

**Ronald McDonald House Charities (IRL)**  
**Annual Report and Audited Financial Statements**  
**for the financial year ended 31 December 2019**



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Keeping families close™

Hugh McCarthy & Associates  
Chartered Accountants and Statutory Audit Firm  
161 - 163 Lower Kimmage Road  
Kimmage  
Dublin  
D.6W

Company Number: 272275  
Charity Number: CHY12553  
Charities Regulatory Authority Number: 20037000

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## Ronald McDonald House Charities (IRL) REFERENCE AND ADMINISTRATIVE INFORMATION

Directors	Rosie Conneely Bernard Byrne Martin Foy Diarmuid Geary Aengus O'Marcaigh James Edwards (Resigned 6 March 2019) Dr. E Bruce Mitchell David Bobbett Allison Cowzer Marian Carroll Carolyn Odgers Lisa Berry (Appointed 19 June 2019)
Company Secretary	Aengus O'Marcaigh
Charity Number	CHY12553
Charities Regulatory Authority Number	20037000
Company Number	272275
Registered Office and Principal Address	Ronald McDonald House Charities (IRL) C/O Our Lady's Children Hospital Crumlin Dublin 12 D12 DY09
Auditors	Hugh McCarthy & Associates Chartered Accountants and Statutory Audit Firm 161 - 163 Lower Kimmage Road Kimmage Dublin D.6W Ireland
Bankers	AIB 100-101 Grafton Street Dublin 2  Bank of Ireland 177 Drimnagh Road, Walkinstown, Dublin 12  KBC Bank Ireland PLC Sandwith Street, Dublin 2, Ireland  Permanent TSB 172 Walkinstown Road, Dublin 12, Ireland

**Ronald McDonald House Charities (IRL)**  
**REFERENCE AND ADMINISTRATIVE INFORMATION**

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Ulster Bank  
Daneport,  
Stranmillis Road,  
Belfast,  
Northern Ireland

**Solicitors**

McCann Fitzgerald & Co. Solicitors  
Riverside One  
Sir John Rogerson's Quay  
Dublin 2

# Ronald McDonald House Charities (IRL) DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2019

The directors present their Directors' Annual Report, combining the Directors' Report and Trustees' Report, and the audited financial statements for the financial year ended 31 December 2019.

The financial statements are prepared in accordance with the Companies Act 2014, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Directors' Report contains the information required to be provided in the Directors' Annual Report under the Statement of Recommended Practice (SORP) guidelines. The directors of the company are also charity trustees for the purpose of Charity law and under the company's constitution are known as members of the Board of Trustees.

In this report the directors of Ronald McDonald House Charities (IRL) present a summary of its purpose, governance, activities, achievements and finances for the financial year 2019.

The company is a registered Charity and hence the report and results are presented in a form which complies with the requirements of the Companies Act 2014 and, although not obliged to comply with the Statement of Recommended Practice Charities SORP in accordance with FRS 102, the organisation has implemented its recommendations where relevant in these financial statements.

Ronald McDonald House Charities (IRL) provides accommodation, care and support for families when their children are seriously and long-term ill in Our Lady's Children's Hospital, Crumlin.

Keeping parents and siblings comfortable and close to the sick child, means the family can stay together, close to the hospital care and medical community that their child needs. By providing accommodation, food and comfort, we nurture and support our families. International research shows that this kind of family accommodation gives sick children and their families a better quality of life, reduces stress and eases financial pressure. We offer a practical support system during a difficult diagnosis or period in treatment.

The company is limited by guarantee not having a share capital.

## Mission, Objectives and Strategy

### Mission Statement

The mission of Ronald McDonald House Charities (IRL) is to provide a Ronald McDonald House in order to support families whose children are seriously ill in hospital. The Ronald McDonald House provides accommodation and a caring and supportive environment for families whose children are seriously ill and are hospitalised or undergoing medical treatment at Our Lady's Children's Hospital, Crumlin, Dublin 12.

### Our Vision

Through our committed Board members, our caring staff, our dedicated volunteers and our generous donors and supporters we aim to provide a caring and supportive environment for families so that they can stay together and be actively involved in their children's care while they are long term in hospital.

### Our Values

- Respect: We treat all people with dignity and respect.
- Stewardship: We honour our heritage by being socially, financially and environmentally responsible.
- Ethics: We strive to meet the highest ethical standards
- Learning: We challenge each other to strive for excellence and to continually learn.
- Innovation: We embrace continuous improvement, bold creativity and change
- Integrity: We carry out our work with the greatest responsibility and accountability
- Respect: We respect People, Communities, and Cultures
- Diversity: We are fully committed to a diverse workplace

### Charitable Purpose

To promote and assist by means of the making of grants and the giving of financial assistance any companies, trusts, associations or societies which are established for charitable purposes and whose main objects are wholly or primarily concerned with children.

To provide accommodation and other assistance for children being treated in hospital and their families during periods of treatment and in particular but without prejudice to the generality of the foregoing to make grants and give financial assistance to such companies, trusts, associations or societies as are established for charitable purposes whose main objects are consistent with the above main objects.

# Ronald McDonald House Charities (IRL) DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2019

## Objectives

To help achieve our overall mission, we have outlined the following objectives-

- To provide accommodation, care and support for families of sick children in their time of greatest need.
- To maintain and continue to develop Ronald McDonald House Charities (IRL) existing fundraising income streams through investment, diversification and growth.
- To maximize the potential of current and new commercial opportunities.
- To create a more efficient, smarter working environment.
- To make Ronald McDonald House Charities (IRL) a more environmentally sustainable organisation.
- To demonstrate Ronald McDonald House Charities (IRL)'s excellence externally through independent accreditation.
- To enable our leaders, managers and staff to realise their individual potential and the role they play in the delivery of our objectives.

## Structure, Governance and Management

### Structure

Ronald McDonald House Charities (IRL), founded in 1997, is a charitable company limited by guarantee. The company does not have a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding one Euro (€1).

The Charity was established under a Constitution which established the objects and powers of the charitable company, how it is governed and is managed by a Board of Directors.

Ronald McDonald House Charities (IRL) is governed by a Board of Directors. The composition of the Board is kept under review to ensure that it contains an appropriate mix of skills and characteristics and complies with our Ronald McDonald House Charities (IRL) License. All Directors act in a voluntary capacity. No member of the Board receives any remuneration or expenses. The Trustees bring a wide range of experience: medical, corporate & financial. The Board delegates the day-to-day management of Ronald McDonald House Charities (IRL) to the Senior Leadership Team which comprises the CEO, CFO and HoO. The Board is the governing body, the leader and steward of Ronald McDonald House Charities (IRL). Serving on it is considered an honour and members demonstrate a commitment and eagerness to serve based on great enthusiasm and a full understanding of the job.

### Legal duties of RMHC Ireland

The Ronald McDonald House Charities (IRL) have a combination of statutory and operational responsibilities. Those that can be considered "statutory" include financial and employer's legal responsibilities as well as the Trustees responsibilities as set out in the Charities Act. Those considered "operational" include the planning of the programme, the culture of the organisation, the organisational structures and implementation of the agreed plans.

Ronald McDonald House Charities (IRL) legal responsibilities may be summarised as:

- To act in the best interests of the charity.
- To ensure the charity is run to the highest governance standards.
- To ensure that the charity complies with on-going legal responsibilities of the Charities Act 2009 and Companies Act 2014.
- To ensure the charity operates as outlined in our Ronald McDonald House Charities Global operating license and that the charity complies with and follows all Ronald McDonald House Charities Global guidelines.

### Governance

#### The Board

The primary purpose of the Board of Ronald McDonald House Charities (IRL) ("Board") is to ensure the long-term success of the organisation.

It is the Board's role to ensure that Ronald McDonald House Charities (IRL) values, strategy and business model are aligned to the company's purpose to provide accommodation, care and support for families while their children are seriously ill in hospital.

The Board is the primary leadership body of Ronald McDonald House Charities (IRL). It is responsible for overseeing its activities and for the overall governance and stewardship of the organisation. The Board's composition and how it carries out its leadership role sets the standard for the organisation and is key to earning and sustaining the respect and support of key stakeholders, donors and the public at large for Ronald McDonald House Charities (IRL). In achieving this purpose, the Board's role can be divided into duties of performance and of conformance:

## Ronald McDonald House Charities (IRL) DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2019

### Performance

- Provide leadership of Ronald McDonald House Charities (IRL) within a framework of prudent and effective controls, setting the organisation's risk appetite while enabling risk to be assessed and managed.
- Set RMHC Ireland's strategic aims. Set Ronald McDonald House Charities (IRL) vision, mission, values and standards and ensure that its obligations to its stakeholders, including families and donors are understood and met.
- Develop a high ethical standard within the organisation and ensure that Board Members and Ronald McDonald House Charities (IRL) Senior Leadership Team act with integrity at all times.
- Encourage a culture of openness, responsiveness and accountability.

### Conformance

- Safeguard the organisation's assets.
- Ensure that the necessary financial and human resources are in place for the organisation to meet its objectives.
- Oversee executive performance.
- Ensure that systems are in place to ensure compliance with governance and regulatory requirements.
- Ensure that there is sound investment governance of Ronald McDonald House Charities (IRL) assets.

### Composition of the Board and Board Appointments Process

There are eleven members of the Board of Directors drawn from a broad range of backgrounds. The composition of the Board is kept under review to ensure that it contains an appropriate mix of skills and characteristics and complies with Ronald McDonald House Charities (IRL) License. All Directors act in a voluntary capacity. No member of the Board receives any remuneration or expenses. The Directors bring a wide range of experience: medical, corporate & financial.

Directors are elected at the Annual General Meeting (AGM) of the company and are responsible for the management of the organisation. Additional Ronald McDonald House Charities (IRL) Directors appointed by ordinary resolution hold office until the next AGM. Unless otherwise excused by the Chair, it is expected that Board members will attend at least three-quarters of the number of Board meetings and meetings of Committees to which they are appointed.

When appointed the new directors undergo a formal induction and receive orientation accordingly. Each director receives the following information:

- The obligations of Directors
- Details of charity law
- The reporting structure and governance including providing a copy of the constitution
- The objectives of the Charity and the trustees' position in trying to achieve these
- Details of future plans and current financial position
- The business plan and future financial performance of the Charity
- The decision making process of the Charity
- Formally being introduced to the key management personnel including directors

### Committees of the Board and Terms of Reference

There are eight standing sub-committees of the Board. All sub-committees have terms of reference which are reviewed and approved by the Board. The chair of each sub-committee is appointed by the Board.

The following sub-committees/ positions are appointed by the Board to aid in the internal workings of Ronald McDonald House Charities (IRL).

- Fundraising sub-committee
- Risk and Governance sub-committee
- Finance, Remuneration and Audit sub-committee
- House sub-committee
- New House sub-committee
- Hospital Liaison
- McDonald's Operators' Liaison
- McDonald's Company Liaison

### Fundraising sub-committee

The membership of this subcommittee includes Marian Carroll, Martin Foy, Bernard Byrne, Rosie Conneely, Carolyn Odgers, Diarmuid Geary, Lisa Berry and is attended by Joe Kenny who is not the member of the Board, but provides his expertise to assist the subcommittee on an ongoing basis.

This sub-committee is responsible for overseeing the fundraising activities of the organisation. It assesses the performance of the fundraising unit against predetermined targets.

## **Ronald McDonald House Charities (IRL) DIRECTORS' ANNUAL REPORT**

for the financial year ended 31 December 2019

### **Risk and Governance sub-committee**

Board members include Carolyn Odgers, Diarmuid Geary, Marian Carroll and Lisa Berry are the members of this subcommittee and is attended by Kevin Keenan who is not the member of the Board but provides his expertise to assist the subcommittee.

The Risk sub-committee review all matters affecting the finances of the organisation. This includes annual budgeting including capital expenditure, management accounts, the reserves policy, annual draft audited financial statements, special projects etc. The sub-committee engages with the independent external auditors on audit planning, audit and internal control issues and audit finalisation. The audit tendering process is managed by the sub-committee. The sub-committee monitors the effectiveness of the internal control systems. In addition, the Risk sub-committee coordinates the compilation and update of the risk register. It assesses the risks and makes recommendations to the Board on strategies to minimise those risks. The Board reviews the risk register and approves the ranking of the risks.

### **Finance, Remuneration and Audit sub-committee**

The membership of this subcommittee includes Bruce Mitchell, Dave Bobbett, Diarmuid Geary and is attended by Kevin Keenan who is not the member of the Board, but provides his expertise to assist the subcommittee.

The Finance, Remuneration and Audit sub-committee is responsible for recommending to the Board the remuneration levels for the senior management. The CEO receives no remuneration package.

### **House sub-committee**

The membership of this subcommittee includes Aengus O'Marcaigh, Marian Carroll, Martin Foy, Rosie Conneely, and is attended by Joe Kenny who is not the member of the Board but provides his expertise to assist the subcommittee on an ongoing basis.

This sub-committee critically evaluates the provision of services to guests against performance criteria created to help ensure that resources are used efficiently and effectively whilst at the same delivering excellent service.

### **New House sub-committee**

Bruce Mitchell, Marian Carroll, Alison Cowzer, Martin Foy are the member of this subcommittee and is attended by Kevin Keenan, Joe Kenny.

This New House sub-committee is responsible for all negotiations with the New Hospital Group Board, CHI, HSE and the Department of Health.

### **Hospital Liaison**

Aengus O'Marcaigh acts as Hospital Liaison.

The Hospital Liaison is the Board's contact with the OLC Hospital Crumlin.

### **McDonald's Operators Liaison**

Bernard Byrne is the McDonald's Operators' Liaison.

The McDonald's Operators Liaison is the Boards contact with the McDonald's Operator Community.

### **McDonald's Company Liaison**

Lisa Berry is the McDonald's Company Liaison.

This McDonald's Company Liaison is the Boards contact with McDonald's UK & Ireland.

### **Attendance at Board meetings during 2019**

There were three meetings of the Board during 2019. Normally there are four meetings per year. Unless otherwise excused by the Chair, it is expected that Board members will attend at least three-quarters of the number of Board meetings and meetings of Committees to which they were appointed.

## Ronald McDonald House Charities (IRL) DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2019

Name	Date appointed
Marian Carroll, (Company Director, RMHC Volunteer, CEO (Volunteer) RMHC Ireland)	20th November 2001
Alison Cowzer (Co-Founder East Coast Bakehouse)	1st January 2007
David Bobbett (Treasurer) (Owner & MD H&K International)	23rd May 2010
Dr. E Bruce Mitchell (MBBCh, FRCP, FRCPI) (Chairperson), CEO Airmid Health Group	26th May 2010
Dr. Aengus O'Marcaigh (Secretary) (Consultant Paediatric Haematologist, OLCH Crumlin)	7th September 2011
James Edwards (Director of Operations, Franchising & Supply Chain McDonald's Ireland)	7th September 2011
Martin Foy (Director Brennan Foy & Co Engineers Ltd a father who stayed in the House)	5th March 2014
Bernard Byrne (McDonald's Owner Operator, Carlow, Wexford & Dublin)	29th February 2016
Rosie Conneely (Health Care Assistant - mother who stayed in The House)	1st November 2016
Diarmuid Geary (FCA, Director Limetree Global)	20th June 2017
Carolyn Odgers (Business Director at Carat Ireland)	20th June 2017
Lisa Berry (Franchise Consultant, McDonald's UK & Ireland)	19th June 2019

All Board Members, including our CEO, kindly donate their time and their services on a voluntary basis. The CEO receives no remuneration package. The Board meets 4 times a year. Attendance is recorded / below.

All Board Members complete a Conflict of Interest Statement annually. Our Board Composition is fully compliant with the Operating Licence we receive from RMHC Global.

### RMHC Board Meetings Attendance Record 2019

Director	Attendance
Bruce Mitchell	100%
Alison Cowzer	100%
David Bobbett	100%
Bernard Byrne	100%
Marian Carroll	100%
Aengus O'Marcaigh	67%
Carolyn Odgers	67%
Lisa Berry	50%
Diarmuid Geary	33%
Martin Foy	0%
Rosie Conneely	0%

### Other Governance Matters

Accountability and transparency are vital in everything we do. This report incorporates requirements as outlined in the Statement of Recommended Practice for Charities preparing their accounts in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015). RMHC Ireland is committed and compliant with the "Charities Institute Ireland" triple lock standards of transparent reporting good fundraising and governance. We are in the process of adopting the CRA Charities Governance code (which was introduced in November 2018 with charities to be fully compliant by 2020), and have already adopted the Guidelines for Charitable Organisations on Fundraising from the Public and the Charity SORP (Standard of Reporting Practice under FRS102).

### Review of Activities, Achievements and Performance

The principal activities, achievements and performance of the Ronald McDonald House Charities (IRL) is to provide accommodation, care and support for families when their children are seriously ill in Our Lady's Children's Hospital, Crumlin.

# Ronald McDonald House Charities (IRL) DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2019

Ronald McDonald House Charities (IRL) own and operate The Ronald McDonald House and provide accommodation, care and support for 20 families every night while their children are seriously ill in Our Lady's Children Hospital. Our families come from across the island of Ireland. In addition to our 20 family bedrooms we also provide kitchens, Dining Rooms, TV Rooms, Toddlers' Room, Laundry facilities, parking, Garden play area for children and outdoor space for parents. Cooking4Families Programme allow us provide a home cooked meal for families every day of the week. This programme is supported by companies, individual and families who have stayed with us. Food and products are also donated to assist with the programme. In 2019 11,700+ meals were delivered by 2,000+ 'Chefs'

## Investment Policy

The Board's policy in relation to Ronald McDonald House Charities (IRL) is short term investments is any surplus funds in short term deposit accounts with Capital Guaranteed. The policy is to eliminate any risk from short term investment. The charity has no long term investments. These investments are reviewed quarterly by the Finance, Remuneration & Audit Committee and approved by the Board.

## Financial Review

The results for the financial year are set out on page 16 and additional notes are provided showing income and expenditure in greater detail.

### Income

Ronald McDonald House Charities (IRL) is 100% funded through fundraising events and donations. The Charity receives no Government funding.

### Income from Charitable Activities

Income from revenue sources of amount €1,336,408 showed a small increase of €22,455 (2%) from 2018. The reason for increase is mainly increase in income from other fundraising events and it hides the fact that one of the main income sources continued to decline. Public donations through coin boxes in McDonald's restaurants is down 6% on 2018 due to the continued migration from cash to cashless transactions. Fundraising events show a 3% increase and donations show a 6% increase on 2018. Investment income is down 4% due to lower deposit rates.

### Fundraising Income Specific for New Ronald McDonald House

In 2019 total income received was €1,439,551 (2018: 368,806) increased by 290%. This funding was raised specifically for the construction of our new House due to open in 2023.

### Expenditure

Expenditure in 2019 excluding depreciation and donated costs of €751,558 showed an increase of 7% on 2018 (€702,159). Fundraising costs were up 13% on 2018 due to more one off in House events and unplanned wage cost increase in Fundraising area. €206,437 for 2019; (€182,040 for 2018). House Operating costs and Charity Administration costs showed an increase on 2018 of 5%. This was due mainly to staff numbers and working hour increases planned for 2019 and in line with Budget for 2019.

### Financial Results

At the end of the financial year the company has assets of €9,774,560 (2018 - €7,973,556) and liabilities of €53,775 (2018 - €119,478). The net assets of the company have increased by €1,866,707.

### Reserves Position and Policy

At the end of the year the company had assets of €9,774,560 (2018: €7,973,556) and liabilities of €53,775 (2018: €119,478). The net funds of the company have increased to €9,720,785 (2018: €7,854,078). Of the net assets at 31 December 2019 of €1,808,357 (2018: €368,806), is attributable to Designated funds. Designated funds are grants or donations which the donor has specified are to be solely used for the purpose of building the New Ronald McDonald House.

### Principal Risks and Uncertainties

The Directors have ultimate responsibility for ensuring that the Charity has appropriate systems of controls, financial and otherwise. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. The Trustees have introduced a formal risk management process to assess business risks and implement risk management strategies. This involves identifying the types of risks the Charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating these risks. Directors have a formal risk management process to assess all risks and implement risk management strategies and mitigation measures.

## **Ronald McDonald House Charities (IRL)**

### **DIRECTORS' ANNUAL REPORT**

for the financial year ended 31 December 2019

This involves identifying the types of risks that Ronald McDonald House Charities (IRL) faces and rating them in terms of:

- Potential impact
- Likelihood of occurrence
- Current control in place
- Improvement potential

As risks are identified the Risk Team reviews and ranks those risks. Each risk is recorded on the Risk Register under four risk categories: customer, financial, operational and people. The Register includes the detail of the mitigation measures and plan for improvement where required. The Senior Leadership Team and the Risk & Governance Committee review and update the risk register on a quarterly basis and the Board and other Standing Committees review on an annual basis.

Operational/internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects and the requirements for budgets covering all activities. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the centre by ensuring all accreditation is up to date.

#### **Reputational risk**

In common with many charities, the company's principal risk is reputational damage. Reputation damage could be caused by an event either within or outside the company's control. In order to mitigate this risk the Charity continues to adopt best practices

#### **Economic Risk**

On 31 December 2019, China alerted the World Health Organisation (WHO) to several cases of unusual pneumonia in Wuhan, a port city in the central Hubei province. In February 2020, the WHO officially named this new Coronavirus 'COVID-19' and on 11 March 2020 the WHO declared the coronavirus outbreak a pandemic.

The first confirmed case in Ireland was reported on 29 February 2020. The government announced the closure of all schools, colleges and childcare facilities on 12 March 2020. Further closures to hospitality and retail outlets and restrictions on mass gatherings have been announced as Ireland implements the Delay phase of its strategy against the virus. The company is working while reviewing options available under government support schemes. At the date of signing these accounts the long term impact on the company is unknown.

#### **Future Developments**

The directors are not expecting to make any significant changes in the nature of the business in the near future. At the time of approving the financial statements, the company is exposed to the effects of the Covid-19 pandemic which has had a negative effect on its trading activities since the year end and has resulted in a lower than expected level of trading activity since the year end. In planning its future activities, the directors will seek to develop the company's activities whilst managing the effects of the difficult trading period caused by this outbreak.

#### **Reference and Administrative details**

The organisation is a charitable company with a registered office at Ronald McDonald House Charities (IRL), Our Lady's Children Hospital, Crumlin, Dublin 12. The Charity trades under the name The Ronald McDonald House Charities (IRL). The company's registered number is 272275.

The Charity has been granted charitable tax status under Sections 207 and 208 of the Taxes Consolidation Act 1997, Charity No CHY 12553 and is registered with the Charities Regulatory Authority (CRA Number 2003700)

## **Ronald McDonald House Charities (IRL)**

### **DIRECTORS' ANNUAL REPORT**

for the financial year ended 31 December 2019

#### **Directors and Secretary**

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

Rosie Conneely  
Bernard Byrne  
Martin Foy  
Diarmuid Geary  
Aengus O'Marcaigh  
James Edwards (Resigned 6 March 2019)  
Dr. E. Bruce Mitchell  
David Bobbett  
Alison Cowzer  
Marian Carroll  
Carolyn Odgers  
Lisa Berry (Appointed 19 June 2019)

The secretary who served throughout the financial year was Aengus O'Marcaigh.

#### **Health and Safety**

Ronald McDonald House Charities Ireland ensures the well-being of its employees, families, volunteers, and all visitors through the strict adherence to health and safety standards. Systems are in place to ensure that employees are aware of and implement the Charity's health and safety requirements. Employees are required to work in a safe manner as mandated by law and best practice. Ronald McDonald House Charities (IRL) has:

- Health & Safety Committee.
- Comprehensive Health & Safety Manual which is reviewed and approved annually.
- Ongoing training which is provided to all staff in safe systems of work.
- Physical workplace we ensure is safe and free from hazards.
- Safety Statement which is reviewed and communicated to all staff on an annual basis.

#### **Vetting**

Ronald McDonald House Charities (IRL) conducts Garda vetting through CHI, Crumlin.

#### **Staff Training and Development**

Ronald McDonald House Charities (IRL) is committed to supporting and developing our staff in their careers with the organisation and to enable them to achieve their full potential in providing services to our members. The training and development initiatives we have in place ensure we achieve this as follows:

- Individual training priorities and objectives agreed across the organisation
- Developing and focusing on our core competencies through external and RMHC Global training

#### **Employee Rights and Equal Opportunities**

The Directors and the Senior Leadership Team of Ronald McDonald House Charities (IRL) strive to be transparent and accountable and to balance the rights and responsibilities of all stakeholders. We understand the importance of active communication and engagement with our employees, underpinned by robust policies and procedures. We prioritise fairness, equity and transparency in all dealings with our employees and our detailed Staff Handbook sets out all our HR Policies and Procedures. We have comprehensive policies covering the following important areas:

#### **Grievance Procedure**

- Disciplinary procedure.
- Bullying, Harassment and Sexual Harassment.
- Special Grievance Procedure: Bullying, Harassment and Sexual Harassment.
- Equal Opportunities Policy.

We maximise the contribution of all staff by encouraging our people to develop their potential in a workplace committed to equality, diversity and mutual respect. We respect the right of each individual to dignity in their working life ensuring all will be treated equally and respected for their individuality and diversity.

# Ronald McDonald House Charities (IRL) DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2019

## Compliance with Sector-Wide Legislation and Standards

The company engages pro-actively with legislation, standards and codes which are developed for the sector. Ronald McDonald House Charities (IRL) subscribes to and is compliant with the following:

- The Companies Act 2014
- The Charities SORP (FRS 102)
- Charities Act 2009
- The Lobbying Act 2015
- CRA Charities Governance Code (Currently in the process of adopting)
- CRA Guidelines for Charitable Organisations on Fundraising from the Public
- Other relevant legislation

## Post Balance Sheet Events

In the first half of 2020, the Covid-19 virus spread worldwide. In common with many other countries, the Irish government issued guidance and restrictions on the movement of people designed to slow the spread of this virus. In early March 2020, many businesses closed voluntarily and throughout the month more restrictions were placed on people and businesses. On 28th March, all "non-essential" businesses were ordered to close temporarily.

The company is an essential service and reacted to these conditions by closing it's offices with staff working from home where possible. As a result of COVID 19 the company has implemented all relevant health and safety measures in accordance with government guidelines to ensure a safe environment for our staff and guests. All services have been maintained throughout the crisis and all recommended protections and procedures have been implemented. The directors are confident that the company will continue to be fully operational throughout the crisis and provide vital supports to our clients.

There has been no other significant or material subsequent events affecting the company since the year end.

## Internal Controls

The Directors have ultimate responsibility for ensuring that the charity has the appropriate systems of internal controls in place and to monitor their effectiveness. The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- A four-year strategic plan ending December 2021 which guides and underpins all activity.
- Annual Business Plan
- An Annual Budget approved by the Board.
- A Corporate Governance Framework. (as outlined by CRA and RMHC Global)

## Political donations

The charity did not make any political donations during the financial period.

## Sustainability and Diversity

Sustainability principles are embedded into Ronald McDonald House Charities (IRL) and are at the heart of everything we do from our strategy to our policies. Valuing diversity means that we value and respect our employees, our volunteers, our families, our donors and all other stakeholders.

## Ronald McDonald House Charities Global

Ronald McDonald House Charities (IRL) operates under license from RMHC Global, Ronald McDonald House Charities (RMHC), 2915 Jorie Boulevard, Oak Brook, IL 60523. There are 365 Ronald McDonald Houses in 45 countries worldwide. The first House was opened in Philadelphia in 1974. In 2019 the global charity celebrated 45 years of caring for families.

## IT Security

Ronald McDonald House Charities (IRL) has built-in software security which is reviewed bi-annually by our software consultant. Ronald McDonald House Charities (IRL) will continue to stay up to date on all technology including our platform service throughout the year by updating the Microsoft Office 365 account and moving our website to Microsoft Azure (New Microsoft web based hosting service).

## Auditors

The auditors, Hugh McCarthy & Associates, (Chartered Accountants) have indicated their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

## Ronald McDonald House Charities (IRL) DIRECTORS' ANNUAL REPORT

for the financial year ended 31 December 2019

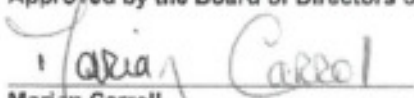
### Statement on Relevant Audit Information


In accordance with section 330 of the Companies Act 2014, so far as each of the persons who are directors at the time this report is approved are aware, there is no relevant audit information of which the statutory auditors are unaware. The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

### Accounting Records

To ensure that adequate accounting records are kept in accordance with Sections 281 to 285 of the Companies Act 2014, the directors have established appropriate books to adequately record the transactions of the company. The directors also ensure that the company retains the source documentation for these transactions. The accounting records are maintained at the company's office at Ronald McDonald House Charities (IRL), C/O Our Lady's Children Hospital, Crumlin, Dublin 12, D12 DY09.

Approved by the Board of Directors on 3<sup>rd</sup> June 2020 and signed on its behalf by:

  
Marian Carroll  
Director

  
Dr. E. Bruce Mitchell  
Director

**Ronald McDonald House Charities (IRL)**  
**DIRECTORS' RESPONSIBILITIES STATEMENT**  
for the financial year ended 31 December 2019

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

Irish company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with the Companies Act and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" as modified by the Statement of Recommended Practice Accounting and Reporting by Charities effective from 1st Jan 2019. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the net income or expenditure of the company for the financial year and otherwise comply with the Companies Act 2014.

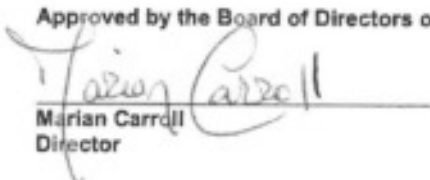
In preparing these financial statements, the directors are required to:

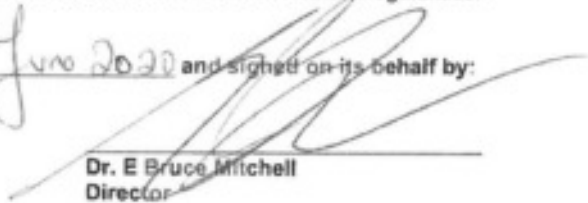
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the relevant financial reporting framework, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and net income or expenditure of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and the Directors' Annual Report comply with Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Directors on 31st June 2020 and signed on its behalf by:

  
Marian Carroll  
Director

  
Dr. E Bruce Mitchell  
Director

# **INDEPENDENT AUDITOR'S REPORT**

## **to the Members of Ronald McDonald House Charities (IRL)**

### **Report on the audit of the financial statements**

#### **Opinion**

We have audited the company financial statements of Ronald McDonald House Charities (IRL) for the financial year ended 31 December 2019 which comprise the Statement of Financial Activities (incorporating an Income and Expenditure Account), the Balance Sheet, the Statement of Cash Flows and the related notes to the financial statements, including a summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" as modified by the Statement of Recommended Practice Accounting and Reporting by Charities effective from 1st Jan 2019.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2019 and of its net incoming resources for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", as applied in accordance with the provisions of the Companies Act 2014 and having regard to the Charities SORP; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2014**

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

- in our opinion, the information given in the Directors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- in our opinion, the Directors' Annual Report has been prepared in accordance with the Companies Act 2014.

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

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

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

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Annual Report. The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

## **INDEPENDENT AUDITOR'S REPORT**

### **to the Members of Ronald McDonald House Charities (IRL)**

#### **Respective responsibilities**

##### **Responsibilities of directors for the financial statements**

As explained more fully in the Directors' Responsibilities Statement set out on page 15 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

##### **Auditor's responsibilities for the audit of the financial statements**

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

##### **Further information regarding the scope of our responsibilities as auditor**

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

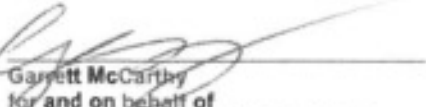
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## INDEPENDENT AUDITOR'S REPORT to the Members of Ronald McDonald House Charities (IRL)

### The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any 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.



for and on behalf of  
**HUGH MCCARTHY & ASSOCIATES**

Chartered Accountants and Statutory Audit Firm  
161 - 163 Lower Kimmage Road  
Kimmage  
Dublin  
D.6W  
Ireland

2023-03-02

# Ronald McDonald House Charities (IRL) STATEMENT OF FINANCIAL ACTIVITIES

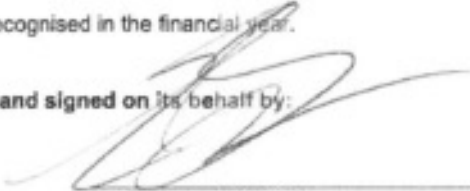
(Incorporating an Income and Expenditure Account)  
for the financial year ended 31 December 2019

	Notes	Unrestricted Funds 2019 €	Total 2019 €	Unrestricted Funds 2018 €	Total 2018 € as restated
<b>Income</b>					
Donations and legacies	4.1	1,439,551	1,439,551	368,806	368,806
Charitable activities					
Income from charitable activities	4.2	1,308,566	1,308,566	1,284,946	1,284,946
Other income	4.3	27,842	27,842	29,007	29,007
<b>Total income</b>		<b>2,775,959</b>	<b>2,775,959</b>	<b>1,682,759</b>	<b>1,682,759</b>
<b>Expenditure</b>					
Charitable activities	5.1	909,252	909,252	826,860	826,860
<b>Net income/(expenditure)</b>		<b>1,866,707</b>	<b>1,866,707</b>	<b>855,899</b>	<b>855,899</b>
Transfers between funds		-	-	-	-
<b>Other recognised gains/(losses):</b>					
Surplus/(deficit) for the financial year		1,866,707	1,866,707	855,899	855,899
Prior financial year adjustment	14	-	-	(99,178)	(99,178)
<b>Net movement in funds for the financial year</b>		<b>1,866,707</b>	<b>1,866,707</b>	<b>756,721</b>	<b>756,721</b>
<b>Reconciliation of funds</b>					
Balances brought forward at 1 January 2019	15	7,854,078	7,854,078	7,097,357	7,097,357
<b>Balances carried forward at 31 December 2019</b>		<b>9,720,785</b>	<b>9,720,785</b>	<b>7,854,078</b>	<b>7,854,078</b>

The Statement of Financial Activities includes all gains and losses recognised in the financial year.  
All income and expenditure relate to continuing activities.

Approved by the Board of Directors on 3<sup>rd</sup> June 2020 and signed on its behalf by:

  
Marian Carroll  
Director

  
Dr. E Bruce Mitchell  
Director

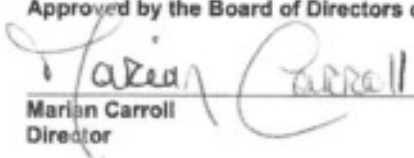
# Ronald McDonald House Charities (IRL)

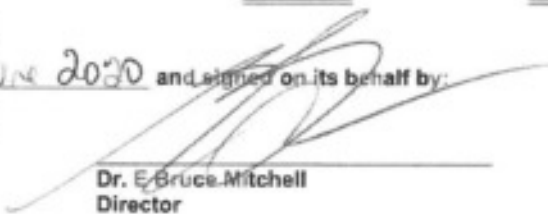
## BALANCE SHEET

as at 31 December 2019

	Notes	2019 €	2018 € as restated
<b>Fixed Assets</b>			
Tangible assets	9	1,115,060	1,201,754
<b>Current Assets</b>			
Debtors	10	324,062	261,154
Cash at bank and in hand		8,335,438	6,510,648
		8,659,500	6,771,802
Creditors: Amounts falling due within one year	11	(53,775)	(119,478)
<b>Net Current Assets</b>		8,605,725	6,652,324
<b>Total Assets less Current Liabilities</b>		9,720,785	7,854,078
<b>Funds</b>			
Unrestricted designated funds		1,808,357	368,806
General fund (unrestricted)		7,912,428	7,485,272
<b>Total funds</b>	15	9,720,785	7,854,078

Approved by the Board of Directors on 3<sup>rd</sup> June 2020 and signed on its behalf by:

  
Marian Carroll  
Director

  
Dr. E. Bruce Mitchell  
Director

**Ronald McDonald House Charities (IRL)**  
**STATEMENT OF CASH FLOWS**  
for the financial year ended 31 December 2019

	Notes	2019 €	2018 €
<b>Cash flows from operating activities</b>			
Net movement in funds		1,866,707	756,721
Adjustments for:			
Depreciation		106,633	104,954
Interest receivable and similar income		(27,842)	(29,007)
Prior financial year adjustment		-	99,178
		<u>1,945,498</u>	<u>931,846</u>
Movements in working capital:			
Movement in debtors		(62,908)	(33,899)
Movement in creditors		(65,703)	(31,046)
Cash generated from operations		<u>1,816,887</u>	<u>866,901</u>
<b>Cash flows from investing activities</b>			
Interest received		27,842	29,007
Payments to acquire tangible assets		(19,939)	(8,448)
Net cash generated from investment activities		<u>7,903</u>	<u>20,559</u>
<b>Net increase in cash and cash equivalents</b>		<u>1,824,790</u>	<u>887,460</u>
<b>Cash and cash equivalents at 1 January 2019</b>		<u>6,510,648</u>	<u>5,623,188</u>
<b>Cash and cash equivalents at 31 December 2019</b>	19	<u><u>8,335,438</u></u>	<u><u>6,510,648</u></u>

# Ronald McDonald House Charities (IRL) NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2019

## 1. GENERAL INFORMATION

Ronald McDonald House Charities (IRL) is a company limited by guarantee incorporated in the Republic of Ireland. The registered office of the company is Ronald McDonald House Charities (IRL), C/O Our Lady's Children Hospital, Crumlin, Dublin 12, D12 DY09 which is also the principal place of business of the company. The financial statements have been presented in Euro (€) which is also the functional currency of the company.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

### Basis of preparation

The financial statements have been prepared on the going concern basis under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" accounting standard issued by the Financial Reporting Council including FRS102 "The Financial Reporting Standard applicable in the UK and Ireland" as modified by the statement of Recommended Practice Accounting and Reporting by Charities effective 1 Jan 2019.

The company has applied the Charities SORP on a voluntary basis as its application is not a requirement of the current regulations for charities registered in the Republic of Ireland, however it is considered best practice.

As permitted by the Companies Act 2014, the company has varied the standard formats in that act for the Statement of Financial Activities and the Balance Sheet. Departures from the standard formats, as outlined in the Companies Act 2014, are to comply with the requirements of the Charities SORP and are in compliance with section 4.7, 10.6 and 15.2 of that SORP.

### Fund accounting

The following are the categories of funds maintained:

#### Unrestricted funds

Unrestricted funds consist of General and Designated funds.

- General funds represent amounts which are expendable at the discretion of the board, in furtherance of the objectives of the company.
- Designated funds comprise unrestricted funds that the board has, at its discretion, set aside for particular purposes. These designations have an administrative purpose only, and do not legally restrict the board's discretion to apply the fund.

#### Income

Income is recognised by inclusion in the Statement of Financial Activities only when the company is legally entitled to the income, the amounts involved can be measured with sufficient reliability and it is probable that the income will be received by the company.

#### Income from Donated Services & Support Cost

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met and the receipt of economic benefit from the use by the charity of the item is probable and can be measured reliably. McDonald's Restaurants of Ireland Ltd fundraising Support costs of €29,435, Other fundraising support costs €3,150 for services and facilities and Other Donated Services for house running costs of €18,474 are measured and included in the financial statements on the basis of the value of the gift to the charity. A corresponding amount of €51,059 is then recognised in expenditure in the period of receipt.

#### Income from charitable activities

Income from charitable activities include income earned from fundraising and charity run events, small merchandise sales and donated money. Where income is received in advance, its recognition is deferred and included in creditors. Where entitlement occurs before income is received, it is accrued in debtors.

**Expenditure**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

-Costs of raising funds comprise the costs associated with attracting voluntary income, investment management costs and the costs of trading for fundraising purposes.

-Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its families. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

-Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees, costs of legal advice for trustees and costs linked to the strategic management of the charity including the cost of trustee meetings.

-All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. floor areas, per capita or estimated usage

**Employee Benefits**

The company provides a range of benefits to employees, paid holiday arrangements and defined contribution pension plans.

**(i) Short term benefits**

Short term benefits, including holiday pay and other non-monetary benefits, are recognised as an expense in the period in which the service is received.

**Tangible fixed assets and depreciation**

Tangible fixed assets are recorded at historical cost or deemed cost, less accumulated depreciation (and impairment losses if applicable). Cost includes prime cost, overheads and interest incurred in financing the construction of tangible fixed assets. Capitalisation of interest ceases when the asset is brought into use.

Freehold premises are stated at cost less accumulated depreciation.

Depreciation is provided on property, plant & equipment, on a straight-line basis, so as to write off their cost less residual amounts over their estimated useful economic lives.

The estimated useful economic lives assigned to property plant & equipment are as follows:

Buildings freehold	- 2.5% / 5.55% Straight line
Fixtures, fittings and equipment	- 12.5% / 20% / 25% Straight line

The company's policy is to review the remaining useful economic lives and residual values of property, plant and equipment on an on-going basis and to adjust the depreciation charge to reflect the remaining estimated useful economic life and residual value.

Fully depreciated property, plant & equipment are retained in the cost of property, plant & equipment and related accumulated depreciation until they are removed from service. In the case of disposals, assets and related depreciation are removed from the financial statements and the net amount, less proceeds from disposal, is charged or credited to the SOFA.

Assets carried at cost are also reviewed for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount.

**Ronald McDonald House Charities (IRL)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the financial year ended 31 December 2019

continued

**Debtors**

Trade and other debtors are recognised initially at transaction price (including transaction costs) unless a financing arrangement exists in which case they are measured at the present value of future receipts discounted at a market rate. Subsequently these are measured at amortised cost less any provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. All movements in the level of provision required are recognised in the statement of financial activity.

**Creditors**

Trade and other creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

**Cash at bank and in hand**

Cash at bank and in hand comprises cash on deposit at banks requiring less than three months notice of withdrawal.

**Taxation**

No charge to current or deferred taxation arises as the charity has been granted charitable status under Sections 207 and 208 of the Taxes Consolidation Act 1997, Charity No CHY 20037000. The charity is eligible under the "Scheme of Tax Relief for Donations to Eligible Charities and Approved Bodies under Section 848A Taxes Consolidation Act, 1997" therefore income tax refunds arising from sponsorships exceeding €250 per annum are included in unrestricted funds. Irrecoverable value added tax is expended as incurred.

**Pensions**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. Annual contributions payable to the company's pension scheme are charged to the income and expenditure account in the period to which they relate.

**3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

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

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

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

**(a) Establishing useful economic lives for depreciation purposes of property, plant and equipment**

Long-lived assets, consisting primarily of property, plant and equipment, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual values. The directors regularly review these asset useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation and amortisation charges for the period. Detail of the useful economic lives is included in the accounting policies.

**(b) Providing for doubtful debts**

The company makes an estimate of the recoverable value of trade and other debtors. The company uses estimates based on historical experience in determining the level of debts, which the company believes, will not be collected. These estimates include such factors as the current credit rating of the debtor, the ageing profile of debtors and historical experience. Any significant reduction in the level of customers that default on payments or other significant improvements that resulted in a reduction in the level of bad debt provision would have a positive impact on the operating results. The level of provision required is reviewed on an on-going basis.

**Ronald McDonald House Charities (IRL)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the financial year ended 31 December 2019

continued

<b>4. INCOME</b>					
<b>4.1 DESIGNATED DONATIONS</b>		<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2019</b>	<b>2018</b>
		<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
Designated funds		1,439,551	-	1,439,551	368,806
<b>4.2 CHARITABLE ACTIVITIES</b>		<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2019</b>	<b>2018</b>
		<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
Donations		216,926	-	216,926	236,197
General Fundraising		290,239	-	290,239	242,504
House Income		63,527	-	63,527	64,085
McDonald's Customer Coin Box Donations		236,705	-	236,705	251,982
McDonald's Charity Partnership Events		215,648	-	215,648	194,710
Annual Charity Fundraising Events		282,685	-	282,685	293,671
Merchandise Sales		2,836	-	2,836	1,797
		1,308,566	-	1,308,566	1,284,946
<b>4.3 OTHER INCOME</b>		<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2019</b>	<b>2018</b>
		<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
Other income		27,842	-	27,842	29,007
<b>5. EXPENDITURE</b>					
<b>5.1 CHARITABLE ACTIVITIES</b>	<b>Direct Costs</b>	<b>Other Costs</b>	<b>Support Costs</b>	<b>2019</b>	<b>2018</b>
	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
Expenditure on charitable activities	395,590	316,778	-	712,368	653,795
General Fundraising	32,498	-	3,150	35,648	23,946
McDonald's Customer Coin Box Donations	13,890	-	-	13,890	16,152
McDonald's Charity Partnership Events	38,727	-	29,435	68,162	54,023
Annual Charity Fundraising Events	77,017	-	-	77,017	77,538
Merchandise Costs	2,167	-	-	2,167	1,406
	559,889	316,778	32,585	909,252	826,860
<b>5.2 SUPPORT COSTS</b>			<b>Charitable Activities</b>	<b>2019</b>	<b>2018</b>
			<b>€</b>	<b>€</b>	<b>€</b>
Fundraising			32,585	32,585	19,748
<b>6. ANALYSIS OF SUPPORT COSTS</b>				<b>2019</b>	<b>2018</b>
				<b>€</b>	<b>€</b>
Fundraising				32,585	19,748
<b>7. NET INCOME</b>				<b>2019</b>	<b>2018</b>
				<b>€</b>	<b>€</b>
Net income is stated after charging/(crediting):					
Depreciation of tangible assets				106,633	104,954

**Ronald McDonald House Charities (IRL)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the financial year ended 31 December 2019

continued

**8. EMPLOYEES AND REMUNERATION**

**Number of employees**

The average number of persons employed (including executive directors) during the financial year was as follows:

	2019 Number	2018 Number
Charity	3	3
House	9	7
Fundraising	1	1
	<u>13</u>	<u>11</u>

The staff costs comprise:

	2019 €	2018 €
Wages and salaries	353,837	304,895
Social security costs	28,996	27,310
Pension costs	12,757	8,771
	<u>395,590</u>	<u>340,976</u>

**SALARY BAND**

The number of employees who received employee benefits (excluding employer pension costs) of more than €70,000 (€60,000) for the reporting period:

	2019 €	2018 €
Number of Employees	<u>1</u>	<u>1</u>

**KEY MANAGEMENT PERSONNEL**

No members of the management committee received any remuneration during the year.

Key management Personnel includes the Board of Directors, company secretary and all members of the company's management. Total emoluments (including benefits and pension) paid to key management personnel was amounted to €138,106 (2018: €129,471).

**Ronald McDonald House Charities (IRL)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the financial year ended 31 December 2019

continued

**9. TANGIBLE FIXED ASSETS**

	Land and buildings freehold €	Fixtures, fittings and equipment €	Total €
<b>Cost</b>			
At 1 January 2019	1,959,113	166,262	2,125,375
Additions	-	19,939	19,939
At 31 December 2019	1,959,113	186,201	2,145,314
<b>Depreciation</b>			
At 1 January 2019	775,385	148,236	923,621
Charge for the financial year	96,923	9,710	106,633
At 31 December 2019	872,308	157,946	1,030,254
<b>Net book value</b>			
At 31 December 2019	1,086,805	28,255	1,115,060
At 31 December 2018	1,183,728	18,026	1,201,754

**10. DEBTORS**

	2019 €	2018 €
Trade debtors	297,729	240,705
Taxation and social security costs	10,252	9,408
Prepayments	16,081	11,041
	<u>324,062</u>	<u>261,154</u>

**11. CREDITORS**

Amounts falling due within one year	2019 €	2018 €
Trade creditors	11,873	64,272
Taxation and social security costs	3,359	9,459
Other creditors	15,771	12,827
Accruals	22,772	32,920
	<u>53,775</u>	<u>119,478</u>

**12. PENSION COSTS - DEFINED CONTRIBUTION**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Pension costs amounted to €12,757 (2018 - €8,771).

**13. RESERVES**

	2019 €	2018 €
At 1 January 2019 as previously stated	7,854,078	7,097,357
Prior financial year adjustment	-	(99,178)
At 1 January 2019	<u>7,854,078</u>	<u>6,998,179</u>
Surplus for the financial year	1,866,707	855,899
At 31 December 2019	<u>9,720,785</u>	<u>7,854,078</u>

**Ronald McDonald House Charities (IRL)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the financial year ended 31 December 2019

continued

**14. PRIOR YEAR ADJUSTMENT**

**New House**

During 2018, the charity discovered that donation income of €99,178 received for the New House in 2016 had been incorrectly recorded in its financial statements. As a consequence, the deferred income liability has been understated since 2016. This error has been corrected by restating each of the affected financial statement line items for prior periods.

**15. FUNDS**

**15.1 RECONCILIATION OF MOVEMENT IN FUNDS**

	Unrestricted Funds €	Total Funds €
At 1 January 2018	7,097,357	7,097,357
Movement during the financial year	756,721	756,721
At 31 December 2018	7,854,078	7,854,078
Movement during the financial year	1,866,707	1,866,707
At 31 December 2019	<u>9,720,785</u>	<u>9,720,785</u>

**15.2 ANALYSIS OF MOVEMENTS ON FUNDS**

	Balance 1 January 2019 € As restated	Income €	Expenditure €	Transfers between funds €	Balance 31 December 2019 €
Unrestricted income					
Designated Funds	368,806	1,439,551	-	-	1,808,357
Unrestricted General	7,485,272	1,336,408	909,252	-	7,912,428
	<u>7,854,078</u>	<u>2,775,959</u>	<u>(909,252)</u>	<u>-</u>	<u>9,720,785</u>
<b>Total funds</b>	<u><b>7,854,078</b></u>	<u><b>2,775,959</b></u>	<u><b>909,252</b></u>	<u><b>-</b></u>	<u><b>9,720,785</b></u>

**Purposes of Unrestricted Funds**

Unrestricted funds are available to spend on activities that further any of the purposes of the charity.

**Designated Funds**

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to for the purpose of building the New Ronald McDonald House.

**15.3 ANALYSIS OF NET ASSETS BY FUND**

	Fixed assets - charity use €	Current assets €	Current liabilities €	Total €
Unrestricted general funds	1,115,060	8,659,500	(53,775)	9,720,785
	<u>1,115,060</u>	<u>8,659,500</u>	<u>(53,775)</u>	<u>9,720,785</u>

**16. STATUS**

The liability of the members is limited.

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

# Ronald McDonald House Charities (IRL) NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2019

## 17. LEGAL STATUS

The company is exempt from including the word "Limited" in its name by virtue of Section 1180 of the Companies Act 2014. The company is limited by guarantee and has no share capital. Under the guarantee each member has undertaken to contribute, in the event of a winding up, an amount not exceeding the sum of €1.00. This guarantee continues for one financial year after individual membership ceases.

## 18. RELATED PARTY TRANSACTIONS

No directors or other person related to the charity had any personal interest in any contract or transaction entered into by charity during the financial year.

## 19. CASH AND CASH EQUIVALENTS

	2019 €	2018 €
Cash and bank balances	<u>8,335,438</u>	<u>6,510,648</u>

## 20. POST-BALANCE SHEET EVENTS

In the first half of 2020, the Covid-19 virus spread worldwide. In common with many other countries, the Irish government issued guidance and restrictions on the movement of people designed to slow the spread of this virus. In early March 2020, many businesses closed voluntarily and throughout the month more restrictions were placed on people and businesses. On 28th March, all "non-essential" businesses were ordered to close temporarily.

The company is an essential service and reacted to these conditions by closing it's offices with staff working from home where possible. As a result of COVID 19 the company has implemented all relevant health and safety measures in accordance with government guidelines to ensure a safe environment for our guests and staff. All services have been maintained throughout the crisis and all recommended protections and procedures have been implemented. The directors are confident that the company will continue to be fully operational throughout the crisis and provide vital supports to our clients.

There have been no other significant events affecting the Charity since the financial year-end.

## 21. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on

*S. J. 2020*

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RONALD MCDONALD HOUSE CHARITIES (IRL)

SUPPLEMENTARY INFORMATION

RELATING TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

NOT COVERED BY THE REPORT OF THE AUDITORS

**Ronald McDonald House Charities (IRL)**  
**SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS**  
Operating Statement  
for the financial year ended 31 December 2019

	2019 €	2018 €
<b>Income</b>	<b>2,748,117</b>	<b>1,653,752</b>
<b>Expenses</b>		
Wages and salaries	353,837	304,895
Social security costs	28,996	27,310
Staff defined contribution pension costs	12,757	8,771
Staff training	1,124	2,084
Insurance	8,360	8,400
Security Cost	80,711	79,813
Light, Heat and Power	27,842	23,592
Cleaning	7,837	6,771
Repairs and maintenance	22,883	26,979
Annual Charity Cycle Cost	8,923	10,571
Annual Charity Gala Ball Cost	57,022	56,143
Annual Charity Golf Day Costs	11,011	10,352
Restaurant Coin Collection Costs	6,486	16,552
Direct fundraising costs	131,916	79,447
Printing, postage and stationery	10,893	18,181
Telephone	5,025	4,778
IT Support Costs	7,593	11,858
Hire of equipment	1,370	1,140
Conference costs	247	5,118
Travel & Entertainment	3,764	6,948
Legal and professional	-	1,629
Auditor's/Independent Examiner's remuneration	3,160	2,222
Bank charges	1,761	1,941
Staff & Volunteer Canteen Costs	2,748	2,825
General expenses	4,069	2,680
Subscriptions	2,284	906
Depreciation	106,633	104,954
	<b>909,252</b>	<b>826,860</b>
<b>Miscellaneous income</b>		
Bank interest	27,842	29,007
<b>Net surplus</b>	<b>1,866,707</b>	<b>855,899</b>