

**Loreto Education Trust**

**(A Company Limited by Guarantee not Having a Share Capital)  
Directors Report and Financial Statements**

**For the year ended 31st August 2014**

**Loreto Education Trust**  
**(A Company Limited by Guarantee not having a Share Capital)**

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## **Loreto Education Trust**

### **Directors' Report For the year ended 31st August 2014**

#### **Audited Financial Statements**

The Directors present their report and the audited financial statements for the year ended 31st August 2014.

#### **Principal Activity**

The principal activity of the company is the advancement of education and to aid the development and implementation of the educational policy of the Institute of the Blessed Virgin Mary.

#### **Principal Risks and Uncertainties**

The directors are responsible for the company's system of internal controls and for reviewing its effectiveness. The internal control system is designed to manage, rather than eliminate the risk of failure to achieve the company's business objectives and can only provide reasonable and not absolute assurance against material misstatements or deficit. The directors are not aware of any specific risks or uncertainties which would have an impact on the company.

#### **Directors**

Sr. Eileen Randles and Mr. Tom Prior resigned from the Board and Mr. Nigel Boardman and Sr. Gerardine Mullen were appointed to the Board on the 25th March 2014.

#### **Review of Business and Future Developments**

The Irish Province of the Institute of the Blessed Virgin Mary, also known as the Loreto Sisters, transferred the Patronage of certain schools to the Company on 1st January 2008. The trusteeship of the following schools was transferred from the Institute of the Blessed Virgin Mary to the Company.

##### *Post Primary*

Loreto Secondary School, Balbriggan, Co. Dublin.  
Loreto High School, Beaufort, Rathfarnham, Dublin 14.  
Loreto Secondary School, Bray, Co. Wicklow.  
Loreto College, Cavan.  
Loreto Secondary School, Clonmel, Co. Tipperary.  
Loreto College, Crumlin Road, Dublin 12.  
Loreto Abbey, Dalkey, Co. Dublin.  
Loreto Secondary School, Fermoy, Co. Cork.  
Loreto College, Foxrock, Dublin 18.  
Loreto Secondary School, Kilkenny.  
Loreto Secondary School Letterkenny, Co. Donegal.  
Loreto College, Mullingar, Co. Westmeath.  
Loreto Secondary School, St. Michaels, Navan, Co. Meath.  
Loreto College, 53 St. Stephen's Green, Dublin 2.  
Loreto College, Swords, Co. Dublin.  
Loreto Secondary School, Spawell Road, Wexford.

##### *Primary*

St. Patrick's Loreto Primary School, Bray, Co. Wicklow.  
Scoil Mhuire Ogh II, Crumlin Road, Dublin 12.  
Loreto Primary School, Dalkey, Co. Dublin.  
Loreto Primary School, Grange Road, Rathfarnham, Dublin 14.  
Loreto Junior School, 53 St. Stephen's Green, Dulin 2.

Responsibility as co-trustees of the following schools was also transferred:-

##### *Community*

St. Aidan's Community School, Brookfield, Tallaght, Dublin 24.

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**Directors' Report  
For the year ended 31st August 2014**

Gorey Community School, Gorey, Co. Wexford.  
Loreto Community School, Milford, Co. Donegal.  
Portmarnock Community School, Portmarnock, Co. Dublin.  
Pobalscoil na Trionoide, Youghal, Co. Cork.

**Results**

The results for the year are set out in the Income and Expenditure account on page 4.

**Proper Books of Account**

The measures taken by the directors to ensure compliance with the requirements of Section 202, Companies Act, 1990, regarding proper books of account are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The books of account of the company are maintained at Loreto Education Office, Foxrock, Dublin 18.

**Directors' Responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the surplus or deficit of the company for that year. In preparing these financial statements the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Acts 1963 to 2013. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Auditors**

The auditors, O'Brien Harnett & Associates, Chartered Accountants and Registered Auditors, have indicated their willingness to continue in office in accordance with the provisions of Section 160(2) of the Companies Act, 1963.

**On behalf of the Board**

**Edward Fynes**

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**Director**

**Sr. Marie Céline Clegg I.B.V.M.**

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**Director**

**2nd December 2014**

**Independent Auditors' Report to the Members of Loreto Education Trust**  
**(A Company Limited by Guarantee not having a Share Capital)**

We have audited the financial statements of Loreto Education Trust for the year ended 31st August 2014 which comprise the Income and Expenditure, the Balance Sheet, Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is Irish Law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

**Respective responsibilities of directors and auditors**

As explained more fully in the Director's Responsibilities Statement, set out on pages 1 and 2, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors including the "APB Ethical Standard Provisions Available for Small Entities (Revised)", in relation to the circumstances set out in note 2 to the financial statements.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Section 193 of the Companies Act, 1990 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**Scope of the audit of the Financial Statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on the Financial Statements**

In our opinion the financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the state of the Company's affairs as at 31st August 2014, and of its results and cash flows for the year then ended;
- and have been properly prepared in accordance with the requirements of the Companies Acts 1963 to 2013.

**Matters by which we are required to report by the Companies Acts 1963 to 2013**

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

- In our opinion proper books of account have been kept by the Company.
- The financial statements are in agreement with the books of account.
- In our opinion the information given in the Directors' report is consistent with the financial statements.

**Andrew Kevitt FCA,**  
**For and on behalf of,**  
**O'Brien Harnett & Associates**  
**Chartered Accountants and**  
**Registered Auditors**  
**97 Haddington Road,**  
**Dublin 4.**  
**16th December 2014**

**Loreto Education Trust**  
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**Income and Expenditure Account**  
**For the year ended 31st August 2014**

	Note	2014	2013
		€	€
<b>Income</b>		572,737	573,094
Administrative expenses		<u>(469,627)</u>	<u>(440,056)</u>
<b>Operating surplus</b>	<b>4</b>	103,110	133,038
Capital Appreciation		<u>654,490</u>	<u>337,023</u>
Overall Surplus for year		<u><u>757,600</u></u>	<u><u>470,061</u></u>

The Loreto Education Trust had no recognised gains or losses in the two financial periods other than those dealt with in the Income and Expenditure account.

The Financial Statements were approved by the directors and signed on their behalf by:

**Edward Fynes**

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**Director**

**2nd December 2014**

**Sr. Marie Celine Clegg I.B.V.M.**

\_\_\_\_\_  
**Director**

**Loreto Education Trust**  
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**Balance Sheet**  
**as at 31st August 2014**

	Notes	€	2014 €	€	2013 €
<b>Fixed Assets</b>					
Tangible assets	<b>6</b>		8,988		7,464
Investments	<b>7</b>		4,825,167		4,170,677
			<u>4,834,155</u>		<u>4,178,141</u>
<b>Current Assets</b>					
Stocks	<b>8</b>	2,613		7,719	
Debtors		3,572		-	
Cash at bank and in hand		879,391		744,448	
		<u>885,576</u>		<u>752,167</u>	
<b>Creditors: amounts falling due within one year</b>	<b>9</b>	<u>(66,946)</u>		<u>(35,123)</u>	
<b>Net Current Assets</b>			818,630		717,044
<b>Creditors: amounts falling due after more than one year</b>	<b>10</b>		<u>(3,136,674)</u>		<u>(3,136,674)</u>
<b>Net Assets</b>			<u><u>2,516,111</u></u>		<u><u>1,758,511</u></u>
<b>Reserves</b>					
Capital Contribution			702,834		702,834
Accumulated funds	<b>11</b>		1,813,277		1,055,677
			<u>2,516,111</u>		<u>1,758,511</u>

The financial statements were approved by the directors and signed on its behalf by:

**Edward Fynes**

\_\_\_\_\_  
**Director**

**Sr. Marie Celine Clegg I.B.V.M.**

\_\_\_\_\_  
**Director**

**2nd December 2014**

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**Cash Flow Statement**  
**for the year ended 31st August 2014**

	Notes	2014 €	2013 €
<b>Net cash Inflow /(Outflow) from operating activities</b>	<b>12</b>	139,323	(15,944)
<b>Acquisition of fixed assets</b>		(4,380)	(3,534)
<b>Net cash at 1st September 2013</b>		744,448	763,926
<b>Net cash at 31st August 2014</b>		<u>879,391</u>	<u>744,448</u>

The financial statements were approved by the directors and signed on its behalf by

**Edward Fynes**

\_\_\_\_\_  
**Director**

**Sr. Marie Celine Clegg I.B.V.M.**

\_\_\_\_\_  
**Director**

**2nd December 2014**



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**Notes to the Financial Statements**  
**For the year ended 31st August 2014**

**1. Accounting Policies**

**1.1. Accounting convention**

The financial statements are prepared under the historical cost convention.

**1.2. Tangible fixed assets and depreciation**

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Office Equipment	-	10% Straight Line
Computer equipment	-	33.33% Straight Line

**1.3. Investments**

Investments are shown at the market value ruling at the year end date. All gains or losses on investments are reflected in the income and expenditure account. Income from other financial fixed asset investments, is recognised in the income and expenditure account in the year in which it is receivable.

**1.4. Foreign currencies**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction or at the contracted rate. The resulting monetary assets and liabilities are translated at the balance sheet rate or the contracted rate and the exchange differences are dealt with in the income and expenditure account.

**1.5. Legacies and Donations**

Legacies and donations are recognised when receivable or when the Loreto Education Trust becomes legally entitled to them. Receipts of property, investments or other gifts are included at market value.

**1.6. Stock**

Stock is stated at the lower of cost and net realisable value. Cost represents invoiced cost of purchase and transport charges.

**1.7. Taxation**

The company is registered as an exempt charitable company and consequently is not liable to corporation tax.

**2. Provisions Available for Small Entities**

In accordance with many other businesses of our size and nature we use our auditors to prepare and submit returns to the Revenue Commissioners, the Companies Registration Office and to assist in the preparation of the financial statements.

**3. Basis of preparing the financial statements**

The financial statements have been prepared on a going concern basis.

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**Notes to the Financial Statements**  
**For the year ended 31st August 2014**

**4. Employees**

**Number of employees**

The average numbers of employees  
(including the directors) during the year were:

	<b>2014</b>	<b>2013</b>
	<b>Number</b>	<b>Number</b>
Management	1	1
	<u>1</u>	<u>1</u>

**Employment costs**

	<b>2014</b>	<b>2013</b>
	<b>€</b>	<b>€</b>
Salary costs	105,712	104,451
Pension Costs	30,048	31,335
Social welfare costs	2,110	2,197
	<u>137,870</u>	<u>137,983</u>

**5. Operating Surplus**

	<b>2014</b>	<b>2013</b>
	<b>€</b>	<b>€</b>
Operating Surplus is stated after charging:		
Depreciation of tangible assets	2,856	2,418
	<u>2,856</u>	<u>2,418</u>
Auditors' remuneration	3,764	3,432
	<u>3,764</u>	<u>3,432</u>

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**Notes to the Financial Statements**  
**For the year ended 31st August 2014**

**6. Tangible assets**

	<b>Computer equipment</b>	<b>Office Equipment</b>	<b>Total</b>
	€	€	€
<b>Cost</b>			
At 1st September 2013	6,850	12,401	19,251
Additions	4,380	-	4,380
At 31st August 2014	<u>11,230</u>	<u>12,401</u>	<u>23,631</u>
<b>Depreciation</b>			
At 1st September 2013	4,494	7,293	11,787
Charge for the year	1,178	1,678	2,856
At 31st August 2014	<u>5,672</u>	<u>8,971</u>	<u>14,643</u>
<b>Net book value</b>			
At 31st August 2014	<u>5,558</u>	<u>3,430</u>	<u>8,988</u>
At 31st August 2013	<u>2,356</u>	<u>5,108</u>	<u>7,464</u>

**7. Financial Fixed Assets**

	<b>2014</b>	<b>2013</b>
	€	€
Opening Market Value	4,170,677	3,683,654
Additions	-	150,000
Capital Appreciation	654,490	337,023
Closing Market Value	<u>4,825,167</u>	<u>4,170,677</u>

**8. Stocks**

	<b>2014</b>	<b>2013</b>
	€	€
Stock	<u>2,613</u>	<u>7,719</u>

**9. Creditors: amounts falling due within one year**

	<b>2014</b>	<b>2013</b>
	€	€
Accruals	66,946	24,150
Deferred Income - Irish Aid Grant	-	10,973
	<u>66,946</u>	<u>35,123</u>

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**Notes to the Financial Statements**  
**For the year ended 31st August 2014**

<b>10. Creditors: amounts falling due after more than one year</b>	<b>2014</b> €	<b>2013</b> €
Institute of the Blessed Virgin Mary	3,136,674	3,136,674
	<u>                    </u>	<u>                    </u>
<b>11. Accumulated Fund</b>	<b>2014</b> €	<b>2013</b> €
Balance at 1st September 2013	1,055,677	585,616
Overall Surplus	757,600	470,061
	<u>                    </u>	<u>                    </u>
Balance at 31st August 2014	<u>1,813,277</u>	<u>1,055,677</u>
<b>12. Reconciliation of operating surplus to net cash inflow from operating activities</b>	<b>2014</b> €	<b>2013</b> €
Operating Surplus	103,110	133,038
Depreciation	2,856	2,418
(Increase) in Investments	-	(150,000)
Decrease/(Increase) in Stocks	5,106	(1,899)
(Increase) in Debtors	(3,572)	-
Decrease / (Increase) in Creditors	31,823	499
	<u>                    </u>	<u>                    </u>
<b>Net cash Inflow / (Outflow) from operating activities</b>	<u>139,323</u>	<u>(15,944)</u>
<b>13. Approval of financial statements</b>		
The financial statements were approved and authorised for issue by the Board of Directors on the 2nd December 2014.		