

**Loreto Education Trust**

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

**Directors Report and Financial Statements**

**For the year ended 31st August 2017**

**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 2017**

#### **Audited Financial Statements**

The Directors present their report and the audited financial statements for the year ended 31st August 2017.

#### **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 and Secretary**

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

Sr. Marie Celine Clegg I.B.V.M.  
Elizabeth Cogan  
Deirdre Farrell  
Edward Fynes  
Sr. Maria Hyland I.B.V.M.  
Brian Lenehan  
Frank Moran  
Sr. Phil Murphy I.B.V.M.  
Mary Murphy  
Liam Riordan  
Sr. Gerardine Mullen I.B.V.M.  
Martin Boyd (appointed 27 March 2017)

On the 25th October 2016, Nigel Boardman sadly passed away. May he Rest in Peace. On 27th March 2017, Mr Martin Boyd was appointed Director.

Sr. Marie Celine Clegg I.B.V.M. resigned as secretary on 1st September 2017 and was replaced by Ann O'Donoghue.

The directors have no plans to change significantly the activities and operations of the company in the foreseeable future.

## **Loreto Education Trust**

### **Directors' Report For the year ended 31st August 2017**

#### **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, Dublin 2.

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

#### *Community*

St. Aidan's Community School, Brookfield, Tallaght, Dublin 24.  
Gorey Community School, Gorey, Co. Wexford.  
Loreto Community School, Milford, Co. Donegal.  
Portmarnock Community School, Portmarnock, Co. Dublin.  
Pobalscoil na Trionoide, Youghal, Co. Cork.

## **Loreto Education Trust**

### **Directors' Report For the year ended 31st August 2017**

#### **Post Balance Sheet Events**

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

#### **Results**

The results for the year are set out in the Income and Expenditure account on page 7.

#### **Auditors**

Walsh O'Brien Harnett have expressed their willingness to continue in office in accordance with the provisions of Section 383(2) of the Companies Act, 2014.

#### **Statement of Relevant Audit Information**

There is no relevant audit information of which the statutory auditors are unaware. The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

#### **Proper Books of Account**

The measures taken by the directors to ensure compliance with the requirements of Section 281 to 285 of the Companies Act 2014, 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.

#### **On behalf of the Board**

**Elizabeth Cogan**  
Director

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

**22nd February 2018**

## **Loreto Education Trust**

### **Directors' Report For the year ended 31st August 2017**

#### **Directors' Responsibilities**

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 the law the directors have elected to prepare financial statements in accordance with the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the surplus or deficit of the company for the 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 and enable 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.

In so far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditor in connection with preparing the auditor's report) of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that they company's auditor is aware of that information.

#### **On behalf of the Board**

**Elizabeth Cogan**  
**Director**

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

**22nd February 2018**

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**Independent Auditors' Report to the Members of Loreto Education Trust**

We have audited the financial statements of Loreto Education Trust for the year ended 31st August 2017 which comprise the Income and Expenditure, the Balance Sheet, the Cash Flow Statement and the related notes. 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 by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

This report is made solely for 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 that we are required to state to them in the 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 or the company's members as a body, for our audit work, for the report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As explained more fully in the Director's Responsibilities Statement, set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with 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.

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

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

**Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31st August 2017, and its results for the year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

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**Matters by 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 books of account.
- In our opinion the information given in the Directors' report is consistent with the financial statements.

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

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

**Andrew Kevitt FCA**  
**For and on behalf of Walsh O'Brien Harnett,**  
**Chartered Accountants & Statutory Audit Firm**  
**104 Lower Baggot Street**  
**Dublin 2**

**23rd February 2018**



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**Income and Expenditure Account**  
**For the year ended 31st August 2017**

	Notes	2017	2016
		€	€
<b>Income</b>		556,559	557,766
Administrative expenses		<u>497,650</u>	<u>462,819</u>
<b>Operating surplus</b>	<b>7</b>	58,909	94,947
Capital Appreciation		<u>138,102</u>	<u>224,109</u>
Overall Surplus for year		197,011	319,056
Balance at 1st September 2016		<u>2,465,850</u>	<u>2,146,794</u>
Balance at 31st August 2017		<u><u>2,662,861</u></u>	<u><u>2,465,850</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:

**Elizabeth Cogan**  
**Director**

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

**22nd February 2018**

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**Balance Sheet**  
**as at 31st August 2017**

	Notes	2017		2016	
		€	€	€	€
<b>Fixed Assets</b>					
Tangible assets	8		13,778		8,191
Investments	9		5,670,916		5,532,814
			<u>5,684,694</u>		<u>5,541,005</u>
<b>Current Assets</b>					
Stocks	10	7,070		1,964	
Debtors	11	2,710		1,988	
Cash at bank and in hand		903,982		801,519	
		<u>913,762</u>		<u>805,471</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>96,087</u>		<u>41,118</u>	
<b>Net Current Assets</b>			817,675		764,353
<b>Creditors: amounts falling due after more than one year</b>	13		3,136,674		3,136,674
<b>Net Assets</b>			<u><u>3,365,695</u></u>		<u><u>3,168,684</u></u>
<b>Reserves</b>					
Capital Contribution			702,834		702,834
Accumulated funds	14		2,662,861		2,465,850
			<u><u>3,365,695</u></u>		<u><u>3,168,684</u></u>

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

**Elizabeth Cogan**  
**Director**

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

**22nd February 2018**

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**Cash Flow Statement**  
**for the year ended 31st August 2017**

	<b>2017</b>	<b>2016</b>
	<b>€</b>	<b>€</b>
<b>Cash flows from operating activities</b>		
Surplus for the year	58,909	94,947
Adjustments for:		
Depreciation	7,597	3,404
	66,506	98,351
Movements in working capital:		
Movement in stock	(5,106)	276
Movement in debtors	(722)	(1,593)
Movement in creditors	54,969	16,466
Cash generated from operations	115,647	113,500
<b>Cash flows from investing activities</b>		
Payments to acquire tangible fixed assets	(13,184)	(5,051)
Movement in investments	-	(250,000)
	(13,184)	(255,051)
<b>Net increase/ (decrease) in cash and cash equivalents</b>	102,463	(141,551)
<b>Cash and cash equivalents at 1st September 2016</b>	801,519	943,070
<b>Cash and cash equivalents at 31st August 2017</b>	903,982	801,519

**Loreto Education Trust**  
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**Notes to the Financial Statements**  
**For the year ended 31st August 2017**

**1. Accounting Policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

**1.1. Statement of compliance**

The financial statements of the company for the year ended 31st August 2017 have been prepared on the going concern basis and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102).

**1.2. Basis of preparation**

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

**1.3. 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

**1.4. 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.

**1.5. 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.

**1.6. 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.

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**Notes to the Financial Statements**  
**For the year ended 31st August 2017**

**1.7. Stock**

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

**1.8. 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. Significant Accounting Judgements and Key Sources of Estimation Uncertainty**

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes its estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

*(a) Establishing useful economic lives for depreciation purposes of tangible fixed assets*

The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual values. The directors regularly review these asset useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation and amortisation charges for the period.

**4. Basis of Preparing the Financial Statements**

The directors have elected to present an Income and Expenditure Account instead of a Profit and Loss Account in these financial statements as this company is a not-for-profit entity.

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**Notes to the Financial Statements**  
**For the year ended 31st August 2017**

**5. Status**

The liability of the members is limited.

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while they are members or within one year thereafter for the payment of the debts and liabilities of the company contracted before they ceased to be members and the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors among themselves such amount as may be required, not exceeding € 1.

**6. Employees**

**Number of employees**

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

	<b>2017</b>	<b>2016</b>
Management	4	2
	4	2
	4	2

	<b>2017</b>	<b>2016</b>
	<b>€</b>	<b>€</b>
Employee costs		
Salaries costs	234,416	96,275
Pension costs	5,157	2,989
Social welfare costs	22,584	9,675
	262,157	108,939
	262,157	108,939

**7. Operating Surplus**

	<b>2017</b>	<b>2016</b>
	<b>€</b>	<b>€</b>

**Operating Surplus is stated after charging:**

Depreciation of tangible assets	7,597	3,404
	7,597	3,404
Auditors' remuneration	5,289	4,932
	5,289	4,932
	5,289	4,932

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**Notes to the Financial Statements**  
**For the year ended 31st August 2017**

**8. Tangible assets**

	<b>Computer Equipment</b>	<b>Office Equipment</b>	<b>Total</b>
	€	€	€
<b>Cost</b>			
At 1st September 2016	11,313	17,369	28,682
Additions	12,501	683	13,184
At 31st August 2017	<u>23,814</u>	<u>18,052</u>	<u>41,866</u>
<b>Depreciation</b>			
At 1st September 2016	7,929	12,562	20,491
Charge for the year	5,792	1,805	7,597
At 31st August 2017	<u>13,721</u>	<u>14,367</u>	<u>28,088</u>
<b>Net book value</b>			
At 31st August 2017	<u>10,093</u>	<u>3,685</u>	<u>13,778</u>
At 31st August 2016	<u>3,384</u>	<u>4,807</u>	<u>8,191</u>

**9. Financial Fixed Assets**

	<b>2017</b>	<b>2016</b>
	€	€
Opening Market Value	5,532,814	5,058,705
Inflows	-	250,000
Capital Appreciation	138,102	224,109
Closing Market Value	<u>5,670,916</u>	<u>5,532,814</u>

**10. Stocks**

	<b>2017</b>	<b>2016</b>
	€	€
Stock	<u>7,070</u>	<u>1,964</u>

**11. Debtors**

	<b>2017</b>	<b>2016</b>
	€	€
Sundry debtors & prepayments	<u>2,710</u>	<u>1,988</u>

**Loreto Education Trust**  
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**Notes to the Financial Statements**  
**For the year ended 31st August 2017**

<b>12. Creditors: amounts falling due within one year</b>	<b>2017</b>	<b>2016</b>
	€	€
PAYE	19,303	4,502
Accruals	76,784	36,616
	<u>96,087</u>	<u>41,118</u>
	<u>96,087</u>	<u>41,118</u>
<b>13. Creditors: amounts falling due after more than one year</b>	<b>2017</b>	<b>2016</b>
	€	€
Amounts due to the Institute of the Blessed Virgin Mary	3,136,674	3,136,674
	<u>3,136,674</u>	<u>3,136,674</u>
	<u>3,136,674</u>	<u>3,136,674</u>
<b>14. Accumulated Fund</b>	<b>2017</b>	<b>2016</b>
	€	€
Balance at 1st September 2016	2,465,850	2,146,794
Overall Surplus	197,011	319,056
	<u>2,662,861</u>	<u>2,465,850</u>
Balance at 31st August 2017	<u>2,662,861</u>	<u>2,465,850</u>

**15. Related party transactions**

Expenditure includes charges of €20,000 (2016: €114,000) by the Institute of the Blessed Virgin Mary Irish Province to the company for services provided.

**16. Capital commitments**

The company had no material capital commitments at the year-ended 31st August 2017.

**17. Post-Balance Sheet Events**

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

**18. Approval of financial statements**

The financial statements were approved and authorised for issue by the Board of Directors on the 22nd February 2018.