

Company Registration No. 317308 (Republic of Ireland)
CHY No. 13164

**MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY
GUARANTEE**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

COMPANY INFORMATION

Directors	Jim Mullin Hugh Farren Robert Farren Kevin Farren Caroline Harley Eamonn Ward Caitriona Doherty
Secretary	Eibhlin Porter
Company number	317308
Registered Charity Number	20040253
Registered office	Killourt Malin Head Co. Donegal
Auditor	McLaughlin McGonigle St Helens St Oran's Road Buncrana Co. Donegal Ireland
Business address	Malin Head Community Centre Malin Head Co. Donegal Ireland
Bankers	Bank of Ireland The Diamond Carndonagh Co. Donegal Ireland
Solicitors	M.D. White & Co. Solicitors Carndonagh Business Centre Carndonagh Co. Donegal Ireland

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

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MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2021

The directors present their annual report and financial statements for the year ended 30 September 2021.

Principal activities

The principal activity of the company during the year continued to be the promotion and operation of a community development programme.

Fair review of the business

The directors consider the results for the year and the financial position at the year end satisfactory, despite the ongoing interruption to activities caused by the Covid-19 pandemic. Restrictions on social gatherings meant that activities and fundraising events that would have been held in a normal year could not go ahead and this has led to a reduction in turnover. However, thanks to careful management, the company has still generated a surplus for the year and has cleared its loan with Clann Credo. As restrictions begin to ease the directors are hopeful that operations will return to normal in the next 12 months.

In the meantime the directors are confident that the company has sufficient reserves and income to enable the organisation to continue to meet its obligations as they fall due and on that basis they have prepared the financial statements on a going concern basis.

The financial statements do not include any adjustments that may arise if the company was unable to trade as a going concern.

Principal risks and uncertainties

The principal risk faced by the company is that it is largely dependent on grant income. Whilst the directors have secured Pobal funding for a manager and caretaker to December 2022 and are confident that this funding will be extended, cost control and fundraising are still a priority. The directors expect that the company's Pobal contract will be renewed and that other available grants will remain at normal levels.

Early indications of mica have been identified in the building, albeit not officially confirmed at this time. This is a significant risk as it could ultimately result in the premises being structurally compromised which would negatively impact on services provided. The directors are actively monitoring this issue on an ongoing basis.

Results and dividends

The results for the year are set out on page 7.

Directors and secretary

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Jim Mullin
Hugh Farren
Robert Farren
Kevin Farren
Caroline Harley
Eamonn Ward
Caitriona Doherty

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

Accounting records

The company's directors are aware of their responsibilities, under sections 281 to 285 of the Companies Act 2014 as to whether in their opinion, the accounting records of the company are sufficient to permit the financial statements to be readily and properly audited and are discharging their responsibility by ensuring that sufficient company resources are available for the task and liaising with the company's auditors.

The accounting records are held at the company's business premises, Malin Head Community Centre, Malin Head, Co. Donegal, Ireland.

Future developments

The directors are not expecting to make any significant changes in the nature of the business in the near future. However the longer term impact of the Covid-19 restrictions and future health and safety implications are not fully known at this time.

Auditor

In accordance with the Companies Act 2014, section 383(2), McLaughlin McGonigle continue in office as auditor of the company.

Statement of disclosure to auditor

Each of the directors in office at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 330 of the Companies Act 2014.

On behalf of the board

Jim Mullin
Director

Robert Farren
Director

24 November 2021

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2021

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

Irish company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with Companies Act 2014 and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (Generally accepted Accounting Practice in Ireland) issued by the Financial Reporting Council. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the surplus or deficit of the company for 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.

On behalf of the board

Jim Mullin
Director
24 November 2021

Robert Farren
Director

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

Opinion

We have audited the financial statements of Malin Head Community Association Company Limited By Guarantee (the 'company') for the year ended 30 September 2021 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 30 September 2021 and of its surplus for the year then ended;
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the provisions available for small entities, in the circumstances set out in note 21 to the financial statements, and 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

Other information

The directors are responsible for the other information in the annual report. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that in our opinion:

- the information given in the directors' report is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

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

We have nothing to report in respect of our obligation under the Companies Act 2014 to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act are not made.

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: [https://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/International-Standards-on-Auditing-\(Ireland\)/ISA-700-\(Ireland\)](https://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/International-Standards-on-Auditing-(Ireland)/ISA-700-(Ireland)). This description forms part of our auditor's report.

Philip McGonigle (Statutory Auditor)
For and on behalf of McLaughlin McGonigle

24 November 2021

Chartered Certified Accountants
Statutory auditors

St Helens
St Oran's Road
Buncrana
Co. Donegal
Ireland

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	2021 €	2020 €
Income	20	105,786	131,015
Administrative expenses		(120,145)	(128,886)
Other operating income	20	31,233	58,304
Operating surplus	4	16,874	60,433
Interest receivable and similar income	6	41	-
Interest payable and similar expenses	7	(5)	(283)
Surplus before taxation		16,910	60,150
Tax on surplus	8	-	-
Surplus for the financial year		16,910	60,150

The income and expenditure account has been prepared on the basis that all operations are continuing operations.

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

BALANCE SHEET

AS AT 30 SEPTEMBER 2021

	Notes	2021 €	€	2020 €	€
Fixed assets					
Tangible assets	9		795,263		808,377
Current assets					
Debtors	10	4,235		18,600	
Cash at bank and in hand		91,310		63,574	
		<u>95,545</u>		<u>82,174</u>	
Creditors: amounts falling due within one year	11	<u>(19,247)</u>		<u>(22,239)</u>	
Net current assets			76,298		59,935
Total assets less current liabilities			<u>871,561</u>		<u>868,312</u>
Creditors: amounts falling due after more than one year	12		<u>(721,733)</u>		<u>(735,394)</u>
Net assets			<u>149,828</u>		<u>132,918</u>
Reserves					
Income and expenditure account			149,828		132,918
Members' funds			<u>149,828</u>		<u>132,918</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with Financial Reporting Statement 102 'The Financial Statement Reporting Standard applicable in the UK and Republic of Ireland'.

The financial statements were approved by the board of directors and authorised for issue on 24 November 2021 and are signed on its behalf by:

Jim Mullin
Director

Robert Farren
Director

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Income and expenditure €
Balance at 1 October 2019	72,768
Year ended 30 September 2020:	
Profit and total comprehensive income for the year	60,150
	<hr/>
Balance at 30 September 2020	132,918
Year ended 30 September 2021:	
Profit and total comprehensive income for the year	16,910
	<hr/>
Balance at 30 September 2021	<u>149,828</u>

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	2021 €	€	2020 €	€
Cash flows from operating activities					
Cash generated from operations	17	42,870		51,150	
Interest paid		(5)		(283)	
Net cash inflow from operating activities		<u>42,865</u>		<u>50,867</u>	
Investing activities					
Purchase of tangible fixed assets		(12,920)		(27,850)	
Interest received		41		-	
Net cash used in investing activities		<u>(12,879)</u>		<u>(27,850)</u>	
Financing activities					
Repayment of borrowings		(2,250)		(24,717)	
Net cash used in financing activities		<u>(2,250)</u>		<u>(24,717)</u>	
Net increase/(decrease) in cash and cash equivalents		<u>27,736</u>		<u>(1,700)</u>	
Cash and cash equivalents at beginning of year		63,574		65,274	
Cash and cash equivalents at end of year		<u><u>91,310</u></u>		<u><u>63,574</u></u>	

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

Company information

Malin Head Community Association Company Limited By Guarantee is a limited company domiciled and incorporated in the Republic of Ireland. The registered office is Killourt, Malin Head, Co. Donegal and its company registration number is 317308.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2014.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Income and expenditure

Income and expenses are included in the financial statements as they become receivable or due.

Expenses include VAT where applicable as the company cannot reclaim it.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land	N/A
Leasehold land and buildings	2% Straight line
Fixtures and fittings	15% Straight line

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

The value of the company's property may have decreased, however the decrease in the valuation has not been reflected in the financial statements. The directors have decided on this policy because:

- the company and its property fulfils a social function;
- the company is not a profit orientated entity and, as such, the "value-in-use" cannot be measured;
- the company is operating at a more than reasonable level given the current economic climate;
- the facilities are utilised on a regular basis; and
- the facilities earn a social dividend that cannot be measured.

In addition, the directors believed that the building would be used for the whole of its life for social and charitable purposes and that the "value" of the building would be realised through the fulfilment of its social function. The directors also considered that any market valuation would be unreliable, any diminution in value would be temporary and there is no intention of ever selling the property.

However the building is showing some early indications of mica which could ultimately result in structural deterioration. Further investigation will be required before any potential impairment can be quantified and hence no adjustment has been made in these financial statements. See note 16 for further information.

1.6 Cash and cash equivalents

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

1.7 Financial instruments

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

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

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

Basic financial assets

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

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

(Continued)

Basic financial liabilities

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

1.8 Taxation

The company has obtained exemption from the Revenue Commissioners in respect of corporation tax, it being a company not carrying on a business for the purposes of making a profit.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.11 Foreign exchange

Transactions in currencies other than euros are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

As more fully described in note 16, there are early indications of the presence of mica in the building. Given the uncertainty over the quantum of any possible damage, any remediation costs, and access to any redress scheme, the directors have made the decision to not provide for any impairment of buildings because of the possible presence of mica.

3 Income

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the Republic of Ireland.

4 Operating surplus

	2021	2020
	€	€
Operating surplus for the year is stated after charging/(crediting):		
Government grants	(31,233)	(58,304)
Depreciation of owned tangible fixed assets	26,034	26,571
	<u> </u>	<u> </u>

5 Employees

The average monthly number of persons employed by the company during the year was: No directors are employed by the company.

	2021	2020
	Number	Number
Manager	1	1
Caretakers	2	1
	<u> </u>	<u> </u>
Total	3	2
	<u> </u>	<u> </u>

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

5 Employees (Continued)

Their aggregate remuneration comprised:

	2021	2020
	€	€
Wages and salaries	62,357	53,331
Social security costs	6,157	5,334
	<u>68,514</u>	<u>58,665</u>

Number of Employees whose total employee benefits (excluding employer pension costs) for the period fall within each band of €10,000 from €60,000 upwards:

- Band €60,000 - €70,000 = 0

- Band €70,000 - €80,000 = 0

Overall figure for total employer pension contributions = €nil.

6 Interest receivable and similar income

	2021	2020
	€	€
Interest income		
Interest on bank deposits	41	-
	<u>41</u>	<u>-</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through surplus or deficit	41	-
	<u>41</u>	<u>-</u>

7 Interest payable and similar expenses

	2021	2020
	€	€
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	5	283
	<u>5</u>	<u>283</u>

8 Taxation

The company is registered with the Revenue Commissioners as a Charity under the reference number CHY 13164 and, on this basis, it is not subject to any tax on any surplus. The company is compliant with circular 44/2006 "Tax Clearance Procedures Grants, Subsidies and Similar Type Payments".

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

9 Tangible fixed assets

	Freehold land	Leasehold land and buildings	Fixtures and fittings	Total
	€	€	€	€
Cost				
At 1 October 2020	50,000	890,413	171,906	1,112,319
Additions	-	11,150	1,770	12,920
At 30 September 2021	50,000	901,563	173,676	1,125,239
Depreciation and impairment				
At 1 October 2020	-	170,775	133,167	303,942
Depreciation charged in the year	-	18,031	8,003	26,034
At 30 September 2021	-	188,806	141,170	329,976
Carrying amount				
At 30 September 2021	50,000	712,757	32,506	795,263
At 30 September 2020	50,000	719,638	38,739	808,377

10 Debtors

	2021	2020
Amounts falling due within one year:	€	€
Other debtors	4,235	18,600

11 Creditors: amounts falling due within one year

	Notes	2021	2020
		€	€
Other borrowings	13	1,500	3,750
Advance payments received		6,970	8,627
PAYE and social security		3,325	2,762
Other creditors		3,500	3,500
Accruals		3,952	3,600
		19,247	22,239

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

12 Creditors: amounts falling due after more than one year

	Notes	2021 €	2020 €
Other borrowings	13	12,000	12,000
Government grants	14	709,733	723,394
		<u>721,733</u>	<u>735,394</u>

13 Loans and overdrafts

	2021 €	2020 €
Other loans	13,500	15,750
	<u>1,500</u>	<u>3,750</u>
Payable within one year	12,000	12,000
Payable after one year		

14 Deferred grants

	Notes	2021 €	2020 €
Deferred grants at 1 October		723,394	742,283
Capital grants received in year		9,511	21,600
Amortised in year	20	(23,172)	(40,489)
		<u>709,733</u>	<u>723,394</u>

Pobal and the Minister for Children and Youth Affairs have a legal charge over the land and premises to the value of €500,000. This charge relates to the capital grant of €500,000 awarded for the childcare facility.

15 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding €1.27.

16 Financial commitments, guarantees and contingent liabilities

There are some early indications that the building may have mica issues. At this stage it is not clear to what extent the building is affected. While the board are closely monitoring the issue they do not intend to carry out any detailed testing of the building materials until there is clarity on the availability of funding for the matter. At present it is impossible to quantify the potential rectification cost and funding, and hence no provision for it has been made at this time.

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

17 Cash generated from operations	2021	2020
	€	€
Surplus for the year after tax	16,910	60,150
Adjustments for:		
Finance costs	5	283
Investment income	(41)	-
Depreciation and impairment of tangible fixed assets	26,034	26,571
Movements in working capital:		
Decrease/(increase) in debtors	14,365	(18,172)
(Decrease)/increase in creditors	(742)	1,207
Decrease in deferred income	(13,661)	(18,889)
Cash generated from operations	<u>42,870</u>	<u>51,150</u>

18 Grants received - Circular 13 Requirements

The company is compliant with relevant Circulars, including Circular 44/2006, "Tax Clearance Procedures Grants, Subsidies and Similar Type Payments".

Grant 1

Agency	Pobal
Sponsoring Government Dept.	Department of Rural and Community Development
Grant Programme	Community Services Programme
Purpose of the Grant	Pay and general administration
Total Grant Received	€55,945
- Grant carried forward from prior year	€3,938
- Grant taken to income in the period	€56,689
- Any grant amounts deferred or due at year end	€3,195
Expenditure	€56,689
Term	Expires 31 December 2022
Received year end	30 September 2021
Capital Grant	No
Restriction on use	Support for staff wages and operating costs.
Tax Clearance	Yes

Grant 2

Agency	Donegal County Council
Sponsoring Government Dept.	Department of Rural and Community Development
Grant Programme	Community Enhancement Programme 2020
Purpose of the Grant	Service provision/charitable activity
Total Grant Received	€5,000
- Grant carried forward from prior year	Nil
- Grant taken to income in the period	Nil

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

18	Grants received - Circular 13 Requirements	(Continued)
	- Any grant amounts deferred or due at year end	Nil
	Expenditure	€7,150
	Term	N/A
	Received year end	30 September 2021
	Capital Grant	Yes
	Restriction on use	Costs associated with groundworks to create outdoor space. Grant to be written off over the life of the assets acquired with the grant funds.
	Tax Clearance	Yes
	<u>Grant 3</u>	
	Agency	Bord Iascaigh Mhara
	Sponsoring Government Dept.	Department of Agriculture, Marine and Food
	Grant Programme	Fisheries Local Area Development Scheme
	Purpose of the Grant	Service provision/charitable activity
	Total Grant Received	€1,569
	- Grant carried forward from prior year	Nil
	- Grant taken to income in the period	€1,569
	- Any grant amounts deferred or due at year end	Nil
	Expenditure	€1,962
	Term	N/A
	Received year end	30 September 2021
	Capital Grant	No
	Restriction on use	Costs associated with printing of tourist maps.
	Tax Clearance	Yes
	<u>Grant 4</u>	
	Agency	Donegal County Council
	Sponsoring Government Dept.	Department of Rural and Community Development
	Grant Programme	Covid-19 Emergency Fund
	Purpose of the Grant	Service provision/charitable activity
	Total Grant Received	€511
	- Grant carried forward from prior year	Nil
	- Grant taken to income in the period	Nil
	- Any grant amounts deferred or due at year end	Nil
	Expenditure	€723
	Term	N/A
	Received year end	30 September 2021
	Capital Grant	Yes
	Restriction on use	Purchase of folding tables. Grant to be written off over the life of the assets acquired with the grant funds.
	Tax Clearance	Yes

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

18 Grants received - Circular 13 Requirements

(Continued)

Grant 5

Agency	Pobal
Sponsoring Government Dept.	Department of Rural and Community Development
Grant Programme	Covid-19 Stability Scheme
Purpose of the Grant	Service provision/charitable activity
Total Grant Received	€8,061
- Grant carried forward from prior year	Nil
- Grant taken to income in the period	€8,061
- Any grant amounts deferred or due at year end	Nil
Expenditure	€8,061
Term	12 months ended 31 December 2020
Received year end	30 September 2021
Capital Grant	No
Restriction on use	Funding to be used to support delivery of services during Covid-19 pandemic.
Tax Clearance	Yes

Grant 6

Agency	Donegal County Council
Sponsoring Government Dept.	Department of the Environment, Climate and Communications
Grant Programme	Community Action Fund 2019
Purpose of the Grant	Service provision/charitable activity
Total Grant Received	€418
- Grant carried forward from prior year	Nil
- Grant taken to income in the period	€418
- Any grant amounts deferred or due at year end	Nil
Expenditure	€439
Term	N/A
Received year end	30 September 2021
Capital Grant	No
Restriction on use	Costs associated with maintenance of approach roads.
Tax Clearance	Yes

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

19 Analysis of changes in net funds

	1 October 2020 €	Cash flows €	30 September 2021 €
Cash at bank and in hand	63,574	27,736	91,310
Borrowings excluding overdrafts	(15,750)	2,250	(13,500)
	<u>47,824</u>	<u>29,986</u>	<u>77,810</u>

20 Analysis of Income

	2021 €	2020 €
Pobal CSP grant	56,689	54,192
Donegal County Council service contract	13,075	9,750
Fundraising and donations	20,019	28,294
Rent receivable	10,532	13,590
Room hire	2,600	3,971
ETB funding	-	4,026
Course income	-	1,537
Other grants	2,871	15,604
Trading income	-	51
	<u>105,786</u>	<u>131,015</u>

Analysis of Other operating income

Capital grants amortised	23,172	40,489
Coronavirus-related grants received	8,061	17,815
	<u>31,233</u>	<u>58,304</u>

Note:

On review of the capital grants included in deferred income a number of smaller grants for assets which have been fully depreciated were identified. These grants had been amortised at the 2% straight line rate rather than the 15% straight line rate applicable to the assets. The remaining balance of these grants, amounting to €16,311, was amortised in the prior year and is included in the total of €40,489 amortised in that year.

21 Non-audit services provided by auditor

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

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) ***FOR THE YEAR ENDED 30 SEPTEMBER 2021***

22 Approval of financial statements

The directors approved the financial statements on 24 November 2021.

**MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY
GUARANTEE**

SUPPLEMENTARY INFORMATION

RELATING TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

NOT COVERED BY THE REPORT OF THE AUDITORS

THE FOLLOWING PAGES DO NOT FORM PART OF THE AUDITED FINANCIAL STATEMENTS

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

DETAILED TRADING AND INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2021

	€	2021 €	€	2020 €
Income				
Gross receipts		-		51
Pobal income		56,689		54,192
DCC service contract		13,075		9,750
Fundraising and donations		20,019		28,294
Courses		-		1,537
Rent receivable		10,532		13,590
Room hire		2,600		3,971
Other grants		2,871		15,604
ETB grants		-		4,026
		<u>105,786</u>		<u>131,015</u>
Other operating income				
Government grants receivable and released	23,172		40,489	
Coronavirus exceptional support	8,061		17,815	
		<u>31,233</u>		<u>58,304</u>
Administrative expenses				
Wages and salaries	62,357		53,331	
Employer's PRSI	6,157		5,334	
Events expenses	1,519		9,674	
Course fees	400		2,610	
Cleaning	492		599	
Power, light and heat	3,702		6,127	
Repairs and maintenance	1,423		3,884	
Insurance	1,994		1,975	
Legal and professional fees	6,772		10,001	
Accountancy	1,217		1,018	
Audit fees	2,792		2,722	
Charitable donations	1,721		938	
Bank charges	193		339	
Printing, postage and stationery	96		1,836	
Advertising	2,934		564	
Telecommunications	342		1,060	
Sundry expenses	-		303	
Depreciation	26,034		26,571	
		<u>(120,145)</u>		<u>(128,886)</u>
Operating surplus		<u>16,874</u>		<u>60,433</u>
Interest receivable and similar income				
Bank interest received	41		-	
		<u>41</u>		<u>-</u>

MALIN HEAD COMMUNITY ASSOCIATION COMPANY LIMITED BY GUARANTEE

DETAILED TRADING AND INCOME AND EXPENDITURE ACCOUNT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

		2021		2020
	€	€	€	€
Interest payable and similar expenses				
Bank interest on loans and overdrafts		(5)		(283)
Surplus before taxation	15.99%	<u>16,910</u>	45.91%	<u>60,150</u>
