

St. Francis Housing Association CLG  
**(A company CLG by guarantee and having no  
share capital)**

Directors' Report and Financial Statements  
for the financial year ended  
31 December 2017

**ST. FRANCIS HOUSING ASSOCIATION CLG**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

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## **ST. FRANCIS HOUSING ASSOCIATION CLG**

### **DIRECTORS AND OTHER INFORMATION**

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#### **DIRECTORS:**

Mr Mick Price (Chair)  
Rev Kieran Cronin OFM  
Rev Patrick Lynch OFM  
Mr Brian Melaugh  
Dr Joanne Fenton  
Mr. Ray Langton  
Dr Siobhan Garrigan  
Ms Margaret Hennessy  
Mr Derek Bell

#### **MEMBERS:**

Rev Hugh McKenna OFM (resigned 29 June 2017)  
Rev Kieran Cronin OFM  
Rev Joseph MacMahon OFM (resigned 29 June 2017)  
Rev Patrick Lynch OFM (resigned 29 June 2017)  
Rev Patrick Younge OFM (resigned 29 June 2017)  
Rev Liam Kelly OFM (resigned 29 June 2017)  
Rev Padraig Breheny OFM  
Rev Aidan McGrath OFM (appointed 29 June 2017)  
Rev Joseph Condren OFM (appointed 29 June 2017)  
Rev Stephen O'Kane OFM (appointed 29 June 2017)  
Rev David Collins OFM (appointed 29 June 2017)  
Rev Niall O'Connell OFM (appointed 29 June 2017)

#### **SECRETARY:**

L & P Trustee Services Ltd  
75 St Stephens Green  
Dublin 2

#### **BOARD SUB-COMMITTEES:**

##### **Finance Committee**

Mr. Ray Langton (Interim Chair)  
Ms Mairead Divilly  
Mr David Kiely  
Mr Jonathan Mooney

##### **Audit & Risk Committee**

Mr. Ray Langton (Chair)  
Rev Kieran Cronin OFM  
Ms Mairead Divilly  
Mr Derek Bell

##### **Governance & Nominations Committee**

Mr Mick Price (Chair)  
Mr Derek Bell  
Ms Fidelma Keogh  
Mr David Kiely

##### **Client Services Committee**

Mr Mick Price (Chair)  
Mr Brian Melaugh  
Dr Joanne Fenton  
Dr Siobhan Garrigan

##### **HR & Remuneration Committee**

Mr Mick Price (Chair)  
Mr Ray Langton  
Mr Brian Melaugh  
Ms Margaret Hennessy  
Mr David Kiely

**ST. FRANCIS HOUSING ASSOCIATION CLG**

**DIRECTORS AND OTHER INFORMATION (CONTINUED)**

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**Fundraising & Communications Committee** Mr Ray Langton (Chair)  
Mr Mick Price  
Ms Margaret Hennessy

**EXECUTIVE LEADERSHIP TEAM:**

<b>CEO</b>	Mr Tony Geoghegan
<b>Head of Human Resources &amp; Governance</b>	Ms Stella O Sullivan
<b>Head of Finance Risk &amp; IT</b>	Ms Jennifer Owens
<b>Head of Fundraising and Communications</b>	Ms Carol Casey
<b>Head of Day Services</b>	Ms Paula Byrne
<b>Head of Residential Services</b>	Mr Mark Kennedy

**COMPANY NUMBER:** 449783

**CHARITY (REVENUE) NUMBER:** CHY 18159

**CHARITIES REGULATOR  
REGISTERED CHARITY NUMBER** 20069117

**REGISTERED OFFICE:** 24 Merchants Court  
Merchants Quay  
Dublin 8

**SOLICITORS:** Marcus A. Lynch & Son  
12 Lower Ormond Quay  
Dublin 1

**PRINCIPAL BANKERS:** AIB Bank  
7/12 Dame Street  
Dublin 2

<b>PLACES OF OPERATION:</b>	St. Francis Farm Tullow Co Carlow	16 Ballymount Cottages Dublin 22
	68 Easton Row Easton Meadow Estate Leixlip Co. Kildare.	

**INDEPENDENT AUDITOR:** Deloitte Ireland LLP  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House  
Earlsfort Terrace  
Dublin 2

## **ST. FRANCIS HOUSING ASSOCIATION CLG**

### **DIRECTORS' REPORT**

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The directors present herewith the audited financial statements for the financial year ended 31 December 2017.

#### **COMPANY STRUCTURE**

St. Francis Housing Association CLG (SFHA) is incorporated as a Company limited by guarantee and not having share capital. It was registered on 27 November 2007 with Company number 449783. The Company is registered for the charitable purpose of providing housing, accommodation, and such other associated amenities as are necessary for the poor, marginalised, disadvantaged or homeless persons and to offer settlement, support, to the homeless and former drug users who have completed drug rehabilitation.

The objects of the Company are:

- (a) To carry on for the benefit of the community the provision of housing and associated amenities for persons in deprived or necessitous circumstances.
- (b) To provide for relief of poverty and deprivation caused by poor housing conditions and homelessness or other social and economic circumstances.

The Company is a public benefit entity and is registered with the Charities Regulator, charity registration number 20069117, and is granted charitable tax exemption, charity tax reference number CHY 18159 with the Revenue Commissioners.

The Company is governed by its Constitution (comprising the Memorandum and Articles of Association).

St. Francis Housing Association CLG is one of four companies operating under the banner name of Merchant's Quay Ireland (MQI) carrying out activities for social justice for homeless persons and drug users on a nationwide basis. The other companies are:-

- Franciscan Social Justice Initiatives CLG (FSJI)
- Merchants Quay Ireland CLG (MQI)
- Merchant's Quay Project CE Scheme CLG (MQPCE)

Services continue to incorporate the provision of meals, drug services, crisis intervention, needle exchange, rehabilitation and detox services, together with day programmes, aftercare and training.

#### **DIRECTORS/TRUSTEES AND SECRETARY**

The current directors are listed on page 2. The directors/trustees, who served at any time during the financial year except as noted, were as follows:

##### **Directors/Trustees:**

Mr Mick Price (Chair)  
Rev Kieran Cronin OFM  
Rev Patrick Lynch OFM  
Mr Brian Melaugh  
Dr Joanne Fenton  
Rev Joe Walsh OFM (Resigned 8<sup>th</sup> February 2018)  
Mr. Ray Langton  
Dr Siobhan Garrigan  
Ms Margaret Hennessy  
Mr Derek Bell

##### **Secretary:**

L & P Trustee Services Ltd

## **GOVERNANCE AND MANAGEMENT**

Directors are appointed by the Members of the Company. The Members are the Definitory of the Order of Friars Minor in Ireland (Franciscan Province of Ireland).

The composition of the Board shall be not more than twelve persons and not less than five. The quorum for meetings is three. The Chairperson of the Governing Body shall be appointed by the Governing Body. All Directors are chosen on the basis of their willingness to serve, their ability, governance experience and support of the ethos and mission of the Company. The Board is committed to ensuring it has the necessary mix of skills and expertise and where necessary, seeks professional advice.

During 2017, the Board met once.

Directors are required to undergo an induction programme to ensure that collectively they have the necessary oversight for the appropriate governance of the organisation. Training is arranged when a need is identified. With the exception of necessitous expenses, Directors are not remunerated for their work on the Board nor can they be appointed to any salaried position of the Company. No expenses were paid to Directors during the financial year (2016: €nil).

The Members meet annually to receive the annual report and audited financial statements of the Company. Other meetings may take place as required.

There are currently six sub-committees of the Board

1. The Finance Committee is responsible for overseeing the Board's financial responsibilities and ensuring that effective systems, financial controls and procedures are in place to enable the organisation to operate in an orderly and efficient manner, and to report and make recommendations to the Board thereon.
2. The Audit & Risk Committee is responsible for the monitoring and review of the organisation's financial performance and financial controls, including the organisation's internal audit function, making recommendations to the Board about the appointment and remuneration of the external auditor and all matters relating to the external audit process, and overseeing, reviewing and monitoring Risk within the organisation.
3. The Client Services Committee is responsible for overseeing the services and operations of the Company. It is also responsible for assisting the Board in the planning and development of new services, the development and implementation of appropriate quality standards, compliance reporting to stakeholders and the clinical governance of the services such as supervision, good quality standards and best practice. The Committee is also responsible for considering the impact of any new Client Service proposals in line with the strategic plan, opportunities and considering the challenges which may arise in any change process.
4. The Governance & Nominations Committee is responsible for ensuring that best practice is adhered to regarding governance, accountability and transparency, monitoring and reviewing adherence to relevant Voluntary Codes and Statutory Guidelines and making recommendations on nominations for Board membership, ensuring that the organisation has sufficient resourcing with the correct skills and expertise in place to achieve its strategic objectives.
5. The HR & Remuneration Committee is responsible for overseeing employment practices, pay and pay structures and to consider, advise and recommend on organisational restructuring.
6. The Fundraising and Communications Committee is responsible for ensuring that best practices are adhered to regarding Fundraising practice and oversight and to make recommendations to the Board regarding the Fundraising strategy.

## **GOVERNANCE AND MANAGEMENT (CONTINUED)**

### **MANAGEMENT**

The Company is led and controlled by a Board of Directors ("the Board") which is collectively responsible for ensuring the delivery of the organisation's objectives, for setting its strategic direction, and for upholding its values.

Day-to-day management of the organisation is delegated to the Chief Executive Officer and the Executive Leadership Team.

All of the above form the key management team.

### **LOOKING BACK & PLANS FOR FUTURE PERIODS**

#### **LOOKING BACK**

Today, many of us are seeing the light at the end of a dark economic tunnel, but unfortunately there are still too many places that the light doesn't reach. Nowhere is this starker than in emergency accommodation across Ireland. When I wrote last year, Government figures showed 7,148 people, including 2,500 children, without a proper home. A year later this had grown to 8,587 in emergency accommodation at Christmas, including more than 3,000 children.

Understandably, the Government's response is to focus on families, especially those with children, and to prioritise them in accommodation.

However, in this scenario single people, particularly those with more complex needs such as mental health or addiction issues, are left behind and pushed further down the housing list.

In 2017 our services were busier than ever and we saw, at 22 locations in 12 counties, the real impact of homelessness and addiction. Our Riverbank Centre on Merchants Quay welcomed 6,569 people, with 1,668 turning to us for the first time. But the generosity of MQI supporters kept the lights on and the doors open throughout the year.

In the face of ever-growing demand, there were many positives in 2017. We tendered for, and have been announced as the preferred provider of, the first ever supervised injecting facility in Ireland. We launched a service providing a community-based drug and alcohol treatment supports across Laois, Longford, Offaly and Westmeath. 2017 also marked the expansion of our mental health team and primary healthcare services, the launch of a community benzodiazepine detox at our Riverbank Centre, and the addition of three new aftercare beds at our location in Kildare.

Finally, we often see first-hand how many of our clients rely on their four-legged friends for comfort and companionship, so we were delighted to partner with the DSPCA in 2017. They now extend a helping hand via free veterinary services at our Riverbank Centre.

#### **LOOKING FORWARD**

Looking forward, we are excited about what we can achieve in 2018 and beyond.

Demand for our residential drug treatment services remains high and we are fully committed to maintaining these vital services.

We also recently extended our long-running partnership with the Irish Prison Service, providing vital addiction counselling services, until the end of 2018, and we are committed to extending it further.

With so many clients entering into recovery, we often find that, following immense hard work and progress, many have nowhere to return to but the streets. MQI is committed to further expanding our aftercare housing capacity to help.

We are also working closely with the Dublin Simon Community, with high hopes of launching a new service in 2018. Aimed at people who have problematic drug and/or alcohol disorders who are sleeping rough, the service will offer a residential rapid-access low-threshold stabilisation and detoxification service.



**LOOKING BACK & PLANS FOR FUTURE PERIODS (CONTINUED)**

**LOOKING FORWARD (CONTINUED)**

We have recently secured a tender for a community-based project, providing much needed drug and alcohol treatment supports to over 18s and their families in Wicklow. The service will focus on providing information, advice, treatment and support to service users so that they can enter into recovery and integrate back into the community.

Following the launch of the 'Supporting Recovery, Reducing Harm' strategy to address the drugs crisis in Ireland, we expect 2018 to be a year of great progress. With two people a day dying from drug-related causes, the supervised injecting facility pilot at MQI is the first of many steps Ireland needs to take to end the drug epidemic, treat people who use drugs with dignity and respect and, most of all, save lives.

**ACHIEVEMENTS AND PERFORMANCE**

**AFTERCARE & SOCIAL HOUSING SERVICES**

**Aftercare Housing Services – Dublin and Kildare:** Finding accommodation for the large proportion of clients leaving our residential rehab services who are effectively homeless has been an increasing challenge in recent years. MQI operates two short-term transitional housing services, one in Dublin, developed with the support of one of the organisation's donors, the other in Kildare, developed in partnership with Respond Housing Association. Across both houses, we provide a total capacity of nine beds. Demand for the Dublin and Kildare houses were high during 2017, with 26 clients admitted during the year.

**RISK ASSESSMENT**

The Board of Directors & the Executive Leadership Team is committed to maintaining a strong risk management framework. The objective of the risk management is to ensure that the organisation is equipped to monitor and manage its key risks in line with good practice and to ensure that the Company makes every effort to manage risk appropriately by maximising its potential opportunities to mitigate risk, while also minimising the adverse effects of risk.

The Executive leadership team along with the relevant committees will be responsible for executing and maintain the organisation's Risk Management programme.

The principal risks and uncertainties that the trustees see as facing the charity are:

- Health & Safety Risks for staff and clients
- Reputational Risks
- Compliance & Legal Risks - Risk of Litigation
- Training Inefficiencies
- Legislation Changes / Regulations

The Company has appropriate insurance and business policies to limit the risks associated with its activities and the Audit & Risk Committee reporting to the Board of Directors reviews, assesses and monitors the organisation's control and risk management systems, its Risk Register and Risk Appetite Statement.

**COMMITMENT TO BEST PRACTICE IN CORPORATE GOVERNANCE**

The Company is on the journey towards being compliant with the *Governance Code: A Code of Practice for Good Governance of Community, Voluntary and Charitable Organisations in Ireland* ("the Code") and is anticipated that it will become fully compliant with the Code by March 2017. The process involved a thorough review and assessment of the organisation's policies, procedures, structures and values to ensure that the Company was run as effectively as possible, with a focus on increasing transparency and a reassurance to all stakeholders that funds and donations are being well managed.



**COMMITMENT TO BEST PRACTICE IN CORPORATE GOVERNANCE (CONTINUED)**

The Company recognises that organisations have a responsibility to follow a code of good practice when it comes to how their organisations are run. The aim of the Code is to determine and formulate standards of best practice in corporate governance applicable across the areas of leadership, control, transparency, accountability, working effectively and behaving with integrity.

**COMMITMENT TO STANDARDS IN FUNDRAISING PRACTICE**

The Company is fully committed to achieving the standards contained within the guidelines for charitable organisations fundraising from the public (the Guidelines). The Guidelines are intended to assist trustees of a charity to run the charity effectively, avoid difficulties in respect of fundraising activities and comply with their legal duties.

The Guidelines- and Merchants Quay's fundraising practice - are built around the principles of:

- Respect,
- Honesty and integrity,
- Transparency and accountability.

The Guidelines were issued in September 2017 by The Charities Regulatory Authority and were based on the 2008 Statement of Guiding Principles on Charitable Fundraising which was formally discussed and adopted at a meeting of the Board. The Board meets regularly to discuss plans for funding, including any shortfall or excess and allocation of funds.

**RESERVES POLICY**

The Directors have examined the Company's requirements for reserves in light of the main risks of the organisation. The Board is working to achieve a policy whereby the unrestricted funds held by the Company should be six months of the current expenditure.

**TAXATION STATUS**

The company was granted charitable tax exemption by the Revenue Commissioners on the 20 May 2008.

**ACCOUNTING RECORDS**

The measures that the 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 registered office at 24 Merchants Court, Merchants Quay, Dublin 8.

**DISCLOSURE OF INFORMATION TO AUDITORS**

In the case of each of the persons who are directors at the time the directors' report and financial statements are approved:

- A) So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- B) Each director has taken all steps that ought to have been taken by the director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**ST. FRANCIS HOUSING ASSOCIATION CLG**

**DIRECTORS' REPORT (CONTINUED)**

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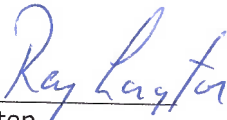
**AUDITORS**

The auditors, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm continue in office in accordance with Section 383(2) of the Companies Act 2014.

Approved by the Board and signed on its behalf by:



Mick Price  
Director



Ray Langton  
Director

Date: \_\_\_\_\_



## ST. FRANCIS HOUSING ASSOCIATION CLG

### DIRECTORS' RESPONSIBILITIES STATEMENT

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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* ("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 Board is required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- 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 Board is responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Board's report complies with the Companies Act 2014 and enable the financial statements to be audited. It is 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.

The Board is 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 St. Francis Housing Association CLG**

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

#### **Opinion on the financial statements of St. Francis Housing Association CLG (the 'company')**

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 2017 and of the deficit for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- the Statement of Income and Retained Earnings;
- the Balance Sheet;
- the Cash Flow Statement; and
- the related notes 1 to 10, including a summary of significant accounting policies as set out in note 1.

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("the relevant financial reporting framework").

#### **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 described below in the "*Auditor's responsibilities for the audit of the financial statements*" section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Accounting and Auditing Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Reports and Financial Statements for the financial year ended 31 December 2017, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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## **Independent auditor's report to the members of St. Francis Housing Association CLG**

### **Other information (Continued)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

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## **Independent auditor's report to the members of St. Francis Housing Association CLG**

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

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

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

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.

### **Report on other legal and regulatory requirements**

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


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

- 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 and the directors' report has been prepared in accordance with the Companies Act 2014.

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

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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 law are not made.



Cathal Treacy  
For and on behalf of Deloitte Ireland LLP  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House, Earlsfort Terrace, Dublin 2

Date *18 June 2018*



**ST. FRANCIS HOUSING ASSOCIATION CLG****STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

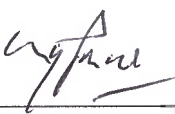
	<i>Notes</i>	<b>2017 €</b>	<b>2016 €</b>
<b>INCOME</b>		<b>31,200</b>	36,329
<b>EXPENDITURE</b>			
Staff Costs	3	<b>(28,843)</b>	-
Other expenses		<b>(32,995)</b>	(28,014)
<b>(DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	4	<b>(30,638)</b>	8,315
Taxation	5	-	-
<b>(DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES AFTER TAXATION</b>		<b>(30,638)</b>	8,315
Retained earnings brought forward		<b>8,315</b>	-
<b>RETAINED EARNINGS CARRIED FORWARD</b>		<b>(22,323)</b>	8,315

There are no recognised gains or losses other than noted above.

**ST. FRANCIS HOUSING ASSOCIATION CLG****BALANCE SHEET  
AS AT 31 DECEMBER 2017**

	Notes	2017 €	2016 €
<b>Current Assets</b>			
Cash at bank		4,963	5,000
Debtors		-	3,315
		<u>4,963</u>	<u>8,315</u>
<b>Creditors:</b> Amounts falling due within one year	6	<b>(27,286)</b>	-
<b>Total assets less current liabilities</b>		<b>(22,323)</b>	<b>8,315</b>
<b>TOTAL NET (LIABILITIES)/ASSETS</b>		<b>(22,323)</b>	<b>8,315</b>
<b>Financed by</b>			
Retained earnings		(22,323)	8,315
		<u>(22,323)</u>	<u>8,315</u>

The financial statements were approved and authorised for issue by the Board of Directors on 18 June 2018 and signed on its behalf by:

  
Mick Price  
Director

  
Ray Langton  
Director

**ST. FRANCIS HOUSING ASSOCIATION CLG****CASH FLOW STATEMENT  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017****RECONCILIATION OF NET INCOME TO NET CASH FLOW**

	<b>2017</b> <b>€</b>	<b>2016</b> <b>€</b>
<b>NET (EXPENDITURE)/INCOME FOR THE REPORTING YEAR</b>	<b>(30,638)</b>	<b>8,315</b>
<i>Adjustments for:</i>		
Decrease/(increase) in debtors	<b>3,315</b>	<b>(3,315)</b>
Increase in creditors	<b>27,286</b>	<b>(3,315)</b>
<b>NET CASH GENERATED BY CHARITABLE ACTIVITIES</b>	<b>(37)</b>	<b>5,000</b>

	<b>2017</b> <b>€</b>	<b>2016</b> <b>€</b>
Cash inflow from operating activities	<b>(37)</b>	<b>5,000</b>
<b>Increase in cash</b>	<b>(37)</b>	<b>5,000</b>
Cash and cash equivalents at the beginning of the reporting year	<b>5,000</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the reporting year</b>	<b>4,963</b>	<b>5,000</b>

**1. ACCOUNTING POLICIES**

The significant accounting policies adopted by the company are as follows:

**Basis of Preparation**

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with the Companies Act 2014 and the Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

**2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The directors do not consider there are any critical judgements or sources of estimation requiring disclosure.

**GOING CONCERN**

With assistance from Merchants Quay Ireland CLG the organisation's forecast and projections, taking account of reasonable possible changes in performance, show that the organisation will be able to operate within the level of its current cash and investment resources. The Board have a reasonable expectation that the organisation has adequate resources to continue in operational existence for the foreseeable future. Thus they have continued to adopt the going concern basis of accounting in preparation of the annual financial statements.

**3. STAFF COSTS**

The average number of persons employed by the company (including executive directors) was as set out below:

	<b>2017 No.</b>	<b>2016 No.</b>
Employees	<b>0.6</b>	-

The aggregate payroll costs of these persons were as follows:

	<b>2017 €</b>	<b>2016 €</b>
Salaries	<b>26,369</b>	-
PRSI	<b>2,474</b>	-
	<b>28,843</b>	-

The key management personnel at the company comprises of the Directors and the executive team. The key management team work across MQI however no portion of the salaries that arise within Merchant's Quay Ireland CLG that are attributable to the work of St Francis Housing Association CLG have been charged over to this Company. It is important to note that the direct salaries that arise within Merchants Quay Project CLG that are attributable to the work of St Francis Housing Association CLG are transferred over to this charity and included in the above.

**ST. FRANCIS HOUSING ASSOCIATION CLG**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

**4. (DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR BEFORE AND TAX**

	<b>2017</b>	<b>2016</b>
	<b>€</b>	<b>€</b>
(Deficit)/surplus before tax is stated after charging:		
Directors' remuneration	-	-
Depreciation	-	-
	<u>-</u>	<u>-</u>

**5. TAXATION**

The company was granted charitable tax status by the Revenue Commissioners on the 20 May 2008.

**6. RELATED PARTY TRANSACTIONS**

The Directors of the company are also Directors of Merchants Quay Ireland CLG (MQI) and the Franciscan Social Justice Initiative CLG (FSJI). The Members on behalf of the Order of The Friars Minor have effective control over all four companies.

The balance owing to the Merchants Quay Ireland CLG at 31 December 2017 was €27,286 (2016: owed by MQI €3,315). MQI have provided assurance that they will continue to support this entity until such a time as they are in a position to repay any monies due.

**RECONCILIATION RELATED PARTY TRANSACTIONS- MQI**

	<b>2017</b>
	<b>€</b>
Opening Balance	
Repayments to MQI	<b>3,315</b>
Amounts due to MQI	<b>-</b>
	<b>(30,601)</b>
Closing Balance	<u><b>(27,286)</b></u>

**7. TANGIBLE FIXED ASSETS**

The company did not beneficially own any assets at 31 December 2017 or 31 December 2016.

**8. GUARANTEES AND SECURITIES**

The company has issued no guarantees and has pledged no securities.

**9. CONTINGENT LIABILITIES**

There were no contingent liabilities at the balance sheet date.

**10. ULTIMATE CONTROLLING PARTY**

The members and Directors of the Company at 31 December 2017 apart from Mr. Mick Price, Mr. Brian Melaugh, Dr Joanne Fenton, Mr Ray Langton, Mr Derek Bell, Ms Margaret Hennessy and Dr Siobhan Garrigan are members of the Order of Friars Minor.