees during the year was:

	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
Management and administration	13	13
Key management personnel	6	6
	<u>19</u>	<u>19</u>

##### Employment costs

	<b>2020</b>	<b>2019</b>
	<b>€</b>	<b>€</b>
Wages and salaries	684,458	613,073
Social security costs	71,003	64,607
Other pension costs	183	732
	<u>755,644</u>	<u>678,412</u>

The number of employees whose annual remuneration was €60,000 or more were:

	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
Staff salaries fall between €60,001 and €70,000	1	1
Staff salaries fall between €70,001 and €80,000	-	-
Staff salaries fall between €80,001 and €90,000	-	-
Staff salaries fall between €90,001 and €100,000	-	-
	<u>-</u>	<u>-</u>

Paul Donnelly was appointed as Company Secretary on 15 June 2020, Paul is also employed the organisation to maintain the books and records of the organisation, which he was remunerated in the amount of €19,375 (2019: €15,000) through the payroll in relation to this employment. He was not remunerated for his role of company secretary in the period under review. No directors are remunerated for their role as board members.

#### 8 Work in progress

	<b>2020</b>	<b>2019</b>
	<b>€</b>	<b>€</b>
Work in progress	<u>50,280</u>	<u>12,000</u>

# ENCLUDE COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 9 Debtors

	2020	2019
	€	€
<b>Amounts falling due within one year:</b>		
Trade debtors	256,950	201,030
Prepayments	5,236	2,083
Other debtors	61	1,500
	<u>262,247</u>	<u>204,613</u>

#### 10 Creditors: amounts falling due within one year

	Notes	2020	2019
		€	€
Taxation and social security		18,148	16,108
Deferred income	11	603,320	419,016
Trade creditors		21,271	4,475
Accruals		9,817	4,400
Other creditors		100	860
		<u>652,656</u>	<u>444,859</u>

#### 11 Deferred income

	2020	2019
	€	€
Deferred income	546,487	314,816
Deferred grant income	56,833	104,200
	<u>603,320</u>	<u>419,016</u>

Deferred income relates to project invoicing and annual membership for 2020 and future periods. Deferred grant income relates to specific funding for the R&D element of the eSAFE project which was launched in October 2019. The total grant received in 2019 was €124,000, of which €47,367 (2019: €19,800) was utilised in the period under review. The remaining balance of €56,833 has been deferred.

#### 12 Retirement benefit schemes

##### Defined contribution schemes

The company contributes to a defined contribution pension scheme for certain employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was €183 (2019: €732).

#### 13 Contingent liabilities

The company had no material contingent liabilities at the year ended 31 December 2020 (2019: Nil).

# ENCLUDE COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 14 Capital commitments

The company had no material capital commitments at the year ended 31 December 2020 (2019: Nil).

#### 15 Events after the reporting date

There have been no significant events affecting the charity since the year-end. The charity continues to be affected by the ongoing Covid 19 pandemic, however, measures taken by the directors have allowed the charity to continue its programme of work despite the ongoing restrictions.

Whilst the directors believe that the effect on the charity since the balance sheet date is difficult to determine, the directors are confident that the charity will continue as a going concern for the foreseeable future.

#### 16 Related party transactions

No person related to the charity had any personal interest in any transaction entered into by the charity during the year (2019: Nil).

#### 17 Cash and cash equivalents

	2020 €	2019 €
Cash and bank balances	669,569	424,864

#### 18 Cash generated from operations

	2020 €	2019 €
Surplus for the year	132,822	6,417
Movements in working capital:		
(Increase)/decrease in work in progress	(38,280)	32,300
(Increase)/decrease in debtors	(57,634)	16,902
Increase/(decrease) in creditors	23,493	(1,769)
Increase in deferred income	184,304	104,324
<b>Cash generated from operations</b>	<b>244,705</b>	<b>158,174</b>

#### 19 Analysis of movement in funds

	At 1 January 2020 €	Income €	Expenditure €	At 31 December 2020 €
Unrestricted	196,618	1,063,624	930,802	329,440
Restricted	-	47,367	47,367	-
<b>Total</b>	<b>196,618</b>	<b>1,110,991</b>	<b>978,169</b>	<b>329,440</b>

## **ENCLUDE COMPANY LIMITED BY GUARANTEE**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** ***FOR THE YEAR ENDED 31 DECEMBER 2020***

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#### **20 Approval of the financial statements**

The financial statements were approved and authorised for issue by the board of directors on 14 June 2021.