



Stronger Charities.  
Stronger Communities.

**DIRECTORS' REPORT  
AND FINANCIAL  
STATEMENTS**

**FOR THE YEAR ENDED  
31 DECEMBER 2020**

Company Number: 302282

**Rotha T/A The Wheel  
(company limited by guarantee)**

**Directors' Report and Financial Statements**

**for the year ended 31 December 2020**

# Rotha

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**Rotha**  
**DIRECTORS AND OTHER INFORMATION**

<b>Directors</b>	Paul O'Sullivan (Chairperson) Vincent Keenan (Vice-Chairperson) John Evoy (resigned 8 May 2020) Peter McBride (resigned 28 February 2020) Inez Bailey Jonathan Buttner Brendan O'Brien Maria Heneghan Karen Horgan Aine Brady Mark Brennock (resigned 28 February 2020) Mary Doyle Sarah Benson (appointed 15 July 2020) Sharon Foley (appointed 1 September 2020)
<b>Company Secretary</b>	Brendan O'Brien
<b>Company Number</b>	302282
<b>Registered Business Name</b>	The Wheel
<b>Registered Business Number</b>	442985
<b>Registered Office</b>	The Wheel 48 Fleet Street Dublin 2 D02 T883
<b>Auditors</b>	Crowe Ireland Chartered Accountants and Statutory Audit Firm Marine House Clanwilliam Place Dublin 2 D02 FY24

**Rotha**  
**DIRECTORS AND OTHER INFORMATION**

**Bankers**

Ulster Bank  
33 College Green  
Dublin 2

Bank of Ireland  
Montrose  
Stillorgan Road  
Donnybrook  
Dublin 4

**Legal Advisors**

Dechert LLP  
3 George's Dock  
International Financial Services Centre  
Dublin 1

A&L Goodbody  
IFSC  
25-28 North Wall Quay  
Dublin 1

**Registered Charity Number**

20040963

**Charity Tax Number**

CHY13288

**Chief Executive Officer**

Deirdre Garvey

## Rotha Chairperson's Report

### FOREWORD FROM OUR CHAIRPERSON

It gives me great pleasure to report to you, our members, on The Wheel's activities for the year ending 31 December 2020.

The Wheel is Ireland's national association of charities, community & voluntary organisations, and social enterprises. We are your representative voice and a voice for the wider sector.

2020 was a year none of us could have imagined, with the COVID-19 pandemic upturning family, social, and working lives across the world. As I write, there is some renewed hope from the measures in place to keep us safe, and as vaccinations take effect. But many believe it will take a long time before things return to "normal".

COVID-19 has seriously affected charities, community organisations, and social enterprises, many of whom provide essential services to the most vulnerable in society. As the pandemic took hold in Spring 2020, those services were put under pressure, but the sector responded and became a lifeline for thousands of people.

The Wheel, on your behalf and in collaboration with others in the sector, made strong representations to government, leading to continued and new supports for our community. We impressed upon Ministers and their officials that your work was needed more than ever before. We expect that this recognition will help strengthen the sector into the future.

Our members welcomed the €40m government stability scheme, and the additional €10m in Budget 2021, to assist those charities who depend heavily on fundraising.

Our research shows that many organisations developed new ways of fundraising during 2020, and the continued public support helped to mitigate some of the loss of income.

However, it is reasonable to expect that the reductions in income and increased costs resulting from the pandemic will be with us for some time and we will continue to advocate for more supports for the sector into 2021 and beyond.

In March 2020, we established an in-house team to monitor the rapidly changing COVID-19 situation. In line with the Public Health Guidelines, our staff transferred to remote working. Staff responded magnificently and we were able, through their commitment and flexibility, to continue to deliver services and support to our members.



*PRESIDENT MICHAEL D. HIGGINS HOSTED A SPECIAL RECEPTION FOR MEMBERS OF THE WHEEL AT ÁRAS AN UACHTARÁIN ON 20 FEBRUARY. FROM LEFT TO RIGHT ARE DEIRDRE GARVEY (CEO), SABINA HIGGINS, THE PRESIDENT AND PAUL O'SULLIVAN (CHAIR)*

## Rotha Chairperson's Report

Like many other organisations, we also moved our activities online, including all training, skills-building, and other member and sector engagement. We miss the face-to-face contact and are all suffering from "Zoom fatigue". The ability to continue with service-delivery and, in many cases, reach out to more people around the country was one of the positives.

I am delighted to report that our membership numbers grew again during 2020 to 1,829 members, an additional 252 members, (8.7%). Although this growth rate is less the 17.7% increase in 2019, we are delighted to continue to grow during difficult times.

Our membership continues to reflect the diversity of the sector: large and small, national, local and international, those with income derived from donations only to social enterprises trading successfully in the open market. At 31 December 2020, 322 member organisations had an annual income of over €1m (the same number as 2019), while 685 (2019: 615) had an income of less than €75,000 (see membership breakdown on page 15). 2020 was the second year of our free membership for organisations with incomes below €25,000 and we believe this allowed smaller organisations, often volunteer-led, to focus on their core objectives, knowing their membership is secure.

2020 was the final year of our four-year strategy, *Stronger Charities, Stronger Communities (2017- 2020)*. We had commenced a strategic planning process in early 2020 to cover the years 2021 and beyond. However the board put it on hold once the pandemic emerged – there were many more pressing priorities for The Wheel and the sector. We extended our existing strategy for a further year to end 2021. In Spring 2021, we have recommenced the development of a new strategic plan for the organisation for 2022 and beyond.

Our mission continues to be to strengthen the community and voluntary sector's capacity by:

- Representing the shared interests of charities, social enterprises and community & voluntary organisations;
- Supporting these organisations to do their work; and
- Promoting the importance of active citizenship.

### **2020 Highlights**

Despite COVID-19, we advanced our strategic objectives during 2020. The highlights include:

1. *Growing* membership to over 1,800 for the first time in the organisation's history. Effective advocacy is achieved with our members' support and engagement. This enables credible and authoritative representation supported with knowledgeable, professional service delivery.
2. *Collaborating* successfully with a wide range of partners to influence policy and deliver programmes and services. Key among these were a €45 million Stability Fund (€35m plus a top up of €10m later in the year); our wide range of national and EU-funded programmes; and our various engagements with the Department of Rural and Community Development, Department of Health, and the Charities Regulator – many of which were particularly crucial as responses to COVID-19.
3. *Co-ordinating* local services and volunteers' response to Covid-19 through the Covid 19 Community Outreach Programme, funded by the Department of Rural and Community Development. This national response to the first lockdown was done in collaboration with Irish Rural Link and designated community champions in each local authority area.

## **Rotha Chairperson's Report**

4. *Representing* our members and sector on the Department of Health's Independent Review Group (IRG). The implementation phase will be critical for the wide range of essential health and social care services delivered by The Wheel's members and the wider sector.

### ***Governance and Risk***

The Wheel's Board of Directors is very mindful of its governance responsibilities and its obligation to ensure the organisation's financial future. Like many other organisations, we had to conduct the majority of our meetings online, but continued with both emergency responses and ongoing work-plans. Having commissioned two external reviews in 2019, one on governance and one on risk and policies, I am pleased to report that we implemented the suite of recommendations during 2020. We also completed our evidence template demonstrating compliance with the Charities Governance Code during the year.

The organisation's finances and activities are described in detail later in this report.

In 2019 the board commenced a review of the reserves policy to ensure it was prudently aligned with the significant growth in membership, training and support programmes in recent years and further planned growth in the years ahead. The review was completed in 2020. It found that our reserves levels were inadequate for the growing organisation especially when factoring in any parallel funding crises or risk to the organisation or sector. It recommended an increase in unrestricted reserves from €262,607 as at 31 December 2019 to a target range of between €567,000 to €708,000.

We were able to replenish our reserves from the surplus of €447,392, details of which are described elsewhere in the director's report and audited accounts.

Unrestricted reserves at 31 December 2020 now stand at €624,804, which is within the range determined by our updated reserves policy.

This much needed strengthening of The Wheel's financial position is welcome and should ensure we have adequate financial buffers in place to face into the significant economic challenges that no doubt lie ahead. It will allow us to continue to provide much needed support and services to our members and the sector.

### ***Thank you***

2020 was my final full year as chair of The Wheel's board, and I will be stepping down during 2021. I would like to express my gratitude to all fellow board and sub-committee members, both past and present, for their commitment, co-operation, and support during my tenure. Their time, interest and expertise has and continues to be invaluable.

On your behalf and on behalf of the board, I wish to record our sincere appreciation to Deirdre Garvey, our CEO, and all of The Wheel staff for their work during 2020.

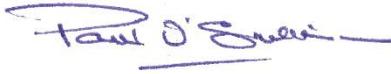
None of us knew what to expect, and the experience continues to be different to anything we have ever experienced and worked through before. Amazing teamwork was in evidence despite being physically remote. Everyone, whatever their role, has pulled together and stepped up to do whatever it takes on behalf of you, the members, that they are proud to serve.

## **Rotha Chairperson's Report**

In common with all of our members, the focus has been on keeping going, looking out for each other, and remembering that we will get through this.

I would also like to thank all of our members, funders, supporters, and those we collaborate with for their support, encouragement, and commitment during 2020, which, at the risk of repeating myself, was a year none of us could have imagined.

Finally, I would like to sincerely wish our members continued success in their endeavours and all the best for 2021 and beyond.

A handwritten signature in blue ink that reads "Paul O'Sullivan". The signature is written in a cursive style with a horizontal line underneath.

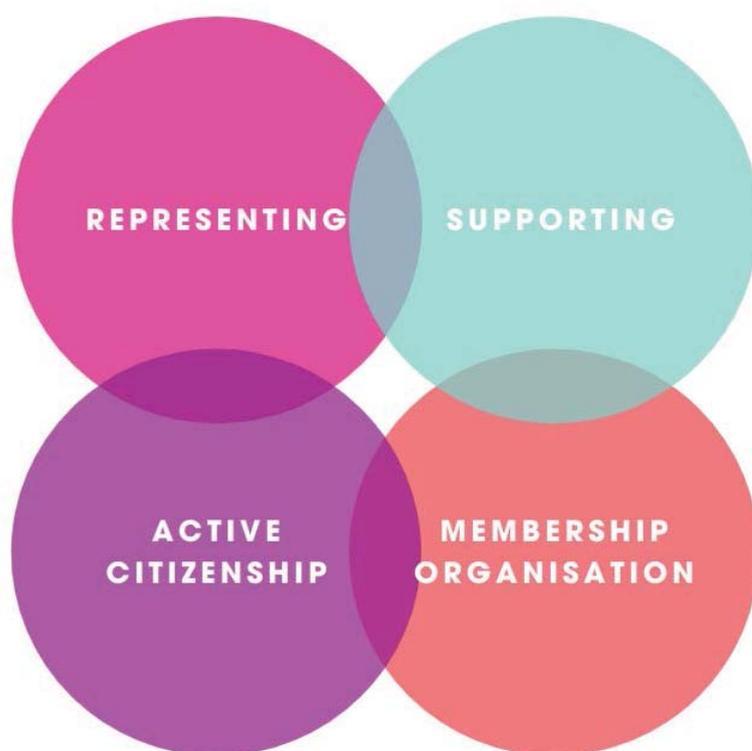
**Paul O'Sullivan**

**Chairperson**

## Directors' Report

*The Directors are pleased to present their report and the audited financial statements for the year ending 31 December 2020.*

### 1. SUMMARY OF THE WHEEL'S OBJECTIVES AND PRINCIPAL ACTIVITIES



*THE WHEEL'S CHARITABLE PURPOSE*

The Wheel's charitable purpose, as set out in its constitution, is to be a representative and support body that strengthens the capacity and capability of community, voluntary organisations, charities and social enterprises across Ireland to effect positive social change. We champion this sector by being a strong representative voice, and we provide practical advice and training to help these organisations optimise their impact. In common with all charities, The Wheel's focus is on public benefit, and the voluntary Board of Directors is committed to this focus.

Our mission, strategic plan, objectives, programmes, and goals describe what we want to achieve, and our values describe how we want to go about our work.

## Rotha Directors' Report

As part of the development of our strategic plan *Stronger Charities, Stronger Communities (2017 – 2020)*, the board made a commitment to lead The Wheel — on behalf of its members — according to the beliefs and values set out under the table below.

Our strategy has adopted six overarching strategic objectives under four themes as follows:

THEME	STRATEGIC OBJECTIVE
<p style="text-align: center;"><b>REPRESENTING</b></p>	<ul style="list-style-type: none"> <li>Identify, communicate, and achieve public opinion and public policy change to build trust and support a thriving community, voluntary, and charity sector.</li> </ul>
<p style="text-align: center;"><b>SUPPORTING</b></p>	<ul style="list-style-type: none"> <li>Foster excellent leadership within the sector.</li> <li>Drive the continuous improvement of organisational practice within the sector.</li> </ul>
<p style="text-align: center;"><b>ACTIVE CITIZENSHIP</b></p>	<ul style="list-style-type: none"> <li>Demonstrate the important benefits and value of participation in community and civic life and in public decision-making</li> </ul>
<p style="text-align: center;"><b>MEMBERSHIP ORGANISATION</b></p>	<ul style="list-style-type: none"> <li>Build a strong, diverse, engaged and connected membership</li> <li>Ensure that The Wheel has the right structure, capacity, and human, technical, and financial resources to deliver on these strategic objectives</li> </ul>

### Beliefs and Values

Our core belief is that people, through their active participation in the work of community, voluntary, and charitable organisations, play a crucial role in improving and enriching life in Ireland.

We believe that:

- A strong, vibrant, independent, and autonomous community and voluntary sector is critical for a fair and just society and a healthy democracy.
- The societal value created by the community and voluntary sector is a unique, precious, and transformative contribution that benefits all of society.
- A healthy democracy results from a vigorous and positive interplay between representative and participative democratic processes and structures.

## Rotha Directors' Report

These core beliefs are consistent with our vision of a thriving community and voluntary sector at the heart of a fair and just Ireland, and these beliefs have shaped our values.

We value:

- Our membership for their work in creating a fair and just Ireland.
- Transparency, accountability, and high standards of practice and governance within our membership and the sector because they increase the impact of our work.
- The diversity of the community and voluntary sector and believe it is a strength.
- The community and voluntary approach because it puts people and communities first and is driven by the pursuit of the common good.
- Regulation that enhances public trust and is sensitive to the needs of the community, voluntary, and charity sector.
- Collaborative working as a way of increasing the value and impact of our work and strengthening our sector.
- Citizens' active participation in society so they can influence the decisions that affect them.
- People's freedom to organise, to be heard, and to be respected.
- We value the interdependence of people's lives and the sense of solidarity that comes from people acting together.
- A society where there is harmony and balance with nature.

## Activities

Our key ongoing activities include:

- **Public Policy and Advocacy Programme.** We represent the sector's interests to build public support and to secure the optimum legislative, policy, and regulatory environment for community and voluntary action.
- **Networking Programme.** We facilitate the building of, and support for networks of people across the sector with common interests, and create opportunities for networking across traditional boundaries.
- **Training and Development Programme.** We make a wide range of affordable unaccredited and accredited training available to organisations and individuals in the sector and promote the highest standards in the paid and unpaid work that is done within the organisations in the sector.
- **Information Services Programme.** We provide an enormous range of information and advice tailored to the practical needs of people working in charities, community and voluntary organisations, and social enterprises.

## 2. ACHIEVEMENTS AND PERFORMANCE

2020 marked the fourth and final year of our strategic plan *Stronger Charities, Stronger Communities (2017-2020)*.

### The Context of Our Work in 2020

There were a number of significant developments in 2020 which affected charities, community and voluntary organisations, and social enterprises:

- **COVID-19:** The outbreak of the COVID-19 pandemic in March 2020 did not have a significant impact on The Wheel's ability to achieve our strategic goals and to deliver our core programmes. Recent investments in ICT (particularly cloud technologies), good governance, robust risk management, and a flexible and competent staff meant that the pandemic did not significantly disrupt our work programme during the year. However, we did adjust our strategic focus to respond to the immediate needs of our members and the wider community, voluntary, and charity sector during the pandemic. To this end we launched and collaborated on a number of initiatives:
  - The Wheel led a coalition of community and voluntary sector support and infrastructure bodies to successfully advocate for a Government-funded COVID-19 stability scheme for the community, voluntary, charity and social enterprise sector. This scheme amounted to €45m in 2020.
  - We partnered with Irish Rural Link to develop and implement the Covid-19 Community Outreach campaign, which supported 135,000 people during the first lockdown.
  - Our COVID-19 website hub, funded by Medtronic, made a huge amount of information available to the sector on HR-related issues during the pandemic, and, coupled with webinars and one-to-one consultations, assisted many sector organisations.
- **General Election 2020:** We ran a very successful campaign in the lead-up to the general election on 8 February:
  - A total of 207 candidates (39%) committed to our manifesto. This translated into 79 elected TDs, which is just shy of 50% of the current Dáil.
  - 17% of The Wheel's members (290 organisations) actively participated in the campaign.
- **Programme for Government:** We welcomed the many positive commitments of the new Programme for Government (*Our Shared Future*) which included undertakings to:
  - Develop and implement a more collaborative framework for partnership working between the State and the community and voluntary sector.
  - Make progress towards the Department of Health's Independent Review Group (IRG) report recommendations by supporting the Dialogue Forum working with

## Rotha Directors' Report

voluntary organisations to build a stronger working relationship between the State and the voluntary healthcare sector.

- Incentivise philanthropy.
- Bring down the cost of insurance.
- Develop a strategy for skills-building.
- Fully implement the *Sustainable, Inclusive and Empowered Communities: A Five-Year Strategy to Support the Community and Voluntary Sector in Ireland 2019-2024*.
- Build on the National Social Enterprise Policy for Ireland 2019-2022.
- Publish a strategy to support volunteering, including the development of a comprehensive supporting infrastructure and measures to disseminate best practice.



IMAGE: THEN-TAOISEACH, LEO VARADKAR, ADDRESSES THE WHEEL'S 2020 SUMMIT IN MAY

- **Budget 2021:** The Wheel's *Recovery Through Community* pre-budget submission laid out a series of recommendations about how Government could better support the community and voluntary sector and all those who rely on it during a period of great uncertainty. The submission was supported by a campaign designed to engage and mobilise our members in innovative new ways during a period of lockdown, which meant that all engagement with members occurred online. The overall estimated member engagement, based on webinar attendance and use of a form to contact elected representatives as well as social media reach was 16% of members.

## Rotha Directors' Report

We welcome several measures introduced in Budget 2021 that positively address some of these recommendations, including:

- Additional €10m for the COVID-19 Stability Fund for Charities, building on the €35million secured earlier in 2020.
  - The extension of the vital Employment Wage Subsidy Scheme (of great significance to charities).
  - Allocation of €341 million to the Department of Rural and Community Development in 2021, representing a 7% increase to include particular investment in Leader, CLÁR, and Community Services Programme.
  - €20m additional funding for voluntary disability services to provide support to the Transforming Lives programme.
  - €100m for new disability measures including supports for the resumption of day services in 2021.
  - €10m for voluntary hospices.
  - €38m to implement new measures under the Sharing the Vision National Mental Health Strategy.
  - €22m for homeless services.
  - An increase in supports for volunteering from €3.5m to €5.1m.
  - €867 million for overseas development assistance (ODA).
- **Public Trust and Confidence:** The Wheel participates in six-monthly research surveys and during 2020, public trust and confidence in charities rose to its highest level since 2013. Ongoing research showed that between May and December trust in charities rose by 7%. According to our analysis, it may well be attributed to the important role charities played supporting communities during the pandemic.



IMAGE: DEIRDRE GARVEY, CEO OF THE WHEEL, AND SARAH MONAGHAN, CAMPAIGNS MANAGER, LAUNCH THE BUDGET 2021 CAMPAIGN, RECOVERY THROUGH COMMUNITY.

## Rotha Directors' Report

The main challenges facing our members, no matter what size or in what sub-sector of the broader sector, are the following:

- The financial impact of the COVID-19 pandemic, particularly in relation to public fundraising and earned income.
- Recruiting and retaining staff and board members.
- Reducing compliance demands (and ensuring the cost of compliance is funded).
- Adequate funding for services, ensuring that funding is adequate to retain staff, and ensuring multi-annual funding that recognizes and provides the full cost of essential services.
- Reducing insurance premiums that threaten the survival of many small organisations.
- The logistical complications of Brexit.
- Ensuring funders respect the autonomy, professionalism and innovation of community and voluntary organisations and their important role in advocating for the communities they serve.
- Ensuring the public's trust is maintained.

### Membership in 2020

Our total membership number increased to 1,829 by 31 December 2020. Membership income, which allows us to provide as wide a range of supports as possible, grew by 6.1% — from just over €260,000 in 2019 to just over €276,000 in 2020. We were pleased to have a membership retention rate of 90% during 2020 given the difficulties and uncertainties faced by individual organisations and the sector and were glad to be able to continue to provide a wide range of member services and supports during the year.



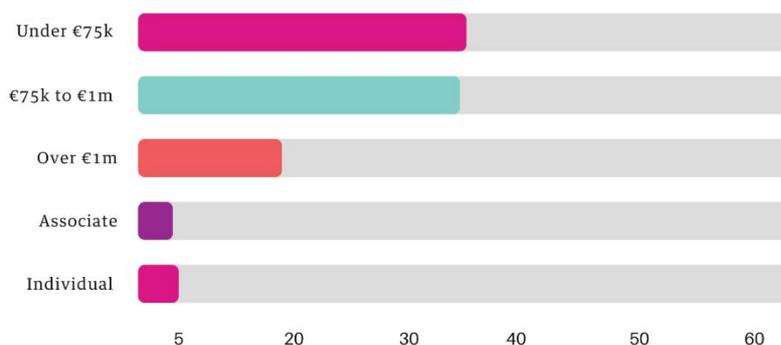
In order to support the work of smaller, volunteer-only organisations, we continued with our second year of free membership for organisations with an annual income of less than €25,000 – this allowed us to grow not only smaller membership, but membership in all categories.

We innovated with several ways of engaging with our members over the course of 2020. Specifically, we deepened our member-networks programme, we significantly ramped up our regional presence, and we created a new Friday-briefing for the CEOs of our larger member organisations. The last initiative started as a crisis response and support to members in March and

## Rotha Directors' Report

ran for 30 minutes every Friday lunchtime. As time progressed to mid-May, it became fortnightly, and post the summer break, it is now a firm 'first Friday' on a monthly basis.

### PERCENTAGE OF TOTAL MEMBERSHIP BY ANNUAL TURNOVER



At the beginning of 2020, as is often the case in any given year, our budget contained approximately €100,000 of unsecured income to be secured from a number of pending grants or proposal applications. We could not have foreseen how 2020 would unfold, but the securing of several one-off grants under the crisis management schemes: the Covid Community Outreach Programme (€100,000), and the Government Stability Scheme (€273,000); as well as a three-year Access Europe contract that commenced in October 2020 which contributed €81,000 in 2020, all meant 2020 was, in the end, successful from an income-generation perspective. The surplus on our unrestricted activities allowed us to make the necessary increase to our reserves so as to bring them to a level required by our updated reserves policy.

## Special Programmes in 2020

### Sector Skills programme.

Co-funded by the National Training Fund under the new Department of Further and Higher Education, Innovation and Research (since June), the programme builds the skills of people working in community and voluntary organisations. It provides a wide range of subsidised training and continuing professional-development opportunities, enabling employer organisations in the sector to identify and address their staff needs in this area.

- We were pleased to receive increased funding for this programme in 2020 (€900,000 – up from €600,000 in 2019), allowing us to deliver more training and conduct further research into the needs of the sector.
- In 2020, this programme co-funded 132 training events (2019: 205) for 8,031 participants (2019: 6,910). This includes standard training and all other training programmes.

## Rotha Directors' Report

- One of the features of having to move 'on-line' in 2020 was that event-participation increased and we had more attendees from fewer events.
- We published a landmark study by Indecon International Research Economists, *Investment Appraisal of Upskilling Employees in the Nonprofit Sector*, in December 2020.
- We ran our very successful accredited programmes Leadership for Equality and Charity Law Certificate (in conjunction with the Law Society of Ireland) with 45 participants in total.
- We commenced our latest Training Links training network programme running from end 2020 to Spring 2022 which will assist 17 training networks with total funding of €225,000. These networks are comprised of 270 community and voluntary organisations. Since 2005, Training Links has supported the establishment of over 70 training networks involving in excess of 40,000 employees and more than 850 community and voluntary organisations.



### COVID-19 Community Outreach Programme

In March, as the impact of the pandemic began to become clear, The Wheel and Irish Rural Link responded to a request for support from the Department of Rural and Community Development and launched the COVID-19 Community Outreach Programme. Part of the Community Call, it was a programme that drew on the 'invisible infrastructure' of our community and voluntary organisations and volunteers to support the most vulnerable.

34 Community Champions, representing each Local Authority Area in Ireland, were recruited to coordinate efforts by community and voluntary organisations to support those who were in isolation, at risk, and in need as a result of the crisis.

From April 2020 to June 2020, the programme supported more than 135,000 people by mobilising 14,877 organisations and 36,821 volunteers. Champions also were tasked with assisting with coordination of School Meals programmes and provided 3,197 supports for this.

We also created the #CommunityResponseIRL social media hashtag to promote as many incredible stories of community action that we could, and also to enable us to collate the collective impact of charities, community and voluntary organisations, and social enterprises across the country.

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### National Rural Network (NRN) programme

We deliver this project as part of a consortium with Irish Rural Link (lead organisation), NUI Galway, and Phillip Farrelly & Co. under contract from the Department of Agriculture, Food, and the Marine. 2020 was intended to be the final year of this five year programme, but it was extended for a further year to end 2021.

The purpose of the NRN is to connect the beneficiaries of the Rural Development Programme (RDP) in Ireland, leveraging their knowledge and learning under the RDP to add value for all. The Wheel's role in this consortium is to provide communications (website, newsletter, and outreach) and project-management support to the project team, led by Irish Rural Link. At the end of 2020 the results of our collective work for this programme were as follows:

- Membership of the NRN grew from 3,200 in 2019 to 8,809 in 2020, an increase of 175%. This significant growth was unexpected and largely contributed to by the very successful LEADER campaign during September and October which generated a lot of public interest.
- A total of 11,536 (2019: 1,035) people attended 47 (2019: 33) seminars and training events run by the NRN.
- We produced 55 publications, including monthly e-bulletins, quarterly newsletters, and other newsletters and information on themes related to the Rural Development Programme and on the impact of the NRN.
- We collected and disseminated 56 (2019: 91) good-practice case studies.
- Our followers on Facebook grew from 3,292 to 4,072, an increase of 24% over the year.



### Charity Impact Awards

The Charity Impact Awards is an annual highlight in The Wheel's busy calendar. The awards were launched in 2017 to raise awareness of our sector's positive impact and to promote best practice by telling the stories of those who have dedicated their lives to good causes.

In response to the pandemic, the 2020 Charity Impact Awards ceremony was hosted online. The glittering event featured contributions from some of Ireland's biggest names from the world of politics, entertainment and music.

- Over 150 organisations and individuals were nominated in five categories, a 50% increase on 2019.
- Over 21,000 people voted for their favourite nominees, up from 13,000 in 2019.
- Over 300 people attended the online award ceremony, hosted by actress and comedian Tara Flynn.
- The Wheel awarded €1,000 to the winning organisation in each category.

## Rotha Directors' Report



TARA FLYNN PRESENTS A VIRTUAL EDITION OF THE CHARITY IMPACT AWARDS IN DECEMBER 2020

### **Europe for Citizens programme**

We provide the National Contact Point for this programme, helping Irish civil society organisations to secure EU funding under various strands. This is delivered with funding from the Department of Foreign Affairs, and the Education, Audio-Visual, and Culture Executive Agency (EACEA). We achieved the following in 2020:

- We supported Irish organisations to draw down €288,285 in funding as lead coordinators of projects, bringing the total in funding since 2015 to an impressive €1,923,249.
- Planned events were adapted in response to the COVID-19 pandemic and 21 took place (2019: 29) reaching 485 (2019: 577) people directly.

### **Access Europe**

The Wheel was delighted, following a public tendering process, to secure the Access Europe programme - a programme led by The Wheel and funded by the Irish Department of Foreign Affairs. It provides a free support and capacity-building programme for Irish civil society organisations to better access EU funds and engage in EU policy. It officially launched on 25 November 2020 and will run until 2023, providing:

- Information and awareness
- Training and events
- Helpdesk support
- Network building

## Rotha Directors' Report

The overall goal of Access Europe is to reach over 40 organisations and support them to access at least €12.5 million by 2023. A key priority is to ensure that over half the organisations who receive support from Access Europe are new to EU funding.



*MINISTER OF STATE FOR EUROPEAN AFFAIRS, THOMAS BYRNE TD SPEAKING AT THE VIRTUAL LAUNCH OF THE ACCESS EUROPE PROGRAMME*

### SCOPE Project

Following a successful two-year partnership between The Wheel and five other organisations in Ireland, Scotland, Estonia, Latvia and Finland, the SCOPE project came to fruition in September 2020. As project lead, this was a significant milestone for The Wheel as we concluded our first ever Erasmus+-funded project.

The project team developed a suite of free and open access eLearning modules covering five topics: governance, communications, risk management, financial management, and fundraising, each available in English, Latvian, Estonian and Finnish. Upon completion of each module, learners have the opportunity to have their learning validated and certified by applying for a 'digital badge'. Digital badges, a type of micro-credential, are an exciting addition to the education landscape across the European third sector. The application of digital badges is growing in popularity.

In 2020:

- Two pilot phases with 209 participants took place across the five partner countries.
  - 98% of pilot participants reported they were satisfied with the quality of the programme content.
  - 95% were satisfied with the quality of the platform.
  - 1100 digital badges were issued.

## **Rotha Directors' Report**

- The SCOPE launch event for Ireland, delivered in collaboration with An Cosán, attracted over 300 registrants, demonstrating the appetite for eLearning options. At the event, the project team launched the eLearning platform as well as the project study.

### **European Parliament Ambassador School Programme (EPAS)**

The European Parliament Ambassador School Programme (EPAS) is a network of schools across the EU raising awareness of European parliamentary democracy and European citizenship values. The aim of the programme is to increase awareness of Europe, democracy and political choice among young people across the EU. Due to the impact of COVID-19 resulting in school closures, the programme was reimagined for the 2019-2020 school year.

In 2020 we achieved the following:

- In collaboration with the European Parliament Liaison Office (EPLO), The Wheel delivered the EPAS programme to 72 secondary schools, specifically transition year students.
- We moved the programme online and in place of traditional EPAS activities, such as an awards ceremony, The Wheel delivered five online meetings with MEPs from each constituency. The MEPs involved were Sean Kelly, Deirdre Clune, Barry Andrews, Billy Kelleher and Mairead McGuinness.
- We supported teachers to deliver the programme online, providing digital resources and online monitoring and evaluation visits.
- At the end of 2020, The Wheel were delighted to win an open competition resulting in us securing the EPAS contract for a further four years from 2020–2024.

### **The Charities Regulator's Governance Code Trustee Training**

The Wheel partnered with Carmichael (lead partner) to co-design and co-deliver training on the Charities Governance Code on behalf of the Charities Regulator. The training programme was moved online due to Covid19. The project was successfully delivered under the terms of the contract, as demonstrated by the following metrics:

- 34 training sessions were delivered between 7 September and 14 December 2020
- 1,064 charity trustees attended these training sessions

Although only one person per organisation could attend the live training, there was no limit to the number of trustees who could watch the pre-recorded training videos. Many participants shared these videos with their fellow trustees. This was an unintended positive outcome of the online training that might not have been realised if it was delivered in person.

### **Social Enterprise Training Programme**

During 2020 The Wheel delivered its “Renewing your Social Enterprise” training programme funded by the Department of Rural and Community Development and administered by Pobal. The programme was originally planned to run from 01 January 2020 to 30 June 2020 but due to delays caused by Covid, was extended to 31 October.

## **Rotha Directors' Report**

We were delighted with the uptake by the targeted social enterprises based in Dublin, Cork and Limerick and the commitment and adaptability of participants. 33 social enterprises took part (target was 30) and 159 participants engaged in the various programme modules (target of 90). We hope that similar programme funding will be made available in the future for social enterprises, an important and emerging part of the overall sector.

### **Collaboration with Carmichael**

Carmichael and The Wheel are the sector's two largest training-and-support organisations. Together they provide a range of supports to the sector, ranging from advocacy and representation through to office accommodation and shared services.

Significantly they are responsible for the development and delivery of Ireland's largest programme of affordable and bespoke training, advice and other supports for staff and volunteers working in, and leading, community, voluntary, charity and nonprofit organisations of all sizes.

In September 2020, both boards agreed to explore how enhanced collaboration between both organisations might serve the sector better. A joint boards-sub-committee was formed with both CEOs and supported by external consultants.

The process re-enforced the views of the two organisations that there is significant underinvestment and an under provision of capacity building supports for the sector that is negatively impacting on the sector's ability to be more effective in their activities and the difference they make in their communities and to society as a whole.

It was decided to proceed with developing processes to enhance the delivery of capacity building supports to the sector. The development of a 'memorandum of understanding' and the direction of each board to the respective CEOs to develop a collaborative work programme is seen by both boards as a priority for 2021.

### **Gender Pay Gap**

The gender pay gap has been an emerging issue for Irish businesses in recent years. In 2019, the Irish Government published the Gender Pay Gap Information Bill which, when enacted, will require employers to provide information on their gender pay gap, as well as providing a narrative to explain steps that they have taken to deal with any existing gender pay gap. The Bill initially will apply to organisations with over 250 employees but will extend to all organisations employing over 50 employees within three years of commencement.

#### What is Gender Pay Gap?

- Often misunderstood as signifying unequal pay for equal work, the gender pay gap actually identifies the differences in the representation of men and women at various levels of seniority within organisations.
- By comparing the average earnings of all men and all women in an organisation – regardless of levels (and normalising it as an average hourly wage so as to take account of part time versus full time resulting in like being compared with like) a Gender Pay Gap percentage can

## Rotha Directors' Report

be calculated which reveals the prevalence of men (or women) at different levels of seniority within an organisation.

- Gender pay gap data is an indication of the gap in earnings between men and women. It does not provide an explanation of why that gap may exist, nor does it consider any differences in skills levels, experience, or employee work preferences which may affect the gap/lack thereof.

The Wheel has committed to showing leadership in this area and to understand how it can be useful for The Wheel as an employer. The vast majority of organisations in the sector, including The Wheel, have less than 50 employees. The 'averages-nature' of the gender pay gap calculation starts to become less helpful as an indicator for very small organisations where one person's/role can make the difference between a positive or negative gender pay gap calculation. It is therefore important for the community, voluntary, charity and social enterprise sector to engage with the issue of Gender Pay Gap in the most meaningful and appropriate way possible.

The first steps in providing leadership in this area for the sector involved understanding what the facts are. In autumn 2020, we are pleased to report that The Community Foundation for Ireland and The Wheel launched the second *Gender Pay Gap Report for Ireland's Community, Voluntary and Charitable Sector*, using data from the *National Pay and Benefits Survey for the Community and Voluntary Sector (2019)*. Both the pay and the gender data collected in the latter provided important benchmarks for the sector, enabling organisations to establish their own position in comparison to other similar charities, and providing data to support operational and strategic decision-making.

The further analysis of the same data that was contained in the *Gender Pay Gap* report represents an attempt to understand women's participation rates at various management levels within the sector.

This report shows the overall average gender pay gap for management grades is 15.2%, i.e. women average earnings are 85% of men's rate overall. This is an improvement on that of the 2017 report, which was 16.7%. It compares to the officially recorded unadjusted gender pay gap in Ireland overall, which was 14.4% in 2017, the most recent year for which statistics are currently available from the CSO. This is slightly lower than the EU average.

The report shows that women predominate at almost all levels of management, including most senior management. However, the highest proportions of female representation were still at middle/lower management level, with men more likely to hold senior management roles in larger organisations. The presence or absence of women on boards does not appear to have a positive influence overall on the level of the gender pay gap.

The Wheel will continue to engage with this emerging research and steps to influence thinking and behaviour as, given its role in society, it is important that the sector supports a drive towards gender pay parity. Gender pay gap analysis and reporting is one part of a much-needed wider strategy to address female participation rates and employment gaps between genders in Ireland as a whole. It will not on its own identify or solve the myriad of structural, cultural and policy causes for these differences, but it is a critical and welcome element.

## **Rotha Directors' Report**

Practical steps which we have already undertaken in 2020 are: examined organisational practices to ensure the lack of unconscious bias in recruitment and selection; provide women with both the practical tools and personal skills to progress through the various levels of management; and establish/strengthen a culture where the contribution of all employees is equally valued and rewarded. These are all pillars of a strong diversity and inclusion strategy.

### **Diversity and Inclusion**

In late 2019, as part of the board's independent governance review, conducted by governance consultant David Duffy, the board commissioned a workshop for the board, subgroup members and senior executive regarding what diversity and inclusion means for The Wheel. The various levels were identified as follows: board, board sub-groups, membership and staff.

In 2020, the results of this workshop were analysed and work began on advancing some of the suggestions and ideas that had arisen. This work was led by the Governance & Nominations subgroup and also by a newly formed group from the staff team which came together in early 2020 to advance this discussion at staff level. We recognized that in order to serve our members with integrity and to provide leadership for the sector in this area, it is important that the board, and the staff also look inwards at our own culture, practices and policies.

Inspired by the Black Lives Matter movement, we ran an event that looked into the experience of members that face racism in their everyday lives. Its format was informed by the event that we run for International Women's Day each year, focusing on gender equality and issues facing women both professionally and personally.

In October 2020 we provided unconscious bias training for all staff, board and sub-group members. This training was an important start in guiding the team through how unconscious bias are formed and the impacts which they have on our culture, our work practices, our recruitment process and simply how we each occupy space and roles of authority.

We have begun to engage with experts in the field of Diversity and Inclusion to further develop this work which will be overseen by the governance and nominations sub-group of the Board and will include staff to help understand more about how we can positively influence outcomes and change behaviours for The Wheel, our members and the sector.

### **The Impact of Our Work**

#### **Context**

As part of our strategic plan (2017-2020), an impact framework was developed to try and identify the impact of The Wheel's work for our members, the sector, and the wider stakeholders which includes government, funders and many members of society.

We have six strategic objectives and have measurable indicators for each which are reflected in various programme and organisational updates in this report. Also, in 2019 and 2020 we developed and approved over-arching operational priorities which allowed us to review and assess progress throughout the year.

## Rotha Directors' Report

It is relatively easy for an organisation like The Wheel to measure outputs as we are involved in a wide range of programmes and engage with many member organisations and individuals throughout the year. However, assessing impact is much more difficult as, in some cases, we campaign for many years for sector supports, regulation, or funding and the impact may only emerge towards the end of those processes.

### Impact Assessment

In our framework, the following categories for impact identification and measurement have been used:

1. Contributions to knowledge.
2. Changing thinking.
3. Changing practice.
4. Leadership and influence.

During 2020 the main impact of our work in each of these categories was as follows:

#### 1. Contributions to Knowledge

- As a response to COVID-19 and through a range of surveys, member engagement, and collaborations with other organisations, we secured the €45m Government Stability Scheme for charities which became a lifeline for many organisations during the year.
- The completion and publishing of the independent Indecon report on *investment in skills in the nonprofit sector* was the first comprehensive report of its kind and will lead to greater recognition and investment across government in the skills needs of the sector.
- Our COVID-19 website hub, funded by Medtronic, made a huge amount of information available to the sector on HR-related issues during the pandemic, and, coupled with webinars and one-to-one consultations, assisted many sector organisations.
- Our four-part Summit series in May and June had 1,009 total attendees which was 2.5 times more than our 2019 Summit. The contributions from sector leaders and other experts were an invaluable resource for many during a time of uncertainty.

#### 2. Changing Thinking

- The community, voluntary and charity sector is now being recognized as a crucial sector in society. This point was made at The Wheel's Summit by Kevin McCarthy, Secretary General of Department of Rural and Community Development, and during 2020 The Wheel was asked to lead or partner in a number of sector initiatives.
- The Wheel and many other organisations learned that there are other ways of working (for example, remote working or blended working) and that an organisation can perform very successfully during a crisis. We were able to deliver more services to more members during 2020 than any previous year.

## **Rotha Directors' Report**

- By winning the tender for delivery of our Access Europe programme (October 2020 to September 2023), it is recognised that the relationship between civil society organisations and the EU are critical.
- The majority of our 'asks' were included in party manifestos and in the programme for government – more than in any previous elections – and this is another indicator of the impact and understanding of our work and that of the sector.

### **3. Changing Practice**

- The Wheel and other sector representative organisations came together to make stronger cases for the sector during 2020. This had a positive impact on securing the Government Stability Scheme and towards year end, securing €180,000 from Community Foundation Ireland for the Good In All Of Us campaign to be rolled out in 2021.
- Working closely with government departments and agencies was more important than ever – one example was our representation to Revenue on guidance on the Employment Wages Subsidy Scheme which resulted in a change in the guidance which was of critical assistance to the sector.
- We ran a very successful campaign in spring 2020 called Community IRL aimed at influencing the programme for government and in particular the retention of the Department of Rural and Community Development. The loss of this department would have been a blow to the sector but it was retained under the remit of a senior minister.

### **4. Leadership and Influence**

We are conscious that we need to display leadership and influence in order to retain and grow our membership and to be a trusted voice for the sector; The sector relies heavily on government policy, funding, and recognition in order to ensure sustainability and growth. Impact in this area in 2020 include:

- Invitation from An Taoiseach to contribute to the Shared Island initiative discussion with involvement in any follow-on initiatives.
- Invitation from the President to be involved in his COVID-19 community discussions.
- Involvement through our Director of Finance as a convener of the Large Charities Strand of the SORP review process.
- Inclusion in the steering group of the Government's Keep Well initiative.

As we head into 2021 and restart our strategic planning process, we plan to build on indicators and impact thinking and measurement at an early stage in this process so the relevant indicators and impact can enhance reporting in the future.

### **Sources of Funding**

We wish to acknowledge all sources of funding essential to our work. A detailed note on all funding is set out in Note 4 to these financial statements.

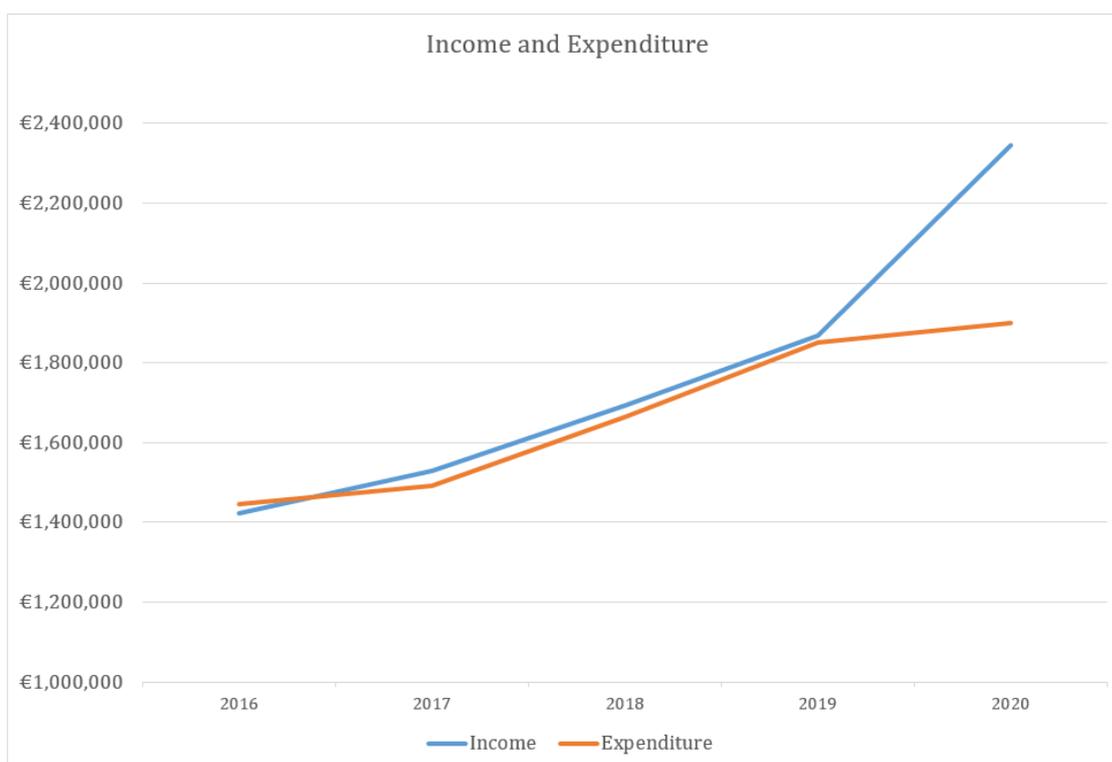
### 3. FINANCIAL REVIEW

#### Results

In 2020, Rotha (trading as The Wheel) had a total income of €2,345,864, an increase of just over 25% on the 2019 income of €1,866,719. Our expenditure was €1,898,472, an increase of 2.6% over 2019 expenditure of €1,850,070.

The surplus generated in 2020 of €447,392, reflects a combination of lower earned income of just under €204,000 (down 53% on prior year) offset by increased funding from the National Training Fund (€300,000), Access Europe (€81,000), a reduction in budgeted planned costs due to Covid 19-related savings, and once off contributions to income from the COVID-19 Community Outreach Programme and the Government Stability Scheme funding.

The COVID-19 pandemic and new ways of working were a significant contributory factor to the level of expenditure, which would otherwise have been higher – included in these were the cancellation of our annual Summit and reduced costs of meetings, events and travel.



The major elements of expenditure in 2020, as with previous years, were staffing costs related to:

- Member services, training, information provision, research, and advocacy for the sector; and
- The implementation of the National Training Fund Sector Skills programme of specific training and supports.

The full results for the year are set out in the Statement of Financial Activities.

# Rotha Directors' Report

## Income Recognition

Income is recognised where there is entitlement, certainty of receipt, and the amount can be measured with sufficient reliability. Further information is disclosed in the company's accounting policies in the Notes to the Financial Statements.

In December 2020 we were advised of a further top-up to our Government Stability Scheme funding of €85,195 which was received in January 2021 and to cover expenditure in the period January–June 2021. However, in accordance with SORP this income has been recognised in 2020, and is carried forward as part of restricted reserves at 31 December 2020.

Also during the year, it was determined that in order to comply with FRS 102, subscription income for our FundingPoint service should be treated in a similar way to membership income and any future element of these annual subscriptions should be treated as deferred income. At 31 December 2020 approximately €43,000 of FundingPoint income has been deferred in this way.

## Financial performance and income diversification

In 2020 both statutory and income from other public sources (EU) performed extremely strongly. Other earned income from membership, training delivery, and other projects were affected by Covid-19 and although some elements held up quite well, the cancellation of events, the reduction in training fees charged to members and other project delays resulted in an overall reduction in earned income by approximately 53% during 2020. Our membership income held up quite well and at €276,000 for 2020 was approximately 6% higher than 2019.

## THE WHEEL'S MIX OF INCOME

INCOME TYPE	2020	%	2019	%
Public Funding	€1,781,804	76.0	€1,141,223	61.1
Earned Income	€190,350	8.1	€361,566	19.4
Membership	€276,407	11.8	€260,473	14.0
Other Income	€97,303	4.1	€103,457	5.5
Total	€2,345,000	100	€1,866,719	100

## **Rotha Directors' Report**

The main differences between income for 2020 of €2.345m and income in 2019 of €1.866m are:

- Increase of €300,000 in National Training Fund from €600,000 to €900,000
- Securing of the one-off Covid Community Outreach Programme of €100,000
- Government Stability Funding of €273,000
- Reduction in earned income and completion of some other projects of approximately €200,000

The board notes that securing income through membership and training continues to be an expensive way of securing funds, as it involves a large volume of low price-point transactions. However, because it tends to be repeatable income, it is ultimately more reliable than over-dependence on statutory funding or large grants.

In diversifying our income over the years we have also grown the cost base of The Wheel (in terms of salaries) in order to build capacity. This in turn secures additional income from services provided.

To guide developments in this area we operate within board-approved high-level principles, which allow us to continue generating funds from our activities into the future.

### **Principal Funding Sources**

A detailed breakdown of all sources of funding, with comparative figures for 2019, is provided on page 51 as a source of supplementary information to this report and our annual accounts.

### **Financial Position at 31 December 2020**

The financial position showed a significant improvement at 31 December 2020 compared to 31 December 2019. Net Current Assets were just over €689,000 compared to €243,000 in 2019. This was mostly represented by an increase in Net Current Assets of €1,194,000 compared to €533,000 in 2019. Fixed Assets are quite minimal for The Wheel represented mainly by computer equipment.

### **Reserves Policy and Level**

The Board of The Wheel has a reserves policy which requires the following:

- Reserves are maintained at a level which ensures that The Wheel's core activity could continue during a period of unforeseen difficulty.
- A proportion of reserves are maintained in a readily realisable form.

This takes into account:

- Risks associated with income and expenditure being different from that budgeted.
- Planned activity level and potential opportunities.
- The organisation's contractual commitments.
- The cost associated with potentially having to make staff redundant in an emergency situation.

## **Rotha Directors' Report**

The calculation of the required level of reserves is an integral part of the organisation's annual planning, budget, and forecast cycle.

- In 2019 the board began preparation for a new multi-year strategic plan for The Wheel. This work included a review of the reserves policy to ensure it was prudently aligned with the significant growth in membership, training and support programmes in recent years and further planned growth in the years ahead.
- The review of the reserves policy was completed in 2020. It found that our reserves levels were inadequate for the growing organisation especially when factoring in any parallel funding crises or risk to the organisation or sector. It recommended an increase in unrestricted reserves from €262,607 as at 31 December 2019 to a target range of between €567,000 to €708,000.
- The surplus generated in 2020 of €447,392, reflects a combination of lower earned income of just under €204,000 (down 53% on prior year) offset by increased funding from the National Training Fund (€300,000), Access Europe (€81,000), a reduction in budgeted planned costs due to Covid 19-related savings, and once off contributions to income from two crisis-funds established in 2020: the Covid 19 Community Outreach Programme and the Government Stability Scheme funding.
- Unrestricted reserves at 31 December 2020 now stand at €624,804, which is within the range determined by our updated reserves policy. This strengthening of The Wheel's financial position is welcome and should ensure we have adequate financial buffers in place to face into the significant economic challenges that no doubt lie ahead. It will allow us to continue to provide much needed support and services to our members and the sector.
- There is a further €85,195 in restricted reserves, generated by income from the Government Stability Scheme, which will be spent in 2021.

### **Pension**

All employees are entitled to join the Company defined contribution pension scheme which is with New Ireland. During the year after a tendering and review process, LHK Financial were appointed as the new independent pension advisers. General Investment Trust Limited are the independent trustees of the Plan and the directors are satisfied that the trusteeship arrangements for the scheme meet all legal requirements and recommendations. An annual review took place with the independent adviser to the Plan and it was confirmed that all administrative requirements and operations were being satisfactorily discharged.

### **Going Concern**

The Wheel made a surplus of €447,392, has net current assets of €689,096 and total net assets of €709,999 at the year end. Of this figure €624,804 is reported as unrestricted reserves.

The COVID-19 pandemic has had a devastating impact on many lives and businesses during 2020, including a slowdown in economic activity and the loss of jobs, and it continues into 2021. In Ireland there continue to be restrictions placed on "non-essential" businesses which has resulted in many businesses temporarily closing in measures designed to restrict the movement of people and to slow down the spread of the virus.

## **Rotha Directors' Report**

The initial impact on The Wheel's activities was mainly felt in earned income through training delivery and membership renewal, but moving activities on-line proved successful and the organisation and all staff have continued to work remotely since March 2020. Whereas we qualified for the Government Stability Scheme for charities, we did not have to avail of the Employment Wages Subsidy Schemes.

The Directors kept a watching brief on all activities during 2020 and have approved a budget for 2021 with an unrestricted surplus of just over €40,000. In addition to our ability to increase the unrestricted reserves during 2020, the directors are satisfied, subject to the ongoing uncertainty and having made reasonable assumptions, that The Wheel can continue to carry out the majority of its activities and continue to trade and discharge its liabilities.

The financial statements have therefore been prepared on a going concern basis.

### **Auditors**

In accordance with section 383(2) of the Companies Act 2014, Crowe Ireland are eligible to continue in office.

### **Accounting Records**

The directors ensure that The Wheel engage appropriately qualified accounting staff and provide adequate resources to ensure that proper books and records are maintained and retained in accordance with Sections 281 to 285 of the Companies Act 2014. The accounting records are kept at 48 Fleet Street, Dublin 2, the registered office and principal place of business of the company.

During 2020, The Wheel introduced SharePoint as its cloud-based file management system and is satisfied through written internal policies and procedures and high standards of security for its cloud-based systems, that its records are securely managed. The organisation has an external IT support company which carries out regular checks and upgrades and The Wheel also has cyber-liability insurance. Moving to cloud-based systems in recent years, including SharePoint in 2020 has made a huge difference to the organisation's ability to continue functioning smoothly while staff work remotely.

### **Political Donations**

There were no political donation made during the year that would require disclosure under the Electoral Act, 1997.

### **Payment of Creditors**

The directors acknowledge their responsibility for ensuring compliance with the provisions of the European Communities (Late Payment in Commercial Transactions) Regulations 2012. It is the company's policy to agree payment terms with all suppliers and to adhere to those payment terms.

### **Statement on Relevant Audit Information**

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

## **Rotha Directors' Report**

### **National Training Fund affirmation**

The directors of the Board of Rotha t/a The Wheel affirm that expenditure incurred in 2020 is in compliance with the statutory requirements of the Fund as provided for in section 7 of the National Training Fund Act, 2000.

## **4. STRUCTURE, GOVERNANCE, AND MANAGEMENT**

### **Directors' Responsibilities Statement**

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

Irish company law requires the directors to prepare the financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Under company law, the directors must not approve the financial statements unless they are satisfied, they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date, of the profit or loss for that financial year and otherwise comply with the Companies Act 2014.

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

- Select suitable accounting policies for the company's financial statements and then apply them consistently;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm they have complied with the above requirements when 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 profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Legal Status**

Rotha is a company limited by guarantee, not having a share capital, incorporated on 25 February 1999 and governed by the Companies Act 2014. The company is licensed to dispense with the suffix 'CTR' further to the passing of a special resolution at AGM 2017 and is now Rotha, trading as The Wheel.

The constitution of the company is available for inspection on the company's website at [www.wheel.ie](http://www.wheel.ie) and on the Companies Registration Office website ([www.cro.ie](http://www.cro.ie)).

## **Rotha Directors' Report**

### **Governance Code**

In November 2018, the Charities Regulator published its Code of Governance requiring charities to be fully compliant by 31 December 2020. This new code is principles-based and is similar to the Governance Code for Community, Voluntary and Charitable Organisations, with which The Wheel was compliant. During 2019 we commenced the process of compliance with the Code as it applies to larger organisations (49 sub-principles). In December 2020 the board reviewed the completed evidence template and are pleased to report that they signed off on The Wheel being compliant with the code.

### **Beneficial Ownership**

Article 30(1) of the EU's Fourth Anti-Money Laundering Directive (4AMLD) requires all EU Member States to put into national law provisions requiring corporate and legal entities to obtain and hold adequate, accurate and current information on their beneficial owner(s) in their own internal beneficial ownership register.

During 2019, this directive was implemented by the Department of Finance in Ireland. The Wheel filed its initial return on the Register of Beneficial Ownership by the deadline of 21 November 2019 and continues to be compliant with the regulations.

### **Principal risks and uncertainties, risk review and internal controls**

In 2019 two external independent reviews of 1) risks and policies and 2) governance, were undertaken with a number of recommendations and implementation timelines agreed by the board. The three main outcomes from these reviews were:

- a) Review, update and develop a new risk policy, register and process for risk management;
- b) Develop a schedule of policies and policy management and review system; and
- c) Update board handbook, policies and procedures.

### **Risk Policy and Procedures**

The Finance and Audit sub-group oversaw the development and implementation of a new risk policy (including risk assessment and risk appetite) and risk register. This was approved by the board in December 2020 and is a much more dynamic approach to risk management. There are 8 risk categories; strategy, governance, financial management, human resources, operations, information technology, legal regulatory and compliance and reputation.

Each category has a stated appetite of high, medium or low and each identified risk within a category is measured based on its likelihood and impact, and given a rating. The rating is compared to the risk appetite for the category and given a "RAG" to determine if the risk when compared to the risk appetite is Red, Amber or Green. Any risk identified as –

- Red - Inherently high risk or outside of risk appetite and needs mitigating actions;
- Amber - Outside risk appetite and/or needs mitigating actions
- Green - Low risk or within risk appetite

## Rotha Directors' Report

The risk register is reviewed at each Finance and Audit sub-group and Board meeting and is filtered to focus on the highest or most urgent risks. The executive work with the board and sub-group to consider risks and put mitigating actions in place.

The Board reviewed the full risk register in December 2020 and determined that:

1. No risks were in the Red category at that time.
2. A number of risks were Amber mainly due to mitigating actions to be updated in 2021
3. Most risks were in the Green category as they were low or within appetite.

A summary of the main risks and mitigating actions as at December 2020 are as follows:

Risk	Mitigation
1. Statutory/EU Funding grants removed or lost through competitive tendering or non-compliance/contract delivery	1. Active pipeline of new opportunities and engagement with key funders to ensure existing programmes are well managed and delivered and The Wheel is seen as excellent partner for existing and new programme delivery
2. Under-staffing when compared to breadth of strategic objectives and availability of funding	2. 7 new roles to be added between October 2020 and April 2021 plus organisation re-structuring to facilitate focus on key programmes and key activities
3. Risk of harm to systems or information or misuse of systems via external sources (with new focus on systems being integrated and fit for purpose)	3. Robust controls and protocols in place, support from external IT support, encrypted laptops and plans to do a systems review later in 2021 for both protection and facilitating further growth

### COVID-19 Pandemic

During 2020 some risks and uncertainties were influenced as a result of the pandemic. With the fast implementation of effective remote working, continued support and delivery of programmes and contracts and new sources of funding, The Wheel continued successfully with its activities during the year.

Whereas there is hope on the horizon with vaccinations, uncertainty still exists, not only for The Wheel but the community, voluntary, charity and social enterprise sector and the wider economy. Although the effects cannot be fully determined, the directors believe that the main risks associated with COVID-19 are as follows;

- a prolonged period of government recommendations and restrictions on the movement of people to contain the virus
- a potential reduction in economic activity following the lifting of restrictions which may result in reduced demand for The Wheel's services
- a reduction or re-configuration of State supports for the sector from which much of The Wheel's income derives

The directors will continue to assess, measure and put mitigating actions in place for all identified risks as part of ongoing risk management.

## **Rotha Directors' Report**

### **General Governance Information**

The Wheel is governed by a volunteer board of directors with a maximum number of 12 people. Of these, a maximum of eight are elected from amongst the company's 'full' membership and a further four co-opted directors are appointed by the board members. Each board member's term of office is three years.

Every year at the AGM up to one third of the board members elected from the membership retire by rotation, and may be eligible for re-election. The process for nominations and voting is laid out in the 'Election Rules' document which is posted on The Wheel's website and made available to all members.

During 2020 there were two vacancies from the 'elected members' cohort of the board. This resulted in a full nominations and elections process per our Election Rules. We received nine nominations from our full-membership organisations of which six candidates who best met the stated criteria went forward for election through the member-voting process. At the completion of that process two new directors, Sharon Foley CEO of Irish Hospice Foundation and Sarah Benson, CEO of Women's Aid were elected to the board at our Annual General Meeting on 01 July 2020.

Due to the impact of COVID-19 and ongoing restrictions on movement the board developed an on-line voting process which was used for the 2020 elections. This worked extremely well and replaced the previous 'manual' process and it is the intention of the board to use this on-line voting process in future.

### **Annual General Meeting**

The AGM was held on 1 July 2020 and, again due to COVID-19, it was believed to be unsafe to have members attend in person as would have been our previous practice and would have had a focus not only on the business of the meeting but networking and member engagement. The AGM was held and discharged with the use of adequate proxies to achieve a quorum and for voting purposes. The AGM was open via a zoom link to members for observation and approximately 60 members attended via that method. Our preference is for a traditional face-to-face AGM in future but due to ongoing restrictions, the 2021 AGM may also have to be held in a similar way to 2020.

### **Independent Governance Review.**

During 2019 the Board commissioned an independent board performance review which was completed during autumn 2019 and which highlighted much good practice, and some recommendations for improvements. These recommendations which included updating policies and procedures relating to board matters and the development of annual work plans for board and sub-groups were implemented during 2020 and overseen by the governance and nominations sub-group.

### **Diversity and inclusion.**

The board is determined to advance The Wheel's thinking and approach to diversity and inclusion as outlined elsewhere in this report. As noted it arises from an independent governance review conducted in 2019 and involves exploring what diversity and inclusion means for The Wheel: its board, sub-groups, membership and staff. At a basic level it means maximum diversity of representation, considering things such as gender, geographic representation, representation of the wide range of member organisations and the interests and the communities they serve.

## **Rotha Directors' Report**

### **Board subgroups**

The Wheel currently has five standing board subgroups: Finance & Audit, Policy, Staff & Employment, Governance and nominations, and Remuneration. During 2020 it had an additional board subgroup (Human Capital Investment subgroup) to progress an upskilling strategy for the sector.

The Remuneration Subgroup is comprised of the Chair and Vice Chair of the Board plus the Chairs of the Finance & Audit, and Staff & Employment subgroups respectively. It meets once each year and met in January 2020 to review remuneration levels in the organisation. It also oversees the pay bands outlined in The Wheel's remuneration policy to ensure they are appropriate and that staff are appropriately positioned within those bands.

All board subgroups are advisory in nature and have written terms of reference. Since 2015, a number of people from amongst the company's membership, but who are not board members, serve on the various subgroups of the board. These subgroup structures and processes have proven to offer very valuable insights and knowledge to the deliberations of the board.

### **Board Meeting and Subgroup Attendance**

The table lists all Directors of The Wheel, and non-board subgroup members, who served in 2020, and the record of their attendance at board and sub-group meetings. The remuneration sub-group is not included as it met once with full attendance.

## Rotha Directors' Report

Name	Board Member	Board Meeting Attendance	Finance & Audit Subgroup	Policy Subgroup	Staff & Employment Subgroup	Governance & Nominations Subgroup	Human Capital Investment
<b>Board Members</b>							
Aine Brady	Yes	8/8		3/3			
Brendan O'Brien	Yes	8/8	5/5*			4/4	
Inez Bailey	Yes	7/8		3/3*		4/4	4/4
John Evoy (resigned 8 May 2020)	Yes	2/5					
Jonathan Buttner	Yes	8/8	5/5				
Karen Horgan	Yes	7/8			3/3*	3/4	
Maria Heneghan	Yes	8/8		2/3			
Mark Brennock (resigned 28 Feb 2020)	Yes	0/1					
Mary Doyle	Yes	8/8					4/4*
Paul O'Sullivan	Yes	7/8*				3/4	
Peter McBride (resigned 28 Feb 2020)	Yes	1/1					
Sarah Benson (appointed 1 Jul 2020)	Yes	3/3			1/1		
Sharon Foley (appointed 1 Jul 2020)	Yes	3/3					
Vincent Keenan	Yes	8/8		3/3	3/3	4/4*	
<b>Sub Committee External Members</b>							
Austin O'Sullivan	No			2/2			
Bernadette Gray	No		5/5				
Breda Hawkshaw	No		3/5				
Carol Conway	No					4/4	
Demot McCarthy	No			1/2			
Denis Leamy	No						3/4
Emer ni Bhradaigh	No						4/4
Enda Doherty	No				3/3		
Martin Craul	No		5/5				
Mary Cunningham	No			1/2		1/4	
Maureen Kavanagh	No					1/3	
Nina Arwitz	No			2/3			
Oonagh Buckley	No				2/3		
Suzanne Keating	No			2/3			
Tom Collins	No						3/4
	*denotes Chairperson						

While board and subgroup members acknowledge the importance of meeting attendance, due to various personal circumstances, some board and subgroup members were unable to attend meetings in 2020. The board and individual sub-groups review attendance and chairs consult with members to ensure maximum participation.

In March 2020, due to the pandemic, board and sub-group meetings moved on-line and this assisted with maximum participation during the pandemic. An ad-hoc sub-group called 'business continuity' sub-group was formed and met weekly from mid-March to early-May to assess the impact of the pandemic on The Wheel's business and members – in mid-May this sub-group was discontinued. Also, as a reaction to the pandemic there were three additional board meetings in March and May 2020 to consider specific single-agenda items that did not fit with the normal board meeting schedule.

## Policies and Procedures for the Induction and Training of Board Members

The approach to induction of new board members was updated during 2020 as one of the recommendations from the independent governance review. All new board members receive a 'Board Induction Folder'. This contains all the information and documentation that a board member requires including: a Board Handbook, the Board-member Code of Conduct, the governing documents for The Wheel, the strategic plan, board minutes from the previous 12 months, CEO reports from previous 12 months, organisational budget, and other relevant documentation. Board

## **Rotha Directors' Report**

members also get complete information on how The Wheel complies with its governance requirements. The following meetings are scheduled for the new board member:

- Meeting the chairperson and chairs of sub-groups;
- Meeting the senior management team;
- Individual meetings with the CEO.

A similar Process of induction is in place with relevant staff and board members for new non-board sub-group members.

### **Organisational Structure and How Decisions are Made**

The Wheel has a staff team based in Dublin, and headed by a Chief Executive Officer who reports directly to the board through the Chairperson. A management team of four directors report to the Chief Executive Officer, and all other staff report to members of the management team, or senior managers within the organisation.

The following decisions are reserved for the board to make and approve:

- The Company's strategic plans and annual operating budgets;
- Projects outside the scope of the strategic plan;
- Business acquisitions and disposals;
- Decisions on Litigation;
- Appointment/Removal of Subgroup Chairs and Members;
- Appointment/Removal of Chief Executive Officer;
- Appointment/Removal of Auditors;
- Approval of Borrowing/Finance Facilities;
- Approval of Contracts with term exceeding one year or financial liability on The Wheel exceeding €60,000;
- Annual Review of Risk and Internal Control;
- Approval of new staff positions at director level; and
- Approval of changes to membership categories or rates.

Although the board of directors is ultimately responsible for The Wheel and for the above list, certain duties and responsibilities are delegated from the Board to the Chief Executive Officer and through the CEO to the staff team. This includes implementation of the strategic plan, leading and managing The Wheel's staff, recruiting new staff below director level (once within budget), programmes, projects, finances, pricing, and all other administrative aspects so that The Wheel's ongoing mission, vision, and strategies are fulfilled through behaviour that matches our stated values and is in alignment with our beliefs.

From time to time, The Wheel agrees to cooperate formally with other organisations on specific projects or in specific work areas. These agreements are often determined by a 'Memorandum of Understanding' or form of written agreement which may be approved by the board of directors.

## Rotha Directors' Report

### Important Events Since the Year-End

The organisation continued to be extremely busy and effective in representing the needs of members and the community, voluntary, charity and social enterprise sector and quickly adapted training and member engagement to on-line alternatives. Whereas there has been a slight reduction in income and activities in some areas of our business and the impact of COVID-19 medium to long term is still unclear, the Directors are satisfied that the activities of The Wheel can continue during 2021 and beyond.

### Plans for Future Periods

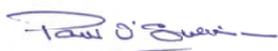
The directors are not expecting to make any significant changes in the nature of the business in the near future. At the time of approving the financial statements, the company is exposed to the ongoing effects of the COVID-19 pandemic which had a negative impact on some earned income in 2020. However, the Directors have carried out a detailed review of budgeted activities, both income and expenditure, for 2021. By making reasonable assumptions, we believe the main activities of The Wheel can continue with modifications to ways of working, delivering services to members, and, if necessary, by amending income & expenditure targets & budgets.

2020 is the last year of our current 4-year strategy, '*Stronger Charities, Stronger Communities*', and the board had commenced a strategy review in 2020. However due to the Covid pandemic this review was put on hold and we extended our current strategy to 31 December 2021. We have recommenced our strategy review in early 2021 and will develop a new strategy by the end of the year.

We were delighted to learn of further increased funding from the National Training Fund for 2021. This funding from the Department of Further and Higher Education, Research and Innovation, has supported skills development training provided by The Wheel since 2005. Increased funding from €900,000 in 2020 to €1,140,000 in 2021 will contribute enormously to our ability to deliver more and enhanced training to the sector.

Through our strategic and operations planning processes we will continue to identify opportunities and challenges for future periods.

By order of the board at its meeting held on 27 April 2021



Director



Director

## **INDEPENDENT AUDITOR'S REPORT**

### **to the Members of Rotha**

for the year ended 31 December 2020

## **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

### **OPINION**

We have audited the financial statements of Rotha T/a The Wheel (the 'Company') for the year ended 31 December 2020, which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is Irish law and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2020 and of its net income for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard 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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **INDEPENDENT AUDITOR'S REPORT**

### **to the Members of Rotha**

for the year ended 31 December 2020

#### **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 Auditors' 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.

#### **OPINION ON THE 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' Report is consistent with the financial statements; and
- in our opinion, the Directors' Report has been prepared in accordance with applicable legal requirements.

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, and 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 material misstatements in the Directors' 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 Rotha

for the year ended 31 December 2020

#### RESPECTIVE RESPONSIBILITIES AND RESTRICTIONS ON USE:

##### RESPONSIBILITIES OF DIRECTORS FOR THE FINANCIAL STATEMENTS

As explained more fully in the Directors' Responsibilities Statement, 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 the directors 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

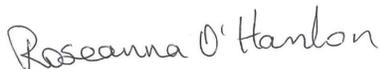
##### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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 Auditors' 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: [https://www.iaasa.ie/Publications/ISA 700 \(Ireland\)](https://www.iaasa.ie/Publications/ISA_700_(Ireland)). This description forms part of our Auditors' Report.

##### THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This 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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by: 

Roseanna O'Hanlon

for and on behalf of:



##### Crowe Ireland

Chartered Accountants and Statutory Audit Firm

Marine House

Clanwilliam Place

Dublin 2

D02 FY24

Date: 4 June 2021

**Rotha**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(including the income and expenditure account)**  
as at 31 December 2020

	Notes	Restricted Funds 2020 €	Unrestricted Funds 2020 €	Total 2020 €	Total 2019 €
<b>Income and Endowments from:</b>					
Charitable Activities	4	1,862,423	162,692	2,025,115	1,451,202
Other trading activities	4	-	306,463	306,463	393,781
Donations and Legacies	4	-	14,286	14,286	21,736
<b>Total Income</b>	<b>4</b>	<b>1,862,423</b>	<b>483,441</b>	<b>2,345,864</b>	<b>1,866,719</b>
<b>Expenditure on:</b>					
Charitable Activities		1,777,228	43,943	1,821,171	1,688,507
Raising Funds		-	77,301	77,301	161,563
<b>Total Expenditure</b>	<b>5</b>	<b>1,777,228</b>	<b>121,244</b>	<b>1,898,472</b>	<b>1,850,070</b>
<b>Net Income</b>	<b>6</b>	<b>85,195</b>	<b>362,197</b>	<b>447,392</b>	<b>16,649</b>
<b>Reconciliation of funds</b>					
Total funds brought forward	14	-	262,607	262,607	245,958
<b>Total funds carried forward</b>	<b>14</b>	<b>85,195</b>	<b>624,804</b>	<b>709,999</b>	<b>262,607</b>

The statement of financial activities has been prepared on the basis that all operations are continuing operations.

There are no recognised surpluses and deficits other than those recorded in the statement of financial activities.

The notes on pages 47 to 60 form part of these financial statements.

**Rotha****STATEMENT OF FINANCIAL POSITION**

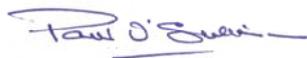
as at 31 December 2020

	Notes	2020 €	2019 €
<b>Non-Current Assets</b>			
Intangible assets	9	-	10,568
Property, Plant and Equipment	10	20,903	8,676
		<u>20,903</u>	<u>19,244</u>
<b>Current Assets</b>			
Receivables	11	175,731	157,783
Cash and cash equivalents	12	1,019,166	375,539
		<u>1,194,897</u>	<u>533,322</u>
<b>Payables: Amounts falling due within one year</b>	13	<b>(505,801)</b>	<b>(289,959)</b>
		<u>689,096</u>	<u>243,363</u>
<b>Net Current Assets</b>		<b>689,096</b>	<b>243,363</b>
<b>Total Assets less Current Liabilities</b>		<b>709,999</b>	<b>262,607</b>
<b>Funds of the Organisation</b>			
Unrestricted Funds	14	624,804	262,607
Restricted Funds	14	85,195	-
		<u>709,999</u>	<u>262,607</u>
<b>Funds of the Organisation</b>	14	<b>709,999</b>	<b>262,607</b>

The notes on pages 47 to 60 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 27 April 2021

They were signed on its behalf by:



Director



Director

**Rotha**  
**STATEMENT OF CASH FLOWS**

for the year ended 31 December 2020

	Notes	2020 €	2019 €
<b>Cash flows from operating activities</b>			
Net income for the year		447,396	16,649
<b>Adjustments for</b>			
Amortisation of intangible assets		10,568	19,431
Depreciation of property, plant and equipment		5,318	4,373
(Increase)/decrease in receivables		(17,948)	(24,711)
Increase/(decrease) in payables		215,838	(111,556)
		<u>661,172</u>	<u>(95,814)</u>
<b>Cash flows from investing activities</b>			
Payments to acquire property, plant and equipment		(17,545)	(9,376)
		<u>(17,545)</u>	<u>(9,376)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>			
		643,627	(105,190)
<b>Cash and cash equivalents at beginning of financial year</b>		375,539	480,729
		<u>1,019,166</u>	<u>375,539</u>
<b>Cash and cash equivalents at end of financial year</b>	12	<u><u>1,019,166</u></u>	<u><u>375,539</u></u>

# Rotha

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2020

### 1. GENERAL INFORMATION

Rotha is a company limited by guarantee incorporated in the Republic of Ireland. The company operates under the name The Wheel.

### 2. ACCOUNTING POLICIES

#### Basis of preparation

The financial statements have been prepared on a going concern basis in accordance with the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. The company has applied the recommendations contained in Charities SORP (FRS 102) effective 1 January 2015.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

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

#### Incoming Resources

Income is recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income includes donations, gifts, bequests, income from grant funding and membership income. Membership income is accounted for and deferred on a time basis. Grant income may be classed as restricted or unrestricted dependant on the conditions included in each agreement.

Grants from governments and institutional donors, are recognised as income when the activities which they are intended to fund have been undertaken, the related expenditure incurred, and there is reasonable certainty of receipt.

Investment income is recognised on a receivable basis. Investment income includes income received on deposits held by the charity and income from any other investments.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided). Income from charitable activities includes income received for events and meetings held during the year.

#### Resources Expended

Expenditure is recognised when a liability is incurred. Funding provided through contractual agreements and performance related grants are recognised as goods or services supplied. Other grant payments are recognised when a constructive obligation arises that results in the payment being an unavoidable commitment.

Costs of raising funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Support costs include those incurred in the governance by the Board of the charity's assets and are primarily associated with constitutional and statutory requirements of managing the organisation.

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

for the year ended 31 December 2020

### **Fund Accounting**

Unrestricted funds are general funds that are available for use at the boards' discretion in furtherance of any of the objectives of the charity.

Restricted funds are those received for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose and the restriction means that the funds can only be used for specific projects or activities.

### **Property, plant and equipment and depreciation**

Property, plant and equipment are recorded at historical cost or deemed cost, less accumulated depreciation and impairment losses. Cost includes prime cost, overheads and interest incurred in financing the construction of property, plant and equipment.

Depreciation is recognised so as to write off the cost or valuation of property, plant and equipment over their useful lives on the following basis;

Office equipment	-	20% Straight line
Computer equipment	-	20% 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.

### **Intangible assets**

Intangible assets are valued at cost less accumulated amortisation.

Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful life of 3 years.

### **Receivables**

Receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

### **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

### **Payables**

Payables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

**Pensions**

***Defined Contribution Pension Plan***

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations. The contributions are recognised as an expense in the Statement of Financial Activities when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

**Taxation**

The company is exempt from corporation tax due to its charitable status.

**Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Statement of Financial Position date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Statement of Financial Activities.

**Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of Financial Position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of Financial Position date.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

### 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.

#### **Establishing lives for depreciation purposes of property, plant and equipment**

The annual depreciation charge depends primarily on the estimated lives of each type of asset and estimates of residual values. The directors regularly review these asset 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 lives can have a significant impact on depreciation and amortisation charges for the period. Detail of the useful lives is included in the accounting policies.

#### **Establishing lives for amortisation purposes of intangible assets**

Intangible assets consisting of website development costs are amortised depending primarily on the estimated useful economic life of the asset and estimate of residual value. The directors regularly review the asset's useful economic life and change it as necessary to reflect current thinking on remaining life in light of prospective economic utilisation of the asset. Changes in the asset's useful life can have a significant impact on amortisation charges for the period. Detail of useful economic life is included in the accounting policies.

# Rotha

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2020

### 4. INCOMING RESOURCES

Income description	Funded by	2020		Unrestricted	Unrestricted donations	Restricted charitable	Unrestricted charitable	Unrestricted training	2019 Total
		Total	Restricted						
<b>C&amp;V Pillar</b>	Department Rural and Community Development (DRCD)	73,476	73,476	-	-	73,476	-	-	73,476
<b>SSNO</b>	Pobal	90,000	90,000	-	-	90,000	-	-	89,540
<b>National Training Fund</b>	Department of Further and Higher Education	900,000	900,000	-	-	900,000	-	-	600,000
<b>Europe for Citizens</b>	Dept. Foreign Affairs and EU	50,000	50,000	-	-	50,000	-	-	50,000
<b>National Rural Network</b>	Dept Agriculture and Food	129,192	129,192	-	-	129,192	-	-	129,250
<b>EU Schools Ambassador Prog</b>	EU Parliament	14,638	14,638	-	-	14,638	-	-	26,258
<b>Erasmus Programme</b>	EU Commission	20,053	20,053	-	-	20,053	-	-	-
<b>Social Enterprise training</b>	Pobal and DRCD	46,714	46,714	-	-	46,714	-	-	-
<b>Communicating Europe</b>	Dept. Foreign Affairs	2,500	2,500	-	-	2,500	-	-	58,699
<b>Earned income and corporate support</b>		203,907	-	203,907	11,159	-	162,692	30,056	435,667
<b>Membership</b>		276,407	-	276,407	-	-	-	276,407	260,473
<b>VAT Compensation Scheme</b>	Revenue Commissioners	3,127	-	3,127	3,127	-	-	-	2,919
<b>Gender Pay Gap</b>	Community Foundation Ireland	4,020	4,020	-	-	4,020	-	-	-
<b>Trustee training</b>	Carmichael	29,525	29,525	-	-	29,525	-	-	-
<b>Spark Change</b>	EPA	(8,265)	(8,265)	-	-	(8,265)	-	-	114,000
<b>Medtronic Covid Sector Supports</b>	The Ireland Funds	50,339	50,339	-	-	50,339	-	-	-
<b>Newman's Own</b>		-	-	-	-	-	-	-	21,437
<b>Charity Impact Awards</b>	Dept. Rural and Community Development	5,000	5,000	-	-	5,000	-	-	5,000
<b>Community Outreach Programme</b>	Dept. Rural and Community Development	100,759	100,759	-	-	100,759	-	-	-
<b>Government Stability Scheme</b>	Pobal	273,472	273,472	-	-	273,472	-	-	-
<b>Access Europe</b>	Dept. Foreign Affairs	81,000	81,000	-	-	81,000	-	-	-
<b>Total income</b>		<b>2,345,864</b>	<b>1,862,423</b>	<b>483,441</b>	<b>14,286</b>	<b>1,862,423</b>	<b>162,692</b>	<b>306,463</b>	<b>1,866,719</b>

**Rotha**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
for the year ended 31 December 2020

**5. EXPENDITURE**

	Charitable Activities		Raising Funds		2020	2019
	Restricted	Unrestricted	Restricted	Unrestricted	Total	Total
	€	€	€	€	€	€
Wages and salaries	1,010,370	22,157	-	75,335	1,107,862	1,088,584
Rent and office utilities	59,732	-	-	-	59,732	57,677
Staff training and development	16,281	-	-	-	16,281	18,949
Subscriptions	-	2,013	-	671	2,684	2,163
Charity Impact Awards	19,726	-	-	-	19,726	25,797
Training costs	249,425	-	-	-	249,425	103,611
Annual conference	454	-	-	-	454	50,511
Maintenance, equipment and IT	19,136	-	-	-	19,136	21,514
Stationery	5,310	-	-	-	5,310	10,387
Postage, fulfilment and couriers	3,334	-	-	-	3,334	6,764
Design and printing	9,180	-	-	-	9,180	12,295
Telephone	9,107	-	-	-	9,107	6,116
ICT costs	45,406	-	-	-	45,406	25,391
Insurance and bank charges	13,696	-	-	-	13,696	12,155
Third party suppliers	216,730	-	-	-	216,730	232,914
Research	33,005	-	-	-	33,005	34,418
Campaign costs	13,697	-	-	-	13,697	-
Meetings and events	13,832	-	-	-	13,832	54,023
Miscellaneous	10,256	3,887	-	1,295	15,438	2,388
Travel and expenses	5,962	-	-	-	5,962	33,657
Marketing and communications	12,009	-	-	-	12,009	17,775
Professional fees	10,580	-	-	-	10,580	9,177
Depreciation and amortisation	-	15,886	-	-	15,886	23,804
<b>Total expenditure</b>	<b>1,777,228</b>	<b>43,943</b>	<b>-</b>	<b>77,301</b>	<b>1,898,472</b>	<b>1,850,070</b>
					<b>2020</b>	<b>2019</b>
					€	€
Legal & professional fees					6,275	4,872
Auditors remuneration					4,305	4,305
					<b>10,580</b>	<b>9,177</b>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

for the year ended 31 December 2020

<b>6. NET INCOME</b>	<b>2020</b>	2019
	€	€
<b>Net income is stated after charging:</b>		
Amortisation of intangible assets	<b>10,568</b>	19,431
Depreciation of property, plant and equipment	<b>5,318</b>	4,373
	<u>          </u>	<u>          </u>

**7. EMPLOYEES AND REMUNERATION****Number of employees**

The average number of persons employed during the year was as follows:

	<b>2020</b>	2018
	No.	No.
Direct & Administration	<b>20</b>	19
	<u>          </u>	<u>          </u>

5 employees earned remuneration (salaries and any benefits in kind, excluding employers pension costs) in excess of €60,000 as follows:

	<b>2020</b>	2019
€60,000 - €70,000	2	2
€70,001 - €80,000	2	2
€80,001 - €90,000	-	-
€90,001 - €100,000	1	1
	<u>          </u>	<u>          </u>
	<b>5</b>	5
	<u>          </u>	<u>          </u>

The staff costs comprise:

	<b>2020</b>	2019
	€	€
Wages and Salaries	<b>952,789</b>	937,788
Employers PRSI Costs	<b>103,313</b>	99,794
Pension costs	<b>51,760</b>	51,002
	<u>          </u>	<u>          </u>
	<b>1,107,862</b>	1,088,584
	<u>          </u>	<u>          </u>

The Chief Executive Officer was the highest earning employee and the remuneration package was comprised as follows:

	<b>2020</b>	2019
	€	€
Gross salary	<b>91,116</b>	91,115
Benefit in Kind (income protection plan)	<b>1,200</b>	1,164
	<u>          </u>	<u>          </u>
	<b>92,316</b>	92,279
Employers pension contribution	<b>5,476</b>	5,476
	<u>          </u>	<u>          </u>
	<b>97,792</b>	97,755
	<u>          </u>	<u>          </u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

for the year ended 31 December 2020

Each year the remuneration sub-group of the board of directors' review salaries and make recommendations to the board of directors for approval. The review meeting for 2020 took place in January 2020.

**Directors Remuneration**

The directors receive no remuneration and may claim out of pocket expenses.

Reimbursement of out-of pocket expenses not covered otherwise in 2020 totalled €368 (2019: €1,570)

**8. KEY MANAGEMENT COMPENSATION**

	<b>2020</b>	2019
	€	€
Gross salaries and Benefit in Kind	<b>420,092</b>	420,801
Employers pension contribution	<b>22,563</b>	22,666
	<u><b>442,655</b></u>	<u>443,467</u>

Senior management comprised of the CEO, Director of Public Policy, Director of Programmes, Director of Business Development and Director of Finance.

**Rotha**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

for the year ended 31 December 2020

**9. INTANGIBLE FIXED ASSETS**

	<b>Website Costs €</b>
<b>Cost</b>	
At 1 January 2020	58,290
At 31 December 2020	58,290
<b>Amortisation</b>	
At 1 January 2020	47,722
Charge for the year	10,568
At 31 December 2020	58,290
<b>Carrying Amount</b>	
At 31 December 2020	-
At 31 December 2019	<u>10,568</u>

**10. PROPERTY, PLANT AND EQUIPMENT**

	<b>Office equipment €</b>	<b>Computer equipment €</b>	<b>Total €</b>
<b>Cost or Valuation</b>			
At 1 January 2020	7,475	27,504	34,979
Additions	2,154	15,391	17,545
At 31 December 2020	<u>9,629</u>	<u>42,895</u>	<u>52,524</u>
<b>Depreciation</b>			
At 1 January 2020	2,156	24,147	26,303
Charge for the year	1,925	3,393	5,318
At 31 December 2020	<u>4,081</u>	<u>27,540</u>	<u>31,621</u>
<b>Carrying amount</b>			
At 31 December 2020	<u>5,548</u>	<u>15,355</u>	<u>20,903</u>
At 31 December 2019	<u>5,319</u>	<u>3,357</u>	<u>8,676</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

for the year ended 31 December 2020

<b>11. RECEIVABLES</b>	<b>2020</b>	<b>2019</b>
	€	€
Accrued Income (Note 11.1)	<b>167,750</b>	148,530
Prepayments	<b>7,981</b>	9,253
	<u><b>175,731</b></u>	<u>157,783</u>
	<u><u><b>175,731</b></u></u>	<u><u>157,783</u></u>
<b>11.1 Accrued Income</b>	<b>2020</b>	<b>2019</b>
	€	€
Government Stability Fund	<b>85,195</b>	-
European programmes	<b>31,048</b>	49,557
National Rural Network	<b>28,213</b>	64,666
Leargas Erasmus	<b>13,799</b>	-
Events, training and sponsorship	<b>9,495</b>	12,912
With-holding tax	-	14,395
Resource Point suppliers	-	7,000
	<u><b>167,750</b></u>	<u>148,530</u>
	<u><u><b>167,750</b></u></u>	<u><u>148,530</u></u>
<b>12 CASH AND CASH EQUIVALENTS</b>	<b>2020</b>	<b>2019</b>
	€	€
Cash and bank balances	<b>1,019,166</b>	375,539
	<u><b>1,019,166</b></u>	<u>375,539</u>
	<u><u><b>1,019,166</b></u></u>	<u><u>375,539</u></u>
<b>13. PAYABLES</b>	<b>2020</b>	<b>2019</b>
	€	€
Trade payables	<b>34,145</b>	14,852
Payroll taxes	<b>29,300</b>	24,928
Other payables	<b>483</b>	8,463
Amounts held on behalf of 3 <sup>rd</sup> parties (Note 18)	<b>20,167</b>	20,167
Accruals	<b>34,363</b>	64,965
Deferred Income (Note 13.1)	<b>387,343</b>	156,584
	<u><b>505,801</b></u>	<u>289,959</u>
	<u><u><b>505,801</b></u></u>	<u><u>289,959</u></u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

for the year ended 31 December 2020

<b>13.1 Deferred Income</b>	<b>2020</b>	2019
	€	€
Community foundation	<b>180,000</b>	-
Membership income	<b>140,360</b>	125,000
Funding point	<b>43,520</b>	-
Medtronic	<b>18,268</b>	-
Annual Conference	<b>5,115</b>	600
Training income	<b>80</b>	5,830
Erasmus Plus – Scope project	-	6,254
Leadership Training	-	18,900
	<u><b>387,343</b></u>	<u>156,584</u>

**14. STATEMENT OF FUNDS**

	Balance at 1 January 2020 €	Income €	Expenditure €	Balance at 31 December 2020 €
<b>Unrestricted funds</b>				
General funds	262,607	483,441	(121,244)	624,804
<b>Restricted funds</b>				
Restricted funds		1,862,423	(1,777,228)	85,195
<b>Total of funds</b>	<u><b>262,607</b></u>	<u><b>2,345,864</b></u>	<u><b>(1,898,472)</b></u>	<u><b>709,999</b></u>

- Restricted reserves of €85,195 is comprised of the Government Stability Scheme funding recognised as income under SORP in 2020 and to be spent on qualifying expenditure in 2021 (see further information in Note 20).
- In 2019 the board began preparation for a new multi year strategic plan for The Wheel. This work included a review of the reserves policy to ensure it was prudently aligned with the significant growth in membership, training and support programmes in recent years and further planned growth in the years ahead.
- The review of the reserves policy was completed in 2020 and recommended an increase in unrestricted reserves from €262,607 AS AT 31 December 2019 to a target range of €567,000 to €708,000.
- The surplus generated in 2020 of €447,392, reflects a combination of lower earned income of just under €204,000 (down 53% on prior year) offset by increased funding from the National Training Fund (€300,000), Access Europe (€81,000), a reduction in budgeted planned costs due to Covid 19-related savings, and once off contributions to income from the COVID-19 Community Outreach Programme and the Government Stability Scheme funding.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

for the year ended 31 December 2020

**STATEMENT OF FUNDS (CONTINUED)**

- Unrestricted reserves at 31 December 2020 now stand at €624,804, which is within the range determined by our updated reserves policy. This strengthening of the Wheels financial position is welcome and should ensure we have adequate financial buffers in place to face into the significant economic challenges that no doubt lie ahead, and will allow us to continue to provide much needed support and services to our members and the sector.

**15. STATUS**

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 €2.

**16. CONTINGENT LIABILITIES**

The Company had no contingent liabilities at the reporting date.

**17. RELATED PARTY TRANSACTIONS**

Except for key management, which are deemed to be related parties under company law, there were no transactions with related parties in 2020

**18. FUNDS HELD ON BEHALF OF 3RD PARTIES**

	2020	2019
	€	€
Like Charity	<b>20,167</b>	20,167
	<u>20,167</u>	<u>20,167</u>

Like Charity:

The Wheel holds funds on behalf of Vodafone Ireland to enable the Like Charity mobile text donations service to provide a 100% donation function to charities. The Wheel performs this service in order to facilitate our members receiving the maximum possible donations from members of the public who donate via their mobile phones using the Like Charity service. Every payment made to Like Charity from the funds held by The Wheel for this service is pre-approved by Vodafone prior to entering into our expenditure approval process in The Wheel. These transactions are not included in the Statement of Financial Activities.

**19. CAPITAL COMMITMENTS**

There were no capital commitments as at the date of the Statement of Financial Position.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

for the year ended 31 December 2020

**20. GRANTS FROM POBAL**

During the year we received support through the following programmes, sponsored by the Department of Rural and Community Development.

***Scheme to Support National Organisations (SSNO)***

The funding has been received from the “Scheme to Support National Organisations” (SSNO) programme. The current tranche of funding is for the three year period from July 2019 – June 2022. The funding has been used to support salary costs of the organisation. The total agreed funding for the three-year period amounts to €269,158. The relevant amounts for 2020 are set out below.

<b><u>Pobal SSNO</u></b>	<b>2020</b>	<b>2019</b>
	€	€
Income Received – Current Tranche	<b>90,000</b>	89,540
<b><u>Expenditure Incurred</u></b>		
Salary costs	<b>(90,000)</b>	(89,540)
Surplus/Deficit	<b>-</b>	-

**Dormant Account Programme Measure 1 – Training and Mentoring Supports for Social Enterprises**

This funding has been received from the Dormant Account Programme Measure 1 – Training and Mentoring Supports for Social Enterprises. The tranche of funding is for the period from January 2020– October 2020. The funding has been used to support salary costs, direct programme costs and indirect costs for the Programme. The relevant amounts are set out below.

<b>Income Received</b>	<b>2020</b>	<b>2019</b>
	€	€
Received during the year	44,152	-
Received after the year end	2,397	-
<b>Total</b>	<b>46,549</b>	-
<b>Expenditure incurred</b>	<b>2020</b>	<b>2019</b>
	€	€
Salary costs	28,399	-
Direct Programme costs	13,918	-
Indirect costs	4,232	-
<b>Total</b>	<b>46,549</b>	-
<b>Surplus/Deficit</b>	<b>-</b>	-

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

for the year ended 31 December 2020

**COVID-19 Stability Scheme for Community & Voluntary Organisations, Charities and Social Enterprises**

This funding has been received from the COVID-19 Stability Scheme for Community & Voluntary Organisations, Charities and Social Enterprises. The tranche of funding is for the period from January 2020– June 2021. The funding has been used to support non-salary operating costs. The total agreed funding for the period amounts to €273,472. The relevant amounts are set out below.

<b>Income Received</b>	<b>2020</b>	<b>2019</b>
	€	€
Received during the year	188,277	-
Received after the year end	85,195	-
<b>Total</b>	<b>273,472</b>	<b>-</b>
	<hr/>	<hr/>
<b>Expenditure incurred</b>	<b>2020</b>	<b>2019</b>
	€	€
Non-salary operating costs	188,277	-
<b>Total</b>	<b>188,277</b>	<b>-</b>
	<hr/>	<hr/>
Surplus (restricted reserves) Note 14	85,195	-
	<hr/> <hr/>	<hr/> <hr/>

This amount of restricted reserves will be utilized to cover non-salary operational costs in the period 01 January to 30 June 2021 as required by the programme.

**21. PENSION CONTRIBUTION**

Certain employees are members of the company's defined contribution scheme. The scheme and its assets are held separately from those of the company. The pension costs for the year were €51,760 (2019: €51,002).

**22. EVENTS SINCE THE YEAR END**

There were no significant subsequent events, with the exception of the ongoing impact of the Covid-19 pandemic which the company is managing, and which commenced before the balance sheet date, that require disclosure or adjustment to the financial statements.

**Rotha**

**SUPPLEMENTARY INFORMATION NOT FORMING PART OF THE  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Rotha**  
**SUPPLEMENTARY INFORMATION**  
for the year ended 31 December 2020

**Rotha t/a The Wheel**  
**Detailed income and expenditure account**  
**For the years ending 31 December 2020 and 2019**

	2020	2019
	€	€
<b>Income:</b>		
Community and Voluntary Pillar	73,476	73,476
Scheme to Support National Organisations	90,000	89,540
National Training Fund	900,000	600,000
Europe for Citizens	50,000	50,000
Community Outreach Project	100,759	-
Government stability scheme	273,472	-
National Rural Network	129,192	129,250
Commissioned income	46,953	81,944
Access Europe	81,000	-
Other EU funding	37,191	84,957
Social Enterprise Training	46,714	-
Annual conference	-	59,957
Training events and contracts	115,739	168,984
Environmental Protection Agency contract	(8,265)	114,000
Funding Point	27,658	50,681
Membership income	276,407	260,473
Sponsorship and other income	47,331	19,236
Medtronic Sector Support	50,339	-
Newman's Own Funding	-	21,437
Resource Point	2,398	22,670
Charity Impact Awards/Better Together	5,500	40,114
Total income	<u>2,345,864</u>	<u>1,866,719</u>
Less total expenditure	<u>(1,898,472)</u>	<u>(1,850,070)</u>
Net income	<u>447,392</u>	<u>16,649</u>

**Rotha**  
**SUPPLEMENTARY INFORMATION**  
for the year ended 31 December 2020

**Rotha t/a The Wheel**  
**Detailed expenditure analysis**  
**For the year ending 31 December 2020 and 2019**

	2020	2019
	€	€
<b>Expenditure:</b>		
Salaries including ER pension and ER PRSI	1,107,862	1,088,584
Rent and facilities	59,732	57,677
Staff training and development	16,281	18,949
Membership and subscriptions	2,684	2,163
Charity Impact Awards	19,726	25,797
Training costs	249,425	103,611
Annual conference	454	50,511
Maintenance, equipment and IT	19,136	21,514
Stationery	5,310	10,387
Postage, fulfilment and couriers	3,334	6,764
Design and printing	9,180	12,295
Telephone	9,107	6,116
ICT costs	45,406	25,391
Insurance and bank charges	13,696	12,155
Third party suppliers	216,730	210,418
Campaign costs	13,697	-
Research	33,005	34,418
Meetings and events	13,832	54,023
Miscellaneous	15,438	2,388
Travel and expenses	5,962	28,872
Marketing and communications	12,009	17,775
Professional fees	10,580	9,177
Depreciation	5,318	4,373
Amortisation	10,568	19,431
Europe's Future	-	2,400
EPA - Spark Change	-	22,496
Erasmus Project	-	2,385
<b>Total expenditure</b>	<b>1,898,472</b>	<b>1,850,070</b>