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# Surviving Childhood

Directors' Report and  
Financial Statements

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Barnardos

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# Surviving Childhood

Barnardos - Republic of  
Ireland Limited

Directors' report and  
financial statements

**Year ended 31 December 2009**

*Registered number: 141526*

*Charity number: CHY6015*

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# Barnardos - Republic of Ireland Limited

## Directors' report and financial statements

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# Barnardos - Republic of Ireland Limited

## Directors' report

### 1 Reference and Administrative

#### 1.1 Reference Details

<b>Name</b>	Barnardos - Republic of Ireland Limited
<b>Registered Office</b>	4 Christchurch Square Dublin 8
<b>Company Registration No.</b>	141526
<b>Charity No.</b>	CHY6015

Barnardos - Republic of Ireland Limited is authorised to use the name Barnardos under licence from Barnardos United Kingdom.

#### 1.2 Board Members

##### Current Members

Harry Slowey	Chairperson
Niamh Cleary	Vice Chair
Michael Mortell	Hon Treasurer
Tony Crooks	Co-opted 12 February 2009
Sheila Greene	
Deirdre Kiely	
Deirdre Mortell	
Jim Mountjoy	Co-opted 23 April 2009
Michael Murray	
Alan Wyley	Elected 16 July 2009

##### Resigned

Owen O'Brien	12 February 2009
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##### Company Secretary

Dianne O'Kelly/Niamh Kavanagh

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# Barnardos - Republic of Ireland Limited

## Directors' report *(continued)*

### 1.3 Executive Management Team

Chief Executive	Fergus Finlay
Director of Children's Services	Suzanne Connolly
Director of Finance	Dianne O'Kelly
Director of Internal Services	Jacki Conway
Director of Fundraising and Marketing	Ruth Guy
Director of Advocacy and Central Services	Norah Gibbons
Assistant Director of Children's Services	Francis Chance
Head of Service - Guardian Ad Litem	Freda McKittrick

### 1.4 Other Relevant Company Information

#### Principal Bankers

Allied Irish Bank  
7/12 Dame Street  
Dublin 2

#### Principal Solicitors

Beauchamps Solicitors  
Riverside Two  
Sir John Rogerson's Quay  
Dublin 2

#### Auditor

KPMG  
Chartered Accountants  
1 Stokes Place  
St. Stephen's Green  
Dublin 2

#### Insurance Brokers

Willis Risk Services (Ireland) Limited  
Grand Mill Quay  
Barrow Street  
Dublin 4

The members of the Board hereby present their report and the financial statements for the year ended 31 December 2009.

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# Barnardos - Republic of Ireland Limited

## Directors' report *(continued)*

### **1.4 Other Relevant Company Information** *(continued)*

These documents are prepared in accordance with the Companies Acts, 1963 to 2009 and, voluntarily in the absence of statutory reporting standards for charities in Ireland, in accordance with international best practice (Statement of Recommended Practice (SORP) (revised 2005)) as recommended by the Charity Commission for England and Wales. This Directors' Report contains the information required to be provided in the Trustee's Annual Report under the Statement of Recommended Practice guidelines.

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# Barnardos - Republic of Ireland Limited

## Directors' report *(continued)*

### **2 Structure, Governance and Management**

Barnardos - Republic of Ireland Limited (Barnardos) is an Irish company incorporated under the Companies Act 1963 to 2009, on 1 April 1989. It is a company limited by guarantee and does not have a share capital. It is governed by a memorandum and articles of association, which were last amended at the Extraordinary General Meeting (EGM) on 6 December 2007.

The members of the Board, who are Directors of the charity for the purposes of the Companies Acts, are formally elected at the Annual General Meeting (AGM). Directors are invited to visit our services to get to know our work better.

#### **2.1 Barnardos' Board, Officers and Management**

Barnardos is governed by members of the Board who are elected for three-year terms, which are renewable. The Directors, who are non-executive, represent a diverse range of relevant expertise including commercial business, finance, media, education and law. The Board meets at least five times each year and has responsibility for all the business of the organisation.

The Board is supported by a Board committee structure which deals effectively with specific aspects of the business of the company. Board committees that are in place are the Best Practice Advisory committee, Audit committee, Finance committee, Property committee and Nominations committee. The Board members do not receive any remuneration in respect of their services to the charity. Expenses are reimbursed where claimed.

The Board delegates the day-to-day management of Barnardos to an executive management team, which comprises the Chief Executive, a senior management team and other management groupings, as set out in Section 1.3.

#### **2.2 Internal Control and Risk Management**

The Board has overall responsibility for the system of internal control for the charity. These controls aim to safeguard Barnardos' assets and to maintain the integrity of operating and accounting procedures. They include clearly documented financial procedures and the delegation of the authority of the Board, through the Chief Executive, to the rest of the organisation.

The charity operates a comprehensive annual planning and budgeting process. Annual budgets are approved by the Board. Both the Board and management are provided with regular financial reports which compare actual results to the phased budget.

The Board considers the management of risk in the organisation as a key corporate governance priority. An annual process to identify and manage the top risks for Barnardos is in place and is reviewed regularly.

Barnardos' policy is that all prospective staff and volunteers working in any area of Barnardos, including the Board and the Board sub-committees are subject to Garda vetting. We continue to apply our own child protection policies and recruitment policies and procedures. We will also continue to lobby for improvements in and the expansion of rigorous child protection procedures in the interests of child protection.

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# Barnardos - Republic of Ireland Limited

## Directors' report (*continued*)

### 3 Objectives and Activities

#### 3.1 Objectives

The main objectives of Barnardos are:

- To provide support for children, young people and families in need;
- To promote and provide assistance towards the education of children and young people in social or economic disadvantage; and
- To provide services for and promote and advance the welfare of children, young people and their families whose lives have been affected by economic, social or other disadvantage or loss.

The objectives were updated at an EGM on 6 December 2007.

The vision and mission statements of the organisation are:

#### **Barnardos' Vision**

Barnardos' vision is an Ireland where childhood is valued and all children and young people are cherished equally.

#### **Barnardos' Mission**

Barnardos' mission is to challenge and support families, communities, society and government to make Ireland the best place in the world to be a child, focusing specifically on children and young people whose well-being is under threat.

#### 3.2 Principal Activities

Barnardos is a wholly independent Irish charity, which provides a range of services in response to the needs of vulnerable children, young people and their families in many parts of Ireland. Our family support and early years services are situated in the heart of local communities in Ireland. We also offer additional specialist services to children, such as a Bereavement Counselling Service for Children, a Guardian Ad Litem Service (GAL), a Post-Adoption Service and a Tracing Service for adults who were residents of former industrial schools in Ireland.

Our key concern is that the children with whom we work receive an effective service that delivers positive outcomes in relation to their emotional well-being and their learning and development and that we respond effectively to any concerns about their safety and well-being which come to our attention in the course of our work. Barnardos aims to provide a quality, best-practice approach informed by principles and standards which draw on legislation, expert guidance, experience, research (both locally and internationally) and learning from the regular scrutiny of practice.

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# Barnardos - Republic of Ireland Limited

## Directors' report *(continued)*

### 3.2 Principal Activities *(continued)*

During 2009 our direct services worked with over 5,672 (2008: 5,615) children and their parents (Family Support Projects, GAL services and Bereavement Counselling services). Over 15,169 (2008:12,410) used our Information Services with 4,884 (2008: 4,726) enquiries from childcare professionals, parents and students and an additional 6,762 (2008: 4,866) visits to our library website in 2009; over 1,722 (2008: 1,122) training places to the public were provided; 558 (2008: 596) enquiries were handled by our Post-Adoption Services; 250 enquiries were handled (2008: 275) through our Bereavement Counselling phone lines and 993 (2008:825) enquiries were handled through our Origins service.

Barnardos' work is supported through a combination of statutory and voluntary funding. A substantial portion of the costs of family support services is funded by a variety of statutory sources, mainly the Health Service Executive and a number of government departments. Increasingly statutory funding is determined on the basis of negotiated service level agreements, which is a welcome development as it clarifies and makes explicit the respective operational responsibilities, expectations and accountability.

In addition to its statutory funding, Barnardos has invested in the provision of services for which no statutory income is currently available, and in management and professional supports which are, in the Board's view, critical to the achievement of effective and enduring outcomes for the children and families using our services. These investments are made possible through a diverse range of fundraising activities which, for the year ended 31 December 2009, included direct mail campaigns, legacies, donations from companies and individuals, trusts and foundations, the operation of charity shops, fundraising events and through the support of philanthropic partners.

### 3.3 Volunteers

Barnardos continued to strengthen its network of dedicated volunteers throughout the organisation in 2009. Volunteers support Barnardos as Board members, administrative volunteers, researchers, Children's Services volunteers, fundraisers and within our charity shop network.

During 2009, 121 new volunteers were placed in new and existing volunteer roles, following a record number of applications received. Barnardos now has 267 consistent volunteers and 45 occasional volunteers supporting its work. On average each volunteer contributed just under 100 hours of volunteer time, with the total number of hours contributed reaching 26,604.

With the support of Softech, Barnardos continued to encourage the spirit of volunteering amongst young people with the Helping Hands Volunteer Awards and recognised the achievements of our volunteers with a Volunteer Celebration Lunch.

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# Barnardos - Republic of Ireland Limited

## Directors' report (*continued*)

### 4 Barnardos' Achievements and Performance in 2009

Our achievements and performance in 2009 can be considered under a number of areas of activity:

- Direct Services to Children and Families;
- Advocacy;
- Fundraising; and
- Supporting Services.

These activities are guided by annual implementation plans under our 'Strategic Plan'. Performance is reported to the Board at each Board meeting and is measured in a number of ways including tracking against service level agreements and the use of the balanced scorecard.

#### 4.1 Direct Services to Children and Families

Barnardos works with children from birth to age 18 years and their families living in disadvantaged communities. We support children to develop normally in the context of the adverse circumstances in which they live. The children and families with whom we work experience complex and often inter-related difficulties in a range of areas.

##### **Service Portfolio:**

During 2009 we continued to implement a wide range of targeted services for children and families. In addition, we invested heavily in the design, development and evaluation of several new services that we believe have the potential to meet significant needs. These include:

- Further to the successful pilot of the Wizards of Words programme (a volunteer led literacy improvement programme) in four Dublin schools during 2008, in 2009 we rolled out the programme to a further four schools in Limerick. We now have a total of 102 volunteers delivering the programme to more than 60 children.
  - In 2009 we completed the service design for the Friendship Group (a peer relationship and social skills programme) and it is now being implemented in 10 Barnardos sites nationally.
  - We also completed the service design for the Tús Maith programme. This programme combines the High/Scope curriculum with REDI (Research-based, Developmentally Informed), a programme designed by Penn State University. The REDI programme has been shown to enhance the High/Scope curriculum and achieve higher level outcomes in the domains of social and emotional competence and emergent literacy for three-four year olds. Roll-out of the programme began in January 2009. Programme implementation is supported by our Tús Maith coach who provides coaching support for all staff and managers of the programme. Tús Maith is currently being delivered in five sites and we plan to roll it out to a further three sites from September 2010.
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# Barnardos - Republic of Ireland Limited

## Directors' report *(continued)*

### 4.1 Direct Services to Children and Families *(continued)*

- Towards the end of 2009 we began work on the service designs for Partnership with Parents (an intensive parent support programme for parents with complex needs who have children aged 0 to 18 years) and Parent Coaching (an early intervention programme which working individually with parents in their own home targeting specific aspects of parenting). We plan to pilot both programmes in 2010.
- Barnardos operates three Family Welfare Conferences (FWC) nationally. A FWC is a facilitated family-led decision-making process that supports the family to agree a plan which meets the needs of the children whose needs are not currently being met – for example a situation in which parents have separated and have difficulty in agreeing how to co-parent. In October 2009 we added a fourth FWC service to our portfolio, with a specific remit to provide services for families in which there is a child with a disability.

In addition, Barnardos provided:

- A Bereavement Counselling Service for Children who have suffered loss through death of a close relative, carer or friend.
- The Origins Information, Counselling and Tracing Service which is for adults who were residents of the former industrial schools and reformatories.
- The Post-Adoption Service which provides information, counselling and a tracing service.
- The Guardian ad Litem Service which provides independent reports on children who are the subject of court proceedings.

Barnardos also operates the Barnardos Training and Resource Service, which provides a library and information service on all aspects of children's lives, provides training programmes, conducts research, publishes, offers consultancy and supports Barnardos' advocacy and campaigning activity.

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# Barnardos - Republic of Ireland Limited

## Directors' report *(continued)*

### 4.1 Direct Services to Children and Families *(continued)*

Barnardos' services were delivered in the following locations during 2009:

<p><b>Dublin North Region</b></p> <ul style="list-style-type: none"> <li>○ TESO, Avila Close, Finglas West</li> <li>○ Barry Close, Finglas</li> <li>○ Main Street, Mulhuddart</li> <li>○ Roselawn Road, Blanchardstown</li> <li>○ Buckingham Street, Dublin 1</li> <li>○ Mulhuddart/Corduff, Corduff, Dublin 15</li> </ul>	<p><b>Dublin South Region</b></p> <ul style="list-style-type: none"> <li>○ Tivoli Terrace South, Dun Laoghaire</li> <li>○ Loughlinstown Drive, Loughlinstown</li> <li>○ Patrick Street, Drugs Project, Dun Laoghaire</li> <li>○ Bray Drugs Project</li> <li>○ Cherry Orchard, Ballyfermot</li> <li>○ Labre Park, Ballyfermot</li> <li>○ Wizard of Words, Clondalkin</li> </ul>
<p><b>Dublin West</b></p> <ul style="list-style-type: none"> <li>○ Teen Parents, Newlands Cross</li> <li>○ YAP, Bawnlea Green, Tallaght</li> <li>○ Millbrook, Tallaght</li> <li>○ Special Needs, Jobstown</li> <li>○ Lorien Rivendell, Fettercairn</li> <li>○ Deerpark, Tallaght</li> <li>○ MacUlliam, Tallaght</li> </ul>	<p><b>Midlands and North East</b></p> <ul style="list-style-type: none"> <li>○ Athlone, Westmeath</li> <li>○ Mullingar, Westmeath</li> <li>○ Tullamore and Edenderry, Offaly</li> <li>○ Family Welfare Conference, Drogheda, Navan and Cavan</li> </ul>
<p><b>South East Region</b></p> <ul style="list-style-type: none"> <li>○ Ballybeg, Waterford</li> <li>○ Clonmel, Tipperary</li> <li>○ Carrick on Suir, Tipperary</li> <li>○ Dungarvan, Waterford</li> <li>○ Gorey, Wexford</li> <li>○ Waterford Student Mothers, Waterford City</li> <li>○ Waterford FWC</li> <li>○ Tullow Road, Carlow</li> </ul>	<p><b>Southern Region</b></p> <ul style="list-style-type: none"> <li>○ Mahon, Cork</li> <li>○ Knocknaheeny, Cork</li> <li>○ Islandgate, Limerick</li> <li>○ Moyross, Limerick</li> <li>○ Southside, Limerick</li> <li>○ Thurles, Tipperary</li> <li>○ Wizards of Words, Limerick</li> </ul>

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# Barnardos - Republic of Ireland Limited

## Directors' report (*continued*)

### 4.1 Direct Services to Children and Families (*continued*)

#### **Developing the Quality of Barnardos' Services**

Barnardos strategy aims to ensure that all of our services are needs based and result in measurable outcomes for children and families.

During 2009, the following were undertaken as part of Barnardos' ongoing commitment to developing the quality of its services:

- We completed a peer-led audit of child protection practice involving all services. The purpose of this review was to examine how we, as an agency, are implementing our Child Protection Policy. Child protection practice in all our family support, early years and central services were included in the audit.

The audit focused on the following:

- Assessing current practice identifying and learning from best practice
  - Identifying concerns and areas for improvement
  - Devising improvement action plans where necessary
  - Identifying training needs
- We finalised the Barnardos Practice Framework. This framework describes the Barnardos way of working in order to achieve outcomes for children and families. Barnardos' three core beliefs are outlined: children have the capacity to develop to their full potential, parents have the capacity to change and that relationships are important. The knowledge, skills and practices that underpin these beliefs are also outlined.
  - We devised a promoting positive behaviour policy and accompanying practice guidance. This provides guidance for staff on how to provide a nurturing environment which develops children's skills in understanding and managing their feelings, and developing positive relationships with peers and adults.
  - We devised and provided training aimed at enhancing the practice of staff and managers in their implementation of our assessment framework.
  - We continued to provide training aimed at enhancing the practice of staff and managers e.g. Assessment, Shared Language Training, Case Management, Engaging Families.
  - Our Best Practice Advisory Committee continues to be an important resource and support to us in the development of our services.

#### **Research and Evaluation**

Barnardos research and evaluation programme is shaped by the information needs of the organisation taken from two perspectives:

- Understanding the needs and circumstances of children and their families in Ireland, particularly those children and their families whose well-being is under threat.
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# Barnardos - Republic of Ireland Limited

## Directors' report (*continued*)

### **Research and Evaluation** (*continued*)

- Delivering quality services to children and their families and demonstrating that these services achieve the outcomes that are intended.

Barnardos is committed to delivering high quality and methodologically robust research studies and service evaluations. We do this using internal and external resources. Work to date includes the following areas:

### **Wizards of Words**

The Child and Family Research Centre (CFRC) at NUI Galway was commissioned in 2008 to evaluate Barnardos Wizard of Words programme. The evaluation has been divided into two phases:

*Phase 1: Process evaluation and pilot of outcome measures*

*Phase 2: Outcomes evaluation using randomised control trial*

The process evaluation was concluded in May 2009. The evaluation explored the themes of:

- Programme utilisation e.g. uptake by schools, volunteers and target children
- Programme organisation e.g. selection and recruitment of volunteers, training and support and systems in place to support implementation
- Programme fidelity e.g. session fidelity to the manual and intervention as designed

Some of the key findings from this phase of the evaluation were:

- The importance of partnering with schools who are committed to reading improvement, share our ethos of working in partnership, welcome and value the contribution of volunteers and are open to new ways of working
- The importance of the relationship between volunteer and child
- The value of the training and support for the volunteers

Field work on the outcomes evaluation began in September 2009 and will continue until December 2011. A total of 114 children were included in the study for this year: 58 in the intervention group and 56 in the control group. Preliminary data regarding Year 1 of the study will be available in June 2010.

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# Barnardos - Republic of Ireland Limited

## Directors' report *(continued)*

### **Research and Evaluation** *(continued)*

#### **Friendship Group:**

The process evaluation of the Friendship Group has been completed by our senior research manager. The findings from the evaluation of Friendship Group demonstrated particular improvements in the behaviour of children in developing social skills.

#### **Knocknaheeny:**

An evaluation of the Knocknaheeny Brighter Futures service was completed in 2009 by Exodea Consultancy Limited. The overall message from the evaluation is a positive one - Brighter Futures provides a high quality children's service in the centre of an extremely disadvantaged community and extremely high satisfaction levels were recorded among parents and children.

#### **Family Welfare Conference South East:**

The evaluation of the Family Welfare Conference in South Tipperary was published in 2009. The review highlighted that the FWC service in South Tipperary is well established and well respected by a range of stakeholders including children, young people, advocates, referrers and advisory group members. There is strong support for the FWC model, particularly its strengths based approach, its focus on children and young people, and its flexibility to act as a catalyst for the emergence of effective and innovative solutions.

## **4.2 Advocacy**

### **Advocacy**

Barnardos Advocacy Department focused its energies on the following key areas in 2009:

#### **Educational Disadvantage: Written Out, Written Off Campaign**

Barnardos Written Out, Written Off campaign was launched at a successful seminar in May 2009. The seminar was well attended by relevant sector agencies and endorsements from a number of key stakeholders including ASTI, TUI and NESF were received at the seminar. The online survey which formed part of the campaign was successful, with 490 respondents at the end of the campaign. Significant feedback and endorsement of the campaign was received through this forum.

Written Out, Written Off launched at a time of great uncertainty and upheaval in the education system. Cuts to the education budget had left many children and parents concerned about the future of education in Ireland and anxious about the changes they would find in the school year beginning September 2009. Written Out, Written Off set out to highlight the serious gaps in the education system and the solutions needed to fill the gaps for those children living in disadvantage. The campaign did this by evidencing the issues facing children using Barnardos' services and proving the long term consequences of under investing in education for these children. The campaign was followed with continued reference to the core recommendations outlined in it through the Back to School Costs Analysis and the Yes/ No Campaign on child poverty. The campaign succeeded in a number of its goals, resulting in the reversal of 2009 Budget cuts to education in the Revised Programme for Government and the resultant funding for services in Budget 2010. Overall, Written Out, Written Off gained significant traction with policy makers, evidenced by Government's decision to allocate funding to key areas outlined by Barnardos in Budget 2010, particularly class size, the School Book Grant Scheme, NEPS and the School Transport Scheme among others.

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# Barnardos - Republic of Ireland Limited

## Directors' report (*continued*)

### 4.2 Advocacy (*continued*)

#### **Child Poverty: Yes/No Campaign**

The Yes/No Campaign was launched in November 2009 and supported by a call to action in the form of an online petition. The Yes/No campaign succeeded in its goal to protect the most vulnerable children and families from the worst affects of the recession. It did this through setting out the evidence base clearly in both the campaign report and the *Cost of a Child* briefing paper and the communication of the message through a wide range of media including Digivans, postcards in 300 venues around Ireland, Facebook, Twitter, Boards.ie, Barnardos website and print and broadcast media. In total 1,343 people signed the online petition relating to the campaign and over a thousand comments from the general public were collected. This illustrates the campaign's success in giving the general public a forum to express their concerns and views to Government.

The Yes/No campaign achieved a significant policy win in Budget 2010 by achieving an increase of €3.80 per week to the Qualified Child Allowance (QCA) and a €6 increase to the income disregard for Family Income Supplement (FIS) to compensate families on social welfare and low incomes for the loss of income from the €16 per month cut to Child Benefit. With overall spending on Child Benefit at €2.5billion it was inevitable that the payment would be cut in Budget 2010. Barnardos' policy decision to call for no cut or compensatory increases to other payments for those in receipt of the QCA and FIS rather than to lobby simply for no cut succeeded in its aim to protect children living in families already facing or at risk of poverty and disadvantage. Due to the measure, these families will now not face the loss of this income in tandem with the 4.1 per cent cut to basic social welfare rates, leaving them better protected against the recession. Barnardos did, however, express disappointment at the 4.1 per cent cut in light of the 2 per cent cut already imposed through the loss of the Christmas payment. The *Cost of a Child* briefing paper presented at the Yes/No launch outlined the significance of Child Benefit in reducing child poverty in Ireland between 1996 and 2007 and also outlined the cost of raising children in Ireland in 2009 to provide an argument to Government claims that the cost of living had fallen and to highlight the fact that families could not afford cuts to their income. The measures taken by Government indicate that Barnardos campaign scored significant traction with the relevant departments.

#### **Child Protection**

Advocacy did significant work following the publication of the Ryan Report and the subsequent Implementation Plan to assess how the measures outlined in this plan will influence policy work on key areas over the coming years. Barnardos welcomed the announcement in Budget 2010 that €15 million will be allocated to implement measures from the Ryan Implementation Plan in 2010. Advocacy worked on a number of key issues in this area in 2009 and will continue to develop them in 2010. The recognition of the importance of placing Children First national guidelines on a statutory footing in the Ryan Implementation Plan represents a policy win for Barnardos also and is very welcome. Other areas which Barnardos has long advocated for and which were included in the Ryan Implementation Plan include equity of care for separated children in Ireland, increase in numbers of social workers for child protection, the provision of aftercare for children in the care system and the inspection of all residential facilities for children.

Advocacy made a presentation to the Joint Oireachtas Committee on Health and Children on the Adoption Bill 2009 and began work to influence the Child Care (Amendment) Bill 2009 in 2009. This includes a call for the introduction of a statutory provision for aftercare for children leaving the care system and advocacy will continue to collaborate with partner organisations to advance this in 2010.

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# Barnardos - Republic of Ireland Limited

## Directors' report *(continued)*

### 4.2 Advocacy *(continued)*

#### **Childrens' Rights/Constitutional Amendment**

Barnardos continued to bring the Constitutional Amendment on children into its advocacy work through a range of submissions and presentations in 2009, including a presentation and submission to the Joint Oireachtas Committee on Health and Children on the Adoption Bill 2009 and a submission to the Law Reform Committee on *Legal Aspects of Family Relationships*. Barnardos also met with Minister Barry Andrews and members of the Joint Oireachtas Committee on the Constitutional Amendment on Children during the year and welcomed the allocation of €3 million for such a referendum in Budget 2010. Advocacy continued to prioritise the insertion of children's rights into the Irish Constitution in its media and lobbying work throughout 2009. In particular, Barnardos increased its collaborative work with relevant organisations in 2009 and made a number of joint submissions and statements ahead of the Joint Oireachtas Committee's final report announcement in December 2009.

#### **Submissions**

Barnardos' advocacy continued to be a credible policy voice across the range of issues affecting children in Ireland in 2009. We continued to build on our reputation as thought leaders across the sector through our ongoing action across a broad spectrum of issues. We made the following submissions to various statutory and political bodies over the year:

Dept of Justice, Equality and Law Reform - Criminal Justice (Public Order) (Amendment) Bill 2008 (Jan 2009)

Joint Committee on Justice, Equality, Defence and Women's Rights - Immigration, Residency and Protection Bill 2008 (Feb 2009)

National Paediatric Hospital Development Board – Children's Hospital (March 2009)

Dept of Justice, Equality and Law Reform - Management of Sex Offenders (April 2009)

The Expert Group on Resource Allocation and Financing in the Health Sector (June 2009)

Joint Oireachtas Committee on the Constitutional Amendment on Children (Sept 2009)

Special Group on Public Service Numbers and Expenditure Programmes (Sept 2009)

Office of the Minister for Children - Implementation of the Ryan Report Recommendations (Oct 2009)

Joint Oireachtas Committee for Education and Science - Staying in School: The Way Forward (Nov 2009)

Law Reform Commission - Legal Aspects of Family Relationships in Ireland (Dec 2009)

Joint Oireachtas Committee for Health and Children - Adoption Bill 2009 (Dec 2009)

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# Barnardos - Republic of Ireland Limited

## Directors' report (*continued*)

### 4.3 Fundraising

2009 was a very challenging year for fundraising for Barnardos. In a very tough economic environment, the sector saw a decline in voluntary and statutory income early on and the competition for funds in the market place was acute.

The strategy of investing in the growth of the individual donor database over the last few years stood Barnardos in good stead in 2009 with donors responding to our appeal for vital extra support in 2009. We also ran our first integrated Fundraising Appeal in many years in October 2009. It exceeded all targets and provided the essential injection of funds and new donors, required to see Barnardos through to the year end and protect service delivery.

Fundraising activities for the year generated €5.10m (2008: €4.78m): Unrestricted Trusts, Legacies & Donations income generated €0.06m (2008: €0.14m): and Restricted Trusts & Donations income was €3.13m (2008: €2.31m) giving a total Fundraising income of €8.29m (2008: €7.22m) in the year.

We recruited over 4,500 new individual donors (against a target of 3,100) and exceeded our income target in the Individual Giving area of fundraising. Events and Campaigns grew significantly in terms of the number of people taking part in events for Barnardos - however the average amount raised fell in 2009 thus impacting income. 2009 saw our third overseas trek – this time to Little Tibet in India. Recruitment was done at minimal cost through mailing our existing database. The response was amazing and we had to schedule a second trek for Easter 2010 to accommodate the numbers. In addition we saw an increase in community based fundraising for Barnardos which can be directly attributed to our increased profile and awareness. In a year where corporate support for the sector tightened considerably due to the economic downturn Barnardos income remained steady, the result of many strong partnerships that have been fostered over the years.

One of the sectors worst hit last year was the retail sector. The retail sales index reported a fall in sales of 17.9 per cent in 2009. Barnardos shops performed well in delivering sales of €1.14 million (2008: €1.36 million), a decline of 15.4 per cent which, compared to the sector average, was a strong performance. One of the main challenges was the continued move by the mainstream retailers to heavily discount merchandise and deliver almost year round sales. This has increased the competition on the high street and made new goods more accessible to all, at a lower cost. We have also seen a fall off in Brand New donations as retailers and manufacturers hold on to stock in an attempt to drive more income.

There was a continued fall off in donated goods to our shops, a trend that continues across the sector. Collection initiatives were piloted in a number of companies in 2009 to some considerable success and we will continue this approach again in 2010 in an attempt to grow the volume of donated goods.

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# Barnardos - Republic of Ireland Limited

## Directors' report *(continued)*

### 4.4 Supporting Services

#### Human Resources

Barnardos believes that supporting our staff is vitally important and our Human Resources department plays an important role in supporting our organisation as we strive to ensure that the children and families that we work with are best served by our staff and management.

At the 2009 year end our total headcount was 404 (fulltime 52 per cent and part time 48 per cent); *(2009:391)*.

Our commitment to training continued during 2009 with the delivery of over 110 training courses *(2008: 57)* to ensure that training needs across our organisation were met. Particular highlights included the completion of Child Protection Training for all of our staff and continued rollout of Family Support Strategy related training; and a variety of Health and Safety related courses.

During 2009, we continued to implement initiatives arising from the implementation of our employee engagement survey in 2008 which placed us ahead of European benchmarks in most areas. We have developed a Staff Council including nominees from across the organisation, the Chief Executive and Senior Management. Its aim is to enable all employees to contribute to the development and success of Barnardos and to promote mutual trust and co-operation between Barnardos and its employees. Staff have elected colleagues from their work area to act as nominees for them.

In addition to reviewing and updating a number of key policies and implementing the related training and support, 2009 was a financially challenging year and in response to this a pay freeze that was implemented for all staff across the organisation and senior staff accepted a pay cut of 5 per cent.

The HR Team remain committed to work in partnership with our stakeholders to ensure a professional level of service is provided and to support the achievement of Barnardos' objectives and strategy.

The Barnardos Garda Vetting Service continues to provide a vetting service on behalf of the Office of the Minister for Children. This service acts as a clearing house for vetting applications to the central vetting Unit in Thurles for providers covered by the Pre-school Regulations, Boards of management, other children services and to host families of children from Belarus. The service also provides training on best practice recruitment in relation to vetting.

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# Barnardos - Republic of Ireland Limited

## Directors' report (*continued*)

### 4.4 Supporting Services (*continued*)

#### **Communications**

In 2003 Barnardos' spontaneous awareness was 1.2 per cent. In the most recent research in November 2009 our spontaneous awareness was measured at 12 per cent, keeping us firmly in the top ten Irish charities in the market.

This has been due to the continuing work being done to grow our profile and awareness through advocacy, communications and fundraising. The Danone Big Toddle, our Fundraising appeal in October, followed closely by the Advocacy campaign in November kept Barnardos in the media and front of mind.

2009 was the most successful year for Barnardos in terms of media coverage to date. Volume increased by 10 per cent, weighted coverage grew by 14 per cent while Advertising Value Equivalent (AVE) gained 29 per cent.

National daily coverage spiked this year for Barnardos with a 48 per cent increase on last years figure. National broadsheet publications accounted for 61 per cent of the total national coverage and 76 per cent of its AVE. The Irish Examiner was the most prolific carrier publishing 169 articles while the Irish Times and the Irish Independent published 94 and 91 pieces each. Tabloid publications published 229 articles. The Evening Echo published the majority of pieces with 67 whilst the Evening Herald and the Irish Daily Mirror followed with 36 and 32 pieces each.

In 2009, Sunday publications for Barnardos increased by 21 per cent on last years figure. The majority of this coverage was generated in the Sunday Times which carried a total of 13 articles and was followed by the Sunday Tribune with eleven articles. The Sunday Business Post and the Sunday Independent carried nine and seven pieces accordingly. Magazines coverage increased this year by 34 articles.

All this activity delivered an increase in awareness but also an understanding of Barnardos and our work with 26 per cent of all adults seeing us as the leader in the area of children (with number two coming in at 15 per cent). Growing our awareness and understanding was a strategy we embarked on and the statistics have shown the success of that strategy.

Our online and social media presence has also become a key element of our communications platform and has supported the organisation and delivered, in a very real way. The use of Facebook and Twitter has driven support and donations in a very measureable way.

More information on the services and achievements of the charity are included in the Annual Review. Further copies are available from National and Regional Offices or can be downloaded from our website: [www.barnardos.ie](http://www.barnardos.ie).

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# Barnardos - Republic of Ireland Limited

## Directors' report *(continued)*

### 5 Financial review

#### 5.1 Results for the year

The financial results for the year ended 31 December 2009 are shown in the Statement of Financial Activities on page 26.

This company achieved a net surplus of €2,931,000 (including an exceptional gain on a property disposal of €1,496,000) for the year (2008: €320,000).

#### 5.2 Income Generation

Barnardos raised total income of €26.1m (excluding capital gain) in the year ended 31 December 2009 (2008: €24.4m), an increase of 7 per cent on 2008. Income may be analysed by source as follows:

	2009	2008
Statutory	<b>62%</b>	63%
Donations	<b>21%</b>	21%
Shops	<b>5%</b>	6%
Trusts, Foundations and Legacies	<b>11%</b>	9%
Other	<b>1%</b>	1%
	<b>100%</b>	100%

#### 5.3 Resource Expended

Total resources expended by the organisation amounted to €24.7m (2008: €24.1m). Of the organisation's expenditure, when the costs of running the shops is excluded (shops expenditure is treated as being self financing), 89 per cent (€20.65m) was spent on direct charitable activities, 10 per cent on the cost of generating funds and 1 per cent on governance. Support costs allocated to direct charitable activities are detailed in Note 6 to the financial statements in line with requirements under SORP 2005.

The Board would like to acknowledge the many positive funding relationships it enjoys with the Health Service Executive, Government departments and agencies, with philanthropies, notably Atlantic Philanthropies and One Foundation, companies, trusts and foundations, individual donors and its many supporters amongst the public at large. The Board would also like to acknowledge the many individuals and companies that have offered their expertise on a pro bono basis.

The Board is pleased to report that Barnardos has been able to proceed with the acquisition of a new premises in Mulhuddart to deliver our Early Years and Family Support Services. As part of this process we have part exchanged our old premises for the new premises. This transaction has created an exceptional accounting gain separated under other incoming resources in our Income and Expenditure Account of €1,496,000 because the old premises had a very low historic net book value. However no additional cash was generated as a result of the deal. Barnardos has invested a further €398,000 in the acquisition of the premises in 2009, and is planning to spend another €806,000 in 2010 to complete and fit out the premises.

# Barnardos - Republic of Ireland Limited

## Directors' report *(continued)*

### 5.3 Resource Expended *(continued)*

At present we are fitting out these premises and plan to move our Mulhuddart and Roselawn services into the new premises in the summer of 2010. This is an exciting development that will enable us to deliver services to children and families in a state-of-the-art premises that is being prepared to the highest standards. We are being supported in this fit-out by grant aid from Pobal and the Department of Community, Rural and Gaeltacht Affairs and we have been helped also by a number of private contributions, for which we are very grateful.

### 5.4 Reserve Policy

In accordance with recommended best practice, each charity should have a reserve policy. This policy is concerned with how much 'free' (or unallocated) reserves a charity retains.

This excludes the following:

- Restricted funds
- Designated funds
- Income funds that could only be realised by disposing of fixed assets held for charity use.

The Board has the responsibility for establishing an appropriate reserve policy. Having reviewed the reserves of the charity, a policy of retaining sufficient reserves to ensure the continuity of operations and to absorb periodic setbacks, while committing the maximum amount available for the provision of services to children and families in Ireland was adopted by the Board in 2008.

This policy means that the free reserves should be approximately:

- (a) one month of statutory income projected for the coming year (with the exception of Guardian ad Litum); and
- (b) two months of Guardian ad Litum income projected for the coming year; and
- (c) three months of non-statutory income projected for the coming year. This includes income from trusts and foundations.

In 2010 this equates to approximately €3.8m in free reserves (excluding pension provision). The free reserves are €4.5m at 31 December 2009.

The level and adequacy of the reserves are reviewed annually by the Audit Committee, which reports directly to the Board. Care is taken to consider changing funding structures and activity growth strategies. The policy was reviewed in 2007 to take account of an increasing dependence on fundraising activities and the associated risk.

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# Barnardos - Republic of Ireland Limited

## Directors' report (*continued*)

### 5.5 Investment Policy

It is the policy of the Board that all funds not immediately required for operational purposes should be invested in fixed term interest bearing deposits, maintained with financial institutions.

### 6 Challenges and Future Priorities

The environment in which Barnardos operates has changed significantly in recent times. The national and international economic downturn has affected all aspects of Irish society, including funding to statutory agencies who in turn have been reducing funds to community and voluntary organisations. This has meant cuts and the potential for more cuts in funding to voluntary organisations at a time when the services and supports they provide are needed more than ever. We are currently in a recession with increasing unemployment, increasing poverty and increased levels of instability and uncertainty for 2010 and 2011 with a lack of ability to predict when Ireland will begin recovery in a way meaningful to the families we work with.

The political environment is uncertain. The need for public sector reform has emerged as a strong theme along with a sense of outrage at the current economic situation. The sense of outrage has been exacerbated by the recent reports in relation to abuse of children and provides an opportunity to focus political and public attention on what we need to prioritise as a society so that we can spend wisely in the areas that matter when economic recovery eventually begins.

There are opportunities here for Barnardos to develop solutions to the issues facing children now, particularly in the areas of child protection, child income support, education and health. The Ryan Implementation Plan arising from the Commission to Inquire into Child Abuse (CICA) prioritises many of Barnardos policy priorities in relation to the child welfare and protection system and these will be a key area of focus over the next five years. Importantly the CICA report and implementation plan also contains key areas of legislative change:

- The need for a Constitutional referendum on children's rights
- Children First on a statutory basis
- After-care provision on a statutory basis
- Changes to Health Act 2007 regarding care for separated children

In addition, in response to the small improvements in consistent poverty rates and the persistence of vulnerability for some children at extreme risk, we have decided to develop a growth strategy for the period 2010-2016. In the next phase of our development, we want to make a bigger contribution to more families; to work with others to achieve a further multiplier effect; and to increase our advocacy for children's rights and reduction in child poverty in Ireland. Recognising that part of the challenge facing Barnardos in the short term are the economic circumstances with likely funding impacts both internally and externally, the first three years (2010 – 2013) will be about incremental improvement; consolidation; and positioning for the future which will permit us to deliver on our vision for 2016.

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# Barnardos - Republic of Ireland Limited

## Directors' report (*continued*)

### **6 Challenges and Future Priorities** (*continued*)

However the most significant challenge for Barnardos over the next three to five years will be the lack of Government resources to invest in public services. Barnardos will continue to push for the protection of the most vulnerable children but even maintaining current spending on social welfare, education and health over the next few years will be challenging. In the wake of increased publicity around child protection issues, there is a risk that public concern around failings in child protection systems may make shifting resources to prevention and early intervention models politically difficult. Given the economic hardship in Ireland, there is a possibility that there will be a roll back on children's rights over the next five years. This could threaten to undermine progress that has been made in recent years and will make it necessary to increase Barnardos' focus and voice on the issues which may arise.

### **7 Statement of the responsibilities of members of the Board in respect of the financial statements**

The directors are responsible for preparing the financial statements in accordance with applicable Irish law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

The Directors are responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Acts, 1963 to 2009. 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.

The Directors are also responsible for preparing a Directors' report that complies with the requirements of the Companies Acts, 1963 to 2009.

The Finance committee meets five times a year. It is chaired by a Board member and includes another Board member at all times. Its function is to keep under review the adequacy, scope and effectiveness of accounting and internal control systems of all financial activities carried out by Barnardos. The Finance committee reports to the Board.

The Audit committee meets three times a year. It is chaired by a Board member and includes two independent members. Its functions include the review of the annual statutory accounts of Barnardos before submission to the Board, review and approval of the internal audit plan based on the risk identification process, its implementation and subsequent reporting to the Board.

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# Barnardos - Republic of Ireland Limited

## Directors' report *(continued)*

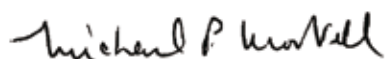
### 8 Books of Account

The Directors believe that they have complied with the requirements of Section 202 of the Companies Act, 1990 with regard to books of account by employing personnel with appropriate expertise and by providing adequate resources to the financial function. The books of account of the Company are maintained at Christchurch Square, Dublin 8.

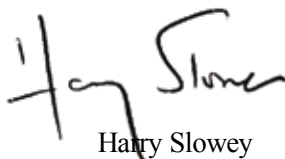
### 9 Auditor

KPMG, Chartered Accountants have expressed their willingness to remain in office and, in accordance with Section 160 (2) of The Companies Act, 1963, the auditor, KPMG, Chartered Accountants will continue in office.

On behalf of the Board



Michael Mortell  
*Honorary Treasurer*



Harry Slowey  
*Chairperson*

22 April 2010

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## Independent auditor's report to the members of Barnardos – Republic of Ireland Limited

We have audited the financial statements of Barnardos – Republic of Ireland Limited for the year ended 31 December 2009 which comprises the statement of financial activities and income and expenditure account, the statement of total recognised gains and losses, the balance sheet, the cash flow statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Directors and Auditors**

The Directors are responsible for the preparation of the financial statements in accordance with applicable Irish law and Accounting Standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland) as set out in the statement of the responsibilities of members of the board in respect of the financial statements as set out on page 22.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Acts, 1963 to 2009 and the Statement of Recommended Practice 2005. We also report to you our opinion as to: whether proper books of account have been kept by the company; and whether the information given in the Directors' Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the financial statements are in agreement with the books of account.

We also report to you if, in our opinion, any information specified by law regarding Directors' remuneration and other transactions is not disclosed and, where practicable, include such information in our report.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

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Independent auditor's report to the members of Barnardos – Republic of Ireland  
Limited (*continued*)

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

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 affairs of the company as at 31 December 2009 and of its net income for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Acts, 1963 to 2009.

We have obtained all the information and explanations 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.

The logo for KPMG, consisting of the letters 'KPMG' in a stylized, handwritten font.

*Chartered Accountants*  
*Registered Auditor*

22 April 2010

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## Barnardos - Republic of Ireland Limited

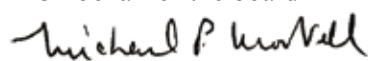
### Statement of financial activities and income and expenditure account

for the year ended 31 December 2009

	Note	2009 Unrestricted Funds €000's	2009 Restricted Funds €000's	2009 Total Funds €000's	2008 Total Funds €000's
<b>Incoming resources</b>					
<i>Incoming resources from generating funds</i>					
-Voluntary income	1	5,332	3,168	<b>8,500</b>	7,415
-Income from trading activities	2	1,147	-	<b>1,147</b>	1,356
Incoming resources for charitable activities	3	-	16,162	<b>16,162</b>	15,286
Investment income	4	277	-	<b>277</b>	329
Other incoming resources	9	1,496	-	<b>1,496</b>	-
<b>Total incoming resources</b>		<b>8,252</b>	<b>19,330</b>	<b>27,582</b>	<b>24,386</b>
<b>Resources expended</b>					
<i>Cost of generating funds</i>					
- cost of generating voluntary income	5	2,247	-	<b>2,247</b>	2,112
- cost of trading activities	2	1,390	-	<b>1,390</b>	1,381
Charitable activities	6	277	20,373	<b>20,650</b>	20,331
Governance costs	6	364	-	<b>364</b>	242
<b>Total resources expended</b>		<b>4,278</b>	<b>20,373</b>	<b>24,651</b>	<b>24,066</b>
Net incoming/ (outgoing) resources before transfers		3,974	(1,043)	<b>2,931</b>	320
Transfers between funds	14	(2,405)	2,405	-	-
<b>Net incoming resources before other recognised gains and losses</b>		<b>1,569</b>	<b>1,362</b>	<b>2,931</b>	<b>320</b>

€1,435,000 (2008: €320,000) of the above results are derived from continuing activities. €1,496,000 is derived from non continuing activities, a gain on disposal of a property in Mulhuddart.

On behalf of the board



Michael Mortell  
Honorary Treasurer



Harry Slowey  
Chairperson

## Barnardos - Republic of Ireland Limited

### Statement of total recognised gains and losses

for the year ended 31 December 2009

	<i>Note</i>	<b>2009</b> €000's	2008 €000's
<b>Net incoming resources for the year</b>		<b>2,931</b>	320
Actuarial gain/(loss) on defined benefit pension scheme	<i>17</i>	<b>3,429</b>	(3,197)
		<hr/>	<hr/>
<b>Total recognised gains and losses for the year</b>		<b>6,360</b>	(2,877)
		<hr/> <hr/>	<hr/> <hr/>
<b>Reconciliation of movement in reserves</b>			
	<i>Note</i>	<b>2009</b> €000's	2008 €000's
<b>Net incoming resources for the year</b>		<b>2,931</b>	320
Actuarial gain/(loss) on defined benefit pension scheme	<i>17</i>	<b>3,429</b>	(3,197)
		<hr/>	<hr/>
Total recognised gains and losses for the year		<b>6,360</b>	(2,877)
Reserves at the beginning of the year		<b>4,402</b>	7,279
		<hr/>	<hr/>
<b>Reserves at the end of the year</b>	<i>14</i>	<b>10,762</b>	4,402
		<hr/> <hr/>	<hr/> <hr/>

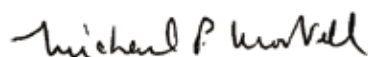
## Barnardos - Republic of Ireland Limited

### Balance sheet

at 31 December 2009

	<i>Note</i>	<b>2009</b> €000's	2008 €000's
<b>Fixed assets</b>			
Tangible assets	<i>10</i>	<b>4,073</b>	2,124
<b>Current assets</b>			
Debtors	<i>11</i>	<b>809</b>	1,691
Cash at bank and short term deposits		<b>9,536</b>	8,032
		<b>10,345</b>	9,723
<b>Current liabilities</b>			
<b>Creditors:</b> amounts falling due within one year	<i>12</i>	<b>(3,390)</b>	(3,879)
<b>Net current assets</b>		<b>6,955</b>	5,844
<b>Total assets less current liabilities</b>			
Provision for liabilities	<i>13</i>	<b>(65)</b>	(60)
<b>Net assets before pension liability</b>		<b>10,963</b>	7,908
<b>Defined benefit pension scheme liability</b>	<i>17</i>	<b>(201)</b>	(3,506)
<b>Net assets</b>		<b>10,762</b>	4,402
<b>Represented by</b>			
Unrestricted fund	<i>14</i>	<b>8,324</b>	3,326
Restricted income fund	<i>14</i>	<b>2,438</b>	1,076
<b>Total funds</b>		<b>10,762</b>	4,402

On behalf of the board



Michael Mortell  
Honorary Treasurer



Harry Slowey  
Chairperson

## Barnardos - Republic of Ireland Limited

### Cash flow statement

for the year ended 31 December 2009

	<i>Note</i>	<b>2009</b> €000's	2008 €000's
Net cash inflow from operations	<i>15</i>	<b>2,006</b>	647
<b><i>Returns on investment and servicing of finance</i></b>			
Interest received		<b>277</b>	329
<b><i>Investing activities</i></b>			
Sale of fixed asset		-	2
Purchase of tangible fixed assets	<i>10</i>	<b>(896)</b>	(1,578)
		-----	-----
Net cash outflow from investing activities		<b>(896)</b>	(1,576)
<b><i>Financing activities</i></b>			
Grants received	<i>10</i>	<b>221</b>	1,242
		-----	-----
<b>Increase in cash and cash equivalents</b>		<b>1,608</b>	642
Cash and cash equivalents at beginning of year	<i>16</i>	<b>7,928</b>	7,286
		-----	-----
<b>Cash and cash equivalents at end of year</b>		<b>9,536</b>	7,928
		=====	=====

# Barnardos - Republic of Ireland Limited

## Statement of accounting policies

*for the year ended 31 December 2009*

### **Basis of preparation**

The financial statements are prepared under the historical cost convention in accordance with best practice as recommended by the Companies Acts and, voluntarily in the absence of statutory reporting standards for charities in Ireland, in accordance with best practice (Statement of Recommended Practice (revised 2005) as recommended by the Charity Commission for England and Wales.

### **Taxation**

The organisation is a company limited by guarantee not having share capital. The company has charitable status and as such is exempt from Corporation Tax.

### **Income recognition**

Income is recognised in the Statement of Financial Activities when the effect of the transaction or other event results in an increase in the charity's assets.

When Barnardos provides family support services in accordance with agreements, the income is recognised when the service is provided. Income due but not yet received at the year end is included in debtors on the balance sheet and funds already received in relation to future years but not yet expended are shown in creditors as deferred income. All statutory grants are treated as restricted grants.

Non-statutory grants and donations are recognised when there is evidence of entitlement. Voluntary income such as shops sales is recognised when the income is received.

Activities taken to generate non-statutory grants, donations and voluntary income are analysed in notes 1 and 2 to the financial statements.

Donated services, goods and facilities are not quantified in the Statement of Financial Activities in income or expenditure.

Capital grants in respect of buildings and equipment are set-off against fixed assets and amortised over the lives of the relevant assets.

### **Cost allocation**

Expenditure is analysed between resources expended on charitable activities, governance costs and the cost of generating funds.

Resources expended on charitable activities comprise all the resources applied by Barnardos in undertaking our work to meet our charitable objectives within Children Services, Advocacy and Research. These costs include direct costs of undertaking these together with the support costs incurred to enable these activities to be undertaken.

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# Barnardos - Republic of Ireland Limited

## Statement of accounting policies *(continued)*

### **Cost allocation** *(continued)*

Support costs include Human Resources, Finance, Information Technology and others. Charitable activity costs and the related support costs are analysed in detail in notes 6(a) and 6(b) to the financial statements.

The cost of generating funds are costs associated with generating incoming resources from all sources other than from undertaking charitable activities. The income resource areas and their associated costs are analysed in detail in notes 1 and 5 to the financial statements.

Governance costs include costs which relate to the general running of the charity. They include strategic planning, audit, costs associated with legal and statutory requirements and an apportionment of staff time involved in supporting governance activities. Governance costs are analysed in detail in note 6(b) to the financial statements.

### **Fixed assets and depreciation**

Depreciation is provided for a full year in the year of acquisition and none in the year of disposal.

Properties are stated in the balance sheet at their market value at 1 April 1989 or subsequent cost. Depreciation of freehold and long leasehold properties has been provided at the rate of 2 per cent per annum on their cost or value. Short leasehold properties are amortised over the period of the lease.

Fixtures, fittings and equipment are stated at cost and depreciated at 20 per cent straight line per annum on their cost.

Motor vehicles are stated at cost and depreciated at 15 per cent straight line per annum on their cost.

Computers purchased prior to 1 January 2005 are stated at cost and depreciated at 20 per cent straight line per annum on their cost. Computers purchased after this date are written off in the year of purchase.

### **Fund accounting**

All transactions of the organisation are recorded and reported as income into or expenditure from funds, which are designated as "restricted" or "unrestricted".

Income is treated as restricted where the donor/funder has specified that it may only be used for a particular purpose. All other income is treated as unrestricted.

Expenditure is treated as being made out of restricted funds to the extent that it meets the criteria specified by the donor/funder. All other expenditure is treated as being from unrestricted funds.

The balance of the unrestricted fund at the end of the year represents the assets held by the organisation for general use in the furtherance of its work. Transfers from unrestricted funds are made to meet the shortfall on restricted projects.

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## Barnardos - Republic of Ireland Limited

### Statement of accounting policies *(continued)*

#### **Pension costs**

##### *Defined Benefit Scheme*

Pension benefits are funded over the eligible employees' period of service by way of contributions to a defined benefit scheme.

A full actuarial valuation is undertaken every three years and its purpose is to advise on the future funding arrangements to be made in light of the Scheme's funding position as at the valuation date. Pension scheme assets are valued at market value. Pension scheme liabilities are measured using the attained age method using market-related assumptions that reflect reasonable expectations taking account of market conditions as at the valuation date.

In the financial statements, pension schemes have been accounted for in accordance with FRS 17. Pension scheme assets are valued at bid value. Pension scheme liabilities are measured, using the projected unit method and are discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. Any surplus, to the extent that it is considered recoverable, is shown as an asset on the balance sheet and any deficit is shown on the balance sheet as a liability. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses. The current service cost and past service cost of the defined benefit scheme and the expected return on assets, net of the change in the present value of the scheme liabilities arising from the passage of time, has been charged/credited to governance costs.

##### *Defined Contribution Scheme*

Pension benefits for members of this scheme are funded over the employees' period of service by way of contributions which are charged to the Statement of Financial Activities as they become payable.

#### **Stock**

It is not considered practicable to value stock of unsold donated goods at the year end.

#### **Operating leases**

Rentals in respect of operating leases are charged to the Statement of Financial Activities as incurred.

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# Barnardos - Republic of Ireland Limited

## Notes

forming part of the financial statements

### 1 Voluntary income includes the following

	2009 €000's	2009 €000's	2009 €000's	2008 €000's
	Unrestricted	Restricted	Total	Total
<i>Fundraising activities</i>				
Major donors	807	-	807	635
Committed and cash giving	2,688	-	2,688	2,370
Corporate	681	-	681	870
Events and campaigns	926	-	926	891
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total fundraising activities</b>	<b>5,102</b>	<b>-</b>	<b>5,102</b>	<b>4,766</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Trusts and foundations</i>				
Atlantic Philanthropies	-	1,230	1,230	441
Other trusts	15	1,670	1,685	1,620
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total trusts and foundations</b>	<b>15</b>	<b>2,900</b>	<b>2,915</b>	<b>2,061</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Other donations, legacies and similar incoming resources</i>				
Legacies	47	-	47	142
Barnardos Training and Resource Centre	167	38	205	200
Other donations/fees	1	230	231	246
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total donations, legacies and similar incoming resources</b>	<b>215</b>	<b>268</b>	<b>483</b>	<b>588</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total voluntary income</b>	<b>5,332</b>	<b>3,168</b>	<b>8,500</b>	<b>7,415</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

## Barnardos - Republic of Ireland Limited

Notes (continued)

<b>2 Income from trading activities</b>	<b>2009</b>	2008
	<b>Unrestricted</b>	Unrestricted
	<b>€000's</b>	€000's
<b>The net result of shop operations is as follows:</b>		
Sales	<b>1,147</b>	1,356
Operating expenses	<b>(1,390)</b>	(1,381)
	<hr/>	<hr/>
Net shop cost/contribution	<b>(243)</b>	(25)
	<hr/> <hr/>	<hr/> <hr/>

It is not considered practicable to value stock of unsold donated goods at the year end. Due to the seasonal nature of the business, there would generally be two to three months of sales in stock at any point in time.

<b>3 Incoming resources for charitable activities</b>	<b>2009</b>	2008
	<b>€000's</b>	€000's
	<b>Restricted</b>	Restricted
<i>Statutory Sources</i>		
HSE South Western Area	<b>2,008</b>	1,965
HSE Northern Area	<b>1,763</b>	1,777
HSE East Coast Area	<b>790</b>	793
HSE Mid-Western Area	<b>1,963</b>	1,851
HSE Midland Area	<b>1,041</b>	1,264
HSE Southern Area	<b>494</b>	478
HSE South Eastern Area	<b>1,769</b>	1,644
HSE North Eastern Area	<b>409</b>	409
	<hr/>	<hr/>
HSE Total	<b>10,237</b>	10,181
City of Dublin Vocational Education Committee	<b>68</b>	68
Dublin City Council	<b>237</b>	234
Department of Education and Science	<b>925</b>	774
Department of Community, Rural and Gaeltacht Affairs	<b>63</b>	67
Family Support Agency	<b>233</b>	218
Office of the Minister for Children and Youth Affairs	<b>418</b>	139
Pobal	<b>1,486</b>	1,638
	<hr/>	<hr/>
	<b>13,667</b>	13,319
Service income from Guardian ad Litem	<b>1,762</b>	1,687
Other fees and grants	<b>733</b>	280
	<hr/>	<hr/>
	<b>16,162</b>	15,286
	<hr/> <hr/>	<hr/> <hr/>

## Barnardos - Republic of Ireland Limited

Notes *(continued)*

<b>4 Investment income</b>	<b>2009</b>	2008
	<b>Unrestricted</b>	Unrestricted
	<b>€000's</b>	€000's
Deposit interest	277	329
	<u>          </u>	<u>          </u>

<b>5 Cost of generating funds</b>	<b>2009</b>	2008
	<b>Unrestricted</b>	Unrestricted
	<b>€000's</b>	€000's

**Fundraising expenditure can be analysed as follows:**

Major donors	142	148
Committed and cash giving	1,474	1,188
Corporate	259	330
Events and campaigns	372	446
	<u>          </u>	<u>          </u>
	<b>2,247</b>	2,112
	<u>          </u>	<u>          </u>

## Barnardos - Republic of Ireland Limited

## Notes (continued)

6(a) Resources expenses for charitable activities													
Regions/services	Dublin		Dublin		Dublin		Dublin		Dublin		National Office	2009 Total	2008 Total
	West region	North region	South region	Midlands region	Southern region	Eastern region	Regional Childcare	Office	€000's	€000's			
<b>Restricted</b>													
Family support	2,504	2,407	2,011	1,566	3,167	1,977	13,632	333	13,965	13,842			
BTRS	-	-	-	-	-	-	-	633	633	595			
Bereavement	-	-	-	-	-	-	-	431	431	463			
GAL	-	-	-	-	-	-	-	1,367	1,367	1,390			
Origins and PAS	-	-	-	-	-	-	-	721	721	645			
Garda vetting	-	-	-	-	-	-	-	149	149	108			
Advocacy	-	-	-	-	-	-	-	526	526	468			
Service design	-	-	-	-	-	-	-	721	721	643			
Research	-	-	-	-	-	-	-	277	277	282			
<b>Direct costs</b>	2,504	2,407	2,011	1,566	3,167	1,977	13,632	5,158	18,790	18,436			
Support costs	219	228	207	129	296	179	1,258	325	1,583	1,610			
<b>Total costs</b>	<b>2,723</b>	<b>2,635</b>	<b>2,218</b>	<b>1,695</b>	<b>3,463</b>	<b>2,156</b>	<b>14,890</b>	<b>5,483</b>	<b>20,373</b>	<b>20,046</b>			
<b>Unrestricted</b>													
BTRS	-	-	-	-	-	-	-	261	261	268			
<b>Direct costs</b>	-	-	-	-	-	-	-	261	261	268			
Support costs	-	-	-	-	-	-	-	16	16	17			
<b>Total costs</b>	-	-	-	-	-	-	-	277	277	285			
<b>Total charitable expenditure</b>	<b>2,723</b>	<b>2,635</b>	<b>2,218</b>	<b>1,695</b>	<b>3,463</b>	<b>2,156</b>	<b>14,890</b>	<b>5,760</b>	<b>20,650</b>	<b>20,331</b>			

# Barnardos - Republic of Ireland Limited

Notes (continued)

## 6(b) Activities included in support and governance costs

		<b>2009</b>	<b>2009</b>	2008	2008
	<b>Cost drivers</b>	<b>Support</b>	<b>Governance</b>	Support	Governance
		<b>costs</b>	<b>costs</b>	costs	costs
		<b>€000's</b>	<b>€000's</b>	€000's	€000's
Gain/(loss) on pension movements		-	124	-	(29)
Human resources	Head count	516	59	505	71
Finance	Expenditure	495	68	522	67
Information technology	No of PC's	188	22	166	20
Corporate	Head count	400	91	434	113
		<u>1,599</u>	<u>364</u>	<u>1,627</u>	<u>242</u>

## 7 Staff costs

The average weekly number of employees, including part-time staff, but not including volunteers, during the year was 400 (2008: 371).

	<b>2009</b>	2008
	<b>€000's</b>	€000's
Staff costs comprises:		
Wages and salaries	15,315	14,356
Social welfare costs	1,529	1,417
Pension costs	648	624
	<u>17,492</u>	<u>16,397</u>

Staff activities are as follows:

	<b>2009</b>	2008
	<b>Number</b>	Number
Direct charitable activities	342	317
Support costs	24	21
Generating funds shops	16	17
Generating funds fundraising	11	10
Governance costs	7	6
	<u>400</u>	<u>371</u>

## Barnardos - Republic of Ireland Limited

### Notes (continued)

#### 7 Staff costs (continued)

The number of higher paid employees was:	2009	2008
€80,000 - €90,000	1	-
€90,000 - €100,000	3	2
€100,000 - €110,000	4	3
€110,000 - €120,000	1	1
€120,000 - €130,000	-	1
	9	7
	9	7

Remuneration includes basic pay and excludes employer pension and PRSI contributions.

#### 8 Board member expenses

No member of the board receives payment other than the reimbursement of expenses incurred which were under €1,000 in total for both 2009 and 2008.

9 Net incoming resources for the year	2009	2008
	€000	€000
This is arrived at after charging/(crediting):		
Auditor's remuneration	33	33
Depreciation	340	723
Amortisation of grants	(118)	(361)
Operating leases – primarily land and buildings	733	842
Realised gain on the disposal of a property	(1,496)	-
	(1,496)	-
	(1,496)	-



# Barnardos - Republic of Ireland Limited

## Notes (continued)

<b>10 Tangible fixed assets</b>	<b>Properties</b>	<b>Furniture, fittings and equipment</b>	<b>Computers</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>€000's</b>	<b>€000's</b>	<b>€000's</b>	<b>€000's</b>	<b>€000's</b>
<i>Cost</i> - At 1 January 2009	6,925	2,332	200	389	9,846
Additions	2,376	94	-	-	2,470
Disposals	(135)	(35)	-	-	(170)
Reclassification	639	(639)	-	-	-
<b>At 31 December 2009</b>	<b>9,805</b>	<b>1,752</b>	<b>200</b>	<b>389</b>	<b>12,146</b>
<i>Depreciation</i>					
At 1 January 2009	1,306	1,270	200	201	2,977
Charge for the year	107	181	-	52	340
Disposals	(57)	(35)	-	-	(92)
Reclassification	128	(128)	-	-	-
<b>At 31 December 2009</b>	<b>1,484</b>	<b>1,288</b>	<b>200</b>	<b>253</b>	<b>3,225</b>
<i>Net book amounts</i>					
<b>At 31 December 2009</b>	<b>8,321</b>	<b>464</b>	<b>-</b>	<b>136</b>	<b>8,921</b>
At 31 December 2008	5,619	1,062	-	188	6,869
<i>Capital grants</i>					
At 1 January 2009	4,021	1,002	-	355	5,378
Adjustment to opening balance	-	(112)	-	-	(112)
Received in the year	265	68	-	-	333
Disposals	-	-	-	-	-
Reclassification	639	(639)	-	-	-
<b>At 31 December 2009</b>	<b>4,925</b>	<b>319</b>	<b>-</b>	<b>355</b>	<b>5,599</b>
<i>Capital grants - amortisation</i>					
At 1 January 2009	214	248	-	171	633
Charge for the year	3	65	-	50	118
Disposals	-	-	-	-	-
Reclassification	128	(128)	-	-	-
<b>At 31 December 2009</b>	<b>345</b>	<b>185</b>	<b>-</b>	<b>221</b>	<b>751</b>
<i>Net book amounts</i>					
<b>At 31 December 2009</b>	<b>4,580</b>	<b>134</b>	<b>-</b>	<b>134</b>	<b>4,848</b>
At 31 December 2008	3,807	754	-	184	4,745
<i>Net book amounts – fixed assets net of capital grants</i>					
<b>At 31 December 2009</b>	<b>3,741</b>	<b>330</b>	<b>-</b>	<b>2</b>	<b>4,073</b>
At 31 December 2008	1,812	308	-	4	2,124

## Barnardos - Republic of Ireland Limited

### Notes (continued)

#### 10 Tangible fixed assets (continued)

During the year, the company disposed of a property to a third party and acquired a separate property from the same party. No cash was exchanged in these transactions which were elected as a swap of the properties.

	<b>2009</b> €000's	2008 €000's
<i>Freehold and leasehold properties – carrying value net of unamortised grants</i>		
Freeholds	<b>2,072</b>	363
Long leaseholds (over 50 years)	<b>1,510</b>	1,277
Short leaseholds (50 years and under)	<b>159</b>	172
	<b>3,741</b>	1,812

The following capital grants become repayable to the funders under certain circumstances

1: Family Support Centre, Thurles - €150,000 becomes repayable to the HSE in the event of the assets being disposed of before 2023.

2: Family Support Centre in Mullingar - €300,000 becomes repayable to the HSE in the event of the asset being disposed of, unless replaced by a mutually agreed premises.

3: Brighter Futures Centre in Knocknaheeny - €1,188,236 becomes repayable to Pobal and €988,403 becomes repayable to Cork City Council in the event that the Centre ceases to be used for the purpose of the grant.

#### 11 Debtors (amounts falling due within one year)

	<b>2009</b> €000's	2008 €000's
Trade debtors	<b>713</b>	1,354
Other debtors	<b>23</b>	271
Prepayments and accrued income	<b>73</b>	66
	<b>809</b>	1,691

#### 12 Creditors: amounts falling due within one year

	<b>2009</b> €000's	2008 €000's
Trade creditors	<b>1,438</b>	1,435
Bank overdraft	<b>-</b>	104
Other creditors	<b>77</b>	21
Accruals	<b>288</b>	427
Deferred income	<b>1,587</b>	1,892
	<b>3,390</b>	3,879

# Barnardos - Republic of Ireland Limited

Notes (continued)

## 12 Creditors: amounts falling due within one year (continued)

<b>Movements in deferred income</b>	<b>Non- Statutory deferred €000's</b>	<b>Statutory deferred €000's</b>	<b>Total €000's</b>
Released from prior year	(1,701)	(191)	<b>(1,892)</b>
Deferred in the current year	1,168	419	<b>1,587</b>

Funds already received in relation to future years but not yet expended are shown in creditors as deferred income.

## 13 Provision for liabilities

	<b>2009 €000's</b>	<b>2008 €000's</b>
At beginning of year	<b>60</b>	60
Charged in the year	<b>5</b>	30
Released in the year	-	(30)
	<hr/>	<hr/>
At end of year	<b>65</b>	60
	<hr/> <hr/>	<hr/> <hr/>

The provision relates to legal cases.

## 14 Statement of movement on funds

	<b>Unrestricted fund €000's</b>	<b>Restricted fund €000's</b>	<b>Total €000's</b>
Balance at beginning of year	3,326	1,076	4,402
Net incoming resources – after transfers	1,569	1,362	2,931
Actuarial gain on pension scheme (note 17)	3,429	-	3,429
	<hr/>	<hr/>	<hr/>
Balance at end of year	<b>8,324</b>	<b>2,438</b>	<b>10,762</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

# Barnardos - Republic of Ireland Limited

## Notes (continued)

### 14 Statement of movement in funds (continued)

The movement on funds classified in accordance with the organisation's accounting policies are as follows:

Regions/services	Dublin West region €000's	Dublin North region €000's	Dublin South region €000's	Dublin region €000's	Midlands region €000's	Southern region €000's	South Eastern region €000's	Total Regional Childcare €000's	National Office €000's	2009 Total €000's
<b>Restricted</b>										
Opening balance	-	-	32	32	-	-	-	32	1,044	1,076
Income	2,262	2,450	1,682	1,682	1,454	3,061	1,980	12,889	6,441	19,330
Charitable activities costs	(2,723)	(2,635)	(2,218)	(3,463)	(1,695)	(3,463)	(2,156)	(14,890)	(5,483)	(20,373)
Transfers	461	285	530	402	241	402	176	2,095	310	2,405
<b>Closing balance</b>	-	<b>100</b>	<b>26</b>	-	-	-	-	<b>126</b>	<b>2,312</b>	<b>2,438</b>
<b>Unrestricted</b>										
Opening balance	-	-	-	-	-	-	-	-	3,326	3,326
Income	-	-	-	-	-	-	-	-	8,252	8,252
Actuarial gain on pension scheme	-	-	-	-	-	-	-	-	3,429	3,429
Charitable activities costs	-	-	-	-	-	-	-	-	(277)	(277)
Cost of generating funds	-	-	-	-	-	-	-	-	(3,637)	(3,637)
Governance costs	-	-	-	-	-	-	-	-	(364)	(364)
Transfers	-	-	-	-	-	-	-	-	(2,405)	(2,405)
<b>Closing balance</b>	-	-	-	-	-	-	-	-	<b>8,324</b>	<b>8,324</b>
<b>Restricted and Unrestricted</b>	-	<b>100</b>	<b>26</b>	-	-	-	-	<b>126</b>	<b>10,636</b>	<b>10,762</b>

Transfers relate to the funding of the organisation's charitable activities with available unrestricted funds.

# Barnardos - Republic of Ireland Limited

Notes (continued)

## 15 Reconciliation of incoming resources to net cash flow from operating activities

	2009 €000's	2008 €000's
Net incoming resources	2,931	320
Depreciation charge	340	723
Amortisation of government grant	(118)	(361)
Decrease in debtors	882	273
Decrease in creditors	(385)	53
Increase in provision for liabilities and charges	5	-
(Decrease)/Increase in pension provision	(3,305)	3,167
Actuarial gain/(loss) on pension scheme	3,429	(3,197)
Interest earned	(277)	(329)
Profit on the sale of fixed asset	(1,496)	(2)
	<u>2,006</u>	<u>647</u>

## 16 Analysis of change in cash and cash equivalents during the year

	2009 €000's	2008 €000's
Balance at beginning of year	7,928	7,286
Net cash inflow	1,608	642
	<u>9,536</u>	<u>7,928</u>

	At 1 January 2009 €000's	Cashflows during the year €000's	At 31 December 2009 €000's
Short term deposits	7,512	849	8,361
Bank current accounts	520	655	1,175
Bank overdrafts	(104)	104	-
	<u>7,928</u>	<u>1,608</u>	<u>9,536</u>

# Barnardos - Republic of Ireland Limited

## Notes (continued)

### 17 Pension fund

The company operates two pension schemes. The defined benefit pension scheme is open to employees who joined the organisation prior to 31 December 1999. This scheme has been closed to new members since that period and was replaced by a defined contribution pension scheme.

#### *Defined benefit scheme*

Contributions to the defined benefit scheme are assessed in accordance with the advice of an independent actuary on the basis of triennial valuations using the attained age method. The most recent actuarial valuation was conducted as at 1 September 2009. The Scheme does not meet the statutory Funding Standard as at 31 December 2008, therefore a Funding Proposal is to be prepared with the aim of ensuring the Scheme will once again meet the statutory Funding Standard within a specified time frame. The employer contribution rate required under this Funding Proposal will supersede the recommended rate from the actuarial valuation should it be higher.

The financial assumptions used to calculate the scheme liabilities under FRS 17 using the Projected Unit Method are as follows:

	2009	2008	2007
Inflation rate	<b>2.25%</b>	2.00%	2.50%
Discount rate	<b>5.10%</b>	5.50%	5.50%
Expected return on assets over the next year	<b>6.90%</b>	5.61%	5.92%
Expected rate of salary increases	<b>4.00%</b>	4.00%	4.50%
Rate of pension increases in payment	<b>0.00%</b>	2.00%	2.50%
Rate of pension increases in deferment	<b>2.25%</b>	2.00%	2.50%

It is assumed that scheme members will withdraw on average 25% of their fund on retirement (2008: Nil).

The expected long-term rate of return on the assets of the scheme are as follows are:

	2009	2008	2007
Equities	<b>8.20%</b>	7.00%	6.40%
Bonds	<b>4.10%</b>	3.85%	4.50%
Other	-	3.40%	4.60%
Property	<b>7.20%</b>	-	-
Cash	<b>2.25%</b>	-	-

# Barnardos - Republic of Ireland Limited

## Notes (continued)

### 17 Pension fund (continued)

Assumptions regarding future mortality are based on published statistics and mortality tables. The current longevities underlying the values of the liabilities in the defined benefit plan are as follows:

	<b>2009</b>	2008
<b>Longevity at age 65 for current pensioners:</b>		
Male	<b>21.5</b>	20.5
Female	<b>23.2</b>	23.5
<b>Longevity at age 65 for members aged 45:</b>		
Male	<b>23.3</b>	20.5
Female	<b>25.1</b>	23.5

The calculation of the defined benefit obligation is sensitive to the mortality assumptions set out above. As the actuarial estimates of mortality continue to be refined, an increase in one year in the lives shown above is considered reasonably possible in the next financial year. The increase of this change would be an increase in the employee benefit liability by €123,000.

Based on these assumptions the following table sets out the market value of the defined benefit schemes together with details of the expected long term rates of return used to generate the amount shown in the profit and loss account. It also shows the most recent valuation of the scheme liabilities updated for movements in financial assumptions.

# Barnardos - Republic of Ireland Limited

## Notes (continued)

### 17 Pension fund (continued)

The net pension deficit is analysed as follows:	2009 €000's	2008 €000's	2007 €000's
Equities	5,373	3,521	6,911
Bonds	1,290	1,276	1,206
Other	-	1,430	1,328
Property	177	-	-
Cash	738	-	-
AVCs	408	363	323
	<hr/>	<hr/>	<hr/>
Total market value of assets	7,986	6,590	9,768
Actuarial value of scheme liabilities	(7,779)	(9,733)	(9,784)
AVCs	(408)	(363)	(323)
	<hr/>	<hr/>	<hr/>
Deficit in scheme	(201)	(3,506)	(339)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The following amounts have been recognised in the statement of financial activities and income and expenditure account.

	2009 €000's	2008 €000's
<i>Charged to expenditure</i>		
Current service costs	147	199
<i>(Credited)/charged to other finance income</i>		
Interest on pension scheme liabilities	535	551
Expected return on scheme assets	(353)	(580)
	<hr/>	<hr/>
Total charge in statement of financial activities and income and expenditure account	329	170
	<hr/> <hr/>	<hr/> <hr/>



# Barnardos - Republic of Ireland Limited

## Notes (continued)

### 17 Pension fund (continued)

The following amounts have been recognised in the statement of total recognised gains and losses:

	<b>2009</b>	2008
	<b>€000's</b>	€000's
Difference between actual and expected return on assets	<b>943</b>	(3,813)
Experience (loss)/gain on schemes liabilities	<b>264</b>	(151)
Effect of changes in actuarial assumptions	<b>2,222</b>	767
	<hr/>	<hr/>
Actuarial gain/(loss) recognised in the statement of total recognised gains and losses	<b>3,429</b>	(3,197)
	<hr/> <hr/>	<hr/> <hr/>
Movements in deficit during the year:	<b>2009</b>	2008
	<b>€000's</b>	€000's
Deficit in scheme at beginning of year	<b>(3,506)</b>	(339)
Contributions paid	<b>205</b>	200
Current service costs	<b>(147)</b>	(199)
Other financial (charge)/credit	<b>(182)</b>	29
Actuarial gain/(loss)	<b>3,429</b>	(3,197)
	<hr/>	<hr/>
Deficit in scheme at end of year	<b>(201)</b>	(3,506)
	<hr/> <hr/>	<hr/> <hr/>
<b>Reconciliation of change in value of scheme liabilities in the year</b>	<b>2009</b>	2008
	<b>€000's</b>	€000's
Scheme liabilities at start of year	<b>10,096</b>	10,107
Interest cost	<b>535</b>	551
Current service cost (net of member contributions)	<b>147</b>	199
AVC contributions	<b>36</b>	-
Change in value of AVCs	<b>9</b>	-
Actual member contributions	<b>39</b>	37
Actual benefit payments by the fund	<b>(189)</b>	(182)
Gain on change of assumptions	<b>(2,222)</b>	(767)
Experience (gain)/loss	<b>(264)</b>	151
	<hr/>	<hr/>
Scheme liabilities at end of year based on end of period assumptions	<b>8,187</b>	10,096
	<hr/> <hr/>	<hr/> <hr/>

Due to the current deficit in the pension scheme no pension increases have been assumed or included in the schemes liabilities as at 31 December 2009.

## Barnardos - Republic of Ireland Limited

### Notes (continued)

<b>17 Pension fund (continued)</b>	<b>2009</b>	<b>2008</b>
	<b>€000's</b>	<b>€000's</b>
<b>Reconciliation of changes in value of assets in the year</b>		
Market value at beginning of year	<b>6,590</b>	9,768
Actual total benefit payments	<b>(189)</b>	(182)
Actual contributions – company (including benefits paid by the company)	<b>205</b>	199
AVC contributions	<b>36</b>	-
Change in value of AVCs	<b>9</b>	-
Actual contributions – members	<b>39</b>	38
Expected return on assets	<b>353</b>	580
Gain/(loss) on assets	<b>943</b>	(3,813)
	<hr/>	<hr/>
<b>Market value at end of period</b>	<b>7,986</b>	6,590
	<hr/> <hr/>	<hr/> <hr/>

The company expects to contribute €376,000 to its defined benefit pension plan in 2010.

### *History of actuarial gains and losses*

	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>
	<b>€000's</b>	<b>€000's</b>	<b>€000's</b>	<b>€000's</b>
Gain/(loss) on scheme assets	<b>943</b>	(3,813)	(850)	694
% of scheme assets at end of year	<b>11.81%</b>	(57.86%)	(8.7%)	6.95%
Experience gain/(loss) on scheme liabilities	<b>264</b>	(151)	(136)	(234)
% of scheme liabilities at end of year	<b>3.22%</b>	(1.49%)	(1.35%)	(2.33%)
Total actuarial gain/(loss) recognised in STRGL	<b>3,429</b>	(3,197)	(403)	613
% of scheme liabilities at end of period	<b>41.88%</b>	(31.67%)	(3.99%)	6.09%

# Barnardos - Republic of Ireland Limited

Notes (continued)

## 18 Commitments

Operating lease commitments payable during the next twelve months amount to €526,000 (2008: €805,000) and are payable in relation to equipment and property leases which expire as follows:

	<b>Plant &amp; equipment €'000</b>	<b>Land &amp; buildings €'000</b>	<b>Total €'000</b>
Within one year	5	35	40
Within two to five years	32	135	167
After five years	2	317	319
	<u>39</u>	<u>487</u>	<u>526</u>

Capital commitments payable within the next twelve months amount to €1,240,000 (2008: €71,000) and relate to property building commitments and are contracted for and authorised.

## 19 Comparative amounts

Comparative amounts have been regrouped, where necessary, on the same basis as the current year.

## 20 Joint venture

During 2008, the company established a joint venture company, Partners in Education Limited together with the Congregation of Sisters of Bon Secours of Paris in Ireland. Partners in Education Limited is a company incorporated in the Republic of Ireland and its registered office is 4 Christchurch Square, Dublin 8. The principal activity of the company is to run a service in Knocknaheeny, Cork known as "Brighter Futures". The company has charitable status and is operated on a not-for-profit basis. The company holds an ordinary share of €1.00 in Partners in Education Limited which also represents its share of the net assets of that company at 31 December 2009.

## 21 Related party transactions

The directors consider that Partners in Education Limited is a related party Barnardos by virtue of the shareholding in that company.

Barnardos provides administrative services to Partners in Education Limited at €nil cost and handles all of the transactions and accounting records on behalf of the company.

## Barnardos - Republic of Ireland Limited

Notes *(continued)*

### **22 Guarantee liability**

The members of the company are those who are directors. The guarantee of each member of the company is limited to €1.27.

### **23 Approval of financial statements**

The directors approved the financial statements on 22 April 2010.

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## Notes

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**Registered Charity** 6015