

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

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST DECEMBER 2012**

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

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**ENCLUDE LTD**

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

**DIRECTORS AND OTHER INFORMATION  
FOR THE YEAR ENDED 31ST DECEMBER 2012**

**DIRECTORS**

Siobhan McGee (resigned 15th June 2013)  
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 2012**

The directors present their report and the financial statements for the year ended 31st December 2012.

#### **PRINCIPAL ACTIVITIES**

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

To advance its mission Enclude focused on two major programmes: ENCLUDEit Product Donations programme and the ENCLUDE Solutions consultancy business.

In the ENCLUDEit programme we have increased new charities registered with the programme two fold and increased the number of technology donations to charities by an equal amount. However, due to the drop in the average donation value, this growth is not reflected by an equivalent increase in income.

The ENCLUDE Solutions consultancy business has grown significantly. We have focused on building package solutions for charity "line of business" like Rural Transport, Youth Services and Addiction Services. The growth in this business area has been both due to the success of our eCASS - Addiction Service package and increased consultancy engagement with individual charities. ENCLUDE has continued to expand its financial management consultancy and discounted solution Charity AccountsIQ.

#### **BUSINESS REVIEW**

The ENCLUDEit programme growth is directly related to a structured marketing plan that is delivered by the three staff. This plan has been developed with the support of Microsoft Community affairs. The ENCLUDE Solutions consultancy business has developed organically, with our growing reputation as the provider of choice for Client and Donor management solutions in the Irish charity sector. The addition of an IT developer to our team has increased our capacity to develop CRM packaged solutions.

We believe our Charity AccountsIQ will prepare charities to efficiently adopt the new FRS for public benefit entities.

We have also developed an ENCLUDE Solution Membership concept. Fellow charities pay an annual fee to benefit from this Membership which affords them membership of a "community of learning" around key technologies and phone, email and training support to the value of their membership.

2012 marked a transition time for the Board of ENCLUDE. We have introduced new members with expertise in key areas that are needed for sound governance of ENCLUDE.

#### **FUTURE DEVELOPMENTS**

Our biggest challenge is to manage the level of demand for our services. We will need to increase our staff and develop strategic partnerships to increase our capacity to respond to demand.

We need to develop a new Business Strategy 2013-2016 and a Business Plan to deliver this strategy. This will be the main task of the new board in 2013.

#### **RESULTS**

The surplus/(deficit) for the year amounted to €34,509 (2011 - €(1,393))

#### **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.

**ENCLUDE LTD**

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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2012**

**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.

**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 2012. 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.

**On behalf of the Board**

**Director**

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**Al Ryan**

**Director**

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**Colm Butler**

**23rd July 2013**

## **ENCLUDE LTD**

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

### **INDEPENDENT AUDITORS REPORT**

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

We have audited the financial statements of Enclude Ltd for the year ended 31st December 2012 on pages 7 to 12. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

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 we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

As described on page 4 the company's directors are responsible for the preparation of financial statements in accordance with applicable law and Accounting Standards issued by the Accounting Standards Board.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practices in Ireland and are properly prepared in accordance with the Companies Acts 1963 to 2012. We also report to you whether in our opinion: proper books of account have been kept by the company and whether the information given in the Directors' report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the company's balance sheet and its Profit and Loss account are in agreement with the books of account.

We also report to you if, in our opinion, any information specified by law regarding directors' remuneration and directors' transactions is not given, and where practicable, include such information in our report.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatement within it.

#### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

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

We have undertaken the audit in accordance with the requirements of APB Ethical Standards - Provisions Available for Small Entities, in the circumstances set out in note 9 to the financial statements.

**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 the 31st December 2012 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Acts 1963 to 2012.

We have obtained all the information and explanations we consider necessary for the purposes of our audit. In our opinion proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

In our opinion the information given in the directors' report on pages 3 to 4 is consistent with the financial statements.

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

**23rd July 2013**

**ENCLUDE LTD**  
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**INCOME & EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2012**

	Notes	2012 €	2011 €
<b>INCOME</b>		366,378	243,139
Administrative expenses		<u>(331,869)</u>	<u>(244,532)</u>
<b>SURPLUS/(DEFICIT) FOR FINANCIAL YEAR</b>	<b>2</b>	<u>34,509</u>	<u>(1,393)</u>

Turnover and surplus/(deficit) for the year arose solely from continuing operations. There were no recognised gains or losses other than those dealt with in the income and expenditure account.

**On behalf of the Board**

**Director**

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

**Director**

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

**23rd July 2013**

**ENCLUDE LTD**  
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**BALANCE SHEET AS AT 31ST DECEMBER 2012**

	<b>Notes</b>	<b>2012</b> €	<b>2011</b> €
<b>CURRENT ASSETS</b>			
Debtors	<b>4</b>	77,706	36,774
Cash at bank and in hand		56,612	35,740
		<u>134,318</u>	<u>72,514</u>
<b>CREDITORS (amounts falling due within one year)</b>			
	<b>5</b>	<u>(78,390)</u>	<u>(51,095)</u>
<b>NET CURRENT ASSETS</b>			
		<u>55,928</u>	<u>21,419</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>55,928</u>	<u>21,419</u>
<b>CAPITAL AND RESERVES</b>			
Retained Reserves		<u>55,928</u>	<u>21,419</u>
<b>MEMBERS' FUNDS</b>			
	<b>6</b>	<u>55,928</u>	<u>21,419</u>

The notes on pages 10 - 12 form part of these financial statements.

**On behalf of the Board**

**Director**

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

**Director**

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

**23rd July 2013**

**ENCLUDE LTD****(A company limited by guarantee not having a share capital)****CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER 2012**

Notes	2012 €	2011 €
<b>RECONCILIATION OF OPERATING DEFICIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES</b>		
Operating surplus/(deficit)	34,509	(1,393)
(Increase).Decrease in debtors	(40,932)	9,581
Increase in creditors	27,295	17,857
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<u>20,872</u>	<u>26,045</u>

**CASH FLOW STATEMENT**

<b>Increase in cash in the year</b>	<u>20,872</u>	<u>26,045</u>
<b>Reconciliation of net cash flow to movement in net funds (Note 8)</b>		
Increase in cash in the year	20,872	26,045
Net funds at Beginning of Year	35,740	9,695
<b>Net funds at End of Year</b>	<u>56,612</u>	<u>35,740</u>

**ENCLUDE LTD****(A company limited by guarantee not having a share capital)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2012****1. ACCOUNTING POLICIES****1.1. Accounting convention**

The financial statements are prepared under the historical cost convention and comply with the financial reporting standards of the Accounting Standards Board as promulgated by The Institute of Certified Public Accountants in Ireland.

**1.2. Turnover**

Turnover includes all invoices for services to charitable organisations.

**1.3. 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.

**2. OPERATING SURPLUS/(DEFICIT)**

	<b>2012</b>	<b>2011</b>
	€	€
Operating Surplus/(Deficit) is stated after charging:		
Auditors' remuneration	1,720	1,722
	<u>1,720</u>	<u>1,722</u>

**3. STAFF COSTS****Number of employees**

The average numbers of employees during the year were:

	<b>2012</b>	<b>2011</b>
	No.	No.
Management and Administration	5	4
	<u>5</u>	<u>4</u>

**Employment costs**

	<b>2012</b>	<b>2011</b>
	€	€
Wages and salaries	159,133	96,478
Social welfare costs	17,800	9,897
Pension costs	10,800	8,520
	<u>187,733</u>	<u>114,895</u>

**ENCLUDE LTD****(A company limited by guarantee not having a share capital)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2012****4. DEBTORS**

	<b>2012</b>	<b>2011</b>
	€	€
Trade debtors	72,348	25,104
Prepayments and accrued income	2,291	11,670
Other Debtors	3,067	-
	<u>77,706</u>	<u>36,774</u>

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

	<b>2012</b>	<b>2011</b>
	€	€
Trade creditors	13,147	8,690
PAYE/PRSI	6,803	5,515
Accruals and deferred income	58,440	36,890
	<u>78,390</u>	<u>51,095</u>

**6. RECONCILIATION OF MOVEMENTS IN MEMBERS' FUNDS**

	<b>2012</b>	<b>2011</b>
	€	€
Surplus/(Deficit) for the year	34,509	(1,393)
Opening members' funds	21,419	22,812
	<u>55,928</u>	<u>21,419</u>

**7. CAPITAL COMMITMENTS**

There were no capital commitments at the year end.

**8. 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>35,740</u>	<u>20,872</u>	<u>56,612</u>

**ENCLUDE LTD**

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2012**

**9. 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.

**10. APPROVAL OF FINANCIAL STATEMENTS**

The directors approved the financial statements on 23rd July 2013.

**ENCLUDE LTD****(A company limited by guarantee not having a share capital)****INCOME & EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2012**

	<b>2012</b>	<b>2011</b>
	<b>€</b>	<b>€</b>
<b>Income</b>		
Sales	256,850	130,539
ENCLUDEit	73,591	66,096
Income - AIQ	12,980	6,264
Other Income	2,732	640
Grant	-	39,600
SMS New client set up/Annual fee	7,175	-
Support contracts	13,050	
	<u>366,378</u>	<u>243,139</u>
 <b>ADMINISTRATIVE EXPENSES:</b>		
Wages and salaries	187,733	114,895
Staff training	218	480
CTX	27,376	21,683
Subcontractors	75,875	70,386
AIQ Purchase costs	6,562	5,040
Salesforce Text Services - Text purchases	3,200	1,050
Rent & Rates	10,000	7,500
Insurance	1,133	1,107
IT costs	702	2,543
Postage, Telephone & Office Supplies	6,890	6,263
Advertising	4,503	5,115
Travel & Subsistence	3,393	5,655
Legal and professional fees	400	-
Audit	1,720	1,722
Bank Interest & Charges	215	178
Subscriptions	552	439
Sundry	1,397	476
	<u>331,869</u>	<u>244,532</u>
 <b>Net surplus/(deficit) for the year</b>	<u>34,509</u>	<u>(1,393)</u>