

Directors' Report & Financial Statements

for the year ended 31 December 2016

2016



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Directors' Report

The Directors have the pleasure in submitting their report together with the audited financial statements of Housing Association for Integrated Living (HAIL or the Company) for the year ended 31 December 2016.

The company was incorporated in Ireland on 5 September 1985 registered number 109465, a company limited by guarantee not having a share capital.

The company has been granted charitable status, for taxation purposes, by the Revenue Commissioners, charity number CHY 6796. All income is applied solely towards the promotion of the charitable objectives of the company.

1. Summary of HAIL's purpose and activities

Vision / Mission / Values

Our Strategic Plan, 2015 – 2019, identifies the core strategic objectives for HAIL in achieving our vision.

We have four over-arching areas of focus as an organisation;

- Our commitments to our tenants, clients, funders and other stakeholders
- Our plans for learning and developing as an organisation
- Our responsibility to maximise the value of the work we undertake
- Our arrangements for sound financial management and good governance.

We have completed year two of our Strategic Plan 2015- 2019, which identifies eight core strategic objectives which we measure, monitor and report on annually. In Section 2 we report on the achievements we made during 2016.

2. Review of achievements and performance during 2016 against objectives in our Strategic Plan 2015-2019

Ongoing commitment to our tenants and clients

- Housing Management continued to ensure the accommodation provided to our tenants is maintained to the highest standards through its maintenance, repair and replacement programme. In line with best practice, staff attended information sessions with the Residential Tenancies Board (RTB) regarding new tenancy legislation.

Revised tenancy agreements were drawn up under RTB legislation and prepared for distribution to tenants. During 2016, HAIL produced a new, up to date tenant handbook, incorporating all relevant RTB information.

- HAIL developed and introduced Case Management Best Practice Guidelines to ensure the highest standards of service was provided to our tenants and clients receiving support. Throughout 2016, the support services teams across HAIL worked on defining essential evidence based tools required to capture and manage our tenants support needs. We designed a universal services referral form, reviewed and amended our services risk assessment and continued to develop our new client relationship management database.



OBJECTIVE 1

To reaffirm HAIL's commitment to its current tenants and clients, and to ensure that the standards of housing and support services are maintained at the highest level

Review of achievements and performance during 2016 Continued

- The Regional Mental Health Visiting Support Service works with clients living in local authority and private rented tenures with a diagnosis of mental health difficulties, where there is an evidenced risk of homelessness. This service engaged with 81 clients throughout the year.

The team continued to engage clients at time of case closure with Service User Questionnaires. The information gained from the questionnaires was used to improve both the service and to identify where the team delivered an effective, professional and productive service.

- The Prison In-reach Court Liaison Service (PICLS) project supports people with mental health difficulties being released from remand prison to source accommodation and appropriate support services. This service engaged with 62 referrals through the year. The service also provided post-release support to a percentage of these clients.
- The Slán Abhaile project supports people moving from congregated mental health settings and linking them back into their communities. The project supported 38 people during the year and a further 15 people were offered secure independent accommodation.

Irish Council for Social Housing Tenant Satisfaction Survey

During 2016, the Irish Council for Social Housing carried out consultation with tenants from a range of housing associations in the form of a Tenant Satisfaction Survey. The purpose of this consultation was to highlight tenants' experience of living in Housing Association accommodation. 20% of HAIL tenants from across our housing developments took part in the survey.

- Tenants were asked their overall satisfaction levels with their housing association. HAIL scored very positively with 90% of respondents giving a positive (satisfied or very satisfied) response and no tenant registering a dissatisfaction scoring.
- 85% of tenants were very satisfied with HAIL's approach to various aspects of housing management, which provides a strong validation of the current service being provided by HAIL.
- In relation to communication, HAIL performed better than the mean scores, with 79% of tenants feeling that HAIL were good at keeping them informed compared to 74% on average.
- HAIL recorded a very impressive 97% of respondents saying they are very satisfied with the supports provided.

Future plans

HAIL will continue to ensure that the standards of housing and support services provided to our tenants and clients are maintained at the highest level. We will carry out a HAIL tenant / client feedback survey across all HAIL properties and services. We will also commission a stock condition survey report on all HAIL properties to commence in 2017.



OBJECTIVE 2

To actively seek out, evaluate and pursue opportunities for partnership and collaboration with other organisations to further the capacity of HAIL to meet the needs of its tenants and clients

Review of achievements and performance during 2016 Continued

Partnership and collaboration

- HAIL worked in partnership with the Irish Advocacy Network to establish the Peer Support programme for our tenants. The Network provided advice and support with modules on the training course for the volunteers. HAIL worked in collaboration with Electric Ireland to source funding for the initiative.
- The PICLS (Prison In-Reach Courts Liaison Service) housing support programme continued working in collaboration with homeless services to source accommodation for people with mental health difficulties being released from Cloverhill remand prison. This programme also provides a period of post release support to assist people with transition back into the community. We also led the establishment of the Better Housing Outcomes for Prisoners with Mental Health Difficulties (B-HOP) Network, an advocacy network for better housing outcomes for the target population.
- HAIL instigated ongoing discussions with other Approved Housing Bodies (AHB's) to seek out opportunities for further partnership working. We continued engagement with key organisations in the mental health sector, particularly in relation to the production of several applications to the HSE Social Reform Funding process.
- HAIL regularly liaised with local community mental health teams, psychiatric consultants and family resource centres in order to further develop relationships with key decision makers in the mental health sector.
- HAIL made a number of presentations to various organisations including Trinity College, Oireachtas Dublin North T.D.'s at Leinster House and the National Nursing Conference.
- During 2016 HAIL developed and co wrote several tender submissions for the HSE directly related to capacity building and planning change. To achieve this we collaborated and agreed to work in partnership with our colleagues in the Dublin Simon Community, the Ushers Island Homeless Mental Health team and the Access Mental Health Team. These tenders were submitted to the HSE with respect to their call for Service Reform Projects (SRF). Outcomes will be known in 2017. Under Service Reform, the HSE are seeking to support the implementation of the National Reform in Mental Health & Disability Services 2016-2018, guided by a Vision for Change and Advancing Recovery recommendations. More cost effective, person centred models of service delivery are also a driving force. All submissions must highlight a lasting systemic change in service delivery, and support people to have self-directed, fulfilling lives.

Future plans

HAIL will continue ongoing discussions with other AHB's to seek out opportunities for collaboration on the development of additional homes in line with our strategic goals. We will continue to support and contribute to legislative changes in the area of mental health reform.



OBJECTIVE 3

To influence policymakers in the area of housing and mental health in relation to the provision of services to support recovery.

Review of achievements and performance during 2016 Continued

Influencing policy makers in the areas of housing and mental health

- HAIL continued to participate in committees and networks. We are members of the Dublin Region Homeless Executive Homeless Network, the Homeless Prevention Sub-Group, and Mental Health Action Group. We chair the B-HOP Network- Better Housing Outcomes for Prisoners with Mental Health Difficulties. HAIL made significant contributions to the National Housing Strategy for People with Disability through the various Dublin local authorities and contributions to the draft Dublin Homeless Action Plan 2017- 2020
- HAIL published material in the areas of housing and mental health. We made a submission to the Oireachtas committee on housing and homeless issues and an article for the Quality Network for Prison Mental Health Services.
- Slán Abhaile service project, that supports people moving from congregated mental health settings and linking them back into their communities, underwent an evaluation process. The evaluation was to ascertain the effectiveness and viability of continuing such models of housing with mental health supports into the future. The evaluation concluded that this was a successful model of reintegration which could be rolled out across the country.
- The HAIL Regional Mental Health Visiting Support Service completed a service research piece that demonstrated client tenancy retention rates after case closure.
- HAIL established a pilot project in Portlaoise and developed a documented model for moving people from congregated mental health settings and linking them back into their communities. The success of the project has been positively influential and has been rolled out across the country.
- HAIL focused on looking at ways to raise the profile of the organisation with the appointment of a full time Communications Officer to review and develop communications with all external stakeholders. HAIL joined social media and work began on the identification of key influencers and stakeholders in the field of housing and mental health.

Future plans

HAIL will continue to work on developing relationships with key external stakeholders, maintain representation on relevant committees and networks, and evaluate and publish documentation on HAIL projects as examples of best practice.



OBJECTIVE 4

To acquire additional housing, mainly in the greater Dublin area and adjoining counties, primarily for people with mental health difficulties, and to ensure that our housing stock is maintained in accordance with best practice.

Review of achievements and performance during 2016 Continued

Housing acquisition and stock maintenance

- HAIL acquired 39 new homes during 2016. We purchased 26 homes in the Dublin area, 2 homes in Portlaoise and leased 11 homes in Dublin through NAMA. HAIL used a mix of CAS, CALF and private finance (through the Housing Agency and Bank of Ireland) to purchase the new homes.
- Planned maintenance programmes are set annually. Repairs calls are responded to within timeframes and targets are met in order to maintain our existing homes in accordance with best practice. HAIL continued to perform strongly against the Irish Council for Social Housing Performance Management key performance indicators.
- Our planned maintenance and cyclical maintenance programmes were completed for 2016.
- Ongoing inspections, reviews of the condition of our homes and technical surveys were carried out as required.

Future plans

HAIL will develop the planned maintenance programme for the year 2017. We will carry out a Stock Condition Survey to ensure that our properties are maintained to the highest standard. HAIL will continue to increase the number of new homes, in line with our strategic objective of reaching circa 400 homes by 2019. This will be achieved through developing partnerships with other AHB's, local authorities, the HSE and through CAS, CALF and private finance.

Review of achievements and performance during 2016 Continued



OBJECTIVE 5

To continue and expand the provision of a personalised support service to people with mental health difficulties, both HAIL and non-HAIL tenants, in order to help them to manage their tenancy and live independently in the community.

The continuation and expansion of our support services

- HAIL continued to offer a personalised support service to people with mental health difficulties, both HAIL and non-HAIL tenants during 2016. This was achieved through continued dedication to the ongoing work of the various elements of the HAIL support service and seeking opportunities for the expansion of our services.
- Statistics 2016
 - Number of people supported by HAIL – across the various support services - 341
 - Number of general needs tenants – 101
 - Number of new tenancies created in 2016 – 41
 - Number of total service requests through the website – 223
 - Number of people interviewed who were unsuccessful - 29
- Research continued on the various models of support that HAIL provide, to improve our current model. The research helped HAIL provide the best and most cost-effective way to support tenants and clients, for example; the involvement of volunteers / peer workers.
- HAIL continued to prioritise communications and engagement with tenants and clients. We produced and distributed a quarterly “HAIL Happenings” newsletter during the year to keep tenants and clients updated on what is happening in HAIL. Monthly activities and social events were organised to encourage tenant and client engagement and participation.
- The HAIL Peer Support Initiative was established to offer Peer Support to HAIL tenants and clients as a complementary pathway of support. The initial conceptual framework was established and a model of peer support was developed. By the end of 2016, the Peer Support Volunteers had completed their training and were beginning the initial pilot phase of the initiative.

Future plans

HAIL will continue to review our support model, incorporating best practice policies and procedures and will continue to apply for funding for the ongoing development of the HAIL support services. HAIL will fully implement the Peer Support Service and evaluate the model.



OBJECTIVE 6

To consider new opportunities to develop HAIL's service and capacity to fulfil its mission and vision

Review of achievements and performance during 2016 Continued

New opportunities to develop HAIL's services and capacity

- HAIL has undertaken to establish contacts with local authorities in counties surrounding Dublin to identify opportunities for expansion of its housing and support services.
- HAIL was selected for a pilot project in Portlaoise to develop a documented model for moving people from mental health congregated settings and linking them back into their communities. HAIL is working in partnership with Laois County Council who are supporting the initiative.
- HAIL has also been working to develop a service model for the HSE and local authorities in relation to the needs of people with mental health difficulties.

Progress to date includes:

- The PICLS project supporting people with mental health difficulties securing accommodation and appropriate support on release from Cloverhill remand prison has been recommended for expansion by the HSE.
- HAIL tenant and client numbers for 2016 and levels of support needs were reviewed, all enquiries to HAIL and numbers of clients interviewed but unsuccessful were recorded, mapping the demand for our service.

Future plans

HAIL will remain committed to pursuing the development of services and capacity through advancing relationships with local authorities in counties surrounding Dublin and through the development of a defined service model for the HSE and local authorities.



OBJECTIVE 7

To ensure the financial sustainability of HAIL as an organisation and of its services to people with mental health difficulties

Review of achievements and performance during 2016 Continued

To ensure the financial sustainability of HAIL

As can be seen in the financial performance and the financial statements which follow, the financial sustainability of HAIL is being constantly monitored.

- We are continually looking to diversify our income streams and establish new revenue sources in order to ensure the financial sustainability of HAIL. We prepare, as part of our business planning process, an annual operational and financial budget and a budget for the next two years to manage and control our finances.
- We prepare a 30 year financial projection of the results and consequences of a five year business plan into the long term. This projection highlights the consequences and impact of current decisions into the future. It allows us to anticipate and avoid financial problems that may build in the long term due to current decisions. The 30 year financial projection is submitted to the Housing Agency Regulation Office.
- The Housing Finance Agency was used as an additional source of finance in 2016.
- The Prison In-Reach Court Liaison Service project was grant funded by Genio to the end of 2016. The project was evaluated as very successful and mainstream funding has now been secured from the HSE. This will enable us to continue to provide an invaluable service to people with mental health difficulties being released from remand prison.
- The Slán Abhaile Service project was grant funded by Genio to the end of 2016. The project was evaluated as very successful and mainstream funding has now been secured from the HSE. This will enable us to continue to support people to move from mental health congregated settings into 2017.

Future plans

HAIL will continue to evaluate the future financial viability of the organisation and ensure that funding for our support services is maintained and any new opportunities identified and secured.



OBJECTIVE 8

To ensure the organisation is governed and managed in accordance with best practice and in compliance with all regulatory and statutory requirements

Review of achievements and performance during 2016 Continued

Best practice in governance and management

- During 2016, HAIL ensured that the organisation was up to date and fully compliant with all regulatory requirements for Approved Housing Bodies and for charities. Registration with the Charities Regulator and filings with the Housing Agency Regulation Office were completed, Companies Registration Office returns are up to date and lobbying returns completed.
- HAIL was delighted to be shortlisted for the inaugural Carmichael Centre Good Governance Awards. Being shortlisted for the Award was recognition of our efforts to comply with the highest standards of Governance.
- HAIL continued working on the development of our management information system, generating bespoke reports, system record outcomes and other critical data for strategic decision-making.
- The Health & Safety statement was reviewed externally, updated and communicated to all staff to ensure a safe and supportive working environment for all HAIL staff.

Future plans

HAIL will remain committed to ensuring the organisation is governed and managed in accordance with best practice and in compliance with all regulatory and statutory requirements. HAIL will constantly seek to identify current and future risks to the association and how they will be dealt with. The Board and management of HAIL will ensure the financial viability of the organisation and to maximise funding opportunities.

3. Key challenges

Set against the objectives of the strategic plan 2015 – 2019, we see the key challenges for HAIL as follows;

Partnership and Collaboration

The future for HAIL, in particular as a mid-sized approved housing bodies (AHB) with a niche specialism, is likely to involve partnership, both formal and informal with other AHB's, local authorities and the HSE for future developments. This will enable us to expand in a manageable fashion without taking on projects that are outside of our area of focus or capacity. However, there is a need to ensure that any partnership or collaboration comes from a position of strength, with appropriately defined objectives and serves HAIL's mission. We need to focus on developing partnerships that fill the gaps in services for our higher risk clients and provide tailored services to specific client groups.

Changes in the Funding Environment

The shift in funding mechanisms for the provision of social housing brings challenges to all approved housing bodies and in particular smaller organisations like HAIL. These challenges include; restrictions on CAS funding and annual Service Level Agreements means that there is no multi – annual funding. This will shape some of the strategic decisions facing us as an organisation and will be of considerable significance in how we move forward. Funding mechanisms and the identification of new revenue sources to maintain and develop our support services will present challenges.

Capacity Building

HAIL has a number of options in relation to expansion of both our homes and support services. We can look to build incrementally on our strengths, or adopt a more ambitious strategy. The important issue is for us not to attempt to achieve more than we are capable of doing, and not to put at risk existing strengths by trying to do too much. Time, funding and human resources capacity needs to be taken into consideration.

4. Structure, governance and management

HAIL strives to achieve high quality standards of performance for the governance and management of the organisation. We believe that this is a key element in directing and controlling the activities of the organisation and to maintaining credibility and trust within the voluntary and not for profit sector.

The Board is responsible for providing leadership, setting strategy and exercising control over the organisation. The Board reviews and approves the strategic direction, annual budgets and operational plans, policies and procedures, monitors performance and approves capital expenditure and investment decisions. The Board accepts it needs to work effectively, behave with integrity and be transparent and accountable. At the end of 2016, the Board comprises of eight non-executive directors – six male and two female. The directors bring to the Board their significant professional skills and commercial experience and decision-making abilities together with a broad range of views and life experience.

There is a clear division of responsibility in HAIL with the Board retaining control of major decisions. The Chief Executive Officer (CEO) is responsible for implementing strategy and policy decisions delegated to her by the Board. HAIL operates a management process that ensures the Board has timely and accurate information to aid its decision-making.

A key aim of the Board and Management is to ensure the financial viability of the association, to maximize funding opportunities and to identify current and future risks to the organization and how they will be dealt with.

The Board meets regularly and as required. It met nine times during 2016. The Board, management and staff meet annually for a day. This gives the Board an opportunity to meet all staff to familiarise themselves with the challenges and opportunities of the organisation and to see the progress made by staff in delivering the mission and objectives of the organisation. The progress against the strategic objectives of the five year strategic plan 2015 – 2019 is regularly reported to the Board by management.

On appointment, directors receive briefing sessions and comprehensive briefing documents. These documents are designed to familiarise newly appointed directors with the organisations operations, management and governance structures. Directors are appointed for an initial period of three years.

Governance and transparency issues have been high on HAIL's agenda for many years. We follow the Code of Practice for Good Governance for Charitable Organisations and comply with the Statements of Recommended Practice (SORP) for Charities where appropriate. We comply with the Voluntary Regulation Code for Approved Housing Bodies issued by the Department of Housing, Planning, Community and Local Government. We are also registered with the Charities Regulatory Authority and the Lobbying Register

Structure, governance and management *Continued*

There are four sub-committees of the Board:

1

The Nominations Sub-Committee

This committee assists the Board in ensuring that the composition of the Board and its Sub-Committees has the appropriate skills, knowledge and experience. It supports the Chairman in monitoring performance of the Board as a whole and of individual directors. It recommends the appointment of new directors when vacancies arise and assists directors to understand their responsibilities and their expectations.

2

Properties Sub-Committee

The primary function of this committee is to support the CEO in all matters relating to HAIL's property portfolio and the acquisition of properties. The committee also considers the cost, return on investment and cash flow implications of proposed acquisitions of properties. It also advises the Board on appropriate levels of reserve funding to adequately maintain properties. During 2016 the committee met twice.

3

Support Services Sub-Committee

This committee oversees the work of the support services of HAIL. It has particular responsibility for the review, development and implementation of best practice in the ongoing work of support to the organisations tenants and clients. This committee has responsibility for monitoring the health and safety elements of support operations and evaluating the capacity of the service to take on increased roles.

This committee ensures that developments remain consistent with HAIL's mission and remains up to date with and in a position to help shape housing with support policies into the future. The Support Services Sub-Committee evaluates service developments and funding arrangements in relation to mental health and social housing needs and considers developments and strategic changes to support delivery arrangements and makes recommendations to the Board. During 2016 the committee met four times.

4

Finance, Audit & Risk Sub-Committee

At the start of 2016 the duties of the Finance Sub-Committees and the Audit and Risk Sub-Committees were combined into one Sub-Committee. This committee reviews and monitors all aspects of the association's financial performance and controls, identifies, monitors and manages the risks identified. It provides an independent review of annual budgets, management accounts, annual financial statements, risk register and reports and liaises with the association's auditors. It makes recommendations to the Board as appropriate. During 2016 the committee met six times.

Structure, governance and management *Continued*

Directors, Bankers and Professional Advisors

DIRECTORS

Éanna McHugh (Chairman)
Kenneth Carroll (Vice Chairman)
Michael Hoey (Finance Director)
Con Buckley
Dr. Serena Condon
Kieran Gallagher
Seosamh M. O'Ruairc
Nicola Palmer

SECRETARY

Patricia Cleary

REGISTERED OFFICE

Second Floor, Central Hotel Chambers, 7-9 Dame Court, Dublin 2

BANKERS

Bank of Ireland, 39 St. Stephens Green, Dublin 2

AUDITORS

Clifford Desmond & Associates
Chartered Accountants & Registered Auditors, 185 Rathmines Road Lower, Dublin 6

SOLICITORS

Ryans Solicitors, 46 Harrington Street, Dublin 8

Structure, governance and management *Continued*

Profile of Current Directors of HAIL

Éanna McHugh Chairperson of HAIL

Éanna is a Chartered Accountant. He worked as a Management Accountant for two publicly quoted companies in Ireland before moving to a professional services firm Deloitte in London. Éanna return to Dublin and he was appointed a partner in Deloitte in 1978.

Éanna advised clients in many industries on financial, business and accounting issues during his time as a partner in Deloitte. He also served on the board of Deloitte Ireland for twenty years. He retired from Deloitte in December 2002.

Since his retirement he has served as a director and chairperson on many Boards. Éanna currently serves on the Boards of a number of Financial Services Companies and Non-For Profit Organisations. Éanna is a Fellow of Chartered Accountants Ireland, a graduate of University College Dublin and is a Member of the Institute of Directors.

Éanna is an ex-officio member of the Nominations, Properties, Support Services and Finance, Audit and Risk Sub-Committees.

Kenneth Carroll Vice-Chair of HAIL

Kenneth Carroll was educated at Trinity College Dublin and the Dublin College of Catering. Professional qualifications include a Masters of Arts degree, honours Bachelor of Science degree in Management, a Higher Diploma in Hotel and Catering Management and Associateship of the Institute of Management Accountants. He is also a fellow of the Irish Hospitality Institute, the Marketing Institute of Ireland and the British Association of Hospitality Accountants.

Kenneth has held several important managerial positions in his career including that of Sales and Operations Director of the firm founded by his father John D Carroll. Following the acquisition by a large multi-national catering organisation Kenneth decided to establish his own company, Carroll Food Services Ltd. in 1994.

In his role as Managing Director of Carroll Food Services he has directed the growth of the Company into one of the largest independent contract Catering companies in Ireland, with operations throughout the country.

Kenneth is Chair of the Nominations Sub-committee.

Kieran Gallagher

Kieran is an experienced architect and has worked in the private and public sectors over the past 38 years. He has worked as a Senior Executive Architect with South Dublin County Council and Dublin City Council. From 2002 – 2014 he was Deputy City Architect with Dublin City Council. He was responsible for managing the provision of architectural advisory and supervisory services to the City Architect and the Assistant City Manager of the Council's Housing Department.

This role involved the managing of the design and construction of new build family social housing, refurbishment projects and regeneration projects on major City Council Housing estates, the purchasing of apartments and dwellings, the design and construction of the invalid extensions programmes, the design and construction of Senior Citizens dwellings and Travelers accommodation.

Kieran took early retirement from the City Architect Division, Dublin City Council in 2014 and currently provides architectural consultancy services to Local Authorities.

Kieran is a Fellow of the Royal Institute of Architects in Ireland.

Kieran is chair of the Properties Sub-Committee.

Structure, governance and management *Continued*

Nicola Palmer

Nicola is an experienced lawyer with over 20 years experience working as a solicitor, specialising in the areas of property, conveyancing, banking law, construction law, corporate and tax. She spent ten years as a senior partner in both L. K. Shields Solicitors and in Matheson Ormsby Prentice Solicitors, based in Dublin; and currently is an in-house senior solicitor in Bank of Ireland's Group Legal Department, specialising in advising the retail, business and challenged units in the Bank.

Nicola took a career break in 2009 and undertook a fulltime Masters in Business Administration degree in the Michael Smurfit Business School. She is a member of the Law Society and previously practiced and qualified as an auctioneer and valuer.

Nicola is a member of the Properties Sub-Committee and the Nominations Sub-Committee.

Con Buckley

Con Buckley is a recently retired Community Mental Health Nurse. He worked in Psychiatric Nursing at St. Brendan's Hospital since 1986. His main area of interest was Resettlement and Rehabilitation and worked as part of a multidisciplinary team responsible for the assessment and appropriate placement of a large part of the population of St. Brendan's Hospital.

In recent years he has been involved with developing a more Recovery based model of care in the services in which he worked. He has a special interest in service user advocacy, peer support groups and the WRAO (Wellness Recovery Action Plan).

Con is chair of the Support Services Sub-Committee.

Dr. Serena Condon

Serena worked for many years with St. Brendan's Hospital as Clinical Director, before which she was Consultant Psychiatrist and tutor. She has also worked in Forensic Psychiatry with the Central Mental Hospital and ran a clinic in Arbour Hill prison. From 1983 – 1987 Serena was the Psychiatric Registrar in a psychiatric programme for the homeless based in St. Brendan's Hospital with outreach aspects.

She was Consultant Psychiatrist in St. Loman's Hospital in 1988 and set up the Community Service in that area. She retired from her post as Clinical Director in St. Brendan's Hospital in 2009.

Serena was appointed by the Mental Health Commission to Consultant Psychiatrist Post for Mental Health tribunals and continues to do locum work.

Serena is a member of the Support Services Sub-Committee.

Seosamh Ó Ruairc

Seosamh is a Chartered Engineer and a Director of ORUAIRC Consulting Engineers having previously worked with PH McCarthy Consulting Engineers and WYG Engineering Ireland. In this role he has over 35 years experience in major Civil Engineering projects including procurement and delivery. These projects include some of the largest projects in the State including the Dublin Bay Project, M4/M6 motorway and Dublin Metro North. His experience also includes the planning and development of major housing schemes, most notably the Adamstown SDZ, with a particular emphasis on Sustainable Development. He has experience in civil engineering infrastructure projects in Africa, Middle East and Central Asia.

Seosamh is a member of the Properties Sub-Committee.

Structure, governance and management *Continued*

Michael Hoey

Finance Director

Mike is an experienced finance professional with over 20 years experience in a range of sectors including publishing, retailing and financial services. He was previously a Director of Credit Suisse, based in London, with global responsibility for strategic and financial planning.

Mike was a principal with Urban Capital, establishing a successful development management business based in Dublin. Urban Capital played a lead role in numerous large-scale regeneration projects in the last decade, working closely with state agencies, local authorities and the private sector.

He currently acts as an independent consultant on a diverse range of projects and is a founder/director of a privately owned educational company.

Michael is a member of the Chartered Institute of Management Accountants. He has a B.Sc. Mgmt. and a Masters in Business Administration from Trinity College Dublin.

Michael is chair of the Finance, Audit & Risk Sub-Committee and a member of the Properties Sub-Committee.

Financial performance

RESULTS FOR THE YEAR

The Board considers the financial results for the year satisfactory. The financial results are a reflection of the achievements of the Company both in the acquisition of new homes, the management of all our homes and in providing successful support to all our tenants and clients. There was a surplus of income over expenditure for the year of €668K (2015 €510K). The income includes the amortisation of local authority mortgages €1,328K (2015 €1,201K) and the expenditure includes depreciation on properties of €831K (2015 €734K). Both the amortisation of mortgages income and the depreciation of properties charge are non cash items. These two non cash items account for €497K (2015 €467K) of the surplus for the year. The surplus for the year, excluding non cash items, amounted to €171K (2015 €43K). The Directors expect that the present level of activity will increase in future years to meet the demand of the individuals and families we support.

RESERVES

At the 31 December 2016 the Company held reserves totalling €9,647K. (€8,979K) This reflects the companies continuing growth. While under FRS102 the expenditure on this maintenance is written off from accumulated reserves we a large proportion of the reserves have been set aside to cover the future costs of planned and cyclical maintenance programmes. These reserves were split as follows:

Development fund reserve	€2,400K
Building maintenance reserve	€1,672K
Accumulated funds	€4,786K
Unrestricted capital reserve	€789K

Details of the reserves and their movements are in the notes 15 to 18 to the financial statements.

INCOME

Gross income for the year was €3,568K, compared to €3,082K for 2015, an increase of €486 (16%). The main increases were to rental income €82K (10%), payment and availability income €142K (158%) and amortisation of loans by €127K (10%) offset by a decrease in deposit interest of €(26K) (-64%).

EXPENDITURE

Total expenditure for the year was €2,900K compared to €2,572K for 2015, an increase of €328K (13%). The main increase was in payroll costs €1,105K (2015 €1,023K), an increase of €82K (8%). This increase was the full year's costs of additional staff recruited in 2015. Other increases were in depreciation €857K (2015 €745K) and increase of €113K (15%), the repair and maintenance of property costs €442K

(2015 €426K) mainly due to an increase in the number of properties.

We benchmark our staff payroll remuneration against sector payroll reports – National Guide to Pay and Benefits in Community, Voluntary and Charitable Organisations. Staff performance appraisal takes place on a regular basis.

INTERNAL CONTROLS

The directors acknowledge their overall responsibility for the Company's systems of internal control and for reviewing its effectiveness. They have delegated responsibility for the implementation, setting policies and the internal controls system to Executive Management. The system includes financial controls, which enable the board to meet its responsibilities for the integrity and accuracy of the Company's accounting records. The directors intend in early 2017 to carry out another review of the internal controls, the last review was done in 2015.

RISK REGISTER AND REVIEW

The Board Finance, Audit and Risk sub-committee regularly review the processes for the identification and assessment of risk under each of the five categories – strategic risk, financial risk, operational risk, compliance risk and reputation risk. The Board review the risk register bi-annually.

The sub-committee also ensure all identified risks are assessed, rated and recorded on the risk register, and examine the process for identifying and rating previously unrecorded or unknown or unanticipated risks.

Risks are assessed on a top down and bottom up basis. This includes both the Board and staff identifying potential risks and ensuring that controls are put in place to monitor and mitigate the probability of the risk occurring.

A major risk identified during the year was the increase in the private financing of our properties through the CALF and Payment and Availability schemes. This area, which means that the company will be carrying the borrowings on their balance sheet with the resulting liability for repayment, needs careful monitoring to ensure viability into the future. Thirty year financial projections were prepared and are reviewed regularly to monitor this. The thirty year financial plan 2017-2046 was presented to the Board during the year, approved and submitted to the Housing Agency Regulation Office for regulation purposes.

BUDGET CONTROL

A detailed five-year financial plan was prepared to support the Strategic Plan 2016-2019. This was reviewed by the Finance, Audit and Risk sub-committee and approved by the Board. The

Financial performance

Continued

actual results are compared against the current year budget during the year to ensure alignment with the strategic plan, tight budgetary control and value for money. The five year plan is updated to reflect the current year and adjusted for changes going forward. Detailed management accounts, with commentary, are presented to the Board directors at each Board meeting.

UPKEEP OF HOUSING PROPERTIES

The Company's policy is to maintain its housing properties to a very high standard. The Company has in place a planned maintenance program for the next twenty-five years. In accordance with FRS102 the actual expenditure is recorded in the Statement of Financial Activities rather than against reserves. The expenditure on the planned maintenance program is incorporated in the financial thirty year plan to ensure we have sufficient funds to meet this expenditure in the future. In addition in case of unforeseen expenditure arising we have a designated building maintenance reserve of €1.7M.

PENSIONS

The Company operates a defined contribution pension scheme which employees are eligible to join. The Company matches staff contribution up to a maximum of 5% of salary. The pension scheme is managed by BHP insurances and is invested with Zurich Life.

MANAGEMENT AND STAFF

The Board acknowledge with appreciation the committed work of our management team and staff. The present staffing level is twenty, eighteen full-time and two part-time – the gender split of the staff is sixteen female and four male.

Our continuing success and our achievements are due to their professionalism, dedication and commitment to our mission. The Board has delegated the responsibility of the day to day management and decision making of the Company to the CEO and her senior management team.

ENVIRONMENT

The Company has a proactive approach to assisting all personnel to conduct the business in a manner that protects the environment of tenants, staff and the community. The Company is compliant with relevant environmental legislation.

HEALTH & SAFETY AT WORK

It is the policy of the Company to ensure the health and welfare of employees by maintaining a safe place and system of work. This policy is based on the requirements of employment legislation, including the Safety, Health and Welfare at Work Act 2005. A revised Health and Safety Statement was compiled during the year and approved by the Board at the December 2016 meeting. A Health & Safety Risk Register has been drawn up and is reviewed annually.

DIVIDENDS AND RETENTION

The Company is precluded by its Memorandum of Association from paying dividends either as part of normal operations or on a distribution of its assets in the event of a winding-up.

REFERENCES AND ADMINISTRATIVE DETAILS

POST BALANCE SHEET EVENTS

There were no significant events affecting the Company since the year end.

RESEARCH AND DEVELOPMENT

No research and development was undertaken by the Company in 2016.

POLITICAL DONATIONS

No political donations were made by the Company in 2016.

TRANSACTIONS WITH DIRECTORS

No transaction took place in 2016 between the Company and any directors.

STATEMENT OF DIRECTORS RESPONSIBILITIES

We are responsible for the preparation of the Company's annual report and the financial statements in accordance with the accounting and disclosure requirements of Irish Company law and in accordance with the Financial Reporting Standards (FRS's) published by the Financial Reporting Council (FRC) in the United Kingdom and promulgated by Chartered Accountants Ireland.

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

1. select suitable accounting policies and then apply them consistently;
2. make judgments and estimates that are reasonable and prudent;
3. prepare the financial statements on the going concern basis unless it is inappropriate to assume the company will continue in business.

Financial performance

Continued

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

The directors acknowledge their responsibilities under section 281 to section 285 of the Companies Act 2014 to keep adequate accounting records for the company. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for prevention and detection of fraud and other irregularities.

Where financial statements are to be published on the web, the directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

In so far as the directors are aware all relevant audit information has been made available to the Company's auditors. The directors have taken all the steps necessary to make themselves aware of any information relevant to the audit and to ensure that the Company's auditors are aware of that information.

DIRECTORS

The current directors are set out on page 13.

In accordance with the articles of association one third of the directors are required to retire annually by rotation and if eligible may offer themselves for re-election.

The following directors resigned during the year:

Mr Geoff Corcoran

TRANSACTIONS INVOLVING DIRECTORS

There were no contracts entered into by the Company in which any director had an interest, as defined in the Companies Act 2014, at any time during the year ended 31 December 2016.

BOOKS AND ACCOUNTING RECORDS

In order to secure compliance with the requirements of the act a qualified accountant is employed. The accounting records of the company are maintained at Second Floor, Central Hotel Chambers, 7-9 Dame Court, Dublin 2.

AUDITORS

The Auditors, Clifford Desmond & Associates, Chartered Accountants have indicated their willingness to continue in office.

On behalf of the board:

Eanna McHugh

Director

Michael Hoey

Director

Dated 24th April 2017

INDEPENDENT REPORT OF THE AUDITORS

We have audited the financial statements on pages 21 to 23 which have been prepared under the historical cost convention and the accounting policies set out on pages 24.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the statement of directors' responsibilities the Company's directors are responsible for the preparation of the financial statements in accordance with applicable law and Irish Accounting Standards published Chartered Accountants Ireland.

Our responsibility, as independent auditors, is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (ISAs) issued by the Auditing Practices Board applicable in Ireland and the United Kingdom. This report, including the opinion, has been prepared for, and only for, the Company's members as a body in accordance with Section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and in accordance with Financial Reporting Standards published by the Financial Reporting Council in the United Kingdom and promulgated by Chartered Accountants Ireland. We state whether we have obtained all the information and explanations we consider necessary for the purposes of an audit and whether the financial statements are in agreement with the books of account. We also report to you our opinion as to;

- Whether the Company has kept proper books of account
- Whether the directors' report is consistent with the financial statements, and

We also report to you, if in our opinion, any information specified by law regarding director's remuneration and transactions are not disclosed and where practicable, include such information in our report. We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs) issued by the Auditing Practices

Independent report of the Auditors

Continued

Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

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

OPINION

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2016 and of its Statement of Financial Activities for the year then ended; and
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland and in particular with the requirements of the Companies Act 2014.

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.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by Sections 305 to 312 of the Act are not made.

Kieran Desmond

For and on behalf of:

Clifford Desmond & Associates
Chartered Accountants Registered Auditors
185 Rathmines Road Lower
Dublin 6
Auditors Number: AI 3001157

Date: 24th April 2017

Statement of Financial Activities

for the year ended 31 December 2016

	Notes	Restricted Funds €	Unrestricted Funds €	2016 Total €	2015 Total €
Incoming Resources					
Rental income		-	928,812	928,812	846,638
Amortisation of local authority mortgage loans		-	1,328,057	1,328,057	1,201,478
Revenue based grants	1.	944,529	-	944,529	802,986
Deferred income		50,000	-	50,000	30,000
Payment and availability income	2.	-	231,572	231,572	89,750
Management & maintenance allowance		-	59,187	59,187	59,187
Bank interest		-	14,609	14,609	41,058
Other income		-	11,010	11,010	10,898
Total Incoming Resources		994,529	2,573,247	3,567,776	3,081,995
Resources Expended Charitable Activities					
Housing management services	3.	55,626	1,897,917	1,953,543	1,692,866
Support services	4.	936,682	-	936,682	866,987
Governance costs	5.	2,890	6,742	9,632	11,951
Total Resources Expended		995,198	1,904,659	2,899,857	2,571,804
Net Incoming (Outgoing) Resources					
Accumulated funds at beginning of year		1,027	4,117,442	4,118,469	3,604,018
Gain on fixed asset disposal		-	-	-	4,260
Accumulated Funds at End of Year	17.	358	4,786,030	4,786,388	4,118,469

The Company had no gains or losses in the financial year, or the preceding financial year, other than those dealt with in the statement of financial activities above and a true statement approach has been adopted in accordance with Section 5 (FRS 102). Therefore, there are no movements that require a separate Statement of Comprehensive Income (SOCl).

The accompanying notes are an integral part of these financial statements.

Signed on behalf of the board:

Éanna McHugh

Director

Michael Hoey

Director

Statement of Financial Position

as at year ended 31 December 2016

Notes	2016 €	2015 €
Fixed Assets		
Tangible assets	36,365,094	32,019,988
	36,365,094	32,019,988
Current Assets		
Debtors and prepayments	117,791	165,887
Cash at bank	3,287,082	3,313,091
Financial - Prize Bonds	20,000	20,000
	3,424,873	3,498,978
Current Liabilities		
Creditors and accruals	183,900	143,954
Capital assistance mortgage loans	723,105	588,017
Capital loan & subsidy mortgage loans	677,766	677,766
Bank loans	48,019	28,716
Housing Finance Agency loans	5,316	-
	1,638,106	1,438,453
Net Current Assets	1,786,767	2,060,525
Total Assets Less Current Liabilities		
	38,151,861	34,080,513
Long Term Liabilities		
Capital assistance mortgage loans	15,353,593	12,086,346
Capital loan & subsidy mortgage loans	11,302,833	11,980,599
Capital advance leasing facility	756,543	413,448
Bank loans	894,116	620,947
Housing Finance Agency loans	197,684	-
	28,504,769	25,101,340
Net Assets	9,647,092	8,979,173
Reserves		
Development fund reserve	2,400,000	2,400,000
Building maintenance reserve	1,671,567	1,671,567
Accumulated funds	4,786,388	4,118,469
Unrestricted capital reserve	789,137	789,137
	9,647,092	8,979,173

The accompanying notes are an integral part of these financial statements.

Signed on behalf of the board:

Éanna McHugh
Director

Michael Hoey
Director

Statement of Cash Flows

for the year ended 31 December 2016

	Notes	2016 €	2015 €
Reconciliation of Net Outgoing Resources to Net Bank Position			
Net cash generated from operating activities	20.	323,135	450,972
Cash flows from investing activities			
Purchase of tangible fixed assets	7.	(5,202,154)	(3,882,477)
Sale of tangible fixed assets		-	10,300
Interest received		14,609	41,058
Net cash outflow from investing activities		(5,187,545)	(3,831,119)
Cash flows from financing activities			
Bank loans received	13.	329,000	328,652
Housing Finance Agency loans received	14.	203,000	-
Interest paid		(42,832)	(25,404)
Repayment of loans	13.	(36,528)	(17,148)
CAS Local authority grants received	10.	4,052,626	2,640,311
CALF Local authority grants received	12.	333,135	127,530
Net cash inflow from investing activities		4,838,401	3,053,941
Net (decrease) in cash and cash equivalents		(26,009)	(326,206)
Cash equivalents at the beginning of the year		3,313,091	3,639,297
Cash at bank and in hand 31 December		3,287,082	3,313,091

Accounting policies

ACCOUNTING CONVENTION

The financial statements are prepared in accordance with the financial reporting standards issued by the Financial Reporting Council, including FRS 102 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland. The Company transitioned from previously extant Irish and United Kingdom GAAP to FRS 102 as at 1 January 2015 by restating the balance sheet at 1 January 2015 and the results for the year ended 31 December 2015.

Compliance with the Accounting and Reporting by Charities – Statement of Recommended Practice (SORP 2016), is not mandatory for Irish Charities. However, the Company has adopted all relevant best practice of its disclosure requirements from this and from the United Kingdom SORP Accounting by registered social housing providers.

The financial statements are prepared on the going concern basis, under the historical cost convention and comply with accounting and disclosure requirements of Irish Company law and in accordance with the Financial Reporting Standards (FRSs) published by the Financial Reporting Council (FRC) in the United Kingdom and promulgated by Chartered Accountants Ireland.

INCOMING RESOURCES

Income consists of rental income, revenue based grants, allowances, payment and availability income, donations and bank interest. These are included in the financial statements on the basis of amounts received and receivable. Mortgage loans received under the Capital Assistance Scheme (CAS) and the Capital Loan & Subsidy Scheme (CLS) are amortised over the term of the life of the mortgages.

Certain income is recorded as deferred income initially and shown as income in the Statement of Financial Activities as expenses are incurred.

TANGIBLE FIXED ASSETS AND DEPRECIATION

All properties are held for primarily for social benefit and is consequently classified as Property.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Properties	2% Straight Line
Furniture & fittings	20% Straight Line
Computer equipment	33% Straight Line
Motor vehicles	20% Straight Line

The Company does not apply component accounting to its fixed assets as the nature of their assets would not make a material difference in their disclosed values or depreciation.

MORTGAGE LOANS FROM LOCAL AUTHORITIES

Mortgage loans are received from local authorities under Capital Assistance Scheme (CAS) and under Capital Loan & Subsidy Scheme (CLS). These mortgage loans are treated as deferred credits and are amortised to income over the term of the mortgage agreement which can vary from twenty to thirty years.

OPERATING LEASES

Rentals paid under operating leases are charges to the profit or loss on a straight line basis over the period of the lease.

EMPLOYEE BENEFITS

Pension benefits for employees are met by payments to a defined contribution pension fund. Contributions are charged to the statement of financial activities in the year which they fall due.

GOVERNANCE COSTS

Governance costs represent direct expenditure and overhead costs on the strategic as opposed to the day to day management of the Company and on compliance with constitutional and statutory requirements.

ACCUMULATED FUNDS

The Company maintains and splits the funds it receives into the designated categories to which the funds have been assigned.

RESTRICTED FUNDS

These represent income received less directly related expenditure that can only be used for particular purposes as specified by the donor.

UNRESTRICTED FUNDS

These consist of general funds which are expendable at the discretion of the Company in furtherance of the objectives of the Company.

Notes to the Financial Statements

for the year ended 31 December 2016

	Restricted Funds €	Unrestricted Funds €	2016 €	2015 €
1. Revenue based grants				
HSE: - Mid Leinster Area Health Board	171,238	-	171,238	171,238
- East Coast Area	66,815	-	66,815	-
- Eastern Region	32,750	-	32,750	-
Dublin Region Homeless Executive:				
- Local Authority	230,908	-	230,908	230,904
- HSE Dublin North Central	210,468	-	210,468	210,465
Genio Trust Slan Abhaile	174,271	-	174,271	142,620
Genio Trust Nat. Forensic Mental Health Service	53,079	-	53,079	47,759
ESB – Energy for Generations Fund	5,000	-	5,000	-
	944,529	-	944,529	802,986
2. Payment and Availability Income				
<p>Payment and availability income is a form of revenue funding from government. Under a Payment & Availability Agreement, the Company receives an availability payment from government. For this the Company undertakes to make the properties 'available' to people from local authority housing waiting lists. This payment is utilised to fund the repayment of the debt finance taken out on the properties being made available.</p>				
3. Housing management services costs				
Payroll costs	55,626	341,705	397,331	330,664
Depreciation	-	857,048	857,048	744,526
Housing management related costs	-	109,655	109,655	96,919
Insurance	-	40,827	40,827	37,779
Repairs and maintenance of property	-	441,575	441,575	426,018
Legal & professional fees	-	16,350	16,350	20,151
Loan interest	-	52,792	52,792	32,793
NARPS leasing costs	-	34,331	34,331	-
Sundry	-	3,634	3,634	4,016
	55,626	1,897,917	1,953,543	1,692,866
4. Support services costs				
Payroll costs	707,293	-	707,293	692,012
Support related costs	217,698	-	217,698	166,588
Insurance	4,366	-	4,366	2,258
Legal & professional fees	-	-	-	-
Sundry	7,325	-	7,325	6,129
	936,682	-	936,682	866,987
5. Governance costs				
Audit fee and board costs	2,890	6,742	9,632	11,951
	2,890	6,742	9,632	11,951

The Directors receive no remuneration for their services as Directors of the Company.

Notes to the Financial Statements *Continued*

for the year ended 31 December 2016

	2016 €	2015 €
6. Particulars of employees		
The average number of persons employed by the Company during the year was 20 (2015:20).		
Salaries	956,966	878,799
Employers PRSI	100,269	94,022
Pensions	47,389	49,855
	1,104,624	1,022,676

The number of employees with remuneration for the year falling within the rate bands:

€70,001 - €80,000	0	0
€80,001 - €90,000	1	1

Remuneration includes salary, pension and other benefits but excludes employer PRSI contributions.
The remuneration of the CEO is noted in the €80,001 - €90,000 band.

	Properties €	Furniture Fittings & Computer Equipment €	Motor Vehicles €	Total €
7. Tangible assets				
At 1 January 2016	38,807,494	20,894	25,425	38,853,813
Additions	5,030,773	171,381	-	5,202,154
At 31 December 2016	43,838,267	192,275	25,425	44,055,967
Accumulated depreciation				
At 1 January 2016	6,817,529	13,753	2,543	6,833,825
Depreciation for year	830,702	21,261	5,085	857,048
At 31 December 2016	7,648,231	35,014	7,628	7,690,873
Net book value				
At 31 December 2016	36,190,036	157,261	17,797	36,365,094
At 31 December 2015	31,989,965	7,141	22,88	32,019,988

Notes to the Financial Statements *Continued*

for the year ended 31 December 2016

	2016	2015
	€	€
8. Debtors & prepayments		
Deposits/costs incurred on properties	8,561	48,376
Amount owed by Genio Trust	69,356	71,921
Prepayments	32,576	30,687
Bank interest receivable	-	12,076
Sundry debtors	7,298	2,827
Total debtors and prepayments	117,791	165,887
9. Creditors and accruals (due within one year)		
Deferred income	-	50,000
PAYE/PRSI/USC	23,994	27,058
Sundry accruals	99,864	50,162
Creditors	60,042	16,734
Total creditors and accruals	183,900	143,954

10. Capital assistance mortgage loans

Local authorities provide mortgage loans to the Company under the Capital Assistance Scheme (CAS). The capital repayments and interest payable on these mortgage loans are fully waived, provided the Company complies with the terms of the Scheme and the mortgage deed agreement with the local authority.

There is a contingent liability to repay these mortgage loans in the event of the terms of the Scheme or the mortgage deed agreement not being complied with.

Loans advanced by local authorities to the Company have a twenty year repayment period for those loans advanced prior to 2002, and a thirty year repayment period for those loans advanced post 2002.

In compliance with FRS 102 and the best practice under the UK housing SORP the CAS mortgages are amortised over the life of the mortgage.

The Local Authority has legal charges registered against the mortgage properties.

No mortgage loans were redeemed in 2016 or in 2015. Loans prior to this date were redeemed and are no longer registered against properties because the terms of the mortgage deed have been fully complied with.

Notes to the Financial Statements *Continued*

for the year ended 31 December 2016

	2016 €	2015 €
Details of mortgage loans repayable by the Company under CAS are:		
Gross		
At 1 January	16,507,952	13,867,641
Additional loans	4,052,626	2,640,311
At 31 December	20,560,578	16,507,952
Amortisation		
At 1 January	3,833,589	3,309,865
Credited to statement of financial activities	650,291	523,724
At 31 December	4,483,880	3,833,589
Net book value		
Within 1 year	723,105	588,017
After 1 year	15,353,593	12,086,346
At 31 December	16,076,698	12,674,363

11. Capital loan & subsidy scheme loans

Local authorities provide mortgage loans to the Company under the Capital Loan and Subsidy Scheme (CLS). The capital repayments and interest payable on these mortgage loans are fully subsidized by the Department of the Environment, Community and Local Government, provided the Company complies with the terms of the Scheme and the mortgage loan agreement.

There is a contingent liability to repay these mortgage loans in full in the event of the terms of the Scheme or the mortgage loan agreement not being complied with.

In compliance with FRS 102 and the best practice under the UK housing SORP the CLS mortgages are amortised over the life of the mortgage.

The Local Authority has legal charges registered against the mortgage properties.

Details of mortgage loans repayable by the Company under CLS are:

Gross		
At 1 January	18,417,280	18,417,280
At 31 December	18,417,280	18,417,280
Amortisation		
At 1 January	5,758,915	5,081,161
Credited to statement of financial activities	677,766	677,754
At 31 December	6,436,681	5,758,915
Net book value		
Within 1 year	677,766	677,766
After 1 year	11,302,833	11,980,599
At 31 December	11,980,599	12,658,365

Notes to the Financial Statements *Continued*

for the year ended 31 December 2016

12. Capital advance leasing facility

Capital advance payments of up to 30% of the acquisition of properties are available from the Department of the Environment, Community and Local Government under the Capital Advance Leasing Facility (CALF). The capital advance is repayable at the end of the approved period of the advance usually a twenty-five year period. Interest is payable on the principal amount only at 2% per annum. This interest is accrued for the duration of the CALF and payable at the end of the 25 year period.

Details mortgage loans received by the Company under CALF are:

	2016	2015
	€	€
Gross		
At 1 January	399,031	271,501
Additions	333,135	127,530
At 31 December	732,166	399,031
Interest Accrued		
At 1 January	14,417	7,028
Interest Accrued during the year	9,960	7,389
At 31 December	24,377	14,417
Total CALF liability		
At 31 December	756,543	413,448

13. Bank loans

The Company's bank loans are secured by fixed charges on specific housing properties. Interest and capital repayments are required to be made in respect of these loans in accordance with the mortgage agreement.

Balance at 1 January	649,663	338,159
Loan received during the year	329,000	328,652
Repayments during the year	(36,528)	(17,148)
Balance at 31 December	942,135	649,663
Repayable within 1 year	48,019	28,716
Repayable after 1 year	894,116	620,947
Balance at 31 December	942,135	649,663

14. Housing Finance Agency loans

The company received Approved Housing Body status with the Housing Finance Agency (HFA) in 2016. The company applied for, was approved, and had the first loan drawdown on two designated properties during the year.

Notes to the Financial Statements *Continued*

for the year ended 31 December 2016

	2016 €	2015 €
Balance at 1 January	-	-
Loan received during the year	203,000	-
Balance at 31 December	203,000	-
Repayable within 1 year	5,316	-
Repayable after 1 year	197,684	-
Balance at 31 December	203,000	-

15. Development fund reserve

The Company has a development fund reserve to purchase new properties or to meet any deficit in funding on the housing expansion programme.

Balance at 1 January and 31 December	2,400,000	2,400,000
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16. Building maintenance reserve

The Company has a building maintenance reserve to meet the planned maintenance programme to maintain the properties to the very highest standards and to meet the long term refurbishment of the properties. Up to 2015 this reserve was build up on an annual basis by transferring 20% of our rental income into this reserve. Following the introduction of FRS102, to ensure compliance, the planned maintenance will be written off in the Statement of Financial Activities each year. This reserve will remain to meet any future deficit in the maintenance of our properties that cannot be covered by general reserves.

Balance at 1 January	1,671,567	1,524,518
Charge for the year – 20% rental income	-	169,327
Amount expended	-	(22,278)
Balance at 31 December	1,671,567	1,671,567

17. Accumulated funds

Balance at 1 January	4,118,469	3,604,018
Surplus from statement of financial activities	667,919	510,191
Gain on fixed asset disposal	-	4,260
Balance at 31 December	4,786,388	4,118,469

Restricted reserve	358	1,027
Unrestricted reserve	4,786,030	4,117,442
Balance at 31 December	4,786,388	4,118,469

18. Unrestricted capital reserve

Balance at 1 January	789,137	589,137
Transfer of property from a local authority	-	200,000
At 31 December	789,137	789,137

Notes to the Financial Statements *Continued*

for the year ended 31 December 2016

Loans received from Local Authorities for the acquisition of property are released in full when the term of the mortgage is completed provided the Company has met the conditions of the loan. Eight Dublin properties acquired over 20 years ago under the Capital Assistance Mortgage Loans have met all the requirements under the scheme and were relieved in full of any repayment of Capital or interest. The title deeds for these properties were handed over by the Local Authorities to the Company solicitor for safekeeping on behalf of the Company. The liability has been removed from the Balance Sheet and transferred to reserves. No properties were released during 2016.

19. Leases

The Company leases 11 apartments under 2 operating leases from National Asset Residential Property Services Limited which is a non-related party. The lease contracts are for 20 years and 6 month periods which started from 11th August 2016 and 13th October 2016. The operating leases payable are as follows:

	2016 €	2015 €
Repayable in one year	111,852	-
Repayable between two and five years	447,408	-
Repayable in five years or more	1,695,993	-
Balance at 31 December	2,255,253	-

20. Net cash generated from operating activities

Cash flows from operating activities

Surplus for the financial year	667,919	510,191
Adjustments for:		
Depreciation of tangibles 7.	857,048	744,525
Amortisation of Local Authorities mortgage loans	(1,328,057)	(1,201,478)
Increase in building maintenance reserve	-	147,049
Increase in CALF interest accrued 12.	9,960	7,389
Decrease in debtors	48,096	287,041
Interest paid	42,832	25,404
Interest received	(14,609)	(41,058)
Increase/(decrease) in creditors	39,946	(28,091)
Net cash generated from operating activities	323,135	450,972

21. Capital commitments and contingent liabilities

There were no capital commitments at 31 December 2016 (2015 – €34,000).

There were no contingent liabilities outstanding at 31 December 2016 (2015-nil) other than the contingent liabilities outstanding on the CAS and CLS loans (See notes 10&11).

22. Taxation

The Company has been granted charitable status by the Revenue Commissioners (CHY 6796).

23. Related party transactions

There were no related party transactions during the year or in the previous year.

24. Approval of financial statements

The financial statements were approved by the board of directors on 24th April 2017.



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Registered Office: Second Floor, Central Hotel Chambers, 7 – 9 Dame Court, Dublin 2
Member of the Irish Council for Social Housing