

Company Number: 454899

**County Kilkenny Leader Partnership Company Limited**  
(A company limited by guarantee, without a share capital)

**Directors' Report and Financial Statements**

**for the year ended 31 December 2015**

**County Kilkenny Leader Partnership Company Limited**  
(A company limited by guarantee, without a share capital)  
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# County Kilkenny Leader Partnership Company Limited

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

## DIRECTORS AND OTHER INFORMATION

### Directors

Malcom Noonan  
John Brennan  
Eamon Alyward  
Andrew McGuinness (Resigned 15 December 2015)  
Shirley Marie Power  
Martin Costello  
Richard O'Brien (Appointed 22 December 2015)  
Kevin Mahon (Appointed 15 June 2015)  
Denis Drennan  
Martha Bolger  
John Burke  
Suzanne Campion  
John Connolly  
Joan Fitzpatrick  
Nicholas Flavin  
Denis Hynes  
Patrick McAuley  
John McCormack (Resigned 14 October 2015)  
Breda McDonald  
Gerard Mullally  
Kevin Murphy  
Richard O'Shea (Resigned 9 July 2015)  
Michael Power  
Anne Gibbons  
Paul Corcoran

### Company Secretary

Declan Rice

### Company Number

454899

### Registered Office and Business Address

8 Patrick's Court  
Patrick Street  
Kilkenny  
Ireland

### Auditors

Carrigan O'Dwyer Limited  
Chartered Accountants and Registered Auditors  
5 Bridgewater  
Dean Street  
Kilkenny

### Bankers

Bank of Ireland  
Parliament St,  
Kilkenny.

### Solicitors

Poe Kiely Hogan Lanigan  
21 Patrick Street  
Kilkenny



# County Kilkenny Leader Partnership Company Limited

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

## DIRECTORS' REPORT

for the year ended 31 December 2015

The directors present their report and the audited financial statements for the year ended 31 December 2015.

### Principal Activity Review of the business

The principal activity of the company is the delivery of government funded programmes to the community.

Kilkenny LEADER Partnership's (KLP) experience in 2015 was once again typified by uncertainty on its funding - but this did not hamper the performance of the company in its mission across its range of development programmes. The long-running debate, discussion and disagreement with the Department of Environment, Community & Local Government (DECLG) on their stance on the continued autonomy of the Company from the local authorities in relation to its main programmes, passed a milestone with the award to KLP of the Social Inclusion Community Activation Programme (SICAP) by the local authority-led Kilkenny Local Community Development Committee (LCDC) and the initiation of the two-stage selection process for the LEADER- rural development programme- nominally for the period 2013 to 2020, but in reality commencing only in the late spring of 2016 in Ireland. KLP and Kilkenny LCDC are competing for the key LEADER 'local action group' (LAG) status as direct contract holder.

Mindful of the need to adopt to its changing environment, KLP at an Extraordinary General Meeting on the 16th of September the Members of the company resolved to remove the restriction on the number of Members being that of 24 maximum to 'unlimited membership'. The EGM also decided that the conditions of membership are to be decided at the discretion of the Board. A Board of Directors meeting subsequent to the EGM decided in line with this membership reform, that the number of directors would be reduced from 24 to a maximum of 15 over the period of two AGMs in 2016 and 2017. Starting in August of the year a 'membership application' process gave rise to over 240 requests by the end of 2015. Most applications were from existing community groups in the county, with a significant majority coming from small rural businesses. In January of 2016, the Board approved the membership of the vast majority of the applications.

The Local Community Development Programme (LCDP) administered nationally through Pobal on behalf of DECLG closed on the 31st of March 2015. It was replaced nationally by SICAP which was offered for tender by Pobal on behalf of Kilkenny Local Community Development Committee (LCDC) through the Public Procurement Process system. Pobal retains a national role of supervision and the LCDC has the local strategic and operational oversight role. KLP submitted a tender in March 2015 and was approved some weeks later. Despite having serious concerns on the terms and conditions attached to the SICAP contract and the refusal of either the Department or LCDC to engage in any discussion on same, the Board of KLP submitted to signing the document in early April 2015. The programme has been delivered to the required quantitative measures to the satisfaction of both Pobal and the LCDC. KLP has worked effectively and in a business-like manner with the LCDC on the SICAP.

In 2015, the selection process for LEADER completed its first stage with the 'Expression of Interest' (Eoi) process concluding in June 2015 with both KLP and Kilkenny LCDC being selected for progression to the provision of 'Local Development Strategy' (LDS) stage. Despite KLP efforts to persuade the LCDC to agree to an early submission of both LDS - as would be required within the six months timeframe allowed, the LCDC declined to take advantage of the opportunity to expedite the selection process. More disappointingly KLP was informed that the LCDC had requested- and was granted by the DECLG/ Pobal an extension of the deadline from early-January 2016 to the 16th of February 2016. KLP had completed a very full public and partner organisation consultation by the end of 2015 and was very well advanced on the preparation of the LDS - which was submitted to Pobal before the new deadline. A decision is due to be made on the successful application on the 26th of April 2016 and KLP will be informed on this shortly thereafter.

Other initiatives and programmes such as the TUS (work placement programme), the Rural Social Scheme (an income support scheme for small farm holders) continue to perform to expectations and targets and provide valuable services and opportunities to the communities which host the individuals and to those people themselves. Other programmes such as the Housing Aid and the Ted's Den (Castlecomer-based childcare project) are subject to reviews of performance and the Board will be asked to consider their position in due course.

Seven staff members were made redundant as a result of the closure of the LCDP and departed the Company in 2015. A number of other staff joined under other programme budgets and some LEADER staff were reassigned as that programme tapered off in activity. A review of staff performances and terms and conditions- the first since formation in 2008/ 9 concluded with revised remuneration terms for some staff.

The Pobal audit of the processes and budgetary issues on the establishment of KLP from three pre-existing non-profit local development companies - the 'Cohesion Process' which commenced in September 2013 continued into 2015. KLP concluded its analysis of the original report and following an exchange of letters and emails provided all the information available to it, reimbursed some funding to the sum €45,868.42 from the Local Development Social Inclusion Programme (LDSIP) and other small programme amounts inherited from its foundation companies to Pobal and concluded in a letter on the 24th of November 2015 that it could be of no further aid to that body on some issues.



# County Kilkenny Leader Partnership Company Limited

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

## DIRECTORS' REPORT

for the year ended 31 December 2015

No further communication has been received from Pobal since that communication.

KLP has continued to drive and progress a range of county-scale or regional development initiatives including the South Kilkenny Greenway proposals for the disused New Ross to Waterford railway, the Irish Food Cooperative of regional food producers and Vulcan Wood Fuel supply chain initiative of small holders with forestry. The Company has led consortiums of public and private partners and stakeholders in these projects and sees their development extending into and beyond 2016.

KLP are required by the terms of its funder Pobal to submit a new plan for the administering of Housing Aid in the 2017 - 2019 period. This has led to a review and restructuring of the program with a more focused marketing plan and development of client base to generate more sustainable income.

KLP have committed to carry out a review of the childcare facility, Ted's Den, with a view to improving the financial performance of the facility and a restructuring of its staffing arrangements. Meetings with Pobal are continuing on this and it is hoped that the results of this process will be evident towards the end of 2016.

In summary, the Company has restructured to face the challenges that may arise in the coming period. The Directors believe that there is a need for its range of services and skills and that its future can be secured for the foreseeable future with the capturing of the LEADER contract for 2013 - 2020.

### Principal Risks and Uncertainties

The company is mainly financed by the Department of Community Environment and Local Government, the Department of Social Protection and Pobal. If funding ceased or was reduced significantly the future of the company would be uncertain. The 2016 budgets have been confirmed for most programmes with the exception of LEADER (replacing old RDP program) as explained above. As a result of this uncertainty and following advice received, KLP put some staff members on protective notice. The awarding to KLP of the SICAP programme to the end of 2017 has potentially removed some of the risk to the Company for the coming year.

However the LEADER programme is still a very uncertain proposition in terms of both budget size and security of the contract. It has become clear that the new programme will probably not commence until mid-2016. The fact that there is more than one application in the county for a smaller budget than the past, and the lack of clarity around the management of the LEADER programme in the future adds to the uncertainty going forward. These insecurities in the Company's main budgets vis-à-vis the expectations of it are of concern. The insecurity applies to the overall funding environment but is particularly evident in the cases of the cap on administration budgets for the teams of both LEADER and SICAP. This adversely affects the ability of KLP to plan and resource its work. Additional concerns also remain around the lack of clarity being provided by the Government and Pobal on the role and recognition of the autonomy of integrated local development companies. While these matters need to be addressed the Board is pleased that provided it gets this clarity and reasonable pledges of security of contracts, it can be financially sustainable and deliver on its mission and goals. The security is also crucial to the continued ability to deliver smaller programmes such as TUS, Rural Social Scheme, Primary Health Care Programme, Ted's Den Childcare Facility, Rural Recreation Officer and Housing Aid.

Despite these uncertainties and threats to funding and autonomy, the Board of KLP believes it can manage the processes and secure the future of the Company.

### Financial Results

The surplus/(deficit) for the year after providing for depreciation amounted to €72,565 (2014 - €(77)).

# County Kilkenny Leader Partnership Company Limited

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

## DIRECTORS' REPORT

for the year ended 31 December 2015

### Directors

The directors who served throughout the year, except as noted, were as follows:

Malcom Noonan  
John Brennan  
Eamon Alyward  
Andrew McGuinness (Resigned 15 December 2015)  
Shirley Marie Power  
Martin Costello  
Richard O'Brien (Appointed 22 December 2015)  
Kevin Mahon (Appointed 15 June 2015)  
Denis Drennan  
Martha Bolger  
John Burke  
Suzanne Campion  
John Connolly  
Joan Fitzpatrick  
Nicholas Flavin  
Denis Hynes  
Patrick McAuley  
John McCormack (Resigned 14 October 2015)  
Breda McDonald  
Gerard Mullally  
Kevin Murphy  
Richard O'Shea (Resigned 9 July 2015)  
Michael Power  
Anne Gibbons  
Paul Corcoran

### Future Developments

The company plans to continue its present activities and current trading levels. Employees are kept as fully informed as practicable about developments within the business.

### Post Statement of Financial Position Events

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

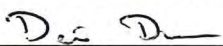
### Auditors

The auditors, Carrigan O'Dwyer Limited, have indicated their willingness to continue in office in accordance with the provisions of Section 383(2) of the Companies Act, 2014.

### 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 8 Patrick's Court, Patrick Street, Kilkenny.

### Signed on behalf of the board

  
\_\_\_\_\_  
Denis Drennan  
Director

  
\_\_\_\_\_  
Suzanne Campion  
Director

25 April 2016



# County Kilkenny Leader Partnership Company Limited

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

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

for the year ended 31 December 2015

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Financial Reporting Council and promulgated by Chartered Accountants Ireland.

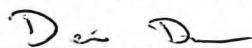
Irish company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice (accounting standards issued by the Financial Reporting Council and promulgated by Chartered Accountants Ireland). 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 that 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 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, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the board



\_\_\_\_\_  
Denis Drennan  
Director



\_\_\_\_\_  
Suzanne Campion  
Director

25 April 2016



# **INDEPENDENT AUDITOR'S REPORT**

## **to the Members of County Kilkenny Leader Partnership Company Limited**

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

We have audited the financial statements of County Kilkenny Leader Partnership Company Limited for the year ended 31 December 2015 which comprise the Income and Expenditure Account, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and accounting standards issued by the Financial Reporting Council and promulgated by Chartered Accountants Ireland (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

As explained more fully in the Statement of Directors' 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 otherwise comply with the Companies Act 2014. 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 Practice Board's Ethical Standards for Auditors.

### **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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2015 and of its surplus for the year then ended; and
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland and in particular with the requirements of the Companies Act 2014.

### **Matters on which we are required to report by the Companies Act 2014.**

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

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

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by Sections 305 to 312 of the Act are not made.



**Donal O'Dwyer**  
for and on behalf of

**CARRIGAN O'DWYER LIMITED**

Chartered Accountants and Registered Auditors  
5 Bridgewater  
Dean Street  
Kilkenny

Date: 25 April 2016



# County Kilkenny Leader Partnership Company Limited

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

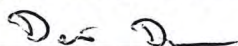
## INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 December 2015

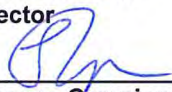
	Notes	2015 €	2014 €
Income	3	3,348,312	4,845,294
Expenditure		<u>(3,275,747)</u>	<u>(4,845,371)</u>
Surplus/(deficit) for the year		<u>72,565</u>	<u>(77)</u>

The company has no recognised gains or losses other than the surplus for the year. The results for the year have been calculated on the historical cost basis. The company's income and expenses all relate to continuing operations.

Approved by the board on 25 April 2016 and signed on its behalf by



\_\_\_\_\_  
Denis Drennan  
Director



\_\_\_\_\_  
Suzanne Campion  
Director

# County Kilkenny Leader Partnership Company Limited

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

## STATEMENT OF FINANCIAL POSITION

as at 31 December 2015

	Notes	2015 €	2014 €
<b>Non-Current Assets</b>			
Tangible assets	6	49,990	48,382
<b>Current Assets</b>			
Debtors	7	51,727	258,919
Cash and cash equivalents		573,170	505,829
		624,897	764,748
<b>Creditors: Amounts falling due within one year</b>	8	(541,218)	(685,713)
<b>Net Current Assets</b>		83,679	79,035
<b>Total Assets less Current Liabilities</b>		133,669	127,417
<b>Creditors</b>			
Amounts falling due after more than one year	9	(32,401)	(27,096)
<b>Net Assets</b>		101,268	100,321
<b>Reserves</b>			
Capital reserves and funds		84,347	155,965
Income and Expenditure statement		16,921	(55,644)
<b>Capital Contributions</b>		101,268	100,321

Approved by the board on 25 April 2016 and signed on its behalf by

  
\_\_\_\_\_  
Denis Drennan  
Director

  
\_\_\_\_\_  
Suzanne Campion  
Director



## County Kilkenny Leader Partnership Company Limited

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

### STATEMENT OF CHANGES IN CAPITAL CONTRIBUTIONS

as at 31 December 2015

	Retained earnings	Capital reserves	Total
	€	€	€
<b>At 1 January 2014</b>	(55,567)	180,460	124,893
Deficit for the year	(77)	-	(77)
Other movements in Members funds	-	(24,495)	(24,495)
<b>At 31 December 2014</b>	(55,644)	155,965	100,321
Surplus for the year	72,565	-	72,565
Net deduction from members funds	-	(71,618)	(71,618)
<b>At 31 December 2015</b>	<b>16,921</b>	<b>84,347</b>	<b>101,268</b>

# County Kilkenny Leader Partnership Company Limited

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

## STATEMENT OF CASH FLOWS

for the year ended 31 December 2015

	Notes	2015 €	2014 €
<b>Cash flows from operating activities</b>			
for the year		72,565	(77)
Adjustments for:			
Depreciation		17,589	21,287
Surplus/Deficit on disposal of property, plant and equipment		(350)	(500)
Amortisation of government grants		(17,589)	(21,287)
		<u>72,215</u>	<u>(577)</u>
Movements in working capital:			
Movement in debtors		207,192	51,037
Movement in creditors		(194,289)	40,195
		<u>12,903</u>	<u>90,655</u>
<b>Cash flows from investing activities</b>			
Payments to acquire property, plant and equipment		(19,197)	-
Receipts from sales of property, plant and equipment		350	3,282
		<u>(18,847)</u>	<u>3,282</u>
<b>Net cash generated from investment activities</b>			
		<u>66,271</u>	<u>93,937</u>
<b>Net increase in cash and cash equivalents</b>		<u>66,271</u>	<u>93,937</u>
<b>Cash and cash equivalents at 1 January 2015</b>		<u>505,237</u>	<u>411,300</u>
<b>Cash and cash equivalents at 31 December 2015</b>		<u><u>571,508</u></u>	<u><u>505,237</u></u>



# COUNTY KILKENNY LEADER PARTNERSHIP COMPANY LIMITED

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

## INFORMATION RELATING TO THE POBAL FUNDING

for the year ended 31st December 2015

### GRANTS AND OTHER INFORMATION

Name of State Agency	Type of Funding	Amount €
Pobal Funding	Local Community Development Programme	208,559
Pobal Funding	Community Services Programme	79,473
Pobal Funding	Community Childcare Subvention Scheme	96,715
Pobal Funding	Childcare Education & Training Support	4,350
Pobal Funding	Community Employment Childcare Programme	2,928
Department of Children	ECCE	41,750
Department of Environment Community and Local Government	National Walks Scheme / Trails	81,771
Department of Environment Community and Local Government	Rural Development Programme	1,648,465
Department of Environment Community and Local Government	Rural Social Scheme	19,610
Department of Environment Community and Local Government	TUS	123,090
Kilkenny County Council	SICAP	457,799
Health Service Executive	Primary Health Care	81,652
		<u>2,846,162</u>

# County Kilkenny Leader Partnership Company Limited

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

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2015

### 1. GENERAL INFORMATION

County Kilkenny Leader Partnership Company Limited is a company limited by guarantee incorporated in the Republic of Ireland.

### 2. ACCOUNTING POLICIES

#### Statement of compliance

The financial statements of the company for the year ended 31 December 2015 have been prepared on the going concern basis and in accordance with generally accepted accounting principles in Ireland and Irish statute comprising the Companies Act 2014 and in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) issued by the Financial Reporting Council, as promulgated by Chartered Accountants Ireland.

#### Basis of preparation

The financial statements have been prepared under the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### Accounting Convention

The financial statements are prepared under the historical cost convention.

#### Revenue Recognition

All incoming resources are included in the financial statements when the company is entitled to the income and the amount can be quantified. Voluntary income, self-generated income from projects and childcare fees are included in full in the financial statements when received. Any grant income received which relates to future period is deferred until the company is entitled to the funding. Any income received where expenditure has not been incurred is deferred and matched against expenditure when the expenditure is incurred.

#### Going Concern

The company is economically dependent on the Irish Government and the EU for funding. This economic dependency is underpinned through funding received primarily from POBAL and the Department of Environment, Community and Local Government, and the Department of Social Protection. Funding has been confirmed for only some programmes for the coming year and accordingly the financial statements have been prepared on a going concern basis.

#### Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of property, plant and equipment, less their estimated residual value, over their expected useful lives as follows:

Plant and machinery	-	15% Straight line
Fixtures, fittings and equipment	-	15% Straight line
Motor vehicles	-	20% Straight line
Office Equipment	-	15% Straight line

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

#### Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.



# County Kilkenny Leader Partnership Company Limited

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

## NOTES TO THE FINANCIAL STATEMENTS

continued

for the year ended 31 December 2015

### Borrowing costs

Borrowing costs relating to the acquisition of assets are capitalised at the appropriate rate by adding them to the cost of assets being acquired. Investment income earned on the temporary investment of specific borrowings pending their expenditure on the assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

### Employee benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

### Taxation

The company is a registered charity and is exempt from corporation tax on its surpluses and chargeable gains.

### Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Statement of Financial Position 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 Income and Expenditure Account.

### Pensions

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. Annual contributions payable to the company's pension scheme are charged to the Income and Expenditure Account in the period to which they relate.

## 3. INCOME

The income for the year has been derived from the principal activity of delivering government funded programmes to the community.

## 4. OPERATING SURPLUS/(DEFICIT)

	2015	2014
	€	€
<b>Operating surplus/(deficit) is stated after charging/(crediting):</b>		
Depreciation of property plant and equipment	17,589	21,287
Amortisation of property, plant and equipment	(17,589)	(21,287)
Surplus on disposal of property, plant and equipment	(350)	(500)

# County Kilkenny Leader Partnership Company Limited

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

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2015

continued

### 5. EMPLOYEES AND REMUNERATION

#### Number of employees

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

	2015 Number	2014 Number
Administration/Development	42	44

The staff costs comprise:

	2015 €	2014 €
Wages and salaries	1,058,889	1,114,250
Pension costs	42,223	52,234
	<u>1,101,112</u>	<u>1,166,484</u>

### 6. PROPERTY, PLANT AND EQUIPMENT

	Plant and machinery €	Fixtures, fittings and equipment €	Motor vehicles €	Office Equipment €	Total €
<b>Cost or Valuation</b>					
At 1 January 2015	12,894	21,982	36,956	82,203	154,035
Additions	-	-	9,225	9,972	19,197
At 31 December 2015	<u>12,894</u>	<u>21,982</u>	<u>46,181</u>	<u>92,175</u>	<u>173,232</u>
<b>Depreciation</b>					
At 1 January 2015	7,736	11,909	27,240	58,768	105,653
Charge for the year	1,934	3,177	3,328	9,150	17,589
At 31 December 2015	<u>9,670</u>	<u>15,086</u>	<u>30,568</u>	<u>67,918</u>	<u>123,242</u>
<b>Net book value</b>					
At 31 December 2015	<u>3,224</u>	<u>6,896</u>	<u>15,613</u>	<u>24,257</u>	<u>49,990</u>
At 31 December 2014	<u>5,158</u>	<u>10,073</u>	<u>9,716</u>	<u>23,435</u>	<u>48,382</u>

There were no assets held under finance leases included in tangible fixed assets.



# County Kilkenny Leader Partnership Company Limited

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

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2015

continued

### 6.1. PROPERTY, PLANT AND EQUIPMENT PRIOR YEAR

	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Office Equipment	Total
	€	€	€	€	€
<b>Cost or Valuation</b>					
At 1 January 2014	12,894	21,982	43,914	82,203	160,993
Disposals	-	-	(6,958)	-	(6,958)
At 31 December 2014	<u>12,894</u>	<u>21,982</u>	<u>36,956</u>	<u>82,203</u>	<u>154,035</u>
<b>Depreciation</b>					
At 1 January 2014	5,802	8,628	24,657	49,455	88,542
Charge for the year	1,934	3,281	6,759	9,313	21,287
On disposals	-	-	(4,176)	-	(4,176)
At 31 December 2014	<u>7,736</u>	<u>11,909</u>	<u>27,240</u>	<u>58,768</u>	<u>105,653</u>
<b>Net book value</b>					
At 31 December 2014	<u><u>5,158</u></u>	<u><u>10,073</u></u>	<u><u>9,716</u></u>	<u><u>23,435</u></u>	<u><u>48,382</u></u>
At 31 December 2013	<u><u>7,092</u></u>	<u><u>13,354</u></u>	<u><u>19,257</u></u>	<u><u>32,748</u></u>	<u><u>72,451</u></u>

### 7. DEBTORS

	2015 €	2014 €
Trade debtors	19,988	218,944
Other debtors	4,937	12,595
Prepayments and accrued income	26,802	27,380
	<u><u>51,727</u></u>	<u><u>258,919</u></u>

All debtors fall due within one year.

### 8. CREDITORS

Amounts falling due within one year	2015 €	2014 €
Bank overdrafts	1,662	592
Taxation (Note 10)	20,350	31,544
Other creditors	484,238	594,974
Capital Grant Income <1 Year	17,590	21,287
Accruals	17,378	37,316
	<u><u>541,218</u></u>	<u><u>685,713</u></u>

The bank holds a guarantee of €65,000

Included in other creditors is Deferred Undistributed Grants €483,638 (2014: €591,374). This is comprised of grants/funding for which related expenditure has not yet being incurred at the balance sheet date.

### 9. CREDITORS

Amounts falling due after more than one year	2015 €	2014 €
Capital Grant Income >1 Year	<u><u>32,401</u></u>	<u><u>27,096</u></u>

# County Kilkenny Leader Partnership Company Limited

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

## NOTES TO THE FINANCIAL STATEMENTS

continued

for the year ended 31 December 2015

10. TAXATION	2015	2014
	€	€
<b>Creditors:</b>		
PAYE	<u>20,350</u>	<u>31,544</u>

The company is recognised as a charity for tax purposes under Section 333 of the Income Tax Act 1967 and section 11(6) of the Corporation Tax Act 1976, and accordingly is exempt from corporation tax on its surpluses and chargeable gains. The Company's charitable status number is CHY 18191.

### 11. PENSION COSTS - DEFINED CONTRIBUTION

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Pension costs amounted to €42,223 (2014 - €52,234).

### 12. STATUS

The company is a company limited by guarantee and does not have a share capital. The liability of each member is limited to €1.

### 13. CAPITAL COMMITMENTS

The company had no material capital commitments at the year-ended 31 December 2015.

### 14. CONTINGENT LIABILITIES

The company is funded mainly by grants received from the Department of the Environment, Community and Local Government, Department of Social Protection, POBAL and Kilkenny County Council. These grants may be repayable in whole or part if certain conditions set out in the grant criteria and heads of agreement are not adhered to.

### 15. RELATED PARTY TRANSACTIONS

#### Directors' remuneration

No remuneration has been paid by County Kilkenny Leader Partnership to its directors during the year.

#### Directors' and their interests

The County Kilkenny Leader Partnership Limited is a company limited by guarantee and not having a share capital. Therefore the directors who served during the year did not have a beneficial interest in the company.

### 16. EVENTS AFTER END OF REPORTING PERIOD

The company is awaiting a decision from Pobal on behalf of the Department of Environment, Community and Local Government regarding whether the company has been successful in its tender bid to deliver the LEADER 2013 – 2020 programme.



## County Kilkenny Leader Partnership Company Limited

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

### NOTES TO THE FINANCIAL STATEMENTS

continued

for the year ended 31 December 2015

#### 17. GOING CONCERN

The company is mainly financed by the Department of Community Environment and Local Government (DECLG), the Department of Social Protection (DSP) and Pobal. It earns some income from private sector sources and other less regular public funding initiatives. Generally the administration of the programmes provided by the company must be applied for on a tender or contract basis and is subject to certain conditions being adhered to.

If some of the major public sector applications were unsuccessful and funding ceased or was reduced significantly the financial future of the company would be uncertain. The 2016 budgets have been confirmed for the following programmes - SICAP, RSS, TUS, Housing Aid, and Childcare. Warmer Homes and Outdoor Tourism have been discontinued.

The retention of the contract for direct delivery as 'Local Action Group' (LAG) of Rural Development Program ('LEADER') and the funding received has been of vital importance to the financial performance of KLP over the last number of years. The current RDP contract expired on the 31 March 2015. However 'continuance funding' has been provided by the DECLG for the completion of RDP projects remaining. They have committed to continue to fund the payroll and overhead costs associated with running the programme until end of June 2016.

At that stage the decision regarding the direct delivery of the LEADER 2013 - 2020 programme as LAG will be known. At the time of drafting as outlined in the Director's Report, KLP are one of two remaining contenders for the LAG status and the direct contract. While it is difficult to predict in the vacuum of knowledge available, not securing LAG status for the direct delivery would likely have a detrimental impact on the financial viability of the company and its ability to deliver smaller programmes such as TUS, Rural Social Scheme, Primary Health Care Programme, Ted's Den Childcare Facility, Rural Recreation Officer and Housing Aid. The latter programmes rely on the critical mass that the presence of an administration system supported by pillar programmes such as LEADER helps support. As a result of this uncertainty and following advice received, KLP put all staff members on protective notice.

While KLP is confident on the quality of its application for the new LEADER programme 2013 - 2020 and expects to be successful in that process, the company has prepared itself for the necessary changes required if it is unsuccessful. It is also conscious of the need to look to the future and diversify its suite of programmes to strengthen the financial position of the company.

Based on their current understanding of the processes, the directors believe that they will continue to administer grant aid for the aforementioned government departments either directly or indirectly. Therefore the accounts have been prepared on the going concern basis. This assumes that the company will continue in existence for the foreseeable future having adequate resources to meet its obligations when they fall due. In assessing whether the going concern assumption is appropriate, the directors have taken into account the period up to twelve months from the date of approval of these financial statements.

Should the company be unable to continue in operational existence for the foreseeable future, adjustments will to be made to reduce the balance sheet value of the assets to their recoverable amounts and to provide for future liabilities that might arise and to reclassify fixed assets and long term liabilities as current assets and liabilities.

#### 18. CONTINGENT ASSETS

The company engaged its solicitors in 2015 in relation to establishing who has legal ownership of the building from which the childcare facility Teds Den operates. At the financial year end the building is not an asset of the company but it is expected that legal ownership will be established in 2016 and title will be transferred to the County Kilkenny Leader Partnership Company Limited.

# County Kilkenny Leader Partnership Company Limited

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

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2015

continued

### 19. KEY MANAGEMENT

Key management includes the Board of Directors, all members of the company management and the company secretary. The compensation paid or payable to key management for employee services is as follows:

	2015	2014
	€	€
Salaries	179,309	189,265
Employer Pension	9,004	9,463
	<u>188,313</u>	<u>198,728</u>

### 20. KEY PROGRAMME DISCLOSURE

See page 23.

### 21. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 25 April 2016.



**COUNTY KILKENNY LEADER PARTNERSHIP COMPANY LIMITED**  
(A company limited by guarantee, without a share capital)

**SUPPLEMENTARY INFORMATION**

**RELATING TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2015**

**NOT COVERED BY THE REPORT OF THE AUDITORS**

## County Kilkenny Leader Partnership Company Limited

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

### SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS

#### DETAILED INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 December 2015

	2015 €	2014 €
<b>Income</b>		
Pobal	445,318	860,100
Warmer Homes	5,098	86,634
Environment, Community & Local Government	1,903,034	3,367,415
Dept Social Protection	142,700	170,143
Childcare Fees	67,378	63,038
Other Income	259,901	246,370
HSE	62,847	51,594
Kilkenny County Council	462,036	-
	<u>3,348,312</u>	<u>4,845,294</u>
<b>Expenditure</b>		
Programme Costs	1,824,008	3,377,498
Wages and salaries	889,049	986,505
Employers' PRSI	93,369	106,344
Redundancy Costs	76,471	21,401
Staff Pension Costs	42,223	52,234
Training Seminary and Meeting Expenses	10,892	11,807
Rent	64,242	71,833
Travel and Board Expenses	13,469	19,359
Insurance	36,861	28,212
Light and Heat	7,289	7,033
Repairs and Maintenance	14,726	15,546
Printing Postage Stationery & Office Costs	58,129	35,698
Advertising	27,732	7,780
Telephone	26,575	26,532
Motor Running Costs	11,508	17,893
Travelling Expenses	66,276	44,905
Legal and Professional Costs	2,247	1,086
Bank Charges	1,412	1,992
General Expenses	1,151	3,653
loss/(Profit) on Disposal	(350)	(500)
Auditor's remuneration	8,468	8,560
Depreciation	17,589	21,287
Amortisation of government grants	(17,589)	(21,287)
	<u>3,275,747</u>	<u>4,845,371</u>
<b>Net surplus/(deficit)</b>	<u>72,565</u>	<u>(77)</u>