

# DIRECTORS' REPORT AND FINANCIAL STATEMENTS

for the financial year ended 31 December 2021



Brighter Communities Worldwide's expenditure on charitable activities, including; projects on Health, Education and Economic Empowerment in Kenya and the relevant support costs, amounted to €461,469 in 2021 (2020: €549,241), equating 92% in 2021 (2020: 93%) of Brighter Communities Worldwide's total expenditure for the year.

**EXPENDITURE ON  
Charitable  
activities**

**€461,469**

**92%**

Participants of International Womens Day (March 2021)

## Directors and other information

### Board of Directors

Sean O Sullivan, Chairperson; Linden Edgell, Vice Chair Person; Anne Healy; Andrew Bird; Avril Warren; Maria Kidney; Kieran Curtis; Michele Cashman; Eileen Moore (Appointed in September 2021); Roisin O'Neill (Appointed in September 2021); Catherine Donohoe (Appointed in September 2021)

### Retired in 2021

Maria Kidney (retired in September 2021)  
Kieran Curtis (retired in September 2021)  
Michele Cashman (resigned in October 2021)

**Company Secretary:** Linden Edgell

**Chief Executive Officer:** Martin Ballantyne

### Registered office

Lower Ground Floor, 2 Westborne Place,  
Cobh, Co. Cork, P24 DY65

**Company number:** 398094

**Charities Regulatory Authority number:** 20059583

**Charity number:** CHY 16505

**Solicitors:** Charles C. Daly, 2 Westbourne Place,  
Cobh, Co. Cork

**Bankers:** Permanent TSB, Patrick Street, Cork

**Auditors:** Grant Thornton, Penrose One, Penrose  
Dock, Cork

**Country of incorporation:** Ireland

The Directors present their annual report and the audited financial statements of Brighter Communities Worldwide for the financial year ended 31 December 2021. This report presents the information and disclosures required by a Directors' Report under the Companies Act 2014, together with additional information required by the Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

## Who are Brighter Communities Worldwide?

Brighter Communities Worldwide is a company limited by guarantee, not having a share capital, incorporated in Ireland on 23 February 2005 under the Companies Act, registration number 398094. Brighter Communities Worldwide was initially registered as Friends of Londiani Ireland and changed its name to Brighter Communities Worldwide Company Limited by Guarantee on 22 December 2016. Brighter Communities Worldwide is one of the registered business names of Brighter Communities Worldwide Company Limited by Guarantee. As of 31 December 2021, there were 8 members whose guarantee is limited to €1 each. This guarantee continues for one year after membership ceases. The current membership is the Board of Directors.

Brighter Communities Worldwide is a charity registered with the Charities Regulatory Authority, registered charity No: 20059583, and has been granted tax exemption by the Revenue Commissioners in Ireland, with registered charitable taxation No: CHY 16505.

Brighter Communities Worldwide works in partnership with Brighter Communities Worldwide in Kenya. A Memorandum of Understanding (last signed in 2021) governs the partnership. This report outlines our programmes in Ireland and in Kenya implemented through this partnership.

## Objectives and activities

Brighter Communities Worldwide believes that stronger people make stronger communities, and that stronger communities make a better world, with a brighter future.

### Our vision is:

**"A world where strong, healthy communities can thrive, building sustainable livelihoods and brighter futures."**

The mission of Brighter Communities Worldwide is to work in partnership with communities, to deliver programmes that enrich their lives and help create better futures for them and their families.

Our values underpin everything we do, every decision we make and also help communicate the way we work and how we do things.

- **Integrity** – We are an organisation built on integrity and good governance with a track record for success.
- **Passion** – We work passionately in all that we do to realise our vision across communities.
- **Togetherness** – We work together with all our stakeholders; all programmes are based on community needs as identified by themselves.

Brighter Communities Worldwide considers the whole community, enabling individuals and communities to be authors of their own development, building brighter communities for all. Our model creates an enabling environment for communities to realise change and uses a partnership-based approach to deliver relevant programs to meet the needs of communities and individuals.

Creating brighter communities means ensuring:

- Access to good, affordable health care
- Education to help people find a job and be able to articulate their needs
- An income that can sustain a family
- Healthier lives with a supply of clean water and better facilities

Brighter Communities Worldwide implements programmes in Health, Education and Economic Empowerment.

The impact of the work of Brighter Communities Worldwide is measured against targets using a Results Based Management System. Brighter Communities Worldwide has a Monitoring, Evaluation and Learning Policy in place that guides activities in this area. Brighter Communities Worldwide carries out monitoring and evaluation activities for two main reasons:

- To ensure that the organisation is fully accountable for the delivery of all its development activities
- To ensure that the organisation learns lessons throughout the implementation of its development activities and that this learning enables improvement and enhancement of its work on an ongoing basis.

Monitoring is carried out on a continual basis and involves collecting and recording data with information in order to track our progress towards expected results. Evaluation is an exercise that assesses systematically and objectively the relevance, performance and success of ongoing and completed programmes and projects at a key point in time for example monthly; quarterly and annually. As a learning organisation, BCW reflects on the results of evaluation and applies this knowledge to improve the effectiveness of development projects etc.

Brighter Communities Worldwide used its results framework to continually monitor all its programmes during 2021. Covid-19 continued to have an impact across all activities and so they were “pivoted” to respond to the impacts of the pandemic. An external evaluation planned for June 2021 was postponed due to Covid-19 and will take place in 2022.

Brighter Communities Worldwide’s expenditure on charitable activities, including; projects on Health, Education & Economic Empowerment in Kenya and the relevant support costs, amounted to €461,469 in 2021 (2020: €549,241), equating 92% in 2021 (2020: 93%) of Brighter Communities Worldwide’s total expenditure for the year.

## Achievements and performance

The challenges of Covid-19 continued throughout 2021. Since the start of the pandemic, Brighter Communities Worldwide has been delivering our biggest programme to date – an emergency response reaching over 900,000 people. Alongside this we have continued to deliver our community development programmes.

When the first cases of Covid-19 were reported in Kenya, we found ourselves in a unique situation. We have operated in Kericho County for almost 20 years. Over this time, we have delivered life changing programmes by working in a partnership-based approach, with community members and government. As a result of our strong partnership with the Ministry of Health (MOH) we were asked to join the Emergency Response and Preparedness Team at Kericho County level. This team includes all cadres of health workers, public health representatives, disease surveillance experts, Governor’s office (police, administration) and partners (BCW and the Kenyan Red Cross). Its function is to manage the Covid-19 preparedness across all services – clinical health, public health, community administration – within the County.

Our emergency response focused on supporting communities and on health systems strengthening which are highlighted in this report. We leveraged our network of volunteers (community health volunteers, facilitators, teachers and instructors) to rapidly scale our response. We supported the sensitisation of communities on Covid-19 across Kericho County; we have strengthened health facilities through capacity development of health care workers and the provision of essential supplies (PPE, handwashing facilities, and communication materials); we have supported vulnerable children during school closures and girls and women who are particularly impacted by this pandemic. We have supported the Ministry of Health as they continue delivery of essential services through the provision of Outreach Clinics and Ante-natal Care across the region.

It was clear from the increase in demand for support from the communities since the onset of Covid-19 that there is a greater and more urgent need for our community development programmes.

We have continued most of our existing programmes but have had to redesign our delivery models to observe government restrictions and keep the community and our team Covid-safe. Due to the emerging economic and social impacts of the pandemic, we have also evolved some of our programmes to meet identified needs. For example, communities requested menstrual hygiene management support and so the Ambassador programme was developed based on our existing menstrual health programmes. Support through resources for income generation projects was also developed due to the significant economic impacts experienced across the community.

This ability to rapidly respond to changing community needs resulting from the pandemic has only been

possible because of our locally based team of 42 staff and more than 3,500 volunteers across the county. The partnerships and capacity of the communities built over the past 19 years meant we had the relationships, programme infrastructure, knowledge and credibility to mobilise and effectively respond. BCW has been the key NGO partner for the Ministry of Health (MOH) who have faced critical shortages in PPE, staff, training, Covid-19 infrastructure (isolation centres) and support.

During 2021 a total of **575,744** beneficiaries were reached through our response. This includes **118,104** men, **129,894** women, **159,097** boys and **168,649** girls.

A selection of some of the key outcomes and results in each development programme area are outlined below:

## Health Programme

### Objectives

1. Communities will have access to a strengthened and more effective healthcare system.
2. Increased resilience of communities through improved health and hygiene practices.

### Achievements

#### Performance indicator: Coverage rate of number of children < one year fully immunized

2020 target	2020 achievement	2021 target	2021 achievement
Increase by 1.5% Annually	Increased by 6%	Increase by 1.5% Annually	Increased by 6.55%

#### Comment

The immunisation of children and babies under 5 years is essential for their future health outcomes. Outreach clinics continued throughout 2021 despite the Covid-19 pandemic – this enabled mothers to access immunisation services in their communities.

#### Performance indicator: Number of health care workers trained in Covid-19

2020 target	2020 achievement	2021 target	2021 achievement
400	422 health care workers trained	180	299 health care workers trained

#### Comment

Brighter Communities Worldwide continued to strengthen health systems in 2021 through the training of Health Care Workers along with provision of essential supplies including PPE, handwashing facilities etc.

#### Performance indicator: Outreach clinics

2020 target	2020 achievement	2021 target	2021 achievement
220	228 clinics brought health services to 11,600 people	240	288 clinics brought health services to 15,213 people

#### Comment

Outreach clinics bring services, such as, immunisation, vitamin A distribution, mother and child health, reproductive health, malaria treatment and prevention, to remote areas and enable communities to access these services.

#### Performance indicator: Incidence of reported cases of water borne diseases

2020 target	2020 achievement	2021 target	2021 achievement
Reduction of 2% annually	Reduction of 32%	Reduction of 2% annually	Reduction of 33%

#### Comment

Covid-19 Sensitisation on handwashing; provision of soap, handwashing facilities and general awareness contributed positively to the level of water borne disease reported across the region.

**Performance indicator:** % of Boda Boda drivers sensitised; wearing facemasks and promoting awareness across communities

<b>2020 target</b> 75%	<b>2020 achievement</b> 75%	<b>2021 target</b> >75%	<b>2021 achievement</b> 81% of Boda Boda drivers sensitised; wearing facemasks and promoting awareness across communities.
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**Comment**

Covid-19 Pivot – Boda Boda (motorbike) drivers are the main source of transport in the region. They are mainly young people. They were also considered “super spreaders” of Covid-19 and so needed to be sensitised on Covid-19 and its prevention.

## Education Programme

### Objectives

1. Increased number of boys and girls attending school in healthy and safe environment.
2. Communities will be proactive in addressing community issues and women’s rights.

### Achievements

**Performance indicator:** Number of Latrines/washrooms installed in scholoes

<b>2020 target</b> 4 latrine blocks for boys; 4 latrine/washroom structures for girls	<b>2020 achievement</b> 4 boys’ latrine blocks and 4 girls’ latrine /washroom structures (impacting 598 boys and 924 girls)	<b>2021 target</b> 4 latrine blocks for boys; 4 latrine/washroom structures for girls	<b>2021 achievement</b> 4 boys’ latrine blocks and 4 girls’ latrine /washroom structures (impacting 888 boys and 1,122 girls)
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**Performance indicator:** Number of smokeless stoves installed in schools

<b>2020 target</b> 12 industrial smokeless stoves	<b>2020 achievement</b> 12 smokeless stoves were installed impacting 4,193 students	<b>2021 target</b> 12 industrial smokeless stoves	<b>2021 achievement</b> 12 smokeless stoves were installed impacting 3,598 students
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**Comment**

Our school construction projects continued throughout 2021 despite the pandemic. All Covid-19 precautions were in place across construction sites. Covid-19 has highlighted the importance of water, sanitation and hygiene facilities.

**Performance indicator:** Number of people sensitised on menstrual health

<b>2020 target</b> 1500	<b>2020 achievement</b> 4,899 people (405M, 1712F, 568B and 2,214G)	<b>2021 target</b> 2000	<b>2021 achievement</b> 6,956 people (2,640F, 869M, 573B, 2,874G)
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**Comment**

Due to Covid-19 community menstrual health workshops were not possible. The programme was pivoted to train “Ambassadors” across communities who then sensitised their communities in social-distanced small groups.

## Economic Empowerment Programme

### Objective

Increased resilience of communities through economic activity at household level.

### Achievements

**Performance indicator:** Number of men, women and youth groups provided with resources to engage in income generation activities

<b>2020 target</b> 20	<b>2020 achievement</b> 20	<b>2021 target</b> 30	<b>2021 achievement</b> 30
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**Comment**

This activity was introduced in 2020 as a result of Covid-19. It was introduced to support young people who lost their income/ livelihoods due to the pandemic. Most work in the informal sector and so could not “work from home”. It continued throughout 2021.

## Irish Aid Programme

In 2021, the organisation completed year three of a three-year Irish Aid project “*Healthier Communities, Brighter Futures*” across Kericho County. The outcomes and results above contributed to the overall aim of this project which is to facilitate change that leads to strengthened, healthier and more resilient communities through access to improved health, education, and employment opportunities.

## Global Citizenship Programme

Brighter Communities Worldwide’s Global Citizenship Programme aims to encourage people to question the inequalities of the world we live in, deepen our awareness of global justice issues and act to do something about it. Every community has problems to deal with but we live in an interconnected and interdependent world where all issues are linked and if we are to achieve sustainable development for all we need to act together.

The Global Goals aim to “leave no one behind” and have a vision of a “just, equitable, tolerant, open and socially inclusive world in which the needs of the most vulnerable are met”. We promote that vision across all of our programmes in Ireland and in Africa.

## International volunteer programme

‘Harambee’ is the Swahili word meaning ‘working together’. We have adopted it as the name for our overseas volunteer programme. Volunteers travel to Kenya to work alongside local volunteers on delivery of our programmes. Unfortunately due to the Covid-19 pandemic there was no international volunteer programme in 2021.

## Financial review

### Results

The results for the financial year and appropriation thereof are set out in the Statement of Financial Activities on page 46.

In 2021 total income was €712,399, an increase of 20% on 2020 Income (€570,681). The Increase is due to improved online donations as well as increase in funding from Irish Aid.

Due to the continuing pandemic no volunteers travelled to Kenya since March 2020. General donations were increased by 317% to 29,512 (2020 €7,076) and income from our partners, Friends of Kipkelion was increased by 45% to €122,848 (2020 €84,824). Prior to the pandemic in 2020 the majority of our fundraising was based on community events. Once restrictions

lifted towards the end of 2021 we were able to hold some community fundraising events where COVID-19 safety protocols were observed.

We continued to further develop our online fundraising platforms throughout 2021. The online events raised €134,399, an increase of 21% on (2020 (€100,966). Grants received from; Esther Alliance, Electric Aid, For her Dignity and SHARP were achieved during the year and contributed to the impacts on income. In 2021 these grants totalled €37,167 (2020: €57,538)

Expenditure for 2021 was reduced by 15% to €501,761 (2020: €592,856). This reduction can be attributed to efficiency gains across the organisation as well as a change in the programme activities in Kenya as some were postponed due to COVID-19 and the school calendar changes. The associated expenditure occurred in the 2022.

The overall surplus for 2021 is €210,610, an increase from a deficit in 2020 of €22,175, The surplus is a result of increased income towards the end of the year (particularly our Giving Tuesday events) as well as the adjusted programming calendar in Kenya.

The contract period of the Irish Aid Civil Society Fund grant is 1 October to 30 September while Brighter Communities Worldwide reports on a calendar year. Irish Aid’s total funding of €320,000 was received during the 2021 calendar year (up from €260,000 in 2020), there was a balance of €226,310 included in the restricted funds at year end. This will be spent during the remaining of the grant period up to 30 September 2022.

Brighter Communities Worldwide is grateful for the support of all its donors and supporters.

### Reserves

Brighter Communities Worldwide has a Reserves Policy (last reviewed in March 2020). Brighter Communities Worldwide has determined the following reasons for Reserves which are reviewed and updated on an annual basis by the Board:

- **Education Reserve** – Brighter Communities Worldwide supports education bursaries in the District, and so will endeavour to support a student throughout his/her complete schooling, hence the need to reserve some funds for continuing students. Due to the current fundraising climate in 2021, this reserve was zero.
- **Emergency Reserve** – This reserve is for the risk of an unforeseen emergency which may arise due to the

location of Brighter Communities Worldwide work. In 2021 this is €5,000.

- **Operational Reserve** – This is the amount of money needed to keep the office going for an agreed period of time and is based on the running costs for utilities, rent and staff. Brighter Communities Worldwide has a reserve of €20,000 in 2021 to cover operational costs in Ireland.
- **Grant money received, but not spent in the current year** – Grant money is rarely received and spent in its entirety within the current financial year, and so unspent grant money will be held in reserve until the following year – for example Irish Aid money where the grant year is 12 months from October (at the end of 2021 this was €226,310).

### Cost apportionment

Brighter Communities Worldwide apportions its cost based on a time allocation basis.

### Risk management

Brighter Communities Worldwide has a Risk Management Policy and a Risk Management Register with Risk being a standing agenda item at each Board meeting. Discussions are held on any changes to the risk profile and mitigations put in place.

It is Brighter Communities Worldwide’s policy to continually identify and monitor the risks across all categories. The Risk Register is updated as the need arises by the delegated named person and reviewed at a meeting of the Executive Committee. Once reviewed and accepted by the Executive Committee it is to be presented to the full Board at a Board Meeting.

The organisation currently has 16 categories of risk including Governance, Finance and Funding, Human Resources, Operations/Infrastructure, Reputation, Programme Delivery, Law and Compliance, Technology and Business Continuity, Political, Environmental, Expanding Geographical Programme areas, Communication Marketing and Branding, Safeguarding, Covid-19 and GPR/Data Protection. Each category includes a number of risks, and each risk is scored in terms of likelihood (i.e. the probability of future occurrence, how likely the risk it is that the risk will occur and how frequently it has occurred in the past.); impact (i.e. the impact on the organisation and external stakeholders if the risk occurs) and effectiveness of existing controls (i.e. given the controls which are currently in place, how effective are they at mitigating the risk.)

At the time of writing this report the top five organisational risks are outlined below:

### Risk table

Definition	Category	Likelihood of occurrence	Likelihood of Impact	Mitigation strategies
Ukraine Crisis	Political	H	H	<ul style="list-style-type: none"> <li>• Fundraising and Funding plan in place</li> <li>• Donor communications around context – Horn of Africa, Ukraine impact etc.</li> <li>• Strong communications around fundraising campaigns</li> </ul>
Kenyan General Election – August 2022	Political	M	H	<ul style="list-style-type: none"> <li>• Election Incident Plan in place</li> <li>• Daily/regular monitoring – Crisis24, INSO Kenya, BIK, KIS, Media etc.</li> </ul>
Long Term Impacts of Covid-19 on fundraising and volunteer travel	Covid-19	M	H	<ul style="list-style-type: none"> <li>• Leverage the learning of income generation during Covid-19</li> <li>• Robust Incident Plan in place</li> <li>• PR/Communications around Kenya</li> </ul>
Allegation of or incident of safeguarding violation against staff/volunteer	Reputational	L	H	<ul style="list-style-type: none"> <li>• All staff/volunteers trained in safeguarding; sign adherence to policies; Safeguarding officer/process in place; beneficiaries made aware of safeguarding rights and processes</li> </ul>
People Dependency	Human Resources	M	H	<ul style="list-style-type: none"> <li>• Resource plan in place</li> </ul>

## Schedule of matters reserved for the Board

The Delegation of Authority Policy outlines the following matters reserved for the Board.

### The Board of Directors:

- Has ultimate responsibility for directing the affairs of Brighter Communities Worldwide, ensuring it is solvent, well-run, and delivering the outcomes for which it has been set up.
- Is responsible for the strategic direction of Brighter Communities Worldwide. They develop, own and review the strategy of the organisation. The delivery of the strategy is delegated to the CEO.
- Provides policies to govern operational activity
- Ensures resources are provided for the organisation.
- Must safeguard the ethos of Brighter Communities Worldwide and ensure PR material reflects that ethos.
- Is responsible for the audit and finance of Brighter Communities Worldwide including money, insurance and legalities.
- Is responsible for Staff Appointments and Management of Staff.
- Agree national events and fundraising strategies.
- Is responsible for the monitoring and evaluation of Brighter Communities Worldwide's Strategic Plan.
- Is responsible for the monitoring and evaluation of organisation.
- Must ensure that the organisation complies with its own governing document, relevant laws, and the requirements of any regulatory bodies.
- Is responsible for the approval of the budget of the organisation.
- Are expected to represent the organisation at certain events.
- Will endeavour to comply with the Dóchas Charter in all that it does

## Plans for the future

We believe that stronger people make stronger communities, and that stronger communities make a better world, with a brighter future. Our development model creates an enabling environment for communities to realise change and this will continue throughout 2022. We will leverage our learnings and achievements from 2021 to continue to work in partnership with our partner organisation in Kenya as the impacts of the pandemic continue. Kenya will continue to manage the social, health and economic impacts from the pandemic while rolling out the vaccine.

Brighter Communities Worldwide began a new 3-year programme with Irish Aid in October 2021. Friends of Kipkelion has committed to its partnership with Brighter Communities Worldwide until 2030.

## 2019–2023 Strategic Plan

Brighter Communities Worldwide began a new strategic plan on 1 January 2019 for a five year period. This strategic plan was developed as a result of a comprehensive review of our previous strategic plan, an environmental review and an inclusive stakeholder engagement process. This strategy is based on four goals:

**Goal 1:** Implement holistic, impactful programmes that contribute to the global development agenda (SDGs)

**Goal 2:** Build effective strategic relationships

**Goal 3:** Strengthen organisational capacity

**Goal 4:** Ensure strong governance

The strategic plan is translated into the Operational Plan for Ireland which is monitored on a monthly basis. During 2022 we will undertake a mid-term evaluation of our Strategic Plan. It was planned to be reviewed in 2021, but was postponed due to the Covid-19 pandemic

## 2022 organisational strengthening

Our current business plan (2017-2021) ended in 2021, but due to the Covid-19 pandemic was extended to 31 December 2022. The plan supports our strategic direction and identifies key areas where the organisation will focus on to support its growth and development. A new plan will be developed during 2022 to enable us to build on the learnings of the current plan, and continue to support the strengthening and development of the organisation.

## 2021 development programmes

At the time of preparing this Annual Report the context across the Horn of Africa has changed dramatically in the last 6 months – the threat of famine, food insecurity, and climate change will have implication across all programmes. The soaring cost of living, outcomes of the Kenyan election process and the low Covid-19 vaccination rates increase the vulnerability of the communities we work with. We will continue to leverage our learnings since the pandemic began, build on our 20 year experience, and continue to prioritise the needs of those we work with throughout 2022.

## 2021 fundraising

The fundraising plan for 2022 was approved by the Board in January 2022. It was developed by the Fundraising Sub-Committee leveraging the experience and learnings of Covid-19. We will continue to innovate



across all fundraising channels to reach our targets for 2022. Our fundraising will combine online campaigns, in-person campaigns and we will continue to avail of the opportunities that the Global Giving platform presents throughout the year (matched funding, bonus awards etc.) In 2022 we will engage a consultant to support the development of a 3-year income strategy for the organisation.

## Structure, governance and management

### Organisational structure

Brighter Communities Worldwide is governed by the Board of Directors who are responsible for directing the affairs of the organisation ensuring it is solvent, well-run and delivering the outcomes for which it was established to deliver. The Board is responsible for the strategic direction of Brighter Communities Worldwide, safeguards the ethos of the organisation and is responsible for the audit and finance of Brighter Communities Worldwide including finance,

insurance and legal requirements. The Directors have responsibility for, and are aware of the risks associated with the operating activities of Brighter Communities Worldwide. Systems of internal control are in place which are designed to ensure compliance with laws and policies, ensure efficient and effective use of resources, safeguard assets and maintain the integrity of financial information produced. Financial information is subject to detailed and regular review at Board level. The Chief Executive Officer is not a member of the Board and attends Board meetings. The day-to-day management of the organisation is delegated to the Chief Executive Officer and the staff Team.

Brighter Communities Worldwide's Board currently has eight members, 63% of whom are women. Their professional biographies are available on the Brighter Communities Worldwide website ([tinyurl.com/BCWBoardMbers](http://tinyurl.com/BCWBoardMbers)). During 2021 the board met ten times (2020: eleven times), with an average attendance of 90% (2020: 100%).

### Attendance at Board of Directors meetings and membership of sub committees

Name	Appointed	Attendance	Skills/profile	Sub committees
Sean O Sullivan	2018	5/10	35 years of experience in business and enterprise. Head of Enterprise, Local Enterprise Office South Cork.	Executive, Fundraising
Linden Edgell	2017	10/10	Social Specialist for 20+ years; Global Director of Sustainability and head of the Corporate Foundation for an international consulting firm.	Executive, Company Secretary
Kieran Curtis	2014	8/8	IT professional with 16 years' experience; Incident Management Expert; Emergency Medical Technician	Finance, Audit and Risk
Andrew Bird	2020	8/10	Dairy and tillage farmer; wealth of board experience with involvement at board level across many organisations.	
Anne Healy	2018	9/10	Clinical Nurse Manager 2 qualified in emergency nursing and Midwifery.	
Maria Kidney	2014	8/8	Management Accountant (CIMA) with 20 + yrs. Business and development experience; MSc in Public Health.	Executive, Fundraising
Michelle Cashman	2020	8/8	Human Resources Manager; B.A. in Applied Psychology and a M.A. in Occupational Psychology; Small business owner.	HR (Chairperson)
Avril Warren	2020	10/10	Chartered Accountant with 20+ years' experience; Senior Finance Manager for large international firm; previous work in development.	Finance, Audit and Risk (Chairperson)
Eileen Moore	2021	2/2	Senior IT professional with 20+ years' experience in Financial Services.	
Catherine Donohoe	2021	2/2	Hospital Manager of Mayo University Hospital; Previous Director of Nursing and Midwifery.	
Roisin O'Neill	2021	1/2	Events Executive experienced in digital and virtual event management	Fundraising

## Appointment of Directors

A Board renewal process is in place whereby Directors are recruited through networking by the Board and supporters. Candidates for appointment to the Board are identified based on the Board's requirements for expertise to complement the existing Board member skills and any specific needs that have been identified. This begins with the board identifying the gaps and expertise needed in the board. Candidates are then identified by Board members. These candidates are invited to submit an application to the board. The Board reviews the applications, voting takes place and the Chairperson informs the new board members.

New Directors participate in an induction programme to ensure they have the necessary knowledge and are aware of the governance requirements of the charity. Three new members joined the Board in 2021, two members retired, and one member resigned. Continuous support is provided to Board members throughout their term including training and development related to their role on the Board. Training is provided on changes to best practice in corporate governance, charities regulation and development from time to time and where there are significant developments, these are highlighted at a board meeting. Some Board members also participate in charity and related sector networks and peak bodies to ensure the Board is abreast of new information. Throughout 2021 Board members attended several online meetings, workshops and webinars hosted by Dochas, Charities Institute Ireland, Charities Regulatory Authority among others and relevant information was circulated to Board members.

Directors are appointed to serve a three-year term of office. Each director is required to submit themselves for re-election every three years at the Annual General Meeting. All Directors may serve a maximum of two, three-year terms, except in very exceptional circumstances when a further term can be served. The Board appointed a Board Advisor in 2021 to provide ongoing guidance and expertise to the Board and to support new Board members.

## Board sub committees

The Board has a number of sub-committees including Audit, Human Resources (HR), Executive and Fundraising. The chairperson for each of these provides an update at each Board meeting as to activities undertaken and decisions made. The term of office for members of all subcommittees is three years with an option to renew for a further three-year term.

The **Finance, Audit and Risk (FAR) Committee** formed in February 2021 following a review of the previous

Audit Committee's terms of reference. The committee provides guidance on the long-term financial planning of the organisation and supports the continuous improvement of financial systems to efficiently meet organisational needs. The committee assists in the internal and external audit processes and provides oversight on the implementation and continuous improvement of risk measures and quality controls. At the start of 2021 the Audit Committee included two Board Members and 1 External Member. In February 2021 when the Finance, Audit and Risk Committee was established, the external member resigned with the two Board members remaining on the Committee. At the AGM, one of the Board members retired from the Board, but retained their role on the FAR Committee.

The **Human Resources (HR) Committee** is responsible for the Annual Review of the CEO covering both performance and remuneration. It advises on training needs for staff and deals with any HR issues that may arise. This committee also ensures that Brighter Communities Worldwide keeps up to date with changes in Irish Labour Law. In 2021 a Board member led the Committee and utilised other resources as needed.

The **Executive Committee** is responsible for ensuring that Board decisions are implemented, and to deal with any urgent matters. They authorise volunteer projects and approve visits to Kenya when required. They provide oversight of resourcing matters and communicate emerging issues to the Board – particularly important during the pandemic in the past year. The Executive Committee meets regularly throughout the year.

The **Fundraising Committee** is responsible for the overall fundraising strategy, and its implementation. They propose annual draft fundraising targets for the organization to be agreed by the Board. They also make recommendations to the Board on budgets, hiring, management and oversight of fundraising staff members and provide ongoing support to fundraising staff with the assistance of external advisers where required. The fundraising committee meets at least once a month. It meets more frequently should the need arise for example the start of a new fundraising campaign. The committee includes one Board member, CEO, Office Manager and the Communications Coordinator.

Brighter Communities Worldwide Board members are responsible for specific portfolios. These include Governance – Organisational; Governance-Compliance; Communications; Partnering; Global Citizenship Education; Volunteer; Funding; Continuous Quality Management; HR; Safeguarding; Audit and Fundraising.

## Staff and operations

Day to day operations are undertaken by the Chief Executive Officer and Office Manager. From time-to-time third-party services are provided to Brighter Communities Worldwide and these are coordinated by the Chief Executive Officer. These include suppliers, auditors and solicitors. In 2021 Brighter Communities Worldwide contracted expertise in Communications (Social Media, Marketing) to support its operations.

Brighter Communities Worldwide has a strong volunteering ethos. It has a team of 40 volunteers in Ireland who support the operations including fundraising, campaigning, and administration. In October 2021 a Volunteer Coordinator role was created. The Coordinator is responsible for overseeing Volunteer activities within Brighter Communities Worldwide. Their duties include recruiting, interviewing and placing Volunteers in different roles based on their qualifications, skills and interests and maintaining accurate Volunteer records for the organisation.

Brighter Communities Worldwide has a recruitment policy in place (last reviewed June 2021). This policy outlines its approach to recruitment in the organisation. Brighter Communities Worldwide has a Human Resources Manual (last reviewed June 2021) which includes its remuneration procedures.

Brighter Communities Worldwide has a performance management policy in place (last reviewed in June 2021). This policy includes performance principles, the mandatory activities of planning, developing and reviewing individual performance and the annual performance management timetable which are applied to all staff employed by the organisation.

## Networks and consortia

Brighter Communities Worldwide is a member of Dóchas – the Irish Association of Non-Governmental Development Organisations, The Wheel, Charities Institute Ireland, Irish Development Education Association (IDEA), Esther Alliance, the CHS Alliance, Midleton Chamber of Commerce, Comhlámh and 2into3. Brighter Communities Worldwide leverages its membership of these organisations to advocate, gain knowledge and advice, network with other organisations and share learnings.

## Governance codes

Brighter Communities Worldwide has adopted the Charities Regulatory Authority Charities Governance Code, and during 2021 it reviewed the charities compliance across all six principles. The Board reviewed its compliance in August 2021 and agreed that

the organisation is compliant across all six principles of the code. It will complete the obligatory reporting to the Charities Regulatory Authority in October 2022.

Brighter Communities Worldwide has a **Conflict of Interest** policy in place (last reviewed in December 2019) and all potential conflicts of interest are dealt with by the Executive Committee. Directors/Trustees and staff have a legal obligation to act in the best interests of Brighter Communities Worldwide, and in accordance with Brighter Communities Worldwide's governing documents. This policy will assist charity trustees of Brighter Communities Worldwide to effectively identify, record and manage any conflicts of interest to protect the integrity of Brighter Communities Worldwide and to ensure that the charity trustees act in the best interest of their charity. Annually each Board member completes a Declaration of Interests form. The Company Secretary compiles all forms and maintains the Register of Interests. Conflict of Interests is a standing item on each Board meeting agenda to enable any Conflicts of Interest pertaining to the agenda of the board be dealt with.

Brighter Communities Worldwide has a **Conflict of Loyalty** policy in place (last reviewed April 2021) and all potential conflicts of loyalty are dealt with by the Executive Committee. Brighter Communities Worldwide has a Code of Conduct for Directors in place, and all Directors are obliged to comply with this code.

Brighter Communities Worldwide are members of the Charities Institute Ireland and we operate our fundraising programme to the Triple Lock Standard. This means we demonstrate openness, transparency and integrity to our beneficiaries and donors and comply with best practice in governance and transparency.

## Charities Regulatory Authority

Brighter Communities Worldwide is compliant with the requirements of the Charities Regulatory Authority and submitted its annual report before the deadline of 31 October 2020.

## Board performance

Brighter Communities Worldwide undertook a self-evaluation process during 2021. Each board member completed a questionnaire on the key areas of board roles and responsibilities and this fed into ongoing board development.

## Finance

Brighter Communities Worldwide's accounts comply with the Statement of Recommended Practice (SORP) standard and with the Dóchas/Irish Aid guidelines on

financial reporting. Brighter Communities Worldwide publishes its annual accounts online every year and these are available on our website: [tinyurl.com/BCWFinance](https://www.brightercommunities.org/BCWFinance).

### **Directors expenses, staff remuneration and pensions**

All Brighter Communities Worldwide Board members are voluntary and do not receive payments to attend Board meetings. All expenses incurred by board members in fulfilling their duties as board members are paid according to Brighter Communities Worldwide's Expense Policy. During 2021 no expenses were paid to board members.

The pay of the Chief Executive Officer is reviewed annually by the HR Committee and no increments have been approved in 2021. The pay of other staff is reviewed by the Chief Executive Officer in conjunction with the HR Committee. Brighter Communities Worldwide pays pension allowances for its CEO (direct contribution scheme) and has a PRSA scheme in place should any employee wish to avail of this.

### **Investments**

Brighter Communities Worldwide does not have any investments in place.

### **Equality and Diversity**

Brighter Communities Worldwide is committed to supporting the communities that we work with to achieve change in their lives that will empower them and improve the health, education and economy of their household. We believe this change happens through valuing diversity in communities and building programmes that give equal access according to the needs of the people. We have a policy on Equality and Diversity (last reviewed July 2021) to provide the organisation with a frame of reference to follow to ensure our equality statement is integrated into all that we do and to honour our legal responsibilities and obligations.

### **Communications strategy**

Brighter Communities Worldwide has a communications strategy in place which is renewed annually. This sets out the key messages to be used in all communications.

### **Dóchas Charter**

Brighter Communities Worldwide are signatories to the [Dóchas Charter](#) which outlines what it means to be a member of Dóchas and the principles that define the relationships between Dóchas, the member organisations and the wider world. The leaders of Ireland's International development and humanitarian NGOs are committed to creating a world where justice,

equality, solidarity and respect for human rights are the norm. This includes ensuring that those who work in and with our organisations, and communities and children with whom we work, are kept safe from all forms of violence, abuse and exploitation. We do this through robust and effective approaches to safeguarding which, in turn, enable organisations to deliver programmes and activities of the highest standard.

### **Dóchas Safeguarding Code**

Brighter Communities Worldwide are signatories to the [Dóchas Safeguarding Code](#) – we are committed to creating a world where justice, equality, solidarity and respect for human rights are the norm. This includes ensuring that those who work in and with our organisations, and communities and children with whom we work, are kept safe from all forms of violence, abuse and exploitation. We will do this through robust and effective approaches to safeguarding which, in turn, enable us to deliver programmes and activities of the highest standard.

### **Dóchas Code of Conduct on Images and Messages**

Brighter Communities Worldwide is a signatory of the Dóchas Code of Conduct on Images and Messages ("the Code") and commits to applying the Code's principles for all their communications. Brighter Communities Worldwide strives to support the Code's implementation and to promote it across all members of staff, as well as partners, contractors and the wider NGO sector. By signing the Code, Brighter Communities Worldwide commits to a set of principles, ensuring that it will avoid stereotypical or sensational images, respect the dignity and equality of all people portrayed and promote fairness, solidarity and justice through all its communications. Brighter Communities Worldwide also agrees a number of commitments to ensure the Code's principles are implemented throughout all activities of the organisation. Brighter Communities Worldwide has adhered to the seven mandatory principles of the Code during 2021. All feedback and comments on Brighter Communities Worldwide's compliance with the Code can be sent to Brighter Communities Worldwide's Code Champion (details on the website) Rose Hennessy: [rosehennessy@brightercommunities.org](mailto:rosehennessy@brightercommunities.org).

### **Comhlámh Code of Good Practice (CoGP)**

Brighter Communities Worldwide is a signatory of the Comhlámh Code of Good Practice (CoGP) for Volunteer Sending Agencies. Comhlámh's Code of Good Practice is a set of standards for Irish Volunteer Sending Agencies facilitating international placements. The Code is based on a vision of volunteers working in solidarity for a just, equitable and sustainable world. It promotes

responsible and responsive volunteering to ensure a positive impact for the overseas project and community, the volunteer and the sending agency. The Code promotes development education, which enables people to more deeply understand the world around them and to address the root causes of inequality and poverty. Every Volunteer Sending Agency, which is party to the Code of Good Practice, commits to the implementation of the Code's five values that underpin the work of international volunteer programmes. These are solidarity, respect, social justice, ecological sustainability and integrity. In December 2021 Brighter Communities Worldwide was awarded the Advanced Compliance Award – by Comhlámh. Full details of the Code are [here](#).

### **The Core Humanitarian Standard on Quality and Accountability (CHS)**

The CHS sets out nine commitments that organisations involved in humanitarian response can use to improve the quality and effectiveness of the assistance they provide. Brighter Communities Worldwide supports the CHS and during 2021 continued its self-assessment process to implement the code throughout the organisation.

### **Board initiatives during 2021**

The Board has undertaken a number of activities during the year. These activities included:

- Continuing to navigate the organisation through the Covid-19 pandemic
- Maintaining compliance with the Charities Regulator Authority Governance Code for Charities.
- Recruitment and induction of new board members.
- Navigating the Covid-19 pandemic (measuring the long-term implications for the organisation); navigating the contextual challenges where we work and the changing NGO sector (in a series of workshop sessions).

### **Communication with stakeholders**

Brighter Communities Worldwide's stakeholders include donors, partners, supporters, volunteers, employees and the communities we work with. We communicate with these stakeholders in a number of ways including donor reports, monthly newsletters, social media updates, website updates, partnership seminars, project meetings, community meetings etc.

### **Internal controls**

The Directors acknowledge their overall responsibility for Brighter Communities Worldwide's internal control system and for reviewing its effectiveness. The implementation of the internal control system is the

responsibility of the Chief Executive Officer. This system includes financial controls, which enable the Board to meet its responsibilities for the integrity and accuracy of Brighter Communities Worldwide's accounting records.

Key elements of internal control systems include:

- Brighter Communities Worldwide has a Financial Management and Controls policy (last reviewed in 2021) in place which outlines the processes for expenditure; the recording of all income; use of bank accounts; financial reporting and asset management.
- Procedures and controls systems are included in all partnership agreements/memorandum of understanding and project contracts.
- There is a formal organisational structure in place with clearly defined lines of responsibility, division of duties and delegation of authority;
- A detailed budget is prepared annually which is in line with the Strategic Plan and approved by the Board. At each board meeting, actual spending is compared against budget and prior year to ensure alignment with budget, tight administration control, and value for money;
- The Finance, Audit and Risk Committee reports independently to the Board on all aspects of controls and risks; and
- The Board maintains a reserve policy to mitigate the increasing risks of the uncertain economy and to ensure sustainability of our services.

### **Audit functions**

Brighter Communities Worldwide uses SAGE for its management accounts system. The management accounts were reviewed by the Board a total of 6 times during 2021. Brighter Communities Worldwide is audited by Grant Thornton and financial statements and annual reports are published online after the AGM each year. Financial statements are prepared in line with SORP standards and the Companies Act 2014; a disclosure statement on senior management salaries is included.

Brighter Communities Worldwide is governed by and adheres to a number of sector-wide codes of conduct. These are outlined in the Governance section of this report. Brighter Communities Worldwide remains committed to continually strengthening its transparency and accountability in order to maintain trust with the public, donors and partners.

## Transparency and accountability

Brighter Communities Worldwide is satisfied that no incidence of fraud or gross financial mismanagement has occurred during the 2021 financial year.

## Fundraising

Monitoring of fundraising is a responsibility of the Board of Directors whose role includes ensuring the short-term and long-term viability of the organisation. Brighter Communities Worldwide has a fundraising sub-committee whose role feeds into this. Brighter Communities Worldwide has formally adopted and adheres to the Charities Regulator's Guidelines for charitable organisations on fundraising from the public and also adheres to the standards outlined in the Statement of Guiding Principles for Fundraising.

Brighter Communities Worldwide are members of the Charities Institute Ireland and operate their fundraising programme to the Triple Lock Standard. This means we demonstrate openness, transparency and integrity to our beneficiaries and donors and comply with best practice in governance and transparency.

## Post balance sheet events

There have been no significant events affecting Brighter Communities Worldwide since the financial year end.

## Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements.

## Directors and secretary

The directors and secretary that served throughout the financial year are outlined on page 33.

## Accounting records

The measures that the Board of Directors have taken to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems.

The company's accounting records are maintained at the company's business address at Lower Ground Floor, 2 Westbourne Place, Cobh, Co. Cork.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Statement on relevant audit information

In the case of each of the persons who are directors at the time this report is approved in accordance with Section 332 of Companies Act 2014::

- (a) so far as each director is aware, there is no relevant audit information of which the company's statutory auditors are unaware, and
- (b) each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

## Auditor

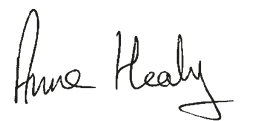
On 17 December 2021, Deloitte Ireland LLP resigned as auditors of the Company and Grant Thornton were appointed.

The auditors, Grant Thornton, will continue in office under section 383(2) of the Companies Act 2014.

This report was approved by the Directors, in their capacity as company directors, on and signed on their behalf by:



**Sean O Sullivan**  
Director



**Anne Healy**  
Director

Date: 21 September 2022

# Directors' responsibility statement

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with the Companies Act 2014 and the applicable regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council, as applied in accordance with the provisions of the Companies Act 2014, and with the Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS102 ("the Charities SORP (FRS102)") ("relevant financial reporting framework").

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

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

- select suitable accounting policies for the Company financial statements and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);

- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the 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 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 surplus or deficit of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and report of the directors 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.

Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

# Independent auditor's report

to the members of Brighter Communities Worldwide Company Limited by Guarantee

## Opinion

We have audited the financial statements of Brighter Communities Worldwide Company Limited by Guarantee, which comprise the Statement of Financial Activities, the Balance Sheet and the Statement of Cash Flows for the financial year ended 31 December 2021, 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 of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. (Generally Accepted Accounting Practice in Ireland).

In our opinion, Brighter Communities Worldwide Company Limited by Guarantee's financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the assets, liabilities and financial position of the Company as at 31 December 2021 and of its financial performance and cash flows for the financial year then ended; 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 'responsibilities of the auditor 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, namely the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard concerning the integrity, objectivity and independence of the auditor, and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. 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 the date 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.

## Other matter

The financial statements of Brighter Communities Worldwide Company Limited by Guarantee for the year ended 31 December 2020 were audited by Deloitte Ireland LLP who expressed an unmodified opinion on those statements on 13 October 2021.

## Other information

Other information comprises information included in the Annual Report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the 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 in the financial statements, 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.

### **Matters on which we are required to report by the Companies Act 2014**

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.
- Based solely on the work undertaken in the course of our audit, in our opinion, the Directors' Report has been prepared in accordance with the requirements of the Companies Act 2014.

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

Based on our 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.

Under the Companies Act 2014, we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act have not been made. We have no exceptions to report arising from this responsibility.

### **Responsibilities of the management and those charged with governance for the financial statements**

As explained more fully in the directors' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, including FRS102, and for such internal control as they determine 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, management is 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.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Responsibilities of the auditor for the audit of the financial statements**

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

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. They will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report.

However, future events or conditions may cause the Company to cease to continue as a going concern.

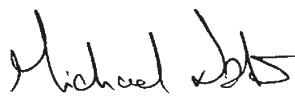
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

The Auditor shall communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

### **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 auditor's 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.



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**Michael Nolan**

For and on behalf of  
**Grant Thornton**

Chartered Accountants  
Statutory Audit Firm

Cork

Date: 28 September 2022

# Statement of financial activities

(Incorporating income and expenditure account)

For the financial year ended 31 December 2021

	Note	Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
		2021	2021	2021	2020	2020	2020
Income		€	€	€	€	€	€
Donations and legacies	3	201,344		201,344	45,174	84,824	129,998
Charitable activities	4		357,167	357,167	13,540	303,998	317,538
Other trading activities	5	153,888		712,399	123,145	-	123,145
<b>Total income</b>		<b>355,232</b>	<b>357,167</b>	<b>712,399</b>	<b>181,859</b>	<b>388,822</b>	<b>570,681</b>

## Expenditure

Charitable activities	6	147,986	313,483	461,469	150,761	398,480	549,241
Costs of generating income	9	40,290		40,290	43,615	-	43,615
<b>Total expenditure</b>		<b>188,276</b>	<b>313,483</b>	<b>501,759</b>	<b>194,376</b>	<b>398,480</b>	<b>592,856</b>

<b>Net surplus (deficit)</b>		<b>166,956</b>	<b>43,684</b>	<b>210,640</b>	<b>(12,517)</b>	<b>(9,658)</b>	<b>(22,175)</b>
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## Reconciliation of funds:

Total funds brought forward		163,342	171,391	334,733	175,859	181,049	356,908
<b>Total funds at 31 December 2021</b>		<b>330,298</b>	<b>215,075</b>	<b>545,373</b>	<b>163,342</b>	<b>171,391</b>	<b>334,733</b>

There are no other recognised gains or losses other than those listed above and the net expenditure for the financial year. All income and expenditure derives from continuing activities.

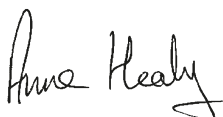
# Balance Sheet as at 31 December 2021

	Note	2021 €	2020 €
<b>Current assets</b>			
Cash at bank and in hand		560,218	355,162
Debtors	13	6,359	1,966
		<b>566,577</b>	<b>357,128</b>
<b>Creditors: amounts due within one year</b>	14	(21,204)	(22,395)
<b>Net current assets</b>		<b>545,373</b>	<b>334,733</b>
<b>Total assets less current liabilities</b>		<b>545,373</b>	<b>334,733</b>
<b>Charity funds</b>			
Accumulated funds – unrestricted	17	305,298	138,342
Accumulated funds – restricted	17	215,075	171,391
Accumulated – designated	17	25,000	25,000
		<b>545,373</b>	<b>334,733</b>

The financial statements were approved by the Directors on 21 September 2022 and signed on their behalf, by:



**Sean O Sullivan**  
Director



**Anne Healy**  
Director

The notes on pages 53 to 61 form part of these financial statements.

# Statement of cash flows

For the financial year ended 31 December 2021

	Note	2021 €	2020 €
<b>Cash flows from charitable activities</b>			
Net cash used by charitable activities	16	205,045	(11,879)
<b>Increase in cash and cash equivalents in the financial year</b>		205,045	(11,879)
<b>Cash and cash equivalents at the beginning of the financial year</b>		355,162	367,041
<b>Cash and cash equivalents at the end of the financial year</b>		<b>560,218</b>	<b>355,162</b>

# Notes to the financial statements

For the financial year ended 31 December 2021

## 1. General information

Brighter Communities Worldwide Company Limited by Guarantee is a company incorporated in Ireland under the Companies Act 2014. In accordance with Section 1180(8) of the Companies Act, 2014, the company is exempt from including the word "Limited" in its name. The company is limited by guarantee and has no share capital.

## 2. Accounting policies

### 2.1. Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council, as applied in accordance with the provisions of the Companies Act 2014, and with the Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS102 ("the Charities SORP (FRS102)") ("relevant financial reporting framework").

The functional currency of company is considered to be euro because that is the currency of the primary economic environment in which the company operates.

As permitted by section 291(3)(4) of the Companies Act 2014, the company has varied the standard formats specified in that Act for the Statement of Financial Activities, the Balance Sheets and the Statement of Cash Flows. Departures from the standard formats, as outlined in the Companies Act 2014, are to comply with the requirements of the Charities SORP (FRS102) and are in compliance with Sections 4.7, 10.6 and 15.2 of the Charities SORP (FRS102).

The Company meets the definition of a Public Benefit Entity under FRS102. As a registered charity, the Company is exempt from the reporting and disclosure requirements to prepare a directors' report under section 325 (1) (c), Companies Act 2014 but does so in compliance with the Charities SORP (FRS102). There is nothing to disclose in respect of directors' interests in shares or debentures of the Company under section 329, Companies Act 2014.

### 2.2. Significant judgements and estimates

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

#### Significant management judgements

The following are significant management judgements in applying the accounting policies of the company that have the most significant effect on the financial statements.

#### *Going concern*

The charity's forecasts and projections, taking account of reasonable possible changes in performance, show that the company will be able to operate within the level of its current cash and investment resources. The Board has a reasonable expectation that the organisation has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

#### *Useful lives of depreciable assets*

The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of fair values and residual values. The directors annually review these asset lives and adjust them as necessary to reflect current thinking on remaining lives in light of technological change, prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have significant impact on depreciation charges for the period. It is not practical to quantify the impact of changes in asset lives on an overall basis, as asset lives are individually determined, and there are a significant number of asset lives in use. The impact of any change would vary significantly depending on the individual changes in assets and the classes of assets impacted.

### 2.3. Company status

The company is a company limited by guarantee not having a share capital. The Directors are named on page 3 whose liability along with other members of the company in respect of the guarantee is limited to €1.27 per member of the company in the event of the company being wound up.

### 2.4. Fund accounting – restricted and unrestricted

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

### 2.5. Income

(i) Income from voluntary donations is recognised when received. As with many similar charitable organisations, independent companies from time to time organise fundraising activities. However, as amounts collected in this way are outside the control of the company, they are not included in the financial statements until received by the company.

(ii) Proceeds from the sale of donated goods are recognised in the financial statements in the period in which they are realised. Volunteer time is not included in the financial statements.

(iii) Grants from the government and other agencies are recognised as income when the charity is legally entitled to the income because it is fulfilling the conditions contained in the related funding agreement. All statutory grants are treated as restricted income.

(iv) Income from legacies are recognised when the likelihood of receipt is probable, the company is entitled to the funds and the amount can be measured with sufficient reliability.

(v) Interest income is recognised on a receivable basis.

(vi) Revenue refunds in respect of tax relief on voluntary donations are recognised on a receivable basis in so far as the receivable can be established with a reasonable amount of accuracy.

### 2.6. Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include multidisciplinary therapy, central nursing supports, transport, catering, administration services and payments to pensioners. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

### 2.7. Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

#### *Financial assets and liabilities*

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

### 2.8. Investment policy

All cash balances for planned development work are held in demand deposit accounts or short term investment accounts at the highest interest rates available at the time of investment. Long term investments acquired by donation or through merger will not be held in the long term and will be disposed of within a reasonable time frame.

### 2.9. Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities (SOFA).

### 2.10. Debtors

Debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due. Income recognised by the charity from statutory and other sources, but not yet received at the year end, is included in debtors.

## 2.11. Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be reliably measured or estimated. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due and at their present value where the time value of money is deemed.

## 2.12. Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

## 2.13. Reserves policy

In order to secure the long term viability of the charity and to maintain the smooth operation of the organisation, it is critical to ensure that the organisation has adequate reserves. The level of reserves is required to cover the following activities of the organisation:

- Provide funding for sustainable programmes.
- Meet contractual liabilities such as lease agreements, statutory staff payments and payments to creditors.
- Maintain a required level of funding available for overseas programmes during times of financial difficulty where fundraising income is diminished.
- To facilitate programme/project continuation especially where a partner submits a new or additional phase proposal in advance of the current activity being completed, in order to meet seasonal requirements (i.e. farming season) and prevent development gaps
- Meet unanticipated expenses such as repairs and maintenance, currency variances and legal costs.
- Cover day to day expenditure of the company.
- Ensure there is adequate funding should any winding up costs ever arise.
- Provide for any other unanticipated expenditure of significance.

The Board may designate unrestricted reserves for specific future expenditure and any other potential future requirement(s). The Board has adopted a reserves policy based on foreseeable expenditure and in particular, long-term commitments to projects.

## 2.14. Taxation

No charge to tax arises due to the exempt status of the Company. Irrecoverable value added tax is expensed as incurred in these companies.

## 3. Donations and legacies

	Unrestricted funds	Restricted funds	Total funds	Total funds
	2021	2021	2021	2020
	€	€	€	€
Friends of Kipkelion	122,848	-	122,848	84,824
Education fund	12,000		12,000	5,000
General donations	29,512		29,512	7,076
Standing orders	22,929		22,929	21,847
Taxation refunds	14,054		14,054	11,251
	<b>201,344</b>		<b>201,344</b>	<b>129,998</b>



#### 4. Charitable activities – income

	Unrestricted funds 2021 €	Restricted funds 2021 €	Total funds 2021 €	Total funds 2020 €
<b>Charity trading income</b>				
Irish Aid CSF funding	-	320,000	320,000	260,000
Electric Aid		16,500	16,500	7,850
Engineers Without Borders	-		-	17,248
Irish Forum Global Health Esther Alliance		9,600	9,600	5,400
SHARP		8,000	8,000	13,500
For Her Dignity		3,067	3,067	-
TWSS			-	13,040
Volunteer project income			-	500
		<b>357,167</b>	<b>357,167</b>	<b>317,538</b>

#### 5. Other trading activities

	Unrestricted funds 2021 €	Restricted funds 2021 €	Total funds 2021 €	Total funds 2020 €
Walks, runs and marathons	8,681		8,681	3,935
Kenya Ball	-		-	150
Merchandise	10,808		10,808	8,094
Other fundraising events	134,399		134,399	110,966
	<b>153,888</b>	<b>-</b>	<b>153,888</b>	<b>123,145</b>

## 6. Charitable activities – expenditure

	Direct costs 2021 €	Support costs 2021 €	Total costs 2021 €	Total costs 2020 €
Education projects	85,982	41,299	127,281	220,806
Health including water	212,148	98,822	310,970	299,044
Economic Empowerment	15,353	7,374	22,729	26,928
Development Education	-	491	491	2,463
	<b>313,483</b>	<b>147,986</b>	<b>461,471</b>	<b>549,241</b>

Field programme expenditure has been incurred in the following geographic areas:

	Direct costs 2021 €	Support costs 2021 €	Total costs 2021 €	Total costs 2020 €
Kenya	313,483	147,495	460,978	546,778
Ireland	-	491	491	2,463
	<b>313,483</b>	<b>147,986</b>	<b>461,469</b>	<b>549,241</b>

Field programme expenditure is directly incurred by Brighter Communities Worldwide (Kenya) through grant aid from Brighter Communities Worldwide in Ireland. Brighter Communities Worldwide in Ireland has a partnership with Brighter Communities Worldwide in Kenya which is governed by a Memorandum of Understanding. The funds are provided directly to the Kenyan entity to assist them in undertaking approved projects as a result of a detailed application process undertaken in advance of provision of funds.

## 7. Raising funds

	Unrestricted funds 2021 €	Restricted funds 2021 €	Total funds 2021 €	Total funds 2020 €
Fundraising expenses	769		769	5,440
Support costs	39,521		39,521	38,175
	<b>40,290</b>		<b>40,290</b>	<b>43,615</b>

## 8. Charitable activities – support costs

	Unrestricted funds 2021 €	Restricted funds 2021 €	Total funds 2021	Total funds 2020 €
Staff salaries	92,898	17,695	110,592	110,271
Office expenses	10,825	2,062	12,886	13,397
Website & IT	3,674		3,674	5,094
Insurance	2,676	510	3,186	4,837
PR/Events	25,233	17,866	42,330	40,466
Governance	10,149	1,933	12,083	11,066
Travel expenses	2,040	224	2,264	1,342
Development Education	491		491	2,463
	<b>147,986</b>	<b>40,290</b>	<b>187,507</b>	<b>188,936</b>

The basis of allocation of the support costs identified above is the percentage of time spent by employees on each activity.

## 9. Net surplus/(deficit)

	2021 €	2020 €
This is stated after charging/(crediting):		
Government grants	320,000	260,000
Auditors' remuneration, including expenses – audit of the financial statements	9,750	7,500

## 10. Wages and salaries

	2021 €	2020 €
<b>Ireland:</b>		
Wages and salaries	90,510	92,789
Social welfare costs	9,282	6,682
Pension costs	10,880	10,800
	<b>110,592</b>	<b>110,271</b>

Where pension costs are incurred in more than one activity, they are apportioned between the related activities based on the amount of staff cost that each activity absorbs. Approximately 84% of defined contribution pension costs are paid from restricted funds.

The average number of employees during the financial year was as follows:

	2021	2020
Ireland	2	2

No employee of the company acts as director. The total remuneration package of the Chief Executive Officer comprised salary of €58,800 (2020: €57,987). No member of staff received remuneration in excess of €60,000 during the financial year (2020: €60,000). No member of staff received remuneration in excess of €60,000 during the financial year (2019: Nil).

## 11. Director remuneration and expenses

Directors are not remunerated but are entitled to be reimbursed for out of pocket expenses incurred in the course of carrying out their duties.

Travel and accommodation expenses relating to meetings of the Board that were reimbursed to the relevant Board members amounted to €Nil in 2021 (2020: €Nil).

## 12. Key management compensation

The total remuneration for key management personnel for the financial year amounted to €93,282 – 2 Staff) (2020: €85,755 – 2 staff).

## 13. Debtors

2021	2020
€	€
6,369	1,966
<b>6,369</b>	<b>1,966</b>

Prepayments

All debtors and prepayments are due within one year.

## 14. Creditors

(Amounts falling due within one financial year)

2021	2020
€	€
15,113	16,600
6,091	5,795
<b>21,204</b>	<b>22,395</b>

Other creditors and accruals

PAYE/PRSI liability

## 15. Financial instruments

2021	2020
€	€
9,750	16,600

**Financial liabilities**

Financial liabilities measured at amortised cost

## 16. Reconciliation of net deficit to net cash used in charitable activities

	2021 €	2020 €
<b>Net expenditure for the reporting year</b>	210,638	(22,175)
<i>Adjustments for:</i>		
Increase in debtors	(4,403)	2,371
Decrease in creditors	(1,190)	7,925
<b>Net cash used in charitable activities</b>	<b>205,045</b>	<b>(11,879)</b>

## 17. Statement of funds

	Unrestricted funds 2021 €	Restricted funds 2021 €	Designated funds 2021 €	Total funds 2021 €
<b>(i) Reconciliation of funds:</b>				
Funds at 1 January 2021	138,342	171,391	25,000	334,733
Net surplus for the year	166,956	43,684		210,640
<b>Fund balances at 31 December 2021</b>	<b>305,298</b>	<b>215,075</b>	<b>25,000</b>	<b>545,373</b>

	Unrestricted funds 2021 €	Restricted funds 2021 €	Designated funds 2021 €	Total funds 2021 €
<b>(ii) Analysis of net assets between funds:</b>				
Current assets	326,505	215,075	25,000	566,580
Liabilities	(21,207)	-	-	(21,207)
<b>Fund balances at 31 December 2021</b>	<b>305,298</b>	<b>215,075</b>	<b>25,000</b>	<b>545,373</b>

	Balance as at 1 Jan 2021 €	Income 2021 €	Expenditure 2021 €	Balance as at 31 Dec 2021 €
<b>(iii) Movements in funds:</b>				
Unrestricted funds	138,342	355,232	188,276	305,298
Restricted funds	171,391	357,167	313,483	215,075
Designated funds	25,000			25,000
<b>Fund balances at 31 December 2021</b>	<b>334,733</b>	<b>712,399</b>	<b>501,759</b>	<b>545,373</b>

Designated funds comprise of the Incident Management Reserve fund of €5,000 (2020: €5,000) and the Operational Reserve fund of €20,000 (2020: €20,000). These funds have been designated by the company for use in the case of an emergency.

Restricted funds comprise of grant income received during the year which has yet to be spent by the organisation.

The Unrestricted funds reserve represents cumulative surpluses and deficits, net of other adjustments.

## 18. Contingent liabilities

Grant funding received during the financial year from Irish Aid Civil Society Fund of €320,000 may be repayable if it is determined that it was not spent on agreed purposes within twelve months of the allocation of the funds

## 19. Membership

The Company is limited by guarantee and does not have a share capital. It is guaranteed by members to the extent €1 per member.

## 20. Related party transactions

### Directors' transactions

Director's travel and motor expenses were reimbursed during the current and prior financial years. Please see note 11 for details. There were no other transactions to note during the current or prior financial year.

### Other related party transactions

The total remuneration for key management personnel for the financial year totalled €93,282 (2020: €85,755).

## 21. Taxation

The company has been granted charitable status by the Revenue Commissioners. Therefore no provision for taxation is necessary.

## 22. Post balance sheet events

No post balance sheet events occurred that are required to be disclosed under Section 32 of FRS 102.

## 23. Controlling party

The company is a limited company by guarantee with no share capital, and is controlled by its Directors.

## 24. Approval of financial statements

The board of directors approved these financial statements for issue on 21 September 2022.

## Help us Create Better Futures

- Volunteer your skills, services or time in Ireland or in Kenya
- Volunteer in Africa with our Harambee projects
- Join in our fundraising events
- Make a donation
- Workplace giving
- Leave a legacy
- Host a coffee morning
- Buy gifts from our online shop

# CREATING BETTER FUTURES

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