

Scouting Ireland Services
(A company limited by guarantee not having a Share Capital and exempt
from using the term "CLG")

Directors' Report and Financial Statements for the Financial Year ended 31 August 2018

Company number: 397094
Charity number: CHY3507
CRA number: 20004347

Scouting Ireland Services

**REPORT AND ACCOUNTS
FINANCIAL YEAR ENDED 31 AUGUST 2018**

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Scouting Ireland Services

OFFICERS AND PROFESSIONAL ADVISORS

Reference and administrative details

Charity number: CHY 3507

Company number: 397094

Registered Office: National Office, Larch Hill, Dublin 16.

CRA number: 20004347

Our advisers

Auditors: Grant Thornton, Chartered Accountants & Statutory Audit Firm, 13 – 18 City Quay, Dublin 2.

Bankers: Ulster Bank, Central Dublin Business Centre, 33 College Green, Dublin 2

Solicitors:

Chris Van Der Lee & Associates, 9-10 Eustace Street, Dublin 2.

Sheehan & Co, 1 Clare Street, Dublin 2.

McConnell Kelly & Co, 217-219 Upper Newtownards Road, Belfast.

Mason Hayes & Curran, South Bank House, Barrow Street, Dublin 4.

Non-executive Directors:

Nominated chair: Aisling Kelly (appointed 07/10/18 & resigned 12/01/19)

Nominated chair: Adrian Tennant (appointed 12/01/19)

Elected Directors:

Claire McAroe (resigned 06/10/18)

Christopher McCann (resigned 06/10/18)

Therese Bermingham (resigned 06/10/18)

Annette Byrne (resigned 06/10/18)

Kieran McCann (resigned 06/10/18)

Mark Blake (resigned 04/10/18)

David Shalloo (resigned 06/10/18)

Joseph Doherty (resigned 06/10/18)

Greg Andersen (resigned 10/02/18)

Gary Gaughan (resigned 16/04/18)

Kieran Cody (resigned 16/04/18)

Mary Fricker (resigned 16/04/18)

Kevin Murphy (resigned 06/10/18)

Pat O'Suilleabhain (resigned 06/10/18)

David Walsh (resigned 16/04/18)

Paudy O'Brien (resigned 16/04/18)

David Byrne (resigned 16/04/18)

Charles McGuinness (resigned 06/10/18)

Derek Long (resigned 04/10/18)

Stephen Halpin (resigned 06/10/18)

Ann Browne (appointed 19/04/2018 & resigned 06/10/18)

Eoghan Calnan (appointed 19/04/18 & resigned 06/10/18)

Oliver Kehoe (appointed 20/04/18 & resigned 06/10/18)

Pat O'Connor (appointed 19/04/18 & resigned 06/10/18)

David O'Neill (appointed 19/04/18 & resigned 06/10/18)

Peter Garrad (appointed 07/10/18)

Aisling Kelly (appointed 07/10/18 & resigned 12/01/19)

Dermot Lacey (appointed 07/10/18)

Adrian Tennant (appointed 07/10/18)

Mary Hogg (appointed 07/10/18)

Lisa Barnes (appointed 07/10/18)

Patrick Kidney (appointed 07/10/18)

Paul Mannion (appointed 07/10/18)

Ned Brennan (appointed 07/10/18)

Brian Smith (appointed 07/10/18)

Company Secretary: Brian Smith (appointed 15/10/18)

Scouting Ireland Services

CHAIRPERSON'S STATEMENT FINANCIAL YEAR ENDED 31 AUGUST 2018

As Chairperson of the new board of Scouting Ireland Services I am pleased to present my first Chairperson's statement for the year 1 September 2017 - 31 August 2018.

The Board wish to acknowledge the commitment and contribution of the members of the National Management Committee (NMC) who agreed to remain in place following the appointment of the new Board in October 2018 to facilitate a legal and orderly wind-down of the Association consistent with the will of the EGM. Their work has been instrumental in the move to the new governance structure and in ensuring that the residual matters appropriate to the NMC are properly managed. The Board deeply appreciates their work and support.

The NMC and in particular the interim Chair did important work in reassuring Minister Zappone and her officials of the commitment of Scouting Ireland to best practice governance and safeguarding. This was vital in securing the restoration of our government funding. The Board has sought to build on this work and will present the final report to Government in respect of these matters in October 2019.

The year 2018-2019 continued to be one of significant and historic change within our organisation. These changes have put our organisation on a stronger and more sustainable path and will ensure that young people now and into the future will have the opportunity to learn important life skills through scouting.

The adoption of the recommendations of the Governance Review Group at an EGM on 6 October 2018 was a pivotal moment for our organisation. The new Governance structures, which represent more than four years work by the Governance Review Group, were developed with the assistance of legal professionals to ensure that the organisation of Scouting Ireland at national and local level is structured to best comply with the modern challenges for an organisation of this size. It is expected that once these new structures are fully implemented they will provide improved, accountable and transparent governance structures which provide a first class service to our members and the parents/guardians of our youth members.

Members also voted to adopt a new company structure which would see the NMC of Scouting Ireland replaced with a Board of Directors. The Board's role is one of oversight and is not operational in nature. Operational authority for the delivery of services is delegated to departments of the Company by the Board. Following the holding of elections, a new Board of Directors was elected in October 2018.

These changes create an environment for improved oversight of operations, clearer lines of responsibility and accountability for the delivery of services and procedures for corrective action where there are identified failures.

The Board and Executive Team are working closely together to implement the new corporate structures. This includes establishing new departments at national office including; finance and compliance, volunteer resource management and group support, safeguarding, transition, information and communications management, programme services, and corporate services. A new commercial services department is also planned. With the exception of the safeguarding department each of these departments will include a department manager, core teams, project teams, and support teams. All departments will report to the CEO who will report to the Board of Directors.

The Board is also in the process of establishing board sub committees including: nominations and remuneration, governance, compliance, health and safety, quality of scouting, financial audit and risk, safeguarding, and transition. The board subcommittees will support the board in overseeing Scouting Ireland Services and focus on matters that require more depth and to free up Board time to focus on the more strategic matters.

Addressing historical abuse in our legacy organisations was a priority of the Board and the Executives of Scouting Ireland Services during the year. It was deeply shocking and distressing for everyone involved in scouting to learn of the extent of historical abuse within the Catholic Boy Scouts of Ireland (CBSI) and the Scout Association of Ireland (SAI). Mr Elliott, the CEO and the team at the national office, with the full support of the Board, worked tirelessly to ensure that victims were listened to and supported. A dedicated helpline was established to allow victims come forward.

We recognise the personal traumas suffered by the alleged victims and we are providing counselling support to victims who wish to receive it. Scouting Ireland Services is observing all our statutory reporting requirements and we continue to work closely with An Garda Síochána and Túsla, the Child and Family Agency to ensure all complaints against alleged perpetrators still living are investigated thoroughly and appropriate action taken as necessary.

Scouting Ireland Services

CHAIRPERSON'S STATEMENT continued
FINANCIAL YEAR ENDED 31 AUGUST 2018

A consequence of these revelations was the suspension of government funding by the Department of Children and Youth Affairs which threatened the viability of the organisation. The new board engaged in a positive and constructive way with Minister Zappone and her officials, assuring them of our commitment to delivering on their requirements to facilitate the restoration of funding. I am pleased to report that funding has been restored to the end of 2019 and I thank the Minister and her officials for their continued support of scouting and of Scouting Ireland Services.

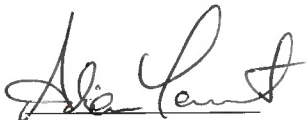
The board prepared a going concern assessment and is satisfied that, despite the excess of liabilities over assets, the cash flow projections indicate that Scouting Ireland Services is a going concern.

Despite these challenges, Scouting Ireland Services continued to play an important role in communities throughout the island of Ireland and nearly every person has either been a member of our organisation or knows a family member or friend who has been one. This is our strength. We recognise the trust parents, guardians and communities place in us, and we are determined to act in a way which upholds this trust.

Scouting Ireland is a movement for young people supported by adults. Our youth members have been strong voices as we debated the future of our organisation and they continue to inspire us with their innovation, dedication and bravery. For the many adult volunteers it is our privilege to support them.

The support we provide to over 38,000 youth members would not be possible without the dedication of our volunteers, whether at group, county or provincial level. I would like to thank our 12,000 dedicated, well trained motivated and caring volunteers on the island of Ireland for giving up their valuable time in order to bring the Scouting trail to so many young people.

I also want to thank John Lawlor, CEO, and the executive team at the National Office for the dedicated support they provide to our 500 groups across Ireland and for the guidance and support they have provided to myself and the new Board since our appointment in October 2018.



Adrian Tennant
Chairperson and Director

Date: 22/09/19

Scouting Ireland Services

DIRECTORS REPORT FINANCIAL YEAR ENDED 31 AUGUST 2018

The Directors, who are also the Trustees for the purposes of charity law, are pleased to present their annual Directors' report together with the financial statements of the charity for the financial year ending 31 August 2018 which are also prepared to meet the requirements for a Directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act, 2009, the Companies Act, 2014, the Company's Constitution, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Our Purpose

Scouting Ireland Services is dedicated to enabling and empowering young people to realise their full potential, through its core values based on the Scout Promise and Law, fostering active citizenship and helping create a better community, society and world.

Scouting Ireland Services is Ireland's leading non-formal educational Youth Movement: innovative, influential, dynamic and making a real contribution to local communities, across the island of Ireland with an inclusive and progressive culture (based on the Scout Law and Promise) with young people fulfilling their potential, facilitated by Adult Volunteers who are committed to the young person's education and personal development.

Scouting Ireland Services aims to have a progressive self-education, known as the Scout Method, the principle elements of which are:

- Voluntary membership of a Scout Group, which, guided by adults, is increasingly self-governing in its successive age groups.
- Commitment to a code of living as expressed in the Promise and Law, the meaning of which is expanded as the member grows towards maturity.
- The provision of a wide range of attractive, constructive and challenging activities, including opportunities for adventure and exploration both indoors and outdoors.
- The provision of opportunities for leadership and responsibility.
- Learning by doing.
- Encouragement of activity in small groups.
- An award scheme, which encourages participation in its full range of activities and provides recognition of individual and group achievements.

Scouting Ireland Services relies on grants and the income from membership, National Scout Centres, donations and National and International events.

Scouting Ireland Services

DIRECTORS REPORT continued **FINANCIAL YEAR ENDED 31 AUGUST 2018**

Achievements and performance

Scouting Ireland Services has a membership in excess of 50,000. Scouting Ireland Services is now active in over 500 communities in Ireland, with new groups established in 100 communities in the last six years. A total of 3.5% of all children in Ireland aged 6-18 years are members.

Scouting Ireland Services held a Jamboree at Stradbally Hall, Co. Laois between 25 July 2018 and 2 August 2018. A total of 3,500 Scouts and Scouters partook in this exciting fun filled event. There was also a visitor's day during the event where 2,500 people came to enjoy the spectacle which was Jambo-Rí 2018, with their family and friends.

Scouting Ireland Services sent a contingent of over 65 young people to an International Rover event called Roverway. The event took place in the Netherlands and included participants from 20 countries.

Scouting Ireland Services will host the 16th World Scout Moot in 2021. During the year, a base camp was identified and discussions were held with Fingal County Council to establish the base camp in Malahide Castle. A number of adventure trails were chosen throughout the island of Ireland which will support this event. The moot will attract up to 6,000 international visitors to Ireland from up to 100 countries.

Financial review

These financial statements have been prepared in accordance with the Statement of Recommended Practice (Accounting and Reporting by Charities) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective from 1 January 2015).

These financial statements cover the activities of Scouting Ireland Services at a National level, including National events, Jamborees and National Scout Centres. The activities of the Scout Provinces based in the Republic of Ireland are now included in the financial statements of Scouting Ireland (Association). The activities of the Northern Scout Province are included in the financial statements of The Scout Foundation (NI).

National Scout Centres income and expenditure excludes our National Scout Centre at Castle Saunderson, which is included within a related entity, Scouting Ireland Campsites and Facilities CLG.

Financial highlights:

- Deficit of €2.948m in 2017/18.
- Spending on charitable activities increased by 103% to €8.603m.

Financial Results

Income

Total income for the year amounted to €5.741m compared with €4.660m in 2017, an increase of 23%. Income from other trading activities includes membership and fundraising income. Membership fees increased to €2.047m, an increase of €0.74m. National Scout Centres income amounted to €0.732m (2017: €0.633m).

Scouting Ireland Services

DIRECTORS REPORT continued **FINANCIAL YEAR ENDED 31 AUGUST 2018**

Expenditure

Total expenditure during the year amounted to €8.689m (2017: €4.334m). The expenditure on charitable activities increased by €4.347m to €8.603m.

Expenditure on charitable activities includes expenditure relating to youth programme and activities, development of Scouting, adult support and training and support and services to the members (e.g. safeguarding and insurance) and National Scout Centres and events such as Jambo-Rí 2018.

National Scout Centres income and expenditure excludes our National Scout Centre at Castle Saunderson, which is included within a related entity, Scouting Ireland Campsites and Facilities CLG.

Reserves

Restricted and unrestricted reserves at the end of the year decreased by €2.948m. On the 31 August 2018 the unrestricted reserve was (deficit) - €1.060m (2017 €1.891m). The directors wish to increase the current level of reserves so that they are holding 3 – 6 months operating costs plus cover for additional potential costs.

Unrestricted General Funds Reserve

The Reserves Policy of the Company establishes an appropriate target range for the level of general 'free' reserves. The range is based on a risk assessment of the probability and likely impact on the Company's activities that might be caused by a decline in income, an inability to meet financial obligations, or an inability to reduce expenditure in the immediate short term.

Tangible Fixed Assets

The Company made capital investments during the year of €0.150m.

Remuneration / Pay Policy

The Directors consider the Board of Directors and the Senior Management Team (the Chief Executive Officer and Managers) as comprising the key management personnel of the charity in charge of directing and controlling, running and operating the Company on a day to day basis. The Directors give of their time freely and no director received remuneration in the year. Details of Directors' expenses are disclosed in note 11 of the accounts. The pay of the Senior Management Team is reviewed annually by the Remuneration Committee (a subcommittee of the Board) which takes into account market comparators, cost of living increases and the financial position of the organisation. The Remuneration Committee is responsible for approving all salaries. The remuneration benchmark is the mid-point of the range paid for similar roles. In view of the nature of the charity, the Directors benchmark against pay levels in other charities of a similar size run on a voluntary basis.

Investment powers and policy

The Directors, having regard to the liquidity requirements of operating Scouting Ireland Services, have kept available funds in an interest-bearing deposit account.

Provision for Liabilities

Included in the financial statements is an increase in the provision for liabilities of €2.565m. Under FRS 102 Scouting Ireland's Board of Directors are required to determine the liability for the historical child sexual abuse concerns in the legacy organisations; Catholic Boy Scouts of Ireland (CBSI) and the Scout Association of Ireland (SAI), so that the financial statements provide a true and fair view of the financial position at the financial year end. The Board retained a legal firm with extensive experience in this area to advise on the value of any liability arising from such claims or threatened claims. The Directors are satisfied that appropriate provision has been made in this year's accounts; however, it is anticipated that this provision will need to be reviewed on an annual basis in the future.

Plans for future periods

Scouting Ireland Services strategic plan envisages delivering on our mission, of empowering young people and our vision, of being Ireland's leading non-formal educational youth movement. Scouting Ireland Services will take a highly planned approach to sustainable development, delivering a strong understanding of the factors that drive success in Scout Groups locally. Scouting Ireland Services will develop the business of Scouting to directly support and fund core Scouting and our sustainable Scouting strategy.

Scouting Ireland Services

DIRECTORS REPORT continued **FINANCIAL YEAR ENDED 31 AUGUST 2018**

Structure, Governance and Management Governing Document

Scouting Ireland Services is a company limited by guarantee governed by its constitution incorporated under Companies Act, 2014. It is registered as a charity with the Charities Regulatory Authority. The members of the Company each agree to contribute €1.25 in the event of the charity being wound up.

Appointment of Directors

As set out in the constitution the board is nominated by Scouting Ireland Services National Council / AGM. All Directors must be able to hold the position in line with the requirements of the Companies Act, 2014 and the Charities Act, 2009.

Director induction and training

New Directors undergo an orientation day to brief them on: their legal obligations under charity and company law, inform them of the content of the Constitution, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction day they meet key employees and other Directors. All Directors are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The board of Directors, which can have up to 13 members, administers the charity. The board normally meets ten times per year and there are both standing committees and sub-committees which meet regularly. A Chief Executive Officer is appointed by the Directors to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive Officer has delegated authority, within terms of delegation applied by the Directors, for operational matters including finance, employment, health and safety, PR and Marketing.

Related parties and other related entities

Scouting Ireland Services provides key management personnel services and therefore has related parties, and these are noted in note 26 to the financial statement.

Risk management

The Directors are continually working to manage risk and uncertainties. The Audit and Risk Management subcommittee of the Board identifies financial and non – financial risks to Scouting Ireland Services continued operation. Robust policies and procedures are in place so that these risks are actively managed by the Board and the Executive. The principal risks and uncertainties identified are:

- the decrease or withdrawal in Youth Services Grant provided by the Department of Children and Youth Affairs;
- Safeguarding matters
- Health & Safety matters
- the decrease or withdrawal of funding from the Department of Employment Affairs & Social Protection community employment schemes
- volatility in membership numbers with a consequential impact on membership income;
- failure to implement Scouting Ireland's governance projects;
- The legal and regulatory environment in which Scouting Ireland Services operates in

Scouting Ireland Services

DIRECTORS REPORT continued FINANCIAL YEAR ENDED 31 AUGUST 2018

Events after the end of the reporting period

Scouting Ireland Services held an Extraordinary General Meeting on 6 October 2018 to consider changes to the Companies governing document. These changes were approved and the members of the Board of Directors resigned on that day. A new Board of non-executive Directors comprising 10 people were voted in and took office on 7 October 2018. The Board may co-opt up to 3 additional Directors, bringing the total number of Directors to 13.

Statement of Going Concern

Due to the material increase in the provision for liabilities in the financial statements the Directors undertook an assessment of going concern. This involved considering a report from Mason Hayes and Curran solicitors on the estimated potential legal liabilities, as well as a report from Sheehan and Company Solicitors which outlined likely timelines for current legal proceedings, and budgets and cashflows for 2019/2020.

The Board made a number of very challenging financial decisions:

- The Annual Registration Fee for all members, adult and youth, will be the same flat fee as of the 1st September 2019.
- The fee will move to €65 per person per annum (and the equivalent in Sterling), again as of from the 1st September 2019.
- To offset this increase, Scouting Ireland will organise a new all-island fundraising event for circa April/May annually to fund the Solidarity Fund. However, 50% of the funds raised will stay with the Group to support Scouting in the local community and the other 50% will go to Solidarity Fund (less the costs of running the event).
- The Board has decided that in order to support the Groups in every Scout County, that the County Rebate, which will fall due after the January 2020 returns, will be restored in full.
- The 12 Days of Christmas draw will move to 80% retained by the Groups and 20% sent to central funds. In relation to Scout Groups in Northern Ireland, the Board will look into developing a second fundraising opportunity in lieu of the 12 Days of Christmas which is not accessible for these Groups.

Other measures from a management accounting perspective are being taken to reduce costs where possible in the administration and management of the organisation. The board only approved capital expenditure which was deemed as absolutely essential. Added to this, the Board is actively exploring other income streams for the organisation.

As a consequence of these decisions the Board determined that Scouting Ireland Services is a going concern. While the balance sheet is in a deficit position, with liabilities being greater than assets, the Board has determined that the cashflow is sufficient to pay debts as they fall due. Therefore the Directors are of a view that Scouting Ireland Services is a going concern.

Accounting Records

The measures taken by the Directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act, 2014 with regard to the keeping of accounting records are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at Larch Hill, Dublin 16.

Statement of relevant audit information


Each of the persons who are Directors at the time when this Directors' report was approved has confirmed that:

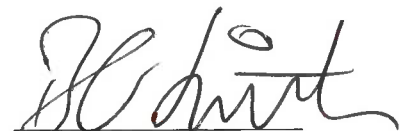
- so far as that Director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditor, Grant Thornton, will continue in office in accordance with section 383(2) of the Companies Act, 2014

Approved by the Directors on 22/02/19


Adrian Tennant
Director


Brian Smith
Director

Scouting Ireland Services

DIRECTORS REPORT continued
FINANCIAL YEAR ENDED 31 AUGUST 2018

Directors Responsibilities

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with Irish law and regulations.

Irish company law requires the Directors to prepare financial statements for each financial year giving a true and fair view of the state of affairs of the company for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance with Generally Accepted Accounting Practice in Ireland, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and Irish law.

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 for 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 and then apply them consistently;
- make judgments 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 operation.

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 Directors



Adrian Tennant
Director



Brian Smith
Director

Approved by the Directors on

22-05-19

Scouting Ireland Services

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCOUTING IRELAND SERVICES FINANCIAL YEAR ENDED 31 AUGUST 2018

Opinion

We have audited the financial statements of Scouting Ireland Services ("the company"), which comprise the Statement of Financial Activities, Statement of Financial Position and Statement of Cashflows the financial year ended 31 August 2018, and the related notes to the financial statements, including the summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (Generally Accepted Accounting Practice in Ireland).

In our opinion, Scouting Ireland Services' financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the assets, liabilities and financial position of the company as at 31 August 2018 and of financial performance and cash flows for the financial year then ended; and
- have been properly 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 'Responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, namely the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard concerning the integrity, objectivity and independence of the auditor, and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company'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.

Other information

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCOUTING IRELAND SERVICES (Continued)
FINANCIAL YEAR ENDED 31 AUGUST 2018

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. Based solely on the work undertaken in the course of our audit, in our opinion, the directors' report has been prepared in accordance with the requirements of the Companies Act 2014.

Matters on which we are required to report by exception

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

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by section 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

Responsibilities of management and those charged with governance for the financial statements

As explained more fully in the directors responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, including FRS 102, and for such internal control as they determine 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, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

Responsibilities of the auditor for the audit of the financial statements

The auditor's 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 their 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCOUTING IRELAND SERVICES (Continued)
FINANCIAL YEAR ENDED 31 AUGUST 2018

Responsibilities of the auditor for the audit of the financial statements (continued)

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. The auditor will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a matter that achieves a true and fair view.

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

The purpose of our audit work and to whom we owe our responsibilities

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.


Tracey Sullivan FCA

For and on behalf of
Grant Thornton
Chartered Accountants
& Statutory Audit Firm
13 – 18 City Quay
Dublin 2

Date: 22.09.2019

Scouting Ireland Services

STATEMENT OF FINANCIAL ACTIVITIES, INCLUDING THE INCOME & EXPENDITURE ACCOUNT FOR FINANCIAL YEAR ENDED 31 AUGUST 2018

	<i>Note</i>	Unrestricted Funds €'000	Restricted Funds €'000	Total Funds 2018 €'000	Total Funds 2017 €'000
Income :					
Donations	4	-	-	-	53
Income from Charitable Activities	5	2,163	1,390	3,553	2,492
Income from Other Trading Activities	6	2,111	-	2,111	2,039
Other	7	77	-	77	76
Total Income		<u>4,351</u>	<u>1,390</u>	<u>5,741</u>	<u>4,660</u>
Expenditure:					
Costs of raising funds	8	77	-	77	64
Expenditure on Charitable Activities	9	7,216	1,387	8,603	4,256
Other		9	-	9	14
Total Expenditure		<u>7,302</u>	<u>1,387</u>	<u>8,689</u>	<u>4,334</u>
Net Income / (Expenditure)		<u>(2,951)</u>	<u>3</u>	<u>(2,948)</u>	<u>326</u>
Net movement in funds for the year		<u>(2,951)</u>	<u>3</u>	<u>(2,948)</u>	<u>326</u>
Reconciliation of funds		<u>(2,951)</u>	<u>3</u>	<u>(2,948)</u>	<u>326</u>
Total funds brought forward	28	1,891	-	1,891	1,664
Prior year adjustment to reserves		-	-	-	(99)
Total funds carried forward	28	<u>(1,060)</u>	<u>3</u>	<u>(1,057)</u>	<u>1,891</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes at pages 16 to 31 form part of these accounts.

Scouting Ireland Services

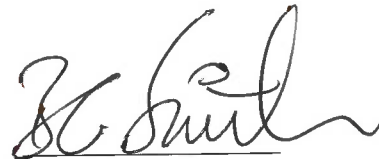
STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2018

	Notes:	<u>31.08.2018</u>	<u>31.08.2017</u>
		€'000	€'000
Fixed Assets			
Tangible assets	14	2,581	2,707
Financial assets	15	-	-
		<u>2,581</u>	<u>2,707</u>
Current Assets			
Stocks	16	11	13
Debtors: amounts falling due after more than one year	17	18	29
Debtors: amounts falling due within one year	17	368	321
Deposit on fixed assets		4	-
Cash at bank and in hand	18	2,221	2,046
		<u>2,622</u>	<u>2,409</u>
Total Current Assets			
Liabilities			
Creditors falling due within one year	19	(2,519)	(2,037)
		<u>103</u>	<u>372</u>
Net Current Assets			
		2,684	3,079
Total assets less current liabilities			
Creditors falling due after more than one year	20	(1,042)	(1,053)
Provision for liabilities	23	(2,700)	(135)
Net (liabilities) / assets		<u>(1,057)</u>	<u>1,891</u>
The Funds of the Charity :			
Unrestricted Income Funds	28	(1,060)	1,891
Restricted Income Funds		3	-
Total charity funds		<u>(1,057)</u>	<u>1,891</u>

Signed on behalf of the directors:



Adrian Tennant
Director



Brian Smith
Director

On behalf of the Board of Directors on 22/09/19

The notes at pages 16 to 31 form part of these accounts.

Scouting Ireland Services

**STATEMENT OF CASH FLOWS
FOR FINANCIAL YEAR ENDED 31 AUGUST 2018**

	Notes	2018 Total €'000	2017 Total €'000
Cash flows from operating activities			
(Deficit) / Surplus for the financial year		(2,948)	326
Adjustments for:			
Depreciation of tangible fixed assets		278	268
(Increase) in deposit on fixed assets		(7)	-
Government grants amortized		(10)	(10)
Decrease in stocks		3	4
Interest paid		8	14
(Increase) in debtors		(35)	(38)
Increase in creditors		477	343
Increase / (Decrease) in provisions		2,565	(590)
Net cash generated from operating activities		<u>331</u>	<u>317</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(150)	(685)
Net cash used in investing activities		<u>(150)</u>	<u>(685)</u>
Cash flows from financing activities			
Closed Group fund movement in year		49	(17)
Interest paid		(9)	(14)
Net cash from/(used in) financing activities		<u>40</u>	<u>(31)</u>
Net Increase/(Decrease) in cash and cash equivalents		221	(399)
Cash and cash equivalents at the beginning of the reporting period	18	1,222	1,720
Prior year adjustment to reserves	28	-	(99)
Cash and cash equivalents at the end of the reporting period	18	<u>1,443</u>	<u>1,222</u>
Cash at bank and in hand	18	<u>1,443</u>	<u>1,222</u>

The notes at pages 16 to 31 form part of these accounts.

Scouting Ireland Services

NOTES TO THE FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 AUGUST 2018

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

A) Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) (effective 1 January 2015) - (Charities SORP (FRS102)) and the Companies Act, 2014. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those issued by the Financial Reporting Council.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are presented in Euro (€), which is also the functional currency of the charity, and are rounded to the nearest thousand unless stated otherwise.

B) Preparation of the accounts on a going concern basis

Due to the material increase in the provision for liabilities in the financial statements the Directors undertook an assessment of going concern. This involved considering a report from Mason Hayes and Curran solicitors on the estimated potential legal liabilities, as well as a report from Sheehan and Company Solicitors which outlined likely timelines for current legal proceedings, and budgets and cashflows for 2019/2020.

The Board made a number of very challenging financial decisions:

- The Annual Registration Fee for all members, adult and youth, will be the same flat fee as of the 1st September 2019.
- The fee will move to €65 per person per annum (and the equivalent in Sterling), again as of from the 1st September 2019.
- To offset this increase, Scouting Ireland will organise a new all-island fundraising event for circa April/May annually to fund the Solidarity Fund. However, 50% of the funds raised will stay with the Group to support Scouting in the local community and the other 50% will go to Solidarity Fund (less the costs of running the event).
- The Board has decided that in order to support the Groups in every Scout County, that the County Rebate, which will fall due after the January 2020 returns, will be restored in full.
- The 12 Days of Christmas draw will move to 80% retained by the Groups and 20% sent to central funds. In relation to Scout Groups in Northern Ireland, the Board will look into developing a second fundraising opportunity in lieu of the 12 Days of Christmas which is not accessible for these Groups.

Other measures from a management accounting perspective are being taken to reduce costs where possible in the administration and management of the organisation. The board only approved capital expenditure which was deemed as absolutely essential. Added to this, the Board is actively exploring other income streams for the organisation.

As a consequence of these decisions the Board determined that Scouting Ireland Services is a going concern. While the balance sheet is in a deficit position, with liabilities being greater than assets, the Board has determined that the cashflow is sufficient to pay debts as they fall due. Therefore the Directors are of a view that Scouting Ireland Services is a going concern.

Scouting Ireland Services

NOTES TO THE FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 AUGUST 2018

C) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Membership income is payable annually by the registration due date. Membership fees are recognised as income in the period in which they are received on the basis of census returns from individual Scout Groups. Members who join Scout Groups subsequent to the return of the census data do not pay until the next registration due date. Membership income is stated after deduction of Scout Group incentives.

Income received in advance of an event is deferred until the criteria for income recognition are met (see notes 4, 5, 6 & 7).

D) Donated services and facilities

In accordance with the Charities SORP (FRS102) general volunteer time is not recognised. Please refer to the Directors' Report for more information about their contribution.

E) Interest Receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

F) Fund Accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for projects that are undertaken by it.

G) Expenditure and Irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

H) Cost of Raising Funds

Costs of raising funds comprise of the costs of fundraising activities and other associated costs.

I) Charitable Activities

Expenditure on charitable activities includes all of the Charity's resources in undertaking the work to meet its charitable objectives. Costs of charitable activities include direct costs of the charitable activities, support costs incurred to deliver those activities and governance costs which provide the charities governance infrastructure.

Other expenditure represents those items not falling into any other heading.

Scouting Ireland Services

NOTES TO THE FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 AUGUST 2018

J) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs and support staff costs. The basis on which support costs have been allocated are set out in Note 9.

K) Governance Costs

Governance costs are those activities which provide the governance infrastructure which allows the Charity to operate and to generate the information required for public accountability.

L) Tangible Fixed Assets

Depreciation is provided at rates calculated to write down the cost or valuation of each asset to its estimated residual value, over its expected useful life on a straight line basis. The depreciation rates in use are as follows;

Asset Category	Depreciation rates
Land and Buildings	2%/4%/10%
Fixtures and fittings	33%
Computer equipment	33%
Motor vehicles	33%
Motor boats	33%

Capital Expenditure in excess of €1K is taken to the Statement of Financial Position in the year it is incurred and depreciated over its useful life. Expenditure of less than this amount is charged to the Statement of Financial Activities.

M) Stock

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

N) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the net amount prepaid.

O) Cash at bank and in hand

Cash at bank and cash in hand includes cash, current and deposit or similar accounts.

P) Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

Q) Closed and Inactive Scout Groups

When a Scout Group becomes inactive or ceases, the custody of its assets is transferred to the charity and held as Closed Group Funds. If any of these assets are sold, the proceeds are transferred to Scouting Ireland Services and held as Closed Group Funds. Closed Group Funds are held for a period of up to 6 years to support any Scout Groups that may reopen. Where a Scout Group remains closed for more than 6 years, the funds may be used to directly support the development of Scouting. This period may be extended for a further 3 years at the discretion of the Board of Directors on a case by case basis.

Scouting Ireland Services

NOTES TO THE FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 AUGUST 2018

R) Pensions

The company has in place a PRSA scheme as prescribed by legislation. Membership of the scheme is voluntary and employees may join immediately upon employment.

The company has in place a defined contribution pension scheme for certain employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Statement of Financial Activities.

The company also operates an executive pension plan. Scouting Ireland Services act as trustee for this pension plan.

S) Financial Instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, and impairment loss is recognised in the Statement of Financial Activities.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Activities when there is an 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.

2 Legal status

The company is a company limited by guarantee and not having a share capital. The liability of each member in the event of winding up is limited to €1.25.

3 Investment Income

The company does not receive investment income other than deposit interest.

4 Income from Donations

There was no donations income (2017: €0.053m) all of which was unrestricted funds.

The company benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with FRS102 and the Charities SORP (FRS102), the economic contribution of its volunteers is not recognised in the Financial Statements.

Scouting Ireland Services

NOTES TO THE FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 AUGUST 2018

5 Income from Charitable Activities	Notes	Unrestricted 2018 €'000	Restricted 2018 €'000	Financial Year Ended 31.08.2018 Total €'000	Financial Year Ended 31.08.2017 Total €'000
Department of Children and Youth Affairs					
Grant funding (Restricted)	5.1A	-	893	893	916
Operation Lelievlet (Restricted)	5.1B	-	-	-	100
Department of Transport, Tourism and Sport					
Grant funding (Restricted)	5.1C	-	-	-	25
Department of Employment Affairs & Social Protection					
CE Scheme Grants (Restricted)	5.2	-	497	497	465
Jambori 18		1,135	-	1,135	-
National Scout Centres Income		732	-	732	633
National Events Income		170	-	170	296
Roverway 2018		79	-	79	-
Erasmus Time to Welcome		47	-	47	4
World Scout Moot 2017		-	-	-	53
		2,163	1,390	3,553	2,492

5.1 Government Grant Aid Funding		Financial Year Ended 31.08.2018 €'000	Financial Year Ended 31.08.2017 €'000
Grant from Department of Children & Youth Affairs			
Youth Service Grant Scheme	5.1A	877	866
Youth Services Grant – 16 th World Scout Moot 2021	5.1A	16	-
Youth Capital Funding Scheme 16/17	5.1A	-	50
		893	916
Youth Employment Project - Operation Lelievlet	5.1B	-	100
Grant from Department of Transport , Tourism and Sport			
Sports Capital Programme	5.1C	-	25

In the calendar year 2018, the grant funding provided by the Department of Children and Youth Affairs for the Youth Services grant scheme is €0.877m (2017: €0.877m). The grant funding is received in quarterly instalments during the course of the year. The purpose of the grant is to help towards staff costs. Due to the income recognition requirements under Charities SORP (FRS 102) the total grants received during the financial year are recognised in that year.

In the calendar year 2018, the grant funding provided by the Department of Children and Youth Affairs for the Youth Capital funding scheme is €NIL (2017: €0.05m). The grant funding was received on a once off basis in the prior Financial year.

In the calendar year 2018 the grant funding provided by the Department of Transport, Tourism and Sport for the Sports Capital Programme -The Sports Capital project is €NIL (2017: €0.025m).

Scouting Ireland Services

NOTES TO THE FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 AUGUST 2018

5.2 Department of employment affairs and social protection community employment schemes

This represents the net income from the Department of Employment Affairs and Social Protection community employment schemes operated at our National Scout Centres in Larch Hill and Mount Melleray.

	Larch Hill €'000	Mount Melleray €'000	Financial Year Ended 31.08.2018 Total €'000	Financial Year Ended 31.08.2017 Total €'000
Grant Income	221	273	494	463
Other Income	-	3	3	2
	<u>221</u>	<u>276</u>	<u>497</u>	<u>465</u>

6 Income from Other Trading Income

	Notes	Financial Year Ended 31.08.2018 €'000	Financial Year Ended 31.08.2017 €'000
Membership Income	6.1	2,047	1,973
Fundraising income		64	66
		<u>2,111</u>	<u>2,039</u>

6.1 Membership Income

	Financial Year Ended 31.08.2018 €'000	Financial Year Ended 31.08.2017 €'000
Membership Fees	2,055	1,996
Less :		
2nd year rebate	(8)	(23)
	<u>2,047</u>	<u>1,973</u>

7 Income earned from Other Trading Activities

	Financial Year Ended 31.08.2018 €'000	Financial Year Ended 31.08.2017 €'000
Service Level Agreements	75	38
Other income	-	38
Acadamoot	2	-
	<u>77</u>	<u>76</u>

Scouting Ireland Services

**NOTES TO THE FINANCIAL STATEMENTS
FOR FINANCIAL YEAR ENDED 31 AUGUST 2018**

8 Analysis of expenditure on costs of raising funds

	Financial Year Ended 31.08.2018 €'000	Financial Year Ended 31.08.2017 €'000
Fundraising Costs		
12 Days of Christmas	57	40
Grants paid to National Scout Centres from 12 days of Christmas Draw	20	14
	<u>77</u>	<u>64</u>

9 Analysis of expenditure on charitable activities

Expenditure on Charitable activities are split into direct, support and governance costs. Staff costs are split between direct and support costs. Support staff costs includes the cost of staff involved in central operations.

	Notes	Direct €'000	Support €'000	Governance €'000	Financial Year Ended 31.08.2018 Total €'000	Financial Year Ended 31.08.2017 Total €'000
Administration	9.1	504	545	79	1,128	990
Staff Costs (note 11)		1,203	491	-	1,694	1,558
Provincial Offices		21	-	-	21	18
International and affiliation fees		41	-	-	41	47
National Scout Centres operations and development		763	-	-	763	717
Youth programme		1	-	-	1	27
Adult resources	9.2	38	-	-	38	44
Scout county and provincial expenditure		224	-	-	224	207
Communications and public relations		7	-	-	7	10
Volunteer travel and subsistence		81	-	-	81	99
Audit and accounting fees	9.3	-	-	39	39	36
DEASP CE Scheme expenditure	9.4	495	-	-	495	470
National Events expenditure		175	-	-	175	272
Den development grants	9.5	-	-	-	-	11
Heritage Expenses		3	-	-	3	3
Legal provision	9.6	-	2,565	-	2,565	(590)
World Scout Jamboree 2019		-	-	-	-	11
Roverway		77	-	-	77	1
World Scout Moot 2021		28	-	-	28	51
Operation Lelievlet expenditure		-	-	-	-	148
Safeguarding		26	-	-	26	21
World Scout Conference 2017		-	-	-	-	4
Grants Paid Out		-	-	-	-	28
Jambo-ri 2018		1,143	-	-	1,143	19
World Scout Moot 2017		-	-	-	-	47
Erasmus Time to Welcome / Messenger of Peace		54	-	-	54	7
		<u>4,884</u>	<u>3,601</u>	<u>118</u>	<u>8,603</u>	<u>4,256</u>

Expenditure on charitable activities was €8.603m (2017: €4.256m) of which €7.216m was unrestricted (2017: €2.699m) and €1.387m was restricted (2017: €1.557m)

Scouting Ireland Services

NOTES TO THE FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 AUGUST 2018

9.1 Administration costs	Direct €'000	Support €'000	Governance €'000	Financial Year Ended 31.08.2018	Financial Year Ended 31.08.2017
				Total €'000	Total €'000
Insurance	367	-	-	367	273
Postage, telephone and broadband	-	56	-	56	53
Legal and professional fees	-	371	-	371	383
Stationery	-	8	-	8	5
Computer expenditure	-	26	-	26	13
Meeting Costs	-	-	79	79	40
Light, cleaning and maintenance contracts	-	79	-	79	73
Photocopier and equipment costs	-	5	-	5	7
Depreciation and Amortisation of grant	113	-	-	113	106
Sundries	24	-	-	24	37
	504	545	79	1,128	990

9.2 Adult resources	Direct €'000	Support €'000	Governance €'000	Financial Year Ended 31.08.2018	Financial Year Ended 31.08.2017
				Total €'000	Total €'000
SQS and Adult Leader Training	34	-	-	34	36
Awards	-	-	-	-	4
Chief Scout Initiatives	4	-	-	4	4
	38	-	-	38	44

9.3 Auditors remuneration	Direct €'000	Support €'000	Governance €'000	Financial Year Ended 31.08.2018	Financial Year Ended 31.08.2017
				Total €'000	Total €'000
Audit of Individual company accounts	-	-	28	28	28
Other Non - Audit services	-	-	11	11	8
	-	-	39	39	36

Scouting Ireland Services

NOTES TO THE FINANCIAL STATEMENTS
FOR FINANCIAL YEAR ENDED 31 AUGUST 2018

9.4 Department of Employment Affairs and Social Protection community employment schemes

	Direct €'000	Support €'000	Governance €'000	Financial Year Ended 31.08.2018 Total €'000	Financial Year Ended 31.08.2017 Total €'000
Larch Hill					
Wages and salaries	212	-	-	212	219
Materials and training	5	-	-	5	2
Insurance	-	-	-	-	1
Travel	10	-	-	10	7
	<u>227</u>	<u>-</u>	<u>-</u>	<u>227</u>	<u>229</u>
Mount Melleray					
Wages and salaries	253	-	-	253	231
Materials and training	15	-	-	15	10
	<u>268</u>	<u>-</u>	<u>-</u>	<u>268</u>	<u>241</u>
	<u>495</u>	<u>-</u>	<u>-</u>	<u>495</u>	<u>470</u>

9.5 Den development

	Direct €'000	Support €'000	Governance €'000	Financial Year Ended 31.08.2018 Total €'000	Financial Year Ended 31.08.2017 Total €'000
Den development grant	-	-	-	-	11
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11</u>

9.6 Legal Provisions

	Direct €'000	Support €'000	Governance €'000	Financial Year Ended 31.08.2018 Total €'000	Financial Year Ended 31.08.2017 Total €'000
Opening Provision	-	135	-	135	725
Charge to Statement of Financial Activities	-	2,565	-	2,565	(590)
Closing Provision	<u>-</u>	<u>2,700</u>	<u>-</u>	<u>2,700</u>	<u>135</u>

Refer to note 23 and 24 for details.

Scouting Ireland Services

NOTES TO THE FINANCIAL STATEMENTS
FOR FINANCIAL YEAR ENDED 31 AUGUST 2018

10 Net (expenditure) / income for the year

	Financial Year Ended 31.08.2018 €'000	Financial Year Ended 31.08.2017 €'000
<i>This is stated after charging:</i>		
Depreciation	278	268
Bank Interest payable	9	8
Foreign Exchange Movement	(2)	7

11 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

The average number of full-time equivalent employees during the year was 35 (2017:35). This excludes those employed on the Department of Employment Affairs & Social Protection community employment schemes.

	Direct €'000	Support €'000	Governance €'000	Financial Year Ended 31.08.2018 Total €'000	Financial Year Ended 31.08.2017 Total €'000
Staff Costs	917	356	-	1,273	1,236
PRSI Costs	93	39	-	132	126
Pension Costs	9	22	-	31	31
Termination Payment	60	24	-	84	-
	1,079	441	-	1,520	1,393
Staff Travel	105	43	-	148	144
Staff Training	18	8	-	26	21
	123	51	-	174	165

These staff costs exclude the wages and salaries of those employees directly employed by Scouting Ireland's National Scout Centres.

There was two termination payments totalling €83,846 paid during the Financial year.

A total of 2 employees (2017:2) earned remuneration in excess of €70,000 as follows:

	Financial Year Ended 31.08.2018 No.	Financial Year Ended 31.08.2017 No.
€70,001 to €80,000	-	1
€80,001 to €90,000	1	-
€90,001 to €100,000	-	1
€100,001 to €110,000	1	-

Director expenses

During the year 26 (2017: 24) directors were reimbursed for their out of pocket expenses incurred attending meetings and carrying out their duties. The total amount reimbursed was €21,600 (2017: €28,537). They were not paid and did not receive any other benefits (2017: €NIL).

The management team earned a total of €0.438m (2017: €0.382m)

Scouting Ireland Services

NOTES TO THE FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 AUGUST 2018

12 Staff Numbers

The average number of full time equivalent employees during the year was 66 (2017:68). This includes those employed on the Department of Employment Affairs and Social Protection community employment schemes. The number are broken down as follows:

	Financial Year Ended 31.08.2018	Financial Year Ended 31.08.2017
	No.	No.
Direct Staff	27	27
Support Staff	9	8
DEASP Supervisors	2	2
DEASP Participants	28	31
	66	68

13 Corporation Taxation

No charge to corporation tax arises because the company has been granted charitable tax exemption by the Revenue Commissioners.

14 Tangible Fixed Assets

Cost	Land & Buildings	Fixture & Fittings	Motor Boats	Motor Vehicles	Computer Equipment	Total
	€'000	€'000	€'000	€'000	€'000	€'000
Opening Balance 01/09/2017	4,114	793	24	24	375	5,330
Additions	69	49	-	-	34	152
Disposals	-	-	-	-	(2)	(2)
Closing Balance 31/08/2018	4,183	842	24	24	407	5,480
 Depreciation						
Opening Balance 01/09/2017	1,530	728	24	24	317	2,623
Depreciation Charge	168	57	-	-	53	278
Disposals	-	-	-	-	(2)	(2)
Closing Balance 31/08/2018	1,698	785	24	24	368	2,899
 Net book value						
N.B.V. @ 31/08/18	2,485	57	-	-	39	2,581
N.B.V. @ 31/08/17	2,584	65	-	-	58	2,707

Scouting Ireland Services

NOTES TO THE FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 AUGUST 2018

	Financial Year Ended 31.08.2018	Financial Year Ended 31.08.2017
	€'000	€'000
15 Financial Assets		
Opening Balance 01/09/2017	-	-
Additions (Note)	-	-
Closing Balance 31/08/2018	-	-

Scouting Ireland Services acquired 100% of Scouting Ireland (N.I.) Ltd. The registered address of Scouting Ireland (N.I.) Ltd is 228 Antrim Road, Belfast, Co. Antrim. The cost of this investment was €116 and as the accounts of Scouting Ireland Services are presented rounded to the nearest thousand, this investment has not been shown on the balance sheet or associated note above.

	Financial Year Ended 31.08.2018	Financial Year Ended 31.08.2017
	€'000	€'000
16 Stocks		
Stock of miscellaneous materials and stationery	11	13

The replacement cost of stocks does not differ materially from the balance sheet amounts.

	Financial Year Ended 31.08.2018	Financial Year Ended 31.08.2017
	€'000	€'000
17 Debtors		
Due after more than one year		
Other debtors	18	29
Due within one year		
Trade Receivables	38	6
Other debtors	20	17
Prepayments	208	217
Amounts owed by related parties	102	81
	368	321

There is no bad debt provision (2017: none)

	Financial Year Ended 31.08.2018	Financial Year Ended 31.08.2017
	€'000	€'000
18 Cash and cash equivalents		
Cash at bank and in hand	2,221	2,046
Less Bank Overdraft	(8)	-
Less Bank Loan	(770)	(824)
	1,443	1,222

Scouting Ireland Services

NOTES TO THE FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 AUGUST 2018

19 Creditors : amounts falling due within one year	Financial Year Ended 31.08.2018 €'000	Financial Year Ended 31.08.2017 €'000
Trade payables	245	166
Accruals	1,053	961
PAYE/PRSI/Local Property Tax	59	32
Bank overdraft	8	-
Bank Loan < 1 Year	54	58
Amounts owed to related parties	511	511
Deferred income (designated funds)	512	236
Deferred income (capital grants)	10	10
DEASP CE Scheme Mount Melleray deferred income	34	30
DEASP CE Scheme Larch Hill deferred income	33	33
	2,519	2,037

Included within deferred income (designated funds) is an amount of €0.156m in respect of deferred membership fees and €0.010m in respect of deposits received.

Amounts owed to related parties and other entities are unsecured, interest free and are repayable on demand.

Trade and other creditors are payable at various dates over the coming months in accordance with the suppliers' usual and customary credit terms.

Other taxes including social insurance are repayable at various dates in accordance with the applicable statutory provisions.

The amount owed to the Scout Foundation represents a government grant received by The Scout Foundation which was used by Scouting Ireland (CSI) to build the National Office at Larch Hill and is payable to The Scout Foundation.

20 Creditors : amounts falling due after more than one year

	Notes	Financial Year Ended 31.08.2018 €'000	Financial Year Ended 31.08.2017 €'000
Deferred Income (Capital Grants)	21	128	138
Closed group fund	22	198	149
Bank Loan > 1 Year		716	766
		1,042	1,053

Scouting Ireland Services

NOTES TO THE FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 AUGUST 2018

21 Deferred Income (Capital Grants)

	Financial Year Ended 31.08.2018 €'000	Financial Year Ended 31.08.2017 €'000
Capital Grant		
Opening Balance	148	158
Amortised during the period	(10)	(10)
Closing Balance	138	148
Split as :		
Creditors due > 1 year	128	138
Creditors due < 1 year	10	10
	138	148

22 Closed Group Fund

The closed group fund is included within creditors falling due after one year. Closed group reserves in included within unrestricted reserves.

	Opening Balance 01.09.2017 €'000	Net Transfers €'000	Closing Balance 31.08.2018 €'000
Closed group fund	149	49	198

23 Provision for Liabilities

	Financial Year Ended 31.08.2018 €'000	Financial Year Ended 31.08.2017 €'000
Opening provision	135	725
Charge to Statement of Financial Activities	2,565	(590)
Closing Provision	2,700	135

Included in the financial statements is an increase in the provision for liabilities of €2.565m. Under FRS 102 Scouting Ireland's Board of Directors are required to determine the liability for the historical child sexual abuse concerns in the legacy organisations; Catholic Boy Scouts of Ireland (CBSI) and the Scout Association of Ireland (SAI), so that the financial statements provide a true and fair view of the financial position at the financial year end. The Board retained a legal firm with extensive experience in this area to advise on the value of any liability arising from such claims or threatened claims. The Directors are satisfied that appropriate provision has been made in this year's accounts; however, it is anticipated that this provision will need to be reviewed on an annual basis in the future.

Refer to note 24 for details.

Scouting Ireland Services

NOTES TO THE FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 AUGUST 2018

24 Contingent Liabilities and Charges

Scouting Ireland offers unique experiences to 6 to 25 year olds in order to encourage them to strive to realise their full potential as active citizens. Putting young people first is the key objective that underpins everything we do. It has always been the policy of Scouting Ireland to ensure that young people are protected from harm; this has been at the forefront of developing both our safeguarding education and our processes and procedures. However, the nature of this work could give rise to additional potential claims against Scouting Ireland that have not been included in the company's provision for liabilities as noted at Note 23 .

25 Capital Commitment

At the financial year end the Company had capital commitments for buildings of €NIL (2017:NIL)

26 Related parties and other entities

The Charity enjoys a close working relationship with all of the entities listed below.

Membership fees of €2.047m, National Campsite income, National training and events income and Provincial events income was received from Scout Groups and individual members during the year. A donation of €NIL (2017: €0.05m) was received from the Outdoor Adventure Store (Liffey Street) Limited during the year and is included in income as a donation.

The Intercompany balances are as follows:

	Financial Year Ended 31.08.2018 €'000	Financial Year Ended 31.08.2017 €'000
Due from related parties :		
Scouting Ireland Campsite and Facilities CLG	102	81
Due to related parties :		
The Scout Foundation	511	511

Scouting Ireland Services

NOTES TO THE FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 AUGUST 2018

27 Pension

Some staff are members of a defined contribution pension scheme. Contributions by the company are charged to the Statement of Financial Activities as incurred. The assets of the scheme are held separately to the assets of the company. The employer's contributions made to the scheme in 2018 were €0.024m (2017: €0.024m). The company had no accrual in respect of this scheme (2017: €0.004m).

The company operates an executive pension plan. Contributions by the company are charged to the Statement of Financial Activities as incurred. Scouting Ireland Services act as trustee for this pension plan. The employer's contributions made to the scheme in 2018 were €0.007m (2017: €0.007m). The company had no accrual in respect of this scheme (2017: €Nil).

In addition the company provides access to pension advice and facilitates payments through the payroll system to employees personal retirement savings accounts (PRSA's). Membership of the scheme is voluntary and employees may join immediately upon commencing employment. There was no liability outstanding on the PRSA at the year end.

28 Analysis of Funds


	Opening Balance	Incoming Resources	Resources Expended	Closing Balance
	€'000	€'000	€'000	€'000
Analysis of unrestricted reserve	1,891	4,351	(7,302)	(1,060)
Analysis of restricted reserve	-	1,390	(1,387)	3
	<u>1,891</u>	<u>5,741</u>	<u>(8,689)</u>	<u>(1,057)</u>

29 Post Balance Sheet Events

Scouting Ireland Services held an Extraordinary General Meeting on 6 October 2018 to consider changes to the Companies governing document. These changes were approved and the members of the Board of Directors resigned on that day. A new Board of non-executive Directors comprising 10 people were voted in and took office on 7 October 2018. The Board may co-opt up to 3 additional Directors, bringing the total number of Directors to 13.

30 Approval of the Financial Statements

These financial statements were approved by the Board of Directors on 22/09/19


 22/09/19