



Financial Statements

Arlington Novas Ireland Company Limited by Guarantee

For the financial year ended 31 December 2016

Arlington Novas Ireland Company Limited by Guarantee

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Company Information

Directors	Greg Maxwell (Chairperson) Dermot Sadlier Patrick Quaid Maria O' Dwyer Kieran Walshe Martina Murphy Justin Brosnan
Company secretary	Donal O' Carroll
Registered number	330018
Registered office	McGarry House 7 Saint Alphonsus Street Limerick
Independent auditors	Grant Thornton Chartered Accountants & Statutory Audit Firm Mill House Henry Street Limerick
Bankers	AIB Bank Plc 106/108 O' Connell Street Limerick Permanent TSB 24 Sarsfield Street Limerick
Solicitors	Holmes O' Malley Sexton Bishopsgate Henry Street Limerick

Arlington Novas Ireland Company Limited by Guarantee

Solicitors (continued)

Hayes Solicitors
Lavery House
Earlsfort Terrace
Dublin 2

Bailys Solicitors
Church Street
Tralee
Co. Kerry

Directors' report

For the Financial year Ended 31 December 2016

The directors present their annual report and the audited financial statements for the financial year ended 31 December 2016.

Principal activities

Arlington Novas Ireland Company Limited by Guarantee (ANI) is a national homeless and housing charity working with families, single people, children and unaccompanied minors who are disadvantaged and socially excluded; primarily those who are homeless or at risk of being homeless. We offer client centred services and promote social justice.

ANI is the name by which Arlington Novas Ireland Company Limited by Guarantee operates on a day to day basis. ANI is a company limited by guarantee, without share capital (CRN 330018). It was incorporated in Ireland on 11th June 2000 and on 1st September 2005 became entirely independent from its founding UK charitable company. It is a registered charity CHY 13390 (Charities Registration Authority reference 2004153) and a registered housing provider/ approved housing body by the Department of Housing, Planning, Community and Local Government. It operates under the standards of best practice through the Voluntary Governance Code for Irish Charities and also the DECLG Code for Approved Housing Bodies.

Since it opened its first service in Limerick in 2002 it has grown significantly to now offer more than 20 services in counties Limerick, Dublin, Kerry, Tipperary and Cork. Clients are supported through Housing, Health and Recovery.

The Companies Act 2014 came into effect on 1st June 2015 and from then the requirements for the content and presentation of financial reporting for not-for-profit companies changed. ANI adopted the reporting standards of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

VISION To provide lasting solutions to homelessness.

MISSION To promote social inclusion through Housing, Health and Recovery.

AIMS AND OBJECTIVES

- To provide homes to people who are homeless
- To support people who are homeless to have better health outcomes through interventions in drug use, mental health and disabilities
- To provide recovery pathways for people who are homeless with enduring mental health issues
- To empower and promote the independence of those who use our services
- To treat all our clients with dignity and respect
- To provide client centred services, rooted in evidence, quality and good practice
- To advocate on behalf of people who are homeless, at risk of being homeless, entrenched in addiction or those experiencing social marginalisation through a strengths-based approach.

VALUES

- Equality
- Diversity
- Dignity
- Self-determination
- Strengths-based
- Rights-based

Directors' report (continued)

For the Financial year Ended 31 December 2016

Business review

The spiralling number of people who are homeless continued unabated. In 2016 3,552 clients accessed our services; an increase of 48% over 2015 (and 270% since 2010). Over recent years despite no restoration of funding levels cut nearly 10 years ago ANI has focused on ways to improve access to services. The numbers needing services has surpassed all previous record highs and efforts concentrated to attempt to reduce the number of people turned away due to a saturation of the capacity of the services.

In 2016 our efforts made significant progress with 75% of those seeking services able to access them; up from 51% in 2015. This improvement was even more substantial as the number referred to the services during the year leapt from 3,172 to over 5,390. This was partially explained due to our increased capacity at the end of the year when the 'cold weather strategy' operated but in the main it resulted from internal initiatives taken in many services.

Within these overall statistics there were noticeable variations between accessibility for 'accommodation' services and 'non-accommodation' services. Due to the continuing crisis of non availability in long term accommodation it remains enormously difficult for clients using our accommodation services to move out to rent their own accommodation. Hence spaces in our short-term centres are at a premium; Accessibility to accommodation services was at 45% (up from 35% in 2015); whereas the equivalent for those seeking non-accommodation services was 96% (up from 73% in 2015).

The year was the last in the strategic plan initiated in 2012. Enormous challenges were faced in this period when the country endured unprecedented worsening of a homeless crisis. Perhaps the single biggest indicator of the unprecedented growth in homelessness during the period is shown by our Out-of-Hours service. It works in conjunction with Limerick's Homeless Action Team. We help people access emergency and temporary accommodation and so it is a key service to help prevent rough sleeping in the city. It is the only such service outside Dublin and the only such service operated by a voluntary agency. From 2012 to 2016 the number of persons seeking emergency accommodation grew from 184 to 1,067; a staggering increase of nearly 500%.

The development of our disability and mental health services was a major achievement over this 5 year period. ANI is now acknowledged as being expert in the field of housing, health, recovery services for those with life-lasting and enduring mental health issues, acquired brain injuries, intellectual disabilities, physical and sensory disabilities etc. Plans are being developed to continue to grow this model over the next period. Brother Stephen Russell House is a key centre of development but other services have also made innovative developments. During the period we designed and built a new building able to offer a comprehensive range of services to the most vulnerable. The in-house design won the award of best new building by the Irish Council for Social Housing.

Over this period the Community Detox and Respite services grew into models of excellence and good practice in drug delivery services. In the 2016 evaluation the Detox service was referred to as the 'gold star of drug delivery services' and a model to emulate across the country.

The Intensive Family Support Service (IFS) works with families who are homeless or at risk of homelessness. It is largely a preventative service, working to keep the family unit together in their own home. Reflecting the surge in homelessness over the last 5 years the number of families seeking our service almost doubled. Despite significant resource limitations we were able to work with 50% more families over the duration.

Our children's service in Dublin also transferred to a new custom built centre and on site also provided single bed apartments. The design was also in-house.

A new Tenancy Support and Sustainment Service opened in West Cork it extends from Bandon to Mizen Head and covers hundreds of miles of rural dwellings and large county towns. The service offers supports to families and single persons who are homeless or at risk of homelessness. In 2012 when it opened 48 families/ individuals accessed the service. In 2016 this had increased to 80 (and due to limited resources another 40 families/ individuals could not be supported).

Directors' report (continued)

For the Financial year Ended 31 December 2016

Major changes have been experienced in all our services; the womens' service in Dublin transferred to a new location away from the city centre; in Thurles we adopted a Housing First approach by moving out the staff and providing visiting support to the residents of what had previously been a short term accommodation service; our street outreach (a service entirely resourced by volunteers) responded to the crisis on the streets by offering a 7 nights per week service since 2012 and by 2016 more than doubled the number of meals it provided (up to 10000 in 2016) and met over 5,000 people; services such as Nenagh and those in Kerry worked with a record number of clients and in effect became service hubs by also offering outreach and settlement support.

Property & Development: By mid 2016 ANI had succeeded in invested €23.5m in our housing stock and delivered 171 accommodation units over the period of the strategic plan. During 2016 ANI had a further 46 units in various stages of planning and acquisition at a projected cost of €8.8m. We also developed and adopted our 2017-2021 strategic plan with a renewed emphasis on long term accommodation. This included a commitment to invest a further €20m in the procurement of housing with the aim of delivering in excess of 100 homes. The primary constraint on our development programme is our sustained access to both public and private funding, primarily via CAS and CALF funding respectively.

The wider context saw the continuation of a chronic shortage of supply of both properties for rental and new housing supply within the sector and the wider economy. Rebuilding Ireland initiatives during the year sought to significantly increase the investment and output of social housing.

Key Initiatives and outcomes in 2016 included,

- The continued delivery of CAS /CALF projects
- Funding approval was granted for the acquisition of 11 CALF properties in Dublin and 8 CALF properties in Limerick. CALF acquisitions were also progressed in Kerry (1 unit)
- CAS funding was approved for an acquisition in Tipperary (3 units)
- Proposed CAS developments at Dublin 8 (11 units), Infill Housing D24 (6 units) Dublin 1 (8 Units) continued to progress through the funding approvals process albeit at a slow pace.
- ANI also provided additional tenancies under Housing First and short term leasing initiatives
- Additional short stay accommodation was provided and facilitated including;
 - Technical support in the design and delivery of 70 beds of short stay accommodation unit in Dublin for Dublin City Council
 - 14 beds of short stay accommodation unit in Limerick in conjunction with Limerick City and County Council

The total income generated by ANI in 2016 was €8.607M, a 6.9% increase from the previous year. Revenue grants received by the organisation for core homeless funding amounted to €5.513M. Non-core funding for 2016 was €1.798M, and other income (client contributions, donations, fundraising and investment income) amounted to €1.296M.

CORPORATE GOVERNANCE

STRUCTURE & GOVERNANCE

The charity was established under a Memorandum of Association which sets out the objects and powers of the company, and is governed under its Articles of association and managed by a board of volunteer directors. The maximum number of directors is twelve. During the year there were 7 members. Towards the end of the year, following a review, the board decided to seek new members and was actively following up on this.

The board meets at least every quarter. In 2016 there were 4 meetings and 1 special meeting. There are 4 board committees (known as 'sub groups'); Finance and Audit, Client Focus, Health and Safety, Property and Governance. The chair of each group is a board member and the board members must have at least half of the group membership. They meet at least every quarter and report to the board.

MANAGEMENT

The Chief Executive Officer (CEO) reports and is accountable to the board and leads a team of senior managers

Directors' report (continued)

For the Financial year Ended 31 December 2016

(Senior Management Team SMT) on the everyday activities, strategic planning and policy developments. The other members of the SMT are the Heads of Services, Finances, Personnel/ Legal and Property. Following an assessment of the needs at senior management level for the next 5 year period, it is intended to add to this team in 2017. Managers also meet regularly to coordinate and develop initiatives at local level.

STRATEGIC DEVELOPMENT

2016 was the final year of the agency's 2012-16 Strategic Plan. Following consultation and discussions throughout the agency over a 5 month period involving the board, management, staff and clients a new 5 year strategic plan was approved for the period ahead 2017-2021. Part of the review included assessing the events of the previous 5 year period. Despite being a relatively new charity (the first year of the outgoing plan was only 10 years from the opening of the first service) and for most of the 5 years facing an unparalleled national crisis in housing and the number of people being homeless the agency made enormous progress in our work with clients. The main outcomes achieved during this period are outlined above. Whilst a period of consolidation would be welcome, the national crisis continues and is likely to do so for the next period. The new strategic plan emphasises the continuance of our core values and also commits to a multi million euro development plan to increase the long term housing options for clients.

We remain committed to continuous improvements in the quality assurance standards of services and also in the governance standards of the board and management infrastructure.

RISK MANAGEMENT

The board has approved a framework whereby risks are identified, assessed and rated and then strategies and actions are set out to deal with the risks. It also approved a 'headline risk register'. The main aim of the framework is to create and maintain a culture of awareness and competence of risk management throughout the agency. The board has ultimate responsibility with the SMT ensuring legal compliance, appropriate quality standards and staff awareness, development and training. The SMT reports to the Board at least twice a year on the Risk Register.

HEALTH & SAFETY

The agency continuously devises manages and promotes actions that, where possible eliminate health and safety risks and hazards or otherwise ensure any remaining risks/ hazards are minimised. In addition to working with the board's health and safety group the Health and Safety Co-ordinator works directly with managers, staff and clients and provides comprehensive training on preventative aspects of risks and hazards. The Health and Safety Committee brings together Safety Officers (managers) and Safety Representatives (staff) throughout the year to discuss, co-ordinate and promote activities and identify shortfalls and actions. Health and safety audits are also a feature of every project and office. The extensive work undertaken in recent years has had a very positive effect on all aspects of activities.

Results

The profit for the financial year, after taxation, amounted to €417,974 (2015 - €327,026).

Directors' report (continued)

For the Financial year Ended 31 December 2016

Directors and Secretary

The directors and secretary who served during the financial year were:

Greg Maxwell (Chairperson)
Dermot Sadlier
Patrick Quaid
Maria O' Dwyer
Kieran Walshe
St. Cait Gannon (resigned 28 June 2016)
Martina Murphy
Justin Brosnan

Donal O'Carroll served as company secretary during the financial year.

The company is limited by guarantee and has no share capital.

Designated funds

At 31 December 2016, Arlington Novas Ireland held €500,000 in financial assets. These assets have been accumulated through the prudent management of resources and the continued implementation of a cost saving culture within the company. The majority of these funds will be reinvested to maintain and improve services in accordance with the company's Strategic Plan 2017 - 2021.

Principal risks and uncertainties

Interest rate risk

The company finances its operations through retained earnings and through income received from the government.

Liquidity risk

The company's policy is to ensure that sufficient resources are available either from cash balances, cash flows and near cash liquid investments to ensure obligations can be met when they fall due and to invest in cash assets safely and profitably.

Currency risk

The company conducts the majority of its transactions in Euro and is thereby not exposed to currency fluctuations.

Credit risk

The company is principally funded by the government and therefore is not exposed to credit risk.

Accounting records

The directors believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act, 2014 with regard to the keeping of accounting records by employing persons with appropriate expertise and by providing adequate resources to the financial function. The accounting records are held at the company's business address at McGarry House, 7 Saint Alphonsus Street, Limerick.

Directors' report (continued)

For the Financial year Ended 31 December 2016

Statement on relevant audit information

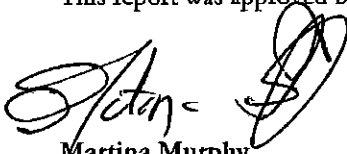
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

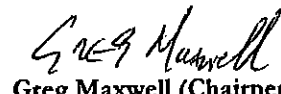
The auditors, Grant Thornton, continue in office in accordance with section 383(2) of the Companies Act 2014.

This report was approved by the board on 27 July 2017 and signed on its behalf by.



Martina Murphy
Director

Date: 27 July 2017



Greg Maxwell (Chairperson)
Director

Date: 27 July 2017

Directors' responsibilities statement

For the Financial year Ended 31 December 2016

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

Irish company law requires the directors to prepare the financial statements for each financial year giving a true and fair view of the state of affairs of the company for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice in Ireland, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and promulgated by the Institute of Chartered Accountants in Ireland and Irish law.

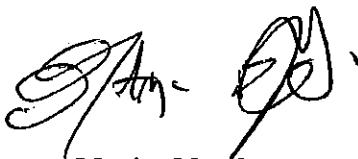
Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date, of the profit or loss of the Company for that financial year and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

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

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

The directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This statement was approved by the board on 27 July 2017 and signed on its behalf by:



Martina Murphy
Director



Greg Maxwell (Chairperson)
Director

Date: 27 July 2017



Independent auditors' report to the members of Arlington Novas Ireland Company Limited by Guarantee

We have audited the financial statements of Arlington Novas Ireland Company Limited by Guarantee for the financial year ended 31 December 2016, which comprise the Statement of Comprehensive Income, the Balance sheet, the Statement of cash flows, the Statement of Income and Retained Earnings and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and the Auditor

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

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



Independent auditors' report to the members of Arlington Novas Ireland Company Limited by Guarantee

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.

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 law are not made.

Mill House
Henry Street
Limerick

27 July 2017


Mr. Damien Gleeson
for and on behalf of
Grant Thornton
Chartered Accountants
& Statutory Audit Firm

Statement of comprehensive income

For the Financial year Ended 31 December 2016

	Note	2016 €	2015 €
Turnover	4	8,607,066	8,048,349
Administrative expenses		(8,179,259)	(7,770,664)
Operating profit	5	427,807	277,685
Interest receivable and similar income	7	6,780	62,604
Interest payable and expenses	8	(16,613)	(13,263)
Profit before tax		417,974	327,026
Profit for the financial year		417,974	327,026
Other comprehensive income for the financial year			
Total comprehensive income for the financial year		417,974	327,026

All amounts relate to continuing operations.

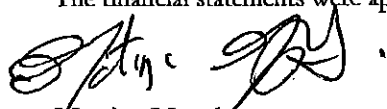
The notes on pages 18 to 37 form part of these financial statements.

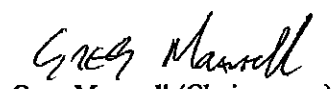
Balance sheet

As at 31 December 2016

	Note	2016 €	2015 €
Fixed assets			
Tangible assets	10	66,325	58,138
Tangible assets - Housing Properties	11	24,247,051	24,260,474
Financial assets	12	500,000	1,856,216
		<u>24,813,376</u>	<u>26,174,828</u>
Current assets			
Debtors: amounts falling due within one year	13	348,147	302,816
Cash at bank and in hand	14	4,445,076	2,087,835
		<u>4,793,223</u>	<u>2,390,651</u>
Creditors: amounts falling due within one year	15	(804,756)	(734,575)
Net current assets		<u>3,988,467</u>	<u>1,656,076</u>
Total assets less current liabilities		<u>28,801,843</u>	<u>27,830,904</u>
Creditors: amounts falling due after more than one year	16	(20,459,619)	(20,005,980)
Grants		(2,230,470)	(2,145,507)
Provisions for liabilities			
Other provisions	21	(68,003)	(53,640)
		<u>(68,003)</u>	<u>(53,640)</u>
Net assets		<u>6,043,751</u>	<u>5,625,777</u>
Reserves			
Restricted fund	22	271,161	-
Other reserves	22	1,493,794	3,675,097
Profit and loss account	22	4,278,796	1,950,680
Reserves		<u>6,043,751</u>	<u>5,625,777</u>

The financial statements were approved by the board on 27 July 2017 and signed on its behalf by:


Martina Murphy
Director


Greg Maxwell (Chairperson)
Director

Date: 27 July 2017

The notes on pages 18 to 37 form part of these financial statements.

Statement of income and retained earnings

For the Financial year Ended 31 December 2016

	Restricted fund €	Designated fund €	Profit and loss account €	Total €
At 1 January 2016	-	3,675,097	1,950,680	5,625,777
Comprehensive income for the financial year				
Profit for the financial year	-	-	417,974	417,974
Other comprehensive income for the financial year	-	-	-	-
Total comprehensive income for the financial year	-	-	417,974	417,974
Transfer to profit and loss account	-	-	1,910,142	1,910,142
Transfer between other reserves	271,161	(2,181,303)	-	(1,910,142)
Total transactions with owners	271,161	(2,181,303)	1,910,142	-
At 31 December 2016	271,161	1,493,794	4,278,796	6,043,751

Statement of income and retained earnings

For the Financial year Ended 31 December 2015

	Designated fund	Profit and loss account	Total
	€	€	€
At 1 January 2015	3,434,132	1,864,619	5,298,751
Comprehensive income for the year			
Profit for the year	-	327,026	327,026
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	327,026	327,026
Transfer (from) profit and loss account	-	(240,965)	(240,965)
Transfer between other reserves	240,965	-	240,965
Total transactions with owners	240,965	(240,965)	-
At 31 December 2015	3,675,097	1,950,680	5,625,777

The notes on pages 18 to 37 form part of these financial statements.

Statement of cash flows

For the Financial year Ended 31 December 2016

	2016 €	2015 €
Cash flows from operating activities		
Profit for the financial year	417,974	327,026
Adjustments for:		
Depreciation of tangible assets	333,527	332,742
(Profit) on disposal of tangible assets	(1,800)	(500)
Amortisation of grants	(27,537)	(26,543)
Interest paid	16,613	13,263
Interest received	(6,780)	(62,604)
(Increase) in debtors	(45,331)	(125,021)
Increase/(decrease) in creditors	70,181	(197,126)
Increase/(decrease) in provisions	14,363	(2,855)
Net cash generated from operating activities	<u>771,210</u>	<u>258,382</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(41,500)	(49,050)
Purchase of tangible fixed assets	(286,791)	(1,759,456)
Sale of tangible fixed assets	1,800	500
Increase in grants	112,500	437,500
Purchase of financial assets	(502,342)	-
Sale of financial assets	1,858,558	1,833,154
Interest received	6,780	62,604
Net cash from investing activities	<u>1,149,005</u>	<u>525,252</u>
Cash flows from financing activities		
Repayment of loans	(17,815)	(17,303)
New CAS and CALF loans	471,454	321,556
Interest paid	(16,613)	(13,263)
Net cash used in financing activities	<u>437,026</u>	<u>290,990</u>
Net increase in cash and cash equivalents	<u>2,357,241</u>	<u>1,074,624</u>
Cash and cash equivalents at beginning of financial year	<u>2,087,835</u>	<u>1,013,211</u>
Cash and cash equivalents at the end of financial year	<u><u>4,445,076</u></u>	<u><u>2,087,835</u></u>
Cash and cash equivalents at the end of financial year comprise:		
Cash at bank and in hand	<u>4,445,076</u>	<u>2,087,835</u>
	<u><u>4,445,076</u></u>	<u><u>2,087,835</u></u>

Arlington Novas Ireland Company Limited by Guarantee

Statement of cash flows (continued)
For the Financial year Ended 31 December 2016

2016	2015
€	€

The notes on pages 18 to 37 form part of these financial statements.

Notes to the financial statements

For the Financial year Ended 31 December 2016

1. General information

Arlington Novas Ireland Company Limited by Guarantee (ANI) is a national homeless and housing charity working with families, single people, children and unaccompanied minors who are disadvantaged and socially excluded; primarily those who are homeless or at risk of being homeless. It offers client centred services and promotes social justice. The company's registered office is located at McGarry House, 7 Saint Alphonsus Street, Limerick.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and Irish statute comprising of the Companies Act 2014. The financial statements have been prepared under FRS 102.

The financial statements are presented in Euro (€).

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

The following principal accounting policies have been applied:

2.2 Going concern

After reviewing the company's projections and financial support provided, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

2.3 Income

Income is recognised when the charity has entitlement to the funds, and performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donations and legacies income represents the gross money raised including all gross income from events held. Donations and legacies income is shown gross without deduction of any overhead costs involved in raising such funds.

Income from government and other grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Other trading activities income includes rental income which is recorded on a receivable basis.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Notes to the financial statements

For the Financial year Ended 31 December 2016

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Motor vehicles	- 4 years
Fixtures and fittings	- 4 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

Tangible Assets - Housing Properties

Fixed asset (properties) are capitalised at cost and are depreciated according to the estimated useful economic lives of their relevant components and on a straight line basis in order to bring the assets to their residual value.

In addition, under the terms of its loan agreements with respective local authorities, the company is required to keep the mortgaged properties in good structural order, repair and condition and not to permit the mortgaged properties to depreciate by neglect or mismanagement. Detailed reviews for impairment are therefore only carried out if the Directors are satisfied that there are definite indications that impairment has occurred.

In relation to the main fabric of land and buildings, in order to ensure the property is fit for purpose, all initial expenditure is capitalised at cost.

On transition to FRS 102 the company elected not to measure the housing properties at fair value as deemed cost in line with Section 35.10. The depreciation policy as detailed below was applied retrospectively and no transitional relief was claimed.

Land is not depreciated. The components of each fixed asset (property) are depreciated as follows:

Component	Useful Economic Life
Buildings	100 years
Roof structure and coverings	65 years
Windows and doors	25 years
Kitchen	20 years
Heating appliances	15 & 30 years
Safety equipment	15 years

Notes to the financial statements

For the Financial year Ended 31 December 2016

2. Accounting policies (continued)

2.5 Fund accounting

The following funds are operated by the Company:

Designated funds - designated funds are unrestricted funds earmarked by the Directors for particular purposes. The aim and use of the designated fund is set out in the notes to the financial statements.

Restricted funds are specific funds received at the end of the financial year from HSE and Limerick City & County Council which are required to be utilised on specific following financial year programmes.

2.6 Debtors

Short term debtors are measured at transaction price including transaction costs, less any impairment. Loans receivable are measured initially at transaction price including transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

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

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

2.8 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for

Notes to the financial statements

For the Financial year Ended 31 December 2016

2. Accounting policies (continued)

2.8 Financial Instruments (continued)

measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.9 Capital Assistance Scheme (CAS) Loans and Capital Advanced Leasing Facility (CALF) Loans

Capital Assistance Scheme (CAS) loans and Capital Advanced Leasing Facilities (CALF) loans are recognised as creditors falling due for repayment after more than one year.

CAS and CALF Loans received for the acquisition of property are released to profit or loss when the term of the relevant CAS or CALF mortgage is completed.

The majority of Housing Properties acquired by Arlington Novas Ireland Limited have been financed by way of Capital Assistance Scheme (CAS) Loans which are repayable in full in twenty years or thirty years. Loans under CAS have not been amortised on the basis that the loans remain repayable in full, for the term noted above, if certain conditions are not met during the loan term.

CAS loans are not financing transactions and are not subject to effective interest on the basis that interest is applied to the loan amounts but waived provided the terms of the agreement are met. Interest is applied to CALF loan amounts and payable at the end of the loan term.

The following terms are attached to the CAS and CALF loans:

- The housing properties are occupied by persons or families within the eligible categories according to the relevant scheme and that the authority has the right of consultation in respect of the letting policy for the mortgaged property.
- To comply with the terms and conditions set out in the company.
- The mortgaged property is properly maintained and the company furnishes all documents or records in its control to satisfy the authority.
- The mortgaged property is adequately insured against loss and damage.
- The mortgaged property is maintained in good structural order, repair and condition.

The CAS and CALF loans are repayable on demand, if the terms of the agreement are breached the loan amounts become repayable immediately.

Notes to the financial statements

For the Financial year Ended 31 December 2016

2. Accounting policies (continued)

2.10 Grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.11 Creditors

Short term creditors are measured at transaction price including transaction costs, less any impairment. Other financial liabilities, including bank loans, are measured initially at transaction price including transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.13 Provision for liabilities - Holiday pay

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

2.14 Taxation

No charge for current or deferred taxation arises as the charity has been granted charitable status (Charity Number CHY 13390).

2.15 Financial Assets

Investments comprise of bank deposit accounts held with a maturity period in excess of 12 months and a long term unlisted, capital guaranteed growth investment product.

Investments are measured at amortised cost.

Notes to the financial statements

For the Financial year Ended 31 December 2016

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Determination of depreciation, useful economic life and residual value of fixed assets and housing properties.

The annual depreciation charge depends primarily on the estimated lives of fixed assets. The directors regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation charge for the financial year. The net book value of Tangible Fixed Assets and Housing Properties subject to depreciation at the financial year end date was €66,325 (2015: €58,138) and €24,247,051 (2015: €24,260,474) respectively.

Adoption of going concern basis for financial statements preparation.

The directors have prepared budgets and cash flows for a period of at least twelve months from the date of the approval of the financial statements which demonstrate that there is no material uncertainty regarding the company's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

4. Turnover

An analysis of turnover by class of business is as follows:

	2016 €	2015 €
Revenue grants	7,636,979	7,252,511
Donations	300,886	90,803
Rent receivable	669,201	653,435
Other income	-	51,600
	<u>8,607,066</u>	<u>8,048,349</u>

Analysis of turnover by country of destination:

	2016 €	2015 €
Republic of Ireland	8,607,066	8,048,349
	<u>8,607,066</u>	<u>8,048,349</u>

Notes to the financial statements

For the Financial year Ended 31 December 2016

5. Profit on ordinary activities before taxation

The profit on ordinary activities before taxation is stated after charging:

	2016 €	2015 €
Depreciation of tangible fixed assets - housing properties	300,214	308,306
Depreciation of tangible fixed assets	33,313	24,436
Amortisation of grants	(27,537)	(26,543)
Defined contribution pension cost	104,612	103,500
Profit on disposal of fixed assets	(1,800)	(500)
	<u>308,802</u>	<u>308,200</u>

6. Employees

Staff costs were as follows:

	2016 €	2015 €
Wages and salaries	4,623,870	4,347,901
Social security costs	568,694	558,572
Cost of defined contribution scheme	104,612	103,500
Locum and volunteer expenses	936,896	968,625
	<u>6,234,072</u>	<u>5,978,598</u>

Capitalised employee costs during the financial year amounted to €NIL (2015 - €NIL).

The average monthly number of employees, including the directors, during the financial year was as follows:

	2016 No.	2015 No.
Support staff	<u>189</u>	<u>179</u>

The remuneration of the CEO for the year was €73,588 (2015: €73,530). The company also made contributions at the standard rate, to the company pension scheme of €8,918 (2015: €8,918) in respect of the CEO. No employee was paid more than this amount.

Other than the amounts disclosed above, any further required disclosures in Section 305 and 306 of the Companies Act 2014 are €nil for both the current financial year and the preceding financial year.

Notes to the financial statements

For the Financial year Ended 31 December 2016

7. Interest receivable

	2016 €	2015 €
Bank interest receivable	6,780	62,604
	<u>6,780</u>	<u>62,604</u>

8. Interest payable and similar charges

	2016 €	2015 €
Bank interest payable	16,613	13,263
	<u>16,613</u>	<u>13,263</u>

9. Taxation

The company has charitable tax status and is exempt from corporation tax.

Notes to the financial statements

For the Financial year Ended 31 December 2016

10. Other tangible assets

	Motor vehicles €	Fixtures and Fittings €	Total €
Cost			
At 1 January 2016	123,995	85,775	209,770
Additions	41,500	-	41,500
Disposals	(32,245)	(85,775)	(118,020)
At 31 December 2016	133,250	-	133,250
Amortisation			
At 1 January 2016	65,857	85,775	151,632
Charge for the year	33,313	-	33,313
On disposals	(32,245)	(85,775)	(118,020)
At 31 December 2016	66,925	-	66,925
Net book value			
At 31 December 2016	66,325	-	66,325
At 31 December 2015	58,138	-	58,138

In respect of prior financial year:

Notes to the financial statements

For the Financial year Ended 31 December 2016

10. Other tangible assets (continued)

	Motor vehicles €	Fixtures and fittings €	Total €
Cost			
At 1 January 2015	99,695	85,775	185,470
Additions	49,050	-	49,050
Disposals	(24,750)	(85,775)	(110,525)
At 31 December 2015	123,995	-	123,995
Amortisation			
At 1 January 2015	66,171	85,775	151,946
Charge for the year	24,436	-	24,436
On disposals	(24,750)	(85,775)	(110,525)
At 31 December 2015	65,857	-	65,857
Net book value			
At 31 December 2015	58,138	-	58,138
At 31 December 2014	33,524	-	33,524

Notes to the financial statements For the Financial year Ended 31 December 2016

11. Tangible assets - housing properties

	Freehold property €	Roof structure and coverings €	Windows and doors €	Kitchen €	Heating appliances €	Safety equipment €	Total €
Cost or valuation							
At 1 January 2016	21,920,589	773,670	1,031,561	773,670	1,031,561	257,891	25,788,942
Additions	243,771	8,604	11,472	8,604	11,472	2,868	286,791
At 31 December 2016	22,164,360	782,274	1,043,033	782,274	1,043,033	260,759	26,075,733
Depreciation							
At 1 January 2016	765,239	59,743	207,148	194,217	215,791	86,330	1,528,468
Charge owned for the period	156,454	11,256	39,020	36,581	40,645	16,258	300,214
At 31 December 2016	921,693	70,999	246,168	230,798	256,436	102,588	1,828,682
Net book value							
At 31 December 2016	21,242,667	711,275	796,865	551,476	786,597	158,171	24,247,051
At 31 December 2015	21,155,350	713,927	824,413	579,453	815,770	171,561	24,260,474

Notes to the financial statements For the Financial year Ended 31 December 2016

11. Tangible assets - housing properties (continued)

In respect of prior financial year:

	Freehold property €	Roof structure and coverings €	Windows and doors €	Kitchen €	Heating appliances €	Safety equipment €	Total €
Cost or valuation							
At 1 January 2015	20,425,063	720,884	961,180	720,884	961,180	240,295	24,029,486
Additions	1,495,526	52,786	70,381	52,786	70,381	17,596	1,759,456
At 31 December 2015	21,920,589	773,670	1,031,561	773,670	1,031,561	257,891	25,788,942
Depreciation							
At 1 January 2015	610,453	47,737	165,489	155,146	172,384	68,953	1,220,162
Charge owned for the period	154,786	12,006	41,659	39,071	43,407	17,377	308,306
At 31 December 2015	765,239	59,743	207,148	194,217	215,791	86,330	1,528,468
Net book value							
At 31 December 2015	21,155,350	713,927	824,413	579,453	815,770	171,561	24,260,474
At 31 December 2014	19,814,610	673,147	795,691	565,738	788,796	171,342	22,809,324

Notes to the financial statements

For the Financial year Ended 31 December 2016

12. Fixed assets

	Other fixed asset investments €
Cost or valuation	
At 1 January 2016	1,856,216
Additions	502,342
Disposals	(1,858,558)
At 31 December 2016	<u>500,000</u>

Net book value

At 31 December 2016	<u>500,000</u>
At 31 December 2015	<u>1,856,216</u>

In respect of prior financial year:

	Other fixed asset investments €
Cost or valuation	
At 1 January 2015	3,689,370
Disposals	(1,833,154)
At 31 December 2015	<u>1,856,216</u>

Net book value

At 31 December 2015	<u>1,856,216</u>
At 31 December 2014	<u>3,689,370</u>

Notes to the financial statements

For the Financial year Ended 31 December 2016

13. Debtors

	2016 €	2015 €
Trade debtors	129,383	198,750
Other debtors	2,888	5,427
Prepayments and accrued income	215,876	98,639
	<u>348,147</u>	<u>302,816</u>

14. Cash and cash equivalents

	2016 €	2015 €
Cash at bank and in hand	4,445,076	2,087,835
	<u>4,445,076</u>	<u>2,087,835</u>

15. Creditors: Amounts falling due within one year

	2016 €	2015 €
Bank loans	18,890	18,890
Trade creditors	211,260	124,588
Taxation and social insurance	140,517	183,307
Other creditors	11,705	5,555
Accruals	151,223	170,535
Deferred income	271,161	231,700
	<u>804,756</u>	<u>734,575</u>

	2016 €	2015 €
Other taxation and social insurance		
PAYE/PRSI control	135,002	119,578
VAT and RCT control	5,515	63,729
	<u>140,517</u>	<u>183,307</u>

Notes to the financial statements

For the Financial year Ended 31 December 2016

Trade and other creditors are payable at various dates over the coming months in accordance with the suppliers' usual and customary credit terms.

The company's total bank loans at 31 December 2016 were €53,891 (2015: €71,706). The loans are from commercial institutions which charge a market interest rate. The loans are due for repayment in installments in line with the terms of the loan agreement.

Taxes including social insurance are payable at various dates over the coming months in accordance with the applicable statutory provisions.

Accruals are determined in line with the terms of the underlying agreements.

16. Creditors: Amounts falling due after more than one year

	2016 €	2015 €
Bank loans	35,001	52,816
Capital Assistance Scheme Loans	19,454,432	19,454,432
Capital Advance Leasing Facility Loans	970,186	498,732
	<u>20,459,619</u>	<u>20,005,980</u>

Kerry County Council holds a charge of €1,088,220 over company land at no. 5 Church Street, Tralee, Co. Kerry dated 23 March 2004. Limerick City & County Council holds a charge of €158,815 over Apartment 111, Glenlara, Mount Kenneth Place dated 20 December 2005. AIB plc. holds a charge over folio 34628F, Limerick dated 27 July 2006. Limerick City & County Council holds a charge of €387,893 over No. 2 St. Patrick's Hill, Dublin Road Limerick, dated 14 September 2006. Limerick City & County Council holds a charge of €216,908 over 13 Clare Street, Limerick, dated 14 September 2006. Kerry County Council holds a charge of €561,051 over folio 34690F, Kerry, dated 14 February 2008. Limerick City & County Council holds a charge of €12,600,000 over Clyde House, Alphonsus Street, Limerick, dated 08 June 2009. Limerick City & County Council holds a charge of €538,079 over 10 Verekeer Gardens, Limerick, dated 08 September 2009. Limerick City & County Council holds a charge over Brother Stephen Russell House, Limerick, dated 28 November 2013.

Capital Assistance Scheme (CAS) loans and Capital Advance Leasing Facility (CALF) loans:

Capital Assistance Scheme (CAS) loans and Capital Advance Leasing Facility (CALF) loans are subject to interest under the terms of the individual loan agreement. In accordance with the terms of the agreement the loan interest is waived if the terms of the agreement are satisfied. The directors believe that the terms of the individual loan agreements will be met and therefore the loans are not subject to effective interest.

A contingent liability for the interest applicable per the individual loan agreements would arise if the terms of the loan agreements were not met.

The company has CALF loans totalling €nil that are not drawn down at 31 December 2016 (2015: €438,000)

Notes to the financial statements

For the Financial year Ended 31 December 2016

17. Loans

Analysis of the maturity of loans is given below:

	2016 €	2015 €
Amounts falling due within one year		
Bank loans	18,890	18,890
	<u>18,890</u>	<u>18,890</u>
Amounts falling due 2-5 years		
Bank loans	35,001	52,816
	<u>35,001</u>	<u>52,816</u>
Amounts falling due after more than 5 years		
Other loans	19,454,432	19,454,432
	<u>19,454,432</u>	<u>19,454,432</u>
	<u>19,508,323</u>	<u>19,526,138</u>

18. Grants

	2016 €	2015 €
Grants received		
At 1 January	2,202,501	1,765,001
Additions	112,500	437,500
	<u>2,315,001</u>	<u>2,202,501</u>
Amortisation		
At 1 January	(56,994)	(30,451)
Amortisation	(27,537)	(26,543)
	<u>(84,531)</u>	<u>(56,994)</u>
Net balance	<u>2,230,470</u>	<u>2,145,507</u>

Grants:

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates.

Notes to the financial statements

For the year ended 31 December 2016

19. Grant information

Grantor	Sponsoring Department	Grant due 31/12/2015	Deferred Income 15	Recognised in P&L 2016	Grant due 31/12/2016	Deferred Income 2016
HSE West - Social Inclusion	Department of Health	1,354	219,200	1,321,009	52,901	15,386
HSE West - Disabilities	Department of Health	43,795	-	573,175	-	-
HSE West - Mental Health	Department of Health	37,465	-	318,605	-	-
Mid-West Drug and Alcohol Forum	Department of Health	-	-	461,295	-	-
HSE South	Department of Health	-	-	535,148	-	179,500
HSE East	Department of Health	-	-	639,016	-	-
Tusla	Child and Family Agency	7,830	12,500	898,283	595	-
Dublin Region Homeless Executive	Dublin Region Homeless Executive	104,948	-	807,527	6,536	-
Limerick City and County Council	Limerick City and County Council	858	-	1,184,319	66,851	76,275
Tipperary County Council	Tipperary County Council	-	-	149,176	-	-
Kerry County Council	Kerry County Council	-	-	413,820	-	-
Cork County Council	Cork County Council	2,500	-	10,000	2,500	-
Total		198,750	231,700	7,311,373	129,383	271,161

Notes to the financial statements

For the Financial year Ended 31 December 2016

20. Financial instruments

	2016 €	2015 €
Financial assets		
Financial assets measured at amortised cost	5,077,347	4,148,228
	<u>5,077,347</u>	<u>4,148,228</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(23,083,167)	(22,471,055)
	<u>(23,083,167)</u>	<u>(22,471,055)</u>

Financial assets measured at amortised cost comprise of fixed asset investments, trade debtors, other debtors and cash at bank and in hand.

Financial liabilities measured at amortised cost comprise of bank loans and overdrafts, CAS and CALF loans, trade creditors, other creditors, grants and accruals.

21. Provisions

	Leave pay €
At 1 January 2016	53,640
Charged to profit or loss	14,363
At 31 December 2016	<u>68,003</u>

In respect of prior financial year:

	Leave pay €
At 1 January 2015	56,495
Utilised in financial year	(2,855)
At 31 December 2015	<u>53,640</u>

Leave pay:

The leave pay provision represents holiday balances accrued as a result of services rendered in the current period and which employees are entitled to carry forward. The provision is measured as the salary cost payable for the period of absence.

Notes to the financial statements

For the Financial year Ended 31 December 2016

22. Reserves

Designated funds

The Designated fund represents a reserve for strategic building purposes.

Retained earnings

Includes all current and prior period retained profit and losses.

Restricted funds

Represents funds received at the financial year for following year programmes.

23. Company status

The company is limited by guarantee and consequently has no share capital. Every member has undertaken to contribute to the assets of the company in the event of it being wound up during the time that he/she is a member, or within one year afterwards, for payment of the debts and liabilities of the company contracted before the time at which he/she ceased to be a member, and for the costs, charges and expenses of winding up and for adjustments of the right of the contributories amongst themselves, such amount as may be required not exceeding €1.27.

24. Capital commitments

At 31 December 2016 the company has agreed to purchase the following properties: 4 Market Court, Tralee, Co. Kerry, 8 Stradavoher Court, Thurles, Co Tipperary, 1A Kildonan Avenue, Finglas, Dublin 11, 14 Abbotstown Road, Finglas, Dublin 11, 11 Dromroe, Rhebogue, Limerick, 33 Wellmount Court, Finglas West, Dublin 11, 301A Casement Road, Finglas, Dublin 11, 19 Johnstown Gardens, Finglas, Dublin 11, 13 Collins Green, Finglas, Dublin 11, 4 Rathvilly Drive, Finglas South, Dublin 11, 3 Flanker Court, Galvone, Limerick and 49 East Singland Road, Garryowen, Limerick. The combined agreed price for the properties is €2,019,500.

25. Pension information

The company operates a defined contribution scheme that covers substantially all the employees of the company. The assets of the scheme are vested in independent trustees for the sole benefit of these employees.

The charge to the income and expenditure account for the year was €104,612 (2015: €103,500). The following amounts relating to pensions and post retirement benefits owing of €Nil (2015: €1,183) are included in the balance sheet at year end.

26. Transactions with directors

No transactions with directors were undertaken during the financial year.

27. Related party transactions

No transactions with related parties occurred requiring disclosure under FRS102 section 33.

Notes to the financial statements

For the Financial year Ended 31 December 2016

28. Controlling party

The company is under the control of its directors.

29. Comparative information

Comparative information has been reclassified where necessary to confirm to current year presentation.

30. Approval of financial statements

The board of directors approved these financial statements for issue on 27 July 2017

Registered number: 330018

Arlington Novas Ireland Company Limited by Guarantee

Management information

For the financial year ended 31 December 2016

The following pages do not form part of the statutory financial statements

Detailed profit and loss account

For the Financial year Ended 31 December 2016

	Note	2016 €	2015 €
Turnover		8,607,066	8,048,349
Less: overheads			
Administration expenses		(8,179,259)	(7,770,664)
Operating profit		427,807	277,685
Interest receivable		6,780	62,604
Interest payable		(16,613)	(13,263)
Profit for the financial year		417,974	327,026

Arlington Novas Ireland Company Limited by Guarantee

Schedule to the detailed accounts

For the Financial year Ended 31 December 2016

	2016 €	2015 €
Turnover		
Revenue grants	7,311,373	7,064,841
Donations	300,886	90,803
Accommodation charge	669,201	653,435
Other income	-	51,600
Rent receivable	325,606	187,670
	<u>8,607,066</u>	<u>8,048,349</u>

Schedule to the detailed accounts

For the Financial year Ended 31 December 2016

	2016 €	2015 €
Administration expenses		
Wages and salaries	4,623,870	4,347,901
Employers PRSI	568,694	558,572
Staff pension contributions	104,612	103,500
Staff training	57,724	38,817
Motor expenses	24,791	29,097
Travel and subsistence	160,752	146,886
Printing, stationery and postage	63,979	73,323
Telephone	40,760	42,393
Computer costs	67,689	48,120
Legal and professional	86,887	73,649
Auditors' remuneration	11,624	9,000
Bank charges	4,238	4,215
Rent, rates and water	33,667	18,212
Light and heat	116,883	150,755
Cleaning	176,762	177,038
Insurance	63,774	34,776
Repairs and maintenance	270,676	184,852
Depreciation	33,313	24,436
Depreciation - housing properties	300,214	308,306
Profit on sale of tangible assets	(1,800)	(500)
Recruitment	6,545	3,045
Clients welfare	127,524	103,865
Clothing	2,665	2,739
Medical costs	12,309	15,127
TV and video	12,329	16,710
Food and provisions	255,375	276,615
Refuse charge	41,700	36,586
Locum and volunteer expenses	936,896	968,625
General expenses	2,344	547
Grant amortisation	(27,537)	(26,543)
	<u>8,179,259</u>	<u>7,770,664</u>
	2016 €	2015 €
Interest receivable		
Bank interest receivable	<u>6,780</u>	<u>62,604</u>
	<u>6,780</u>	<u>62,604</u>

Arlington Novas Ireland Company Limited by Guarantee

Schedule to the detailed accounts

For the Financial year Ended 31 December 2016

	2016	2015
	€	€
Interest payable		
Bank loan interest payable	16,613	13,263
	<u>16,613</u>	<u>13,263</u>