

IRISH BIBLE INSTITUTE

Annual Report

Year ended 31 July 2011

IRISH BIBLE INSTITUTE

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A company limited by guarantee not having a share capital

Directors and Other Information

Directors	Michael O'Connell (Chair) Kevin Barrett Robbie Burns Andy Compton Ingrid Harley Joe Kelly Tim Lewis Jonathan Reid James Reilly
Secretary	Dawn Langrell
Company Number	345239
Registered Office	Ulysses House 22-24 Foley Street Dublin 1
Auditors	Lewis & Co Chartered Accountants 8 Priory Hall Stillorgan, Co Dublin
Bankers	Allied Irish Banks plc

Exemption from direct taxation has been granted by the Revenue Commissioners on account of the charitable nature of the Company's activities (ref. CHY 6478).

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Report of the Directors Year ended 31 July 2011

The directors present their report together with the audited financial statements for the year to 31 July 2011.

Principal Activity and Risk Management

The principal activity of the Irish Bible Institute (IBI) is the promotion and advancement of the evangelical Christian faith by the training of church leaders and members. The Board considers the main risk associated with the organisation to be its reliance on the generosity of its volunteers and donors without whom the quality and breadth of the teaching activities in the Institute could not be maintained. People who give their time and money to support student learning are a vital part of the activities and the staff of the Institute dedicate a portion of their time to ensuring that this support is ongoing. Operational risks arise in any organisation and are mitigated to a reasonable degree through the independence of the Board and the experience and professionalism of the staff supported by appropriate internal controls.

Results

The surplus for the year amounted to € 72,641 which has been dealt with as shown on page 5.

Directors

The directors as at the date of approval of this report are listed on page 2. In all cases they were directors for the full year. In addition Roy Hanan and Caroline Ritchie acted as directors during the year until they retired from the Board, in accordance with the Articles of Association, on 20 November 2010. The Board expresses its thanks to Roy and Caroline for their many years of dedicated service to IBI.

Books of Account

Suitable procedures and personnel ensure that proper books of account are kept - normally at the principal place of business - in compliance with Section 202 Companies Act 1990.

Health and Safety

The welfare of employees is safeguarded through adherence to health and safety standards in accordance with the requirements of the Safety, Health and Welfare at Work Act 1989.

General

The directors acknowledge their accounting responsibilities under the Companies Acts, and their other corporate governance obligations. To the best of their knowledge they have complied with all of these. In relation to these financial statements, there were no contingent liabilities or capital commitments at the balance sheet date other than those disclosed, nor have any events taken place since that date which would necessitate their revision or annotation.

On behalf of the Board



Michael O'Connell
Director



Kevin Barrett
Director

8 October 2011

IRISH BIBLE INSTITUTE

Independent Auditors' Report to the Members

We have audited the financial statements on pages 5 to 11.

Respective responsibilities of Directors and Auditors

Company law requires the directors to prepare financial statements each year which give a true and fair view of the state of affairs and profit or loss of the Company. In so doing, they are required to comply with prescribed Irish accounting standards and suitable accounting policies, applied consistently, to be prudent and reasonable in their judgments and estimates, and to adopt the going concern basis unless it is inappropriate to do so.

Their responsibilities also include keeping proper accounting records, safeguarding the assets of the Company and taking all reasonable steps to prevent and detect fraud and other irregularities. They must also make the auditor aware of all information relevant to the accounts including transactions with related parties. Auditors are required to form an independent opinion on the financial statements and give their report.

Basis of opinion

We conducted our audit in accordance with standards issued by the Auditing Practices Board in Ireland and the United Kingdom. This included examining, on a test basis, the evidence supporting the amounts and disclosures in the financial statements, assessing the significant estimates and judgments used by the directors, and the appropriateness, application and disclosure of the accounting policies adopted.

We planned and performed our audit so as to obtain reasonable assurance that the financial statements are free from material misstatement, and we evaluated the overall presentation of the information given.

We report solely to the Company and its members as a body. No responsibility to any other party is assumed.

Opinion

Having obtained all the information and explanations we consider necessary, our opinion is that:-

(a) proper books have been kept by the Company and the financial statements, which are in agreement therewith, give a true and fair view of the state of the Company's affairs at 31 July 2011 and of its surplus for the year then ended and give, in the requisite manner, the information required by the Companies Acts 1963 to 2009;

(b) the information given in the Report of the Directors on page 3 is consistent with the financial statements.

G S G Lewis for and on behalf of
Lewis & Co
8 Priory Hall
Stillorgan, Co Dublin



Chartered Accountants
Registered Auditors

8 October 2011

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**Statement of Financial Activities
Year Ended 31 July 2011**

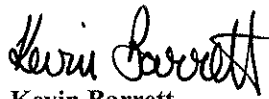
		2011 €	2010 €
	Notes		
Total Income		760,148	699,342
Total Expenses		(687,507)	(688,512)
Surplus for the year on all activities		<u>72,641</u>	<u>10,830</u>
Surplus / (deficit) on non-operational items appropriated to other funds:			
PhD seed	11	(7,345)	(3,760)
Ulysses House development	11	(1,202)	(4,434)
Ulysses House property	11	68,912	24,744
Net surplus / (deficit) on non-operating items to be appropriated		<u>60,365</u>	<u>16,550</u>
Operating surplus / (deficit)	2	<u>12,276</u>	<u>(5,720)</u>
Transfer from / (to) non-operational funds			
Ulysses House property	11	-	(19,231)
Increase / (decrease) in operational fund		<u>12,276</u>	<u>(24,951)</u>
Accumulated surplus on operations brought forward		<u>156,886</u>	<u>181,837</u>
Accumulated surplus on operations carried forward		<u><u>169,162</u></u>	<u><u>156,886</u></u>

Statement of Total Recognised Gains and Losses

Increase / (decrease) in operational fund	12,276	(24,951)
Unrealised movement on revaluation of property	-	(1,500,000)
Total recognised gains / (losses) relating to the year	<u><u>12,276</u></u>	<u><u>(1,524,951)</u></u>

The financial statements were approved by the Board on 8 October 2011. Signed on behalf of the Board by


Michael O'Connell
Director


Kevin Barrett
Director

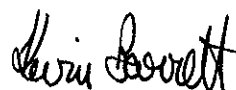
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**Balance Sheet
as at 31 July 2011**

	Notes	2011		2010	
		€	€	€	€
Fixed Assets					
Tangible assets	6		38,462		19,231
Current Assets					
Debtors: due within one year	7	71,271		46,143	
Cash at bank and on hand		185,982		253,825	
		<u>257,253</u>		<u>299,968</u>	
Creditors: amounts falling due within one year	8	<u>(45,803)</u>		<u>(141,928)</u>	
Net Current assets			<u>211,450</u>		<u>158,040</u>
Total Assets Less Current Liabilities			249,912		177,271
Bank loan	9		<u>(300,000)</u>		<u>(300,000)</u>
Deficiency of assets			<u><u>(50,088)</u></u>		<u><u>(122,729)</u></u>
Funds					
Operational	11		169,162		156,886
PhD seed	11		3,895		11,240
Ulysses House development	11		-		1,202
Ulysses House property	11		<u>(223,145)</u>		<u>(292,057)</u>
			<u><u>(50,088)</u></u>		<u><u>(122,729)</u></u>

The financial statements were approved by the Board on 8 October 2011. Signed on behalf of the Board by


Michael O'Connell
 Director


Kevin Barrett
 Director

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**Cash Flow Statement
Year ended 31 July 2011**

	2011	2010
	€	€
Reconciliation of operating surplus to net cash outflow from continuing activities		
Operating surplus	12,276	(5,720)
Returns on investments and servicing of finance	(2,377)	(2,437)
Net surplus / (deficit) on non-operating activities	60,365	16,550
	<u>70,264</u>	<u>8,393</u>
(Increase) / decrease in debtors	(25,128)	11,778
(Decrease) / increase in creditors	(96,125)	67,718
Net cash inflow / (outflow) from continuing activities	<u>(50,989)</u>	<u>87,889</u>
 Cash flow statement		
Net cash inflow / (outflow) from continuing activities	(50,989)	87,889
Returns on investments and servicing of finance	2,377	2,437
Capital expenditure	(19,231)	(19,231)
Increase / (decrease) in cash in the year	<u>(67,843)</u>	<u>71,095</u>
 Reconciliation of net cash flow to movement in net debt (Note 12)		
Increase / (decrease) in cash in the year	(67,843)	71,095
Net debt at 1 August 2010	(46,175)	(117,270)
Net debt at 31 July 2011	<u>(114,018)</u>	<u>(46,175)</u>

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**Notes to the Financial Statements
Year ended 31 July 2011**

1. Accounting Policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain fixed assets.

1.2. Income

Student fees are recognised when invoiced. Gifts are recognised when received. Undesignated income (e.g. legacies) are allocated as determined by the directors.

1.3. Library

No value is attributed to the stock of library books kept for research. These are valued at a replacement value of €135,000 for insurance purposes.

1.4. Tangible fixed assets

Leasehold property is recognised on a valuation basis, amortised where considered appropriate.

2. Operating surplus	2011	2010
	€	€
Operating surplus is stated after charging:		
Accountants and auditors' remuneration	4,606	3,697
Net foreign exchange (loss) / gain	(2,464)	2,136
	<u> </u>	<u> </u>
3. Employees	2011	2010
Number of employees		
The average monthly number of employees (excluding the directors) during the year was:	11	11
	<u> </u>	<u> </u>
Employment costs	2011	2010
	€	€
Wages and salaries	314,806	307,002
Other pension costs	30,017	27,977
	<u>344,823</u>	<u>334,979</u>
4. Interest receivable and similar income	2011	2010
	€	€
Bank interest	2,377	2,437
	<u> </u>	<u> </u>

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**Notes to the Financial Statements
Year ended 31 July 2011**

..... continued

5. Pension costs

The company operates an externally funded defined contribution pension scheme for employees. The cost for the year was € 30,017 (2010 - € 27,977).

6. Tangible assets

	Short leasehold property €	Building acquisition €	Total €
Cost/valuation			
At 1 August 2010	1,500,000	19,231	1,519,231
Additions	-	19,231	19,231
At 31 July 2011	1,500,000	38,462	1,538,462
Depreciation/revaluation			
At 31 July 2010			
At 31 July 2011	1,500,000	-	1,500,000
Net book values			
At 31 July 2010	-	19,231	19,231
At 31 July 2011	-	38,462	38,462

IBI has a lease interest in the property which it occupies under a short term lease to March 2015. This interest was professionally valued in October 2006 at €1.5 million and a revaluation reserve was created. The directors reviewed this valuation in 2010 in light of property values in Dublin, and considered it appropriate to write down the value of that interest to €Nil.

IBI is party to an option agreement with the landlord under which the property currently being leased may be acquired for a sum of €3.5 million in 2019. During the year, IBI made a second capital payment of €19,231 towards the acquisition of the property. In the event that IBI does not acquire the property these amounts are refundable by the landlord.

7. Debtors

	2011 €	2010 €
Prepayments and accrued income	67,245	45,062
Other debtors	4,026	1,081
	71,271	46,143

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**Notes to the Financial Statements
Year ended 31 July 2011**

..... continued

8. Creditors: amounts falling due within one year	2011 €	2010 €
Trade creditors and accruals	36,775	106,516
Payments received on account	9,028	35,412
	<u>45,803</u>	<u>141,928</u>

9. Creditors: amounts falling due after more than one year	2011 €	2010 €
Long term loans	<u>300,000</u>	<u>300,000</u>

The long term loan of €300,000 is a 12 year interest only bank loan repayable in 2018 and secured by the landlord and a legal charge over the property.

10. Contingent liabilities

IBI has been advised by its landlord that it may have an upfront VAT liability to the Revenue in relation to its acquisition of the building and the creation of the lease with IBI. Under the terms of the lease this liability may in part become payable by IBI to the landlord on a similar upfront basis rather than as heretofore being part of the annual rent paid. As IBI is a charitable organisation it may not be possible to recover all of any amount that may become payable. There was no material change in this position.

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**Notes to the Financial Statements
Year ended 31 July 2011**

..... continued

11. Funds

	Operational fund €	Other funds €	Total €
At 1 August 2010	156,886	(279,615)	(122,729)
Surplus / (deficit)	12,276	60,365	72,641
At 31 July 2011	<u>169,162</u>	<u>(219,250)</u>	<u>(50,088)</u>

Schedule of other funds

	PhD seed fund €	Ulysses House development fund €	Ulysses House property fund €	Total other funds €
At 1 August 2010	11,240	1,202	(292,057)	(279,615)
Surplus / (deficit)	(7,345)	(1,202)	68,912	60,365
At 31 July 2011	<u>3,895</u>	<u>-</u>	<u>(223,145)</u>	<u>(339,980)</u>

12. Analysis of changes in net funds

	Opening balance €	Cash flows €	Closing balance €
Cash at bank and in hand	253,825	(67,843)	185,982
Debt due after one year	(300,000)	-	(300,000)
Net funds	<u>(46,175)</u>	<u>(67,843)</u>	<u>(114,018)</u>

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Detailed Accounts: Operational Year ended 31 July 2011

	2011		2010	
	€	€	€	€
Income				
Student fees		312,508		303,508
Gifts - operational		264,303		221,893
Gifts for student bursaries		6,569		9,589
Event income		4,880		4,110
Other income		630		1,062
Bank deposit interest		2,377		2,437
		591,267		542,599
 Expenses				
Wages and salaries	314,806		307,002	
Lecturers fees and expenses	7,248		7,405	
Staff pension costs	30,017		27,977	
Staff development	3,200		5,125	
Fundraising	6,743		3,444	
IBI development	471		7,798	
Student costs	8,956		9,036	
University of Wales registration fees	20,584		22,839	
Student bursaries	52,163		55,771	
Event expenses	1,844		4,008	
Library	5,029		4,406	
Rent payable	44,000		24,000	
Service charges	24,655		24,475	
Insurance	4,370		4,376	
Publicity and printing	7,961		7,277	
Office supplies	1,826		1,835	
Light and heat	5,751		6,072	
Cleaning	5,921		6,993	
Repairs and maintenance	2,178		1,482	
Equipment and computer costs	11,457		1,544	
Telephone and postage	3,105		3,567	
Legal and professional	40		40	
Audit and accountancy	4,606		3,697	
Bank charges	1,395		1,394	
Bad debts written off	6,181		7,509	
(Profit)/loss on exchange	2,464		(2,136)	
Sundry expenses	2,020		1,383	
		578,991		548,319
 Net surplus / (deficit) for the year		12,276		(5,720)

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**Detailed Accounts: Non-operational
Year ended 31 July 2011**

	2011	2010
	€	€
<u>PhD seed</u>		
Income		
Gifts	-	-
Expenses		
Staff development	(7,345)	(3,760)
Net surplus / (deficit) for the year	<u>(7,345)</u>	<u>(3,760)</u>
<u>Ulysses House development</u>		
Income		
Gifts - capital projects	-	-
Expenses		
Capital projects	(1,202)	(4,434)
Net surplus / (deficit) for the year	<u>(1,202)</u>	<u>(4,434)</u>
<u>Ulysses House property</u>		
Income		
Rent received - External	118,881	111,600
- Internal	44,000	24,000
Gifts for property rental costs	6,000	21,143
	<u>168,881</u>	<u>156,743</u>
Expenses		
Rent paid and costs of letting	(99,969)	(131,999)
Net surplus / (deficit) for the year	<u>68,912</u>	<u>24,744</u>

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Appendix:

IBI CÁIRDE

Detailed Income and Expenditure Account
for the year ended 31 July 2011

	2011		2010	
	€	€	€	€
Income				
Subscriptions		260		580
Gifts		2,348		75
		<u>2,608</u>		<u>655</u>
Expenses				
Printing and postage	25		-	
Gifts and donations	150		150	
Event expenses	1,876		235	
		<u>2,051</u>	<u>-</u>	<u>385</u>
Surplus for the year		557		270
Surplus brought forward		541		271
Surplus carried forward		<u>1,098</u>		<u>541</u>

IBI Cáirde is the past student association of the Irish Bible Institute.