

Financial Statements

The Clann Credo Fund

For the financial year ended 31 December 2016

The Clann Credo Fund

General Information

Trustees

Erin Executor & Trustee Co. Limited

Managers of the fund

Clann Credo Company Limited By Guarantee

Independent auditors

Grant Thornton
Chartered Accountants & Statutory Audit Firm
Molyneux House
Bride Street
Dublin 8

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The Clann Credo Fund

Managers' report

For the financial year ended 31 December 2016

The managers present their annual report and the audited financial statements for the financial year ended 31 December 2016.

Fund activities

The Clann Fund was established to contribute to a sustained reduction of poverty and social disadvantage, promotion of social inclusion and nurturing civil society organisations through a sustainable, alternative finance model serving communities and organisations that may have difficulty securing finance on reasonable terms from the mainstream financial institutions. It makes socially directed investments solely for charitable and/or public purposes at rates of interest and other terms which are more favourable than those that are currently available commercially.

Results and dividends

The deficit for the financial year, after taxation, amounted to €4,034 compared with a surplus of €25,421 in the previous year.

Statement on relevant audit information

Each of the persons who are managers at the time when this managers report is approved has confirmed that:

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

Auditors

The auditors, Grant Thornton, have expressed their willingness to continue in office.

This report was approved by the managers and signed on their behalf.


.....
Manager


.....
Manager

Date: 4th April 2017

Manager's responsibilities statement

For the financial year ended 31 December 2016

The managers are responsible for preparing the Manager's report and the financial statements in accordance with Irish Generally Accepted Accounting Practice in Ireland, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and promulgated by the Institute of Chartered Accountants in Ireland.

The managers 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 fund as at the financial year end date and of the surplus or deficit of the fund for that financial year.

In preparing these financial statements, the managers 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 fund will continue in business.

The managers are responsible for ensuring that the fund keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the fund to enable at any time the assets, liabilities, financial position and surplus or deficit of the fund to be determined with reasonable accuracy.. They are also responsible for safeguarding the assets of the fund and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the managers



.....
Manager

Date: 4th April 2017



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Manager

Date: 4th April 2017

Independent auditors' report to the members of The Clann Credo Fund

We have audited the financial statements of The Clann Credo Fund for the financial year ended 31 December 2016, which comprise the Statement of comprehensive income, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the members, as a body. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an Auditors' 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 fund and the members, as a body for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and the Auditor

As explained more fully in the manager's responsibilities statement, the managers 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 International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the assets, liabilities and financial position of the Fund as at 31 December 2016 and of its deficit for the financial year then ended.

Independent auditors' report to the members of The Clann Credo Fund


- 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 Fund 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 Manager's report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report to you if, in our opinion, the disclosures of members remuneration and transactions specified by law are not made.

Molyneux House
Bride Street
Dublin 8

Date:
4th April 2017



Michael Shelley
for and on behalf of
Grant Thornton
Chartered Accountants
& Statutory Audit Firm

Statement of comprehensive income

For the financial year ended 31 December 2016

	Note	2016 €	2015 €
Income		(1,034)	28,353
Administrative expenses		(3,000)	(2,932)
(Deficit)/ surplus for the financial year		(4,034)	25,421

All amounts relate to continuing operations.

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

There was no other comprehensive income or cashflows arising for 2016 (2015:€NIL).

The notes on pages 7 to 10 form part of these financial statements.

The Clann Credo Fund

Balance sheet

As at 31 December 2016

	Note	2016 €	2015 €
Current assets			
Debtors: amounts falling due within one year	4	2,419,856	2,422,890
		<u>2,419,856</u>	<u>2,422,890</u>
Creditors: amounts falling due within one year	5	(13,000)	(12,000)
		<u>2,406,856</u>	<u>2,410,890</u>
Net assets			
Capital and reserves			
Investors	7	2,961,193	2,961,193
Accumulated deficit	7	(554,337)	(550,303)
Shareholders' funds			
		<u>2,406,856</u>	<u>2,410,890</u>

The financial statements were approved and authorised for issue by the board:


.....
Manager

Date: 4th April 2017


.....
Manager

Date: 4th April 2017

The notes on pages 7 to 10 form part of these financial statements.

Notes to the financial statements

For the financial year ended 31 December 2016

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland.

The Clann Credo Fund is not a corporate body and does not hold any equity capital likewise the Fund has not traded during the current or previous financial period nor has it generated cashflows. On the basis of the foregoing the managers have elected departure from the presentation of a Statement of changes in equity and Statement of cashflows.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Fund's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Fund will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

1.3 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.4 Financial instruments

The Fund only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or

Notes to the financial statements

For the financial year ended 31 December 2016

1. Accounting policies (continued)

1.4 Financial instruments (continued)

received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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, an impairment loss is recognised in the Profit and loss account.

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 of the recoverable amount, which is an approximation of the amount that the Fund would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet 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.

1.5 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. Judgments in applying accounting policies and key sources of estimation uncertainty

When preparing the financial statements, management undertakes a number of judgements, estimates and assumption about the recognition and measurement of assets, liabilities and expenses.

As the fund has not traded during the financial year under review, no accounting policies or key sources of estimation have been identified by management.

Notes to the financial statements

For the financial year ended 31 December 2016

3. Taxation

No taxation is chargeable as The Clann Credo Fund is exempt from taxation on the basis that each of its investors have been granted charitable tax exemption.

4. Debtors

	2016 €	2015 €
Clann Credo Company Limited By Guarantee	<u>2,419,856</u>	<u>2,422,890</u>

Amounts due from Clann Credo are interest free, unsecured and repayable on demand.

5. Creditors: Amounts falling due within one year

	2016 €	2015 €
Accruals	<u>13,000</u>	<u>12,000</u>
	<u>13,000</u>	<u>12,000</u>

6. Financial instruments

	2016 €	2015 €
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>2,419,856</u>	<u>2,422,890</u>
	<u>2,419,856</u>	<u>2,422,890</u>
Financial liabilities		
Financial Liabilities measured at amortised cost	<u>(13,000)</u>	<u>(12,000)</u>
	<u>(13,000)</u>	<u>(12,000)</u>

Financial assets measured at amortised cost comprise of amounts due from related parties.

Financial liabilities measured at amortised cost comprise of accruals.

7. Reserves

Accumulated deficit includes all current and prior period retained profits and losses.

Notes to the financial statements

For the financial year ended 31 December 2016

8. Approval of financial statements

The board of Managers approved these financial statements for issue on 4th April 2017.