

**Respond (Support) Limited**  
**(Company Limited by Guarantee)**

**Directors' Report and Financial Statements**  
**Financial Year Ended 30 June 2015**

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## DIRECTORS AND OTHER INFORMATION

### Board of Directors

Patrick Cogan ofm  
Michael O'Doherty  
Brian Hennebry  
Tom Dilleen  
Anna Walsh  
Jill Jackman  
Niall Bradley

### Solicitors

William Fry  
Fitzwilliam House  
Wilton Place  
Dublin 2

P. J. O'Driscoll & Sons  
73 South Mall  
Cork

Advokat Compliance Limited  
Merrythought House  
Templeshannon  
Enniscorthy  
Co Wexford

### Secretary and Registered Office

Jill Jackman  
Airmount  
Dominick Place  
Waterford

**Registered Number:** 206013

### Bankers

Allied Irish Bank  
The Quay  
Waterford

Ulster Bank  
The Quay  
Waterford

### Auditors

PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors  
Ballycar House  
Newtown  
Waterford

## **DIRECTORS' REPORT**

The directors present their report and the financial statements of the company for the financial year ended 30 June 2015.

### **Principal activities**

The company is a charity engaged in the promotion of social and community initiatives in estates managed by the Respond! Housing Association.

### **Corporate governance**

The Board currently comprises of one executive member and six non-executive members, who are drawn from a wide background, bringing together professional, commercial and local experience. The Board meets formally at least six times a year. Local operational policies are delegated subject to approved budgets.

While the Board is responsible for the overall strategy and policy of the organisation, the day-to-day management is delegated to the Chief Executive Officer, who is a member of the Board.

On 1 June 2015, Fr Patrick Cogan, ofm, retired from the position of CEO of Respond (Support) Limited. Patrick was a founding director of the Company and CEO for more than 20 years. He will continue as a member of the Board. On the same date Ned Brennan was appointed by the Board as acting CEO of Respond (Support) Limited. Ned has been in management roles in Respond (Support) Limited for some 15 years, and previously held the position of Chief Operations Officer. The term of appointment as Acting CEO is one year. The CEO chairs monthly management meetings that deal with all major management issues and decisions of the organisation. Additional meetings are held to discuss corporate issues that do not fit with the scheduled meetings.

The Finance and Audit Committee comprises of four independent non-executive members. The CEO and Company Treasurer also attend the meetings, by invitation. The Committee reviews financial performance, financial strategy, audit and risk policies and makes recommendations to the Board on these matters. During the year the Finance and Audit Committee was reconstituted as the Finance, Audit and Risk Committee for the purpose of overseeing and reporting to the Board on the company's Risk Management Policy and Framework.

Respond (Support) Limited, as a registered charity complies with the Governance Code for community, voluntary and charitable organisations in Ireland.

### **Internal Financial Controls**

The Board has overall responsibility for the organisation's system of internal financial control which comprises:

- a clear organisation structure and well defined management responsibilities
- comprehensive budgeting systems with an annual budget that is approved by the Board
- regular consideration of actual results compared to budgets
- defined capital investment control protocols and procedures approved by the Board
- regular reporting of legal and accounting developments to the Board.

The organisation's control systems address key business, treasury and financial risks which are monitored by the CEO and Company Treasurer.

The company engages a firm of Chartered Accountants independent of the external auditor to conduct regular internal audit reviews of the company's activities under the direction of the Finance and Risk Committee.

The external auditors are engaged to express an opinion on the financial statements. They review and test the systems of internal financial control and the data contained in those statements to the extent necessary to express their audit opinion.

The Board wishes to emphasise that a system of internal financial control can only provide reasonable and not absolute assurance about material misstatement and loss.

## **DIRECTORS' REPORT - continued**

### **Directors' responsibilities statement**

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

Irish law requires the directors to prepare financial statements for each financial year that give a true and fair view of the company's assets, liabilities and financial position as at the end of the financial year and of the profit or loss of the company for the financial year. Under that law the directors have prepared the financial statements in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland and Irish law).

Under Irish law, the directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the company's assets, liabilities and financial position as at the end of the financial year and the profit or loss of the company for the financial year.

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

- select suitable accounting policies 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 applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; 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 keeping adequate accounting records that are sufficient to:

- correctly record and explain 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; and
- enable the directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

The directors 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.

### **Accounting records**

The measures taken by the directors to secure compliance with the company's obligation to keep adequate accounting records are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at the following address:

Airmount  
Dominick Place  
Waterford

### **Review of business and future developments**

The excess of expenditure over income, reported as a loss on page 9 arises from the various community based initiatives that the company is committed to delivering and specific reserves were provided for these initiatives as outlined on page 15.

Both the level of business and the year-end financial position were satisfactory and the directors expect that the present level of activity will be sustained for the foreseeable future.

### **Dividends**

No dividend is payable in accordance with the company's Memorandum of Association.



**DIRECTORS' REPORT - continued**

**Directors**

The names of the persons who were directors of the company at any time during the financial year ended 30 June 2015 are set out below. Except where indicated, they served as directors for the entire financial year.

Patrick Cogan, ofm  
Michael O'Doherty  
Brian Hennebry  
Tom Dilleen  
Anna Walsh  
Jill Jackman  
Niall Bradley

**Members**

The company is registered as a company limited by guarantee not having a share capital. The members of the company have their liability limited to €6.35 each in the event of the company being wound up. There were 8 members at the date of the balance sheet.

**The Charities Act 2009**

The directors acknowledge of The Charities Act 2009 and support its objectives and are endeavouring to ensure compliance with same.

**Auditors**

The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office, and a resolution that they be re-appointed will be proposed at the Annual General Meeting.

**On behalf of the board**

**N Bradley**

**B Hennebry**

**Date: 8 December 2015**



## ***Independent auditors' report to the members of Respond (Support) Limited***

### **Report on the financial statements**

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#### **Our opinion**

In our opinion, Respond (Support) Limited's financial statements (the "financial statements"):

- give a true and fair view of the company's assets, liabilities and financial position as at 30 June 2015 and of its loss and cash flows for the year then ended;
  - have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland; and
  - have been properly prepared in accordance with the requirements of the Companies Act 2014.
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#### **What we have audited**

The financial statements comprise:

- the balance sheet as at 30 June 2015;
- the profit and loss account for the year then ended;
- the cash flow statement for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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

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- 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.



## ***Independent auditors' report to the members of Respond (Support) Limited - continued***

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

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#### **Directors' remuneration and transactions**

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

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### **Responsibilities for the financial statements and the audit**

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#### **Our responsibilities and those of the directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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#### **What an audit of financial statements involves**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.





## ***Independent auditors' report to the members of Respond (Support) Limited - continued***

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### **What an audit of financial statements involves - continued**

In addition, we read all the financial and non-financial information in the Directors' 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.

**Martin Freyne  
for and on behalf of PricewaterhouseCoopers  
Chartered Accountants and Statutory Audit Firm  
Ballycar House  
Newtown  
Waterford**

**Date: 8 December 2015**

**PROFIT AND LOSS ACCOUNT**  
**Financial Year Ended 30 June 2015**

	Notes	2015 €	2014 €
<b>Turnover</b>		2,542,876	2,624,423
Cost of sales		<u>-</u>	<u>-</u>
<b>Gross profit</b>		2,542,876	2,624,423
Administrative expenses		<u>(3,616,857)</u>	<u>(3,526,766)</u>
<b>Operating (loss)</b>	3	(1,073,981)	(902,343)
Interest receivable and similar income		451,641	90,653
Interest payable and similar charges		<u>-</u>	<u>-</u>
<b>(Loss) on ordinary activities before taxation</b>		(622,340)	(811,690)
Tax on (loss) on ordinary activities	5	<u>-</u>	<u>-</u>
<b>(Loss) for the financial year</b>	9	<u>(622,340)</u>	<u>(811,690)</u>

Turnover and operating (loss) arose solely from continuing operations.

The company has no recognised gains or losses other than those included in the profit and loss account above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the loss on ordinary activities before taxation and the loss absorbed for the financial year, and their historical cost equivalents.

**BALANCE SHEET**  
**30 June 2015**

	Notes	2015 €	2014 €
<b>Current assets</b>			
Debtors	6	124,023	178,059
Investments	7	7,081,527	8,032,782
Cash at bank and in hand		<u>894,266</u>	<u>397,847</u>
		8,099,816	8,608,688
<b>Current liabilities</b>			
Creditors - amounts falling due within one year	8	<u>(355,114)</u>	<u>(241,646)</u>
<b>Net current assets</b>		<u>7,744,702</u>	<u>8,367,042</u>
<b>Financed by:-</b>			
Retained funds	9	2,700,134	2,534,272
Other reserves	9	<u>5,044,568</u>	<u>5,832,770</u>
		<u>7,744,702</u>	<u>8,367,042</u>

On behalf of the board

N Bradley

B Hennebry

**CASH FLOW STATEMENT**  
**Financial Year Ended 30 June 2015**

	Notes	2015 €	2014 €
Net cash (outflow) from operating activities	10	(906,477)	(2,746,824)
Returns on investments and servicing of finance	11	451,641	90,653
Capital expenditure and financial investment	11	<u>951,255</u>	<u>2,534,435</u>
<b>Increase/(decrease) in cash during year</b>	11	<u>496,419</u>	<u>(121,736)</u>



## NOTES TO THE FINANCIAL STATEMENTS

### 1 Accounting policies

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

#### **Basis of preparation**

The entity financial statements have been prepared on the going concern basis and in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland and the Companies Act 2014).

The entity financial statements have been prepared under the historical cost convention. The financial statements are presented in Euro, denoted by the symbol €.

#### **Turnover**

Turnover comprises revenue grants, course fees, childcare fees and other sundry income, which are accounted for in the financial year to which they relate.

#### **Deposit interest**

Deposit interest is credited to the income and expenditure account in the period to which it relates.

#### **Value added tax**

The company is registered for VAT in compliance with RCT Reverse Charge VAT regulations, however the company is not entitled to reclaim VAT on operational activities and accordingly all receipts and expenditure shown in the accounts are recorded inclusive of any VAT which may apply.

#### **Pensions**

Payments to defined contribution pension schemes are charged to the income and expenditure account in the period to which they relate.

#### **Investments**

Investments are stated at cost less provision if necessary for any permanent diminution in value.

### 2 Limit of members liability

The company is registered under the Companies Act 1963 as a company limited by guarantee not having a share capital. The members of the company have their liability limited to €6.35 each in the event of the company being wound up. There were eight members at the date of the balance sheet.

## NOTES TO THE FINANCIAL STATEMENTS - continued

**3 Operating (loss)**

Operating (loss) for the financial year is stated after charging/(crediting):-

	2015 €	2014 €
Revenue grants (refer note 12)	<u>(2,045,732)</u>	<u>(1,974,952)</u>

**4 Particulars of staff**

The average number of persons employed by the company during the financial year was:

	2015 Number	2014 Number
Management	6	8
Operational	<u>118</u>	<u>130</u>
	<u>124</u>	<u>138</u>

Staff costs comprise:

	2015 €	2014 €
Wages and salaries	2,513,334	2,543,013
Social insurance costs	248,601	249,495
Other retirement benefit costs (i)	<u>15,591</u>	<u>16,773</u>
	<u>2,777,526</u>	<u>2,809,281</u>

(i) Other retirement benefit costs comprises defined contribution scheme pension costs.

**5 Taxation**

No liability to corporation tax arises as the company has been granted charitable tax exemption by the Revenue Commissioners.

**6 Debtors**

	2015 €	2014 €
Prepayments and accrued income	<u>124,023</u>	<u>178,059</u>

## NOTES TO THE FINANCIAL STATEMENTS - continued

<b>7 Investments</b>	<b>2015</b>	<b>2014</b>
	€	€
Investment funds (i)	-	5,200,000
Structured deposits	<u>7,081,527</u>	<u>2,832,782</u>
	<u>7,081,527</u>	<u>8,032,782</u>

- (i) All investment funds are fixed for a period. The market value of these investments at 30 June 2015 was €Nil (2014: €5,602,510). These investments were capital guaranteed if held to maturity.

<b>8 Creditors - amounts falling due within one year</b>	<b>2015</b>	<b>2014</b>
	€	€
Trade creditors	31,011	32,772
Accruals	99,001	10,780
Deferred income	151,761	77,051
Amount owed to related companies (refer note 13)	30,947	58,819
PAYE and social insurance	<u>42,394</u>	<u>62,224</u>
	<u>355,114</u>	<u>241,646</u>

Trade creditors at 30 June 2015 and 30 June 2014 include amounts owing to suppliers who include reservation of title conditions in their conditions of sale. Due to legal interpretation involved it was not practical to quantify same.

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

Amount owed to related companies are unsecured, interest free and are repayable on demand.

Tax and social insurance are repayable at various dates over the coming months in accordance with the applicable statutory provisions.

## NOTES TO THE FINANCIAL STATEMENTS - continued

## 9 Reserves

	Retained surplus €	Better being/ Mental health fund €	Family resource fund €	Education fund €	Overseas fund €	Women's refuge €	Total €
At 1 July 2013	2,565,219	1,714,904	1,827,992	1,175,282	301,876	1,593,459	9,178,732
Deficit for the year	(811,690)	-	-	-	-	-	(811,690)
Transfer from Better Being/Mental health fund	29,488	(29,488)	-	-	-	-	-
Transfer from Family resource fund	176,333	-	(176,333)	-	-	-	-
Transfer from Education fund	104,611	-	-	(104,611)	-	-	-
Transfer from Overseas fund	193,906	-	-	-	(193,906)	-	-
Transfer from Women's refuge/Homeless fund	276,405	-	-	-	-	(276,405)	-
<b>At 30 June 2014</b>	<b>2,534,272</b>	<b>1,685,416</b>	<b>1,651,659</b>	<b>1,070,671</b>	<b>107,970</b>	<b>1,317,054</b>	<b>8,367,042</b>
At 1 July 2014	2,534,272	1,685,416	1,651,659	1,070,671	107,970	1,317,054	8,367,042
Deficit for the year	(622,340)	-	-	-	-	-	(622,340)
Transfer from Better Being/Mental health fund	566	(566)	-	-	-	-	-
Transfer from Family resource fund	176,681	-	(176,681)	-	-	-	-
Transfer from Education fund	252,230	-	-	(252,230)	-	-	-
Transfer from Overseas fund	87,723	-	-	-	(87,723)	-	-
Transfer from Women's refuge/Homeless fund	271,002	-	-	-	-	(271,002)	-
<b>At 30 June 2015</b>	<b>2,700,134</b>	<b>1,684,850</b>	<b>1,474,978</b>	<b>818,441</b>	<b>20,247</b>	<b>1,046,052</b>	<b>7,744,702</b>



## NOTES TO THE FINANCIAL STATEMENTS - continued

10 Reconciliation of operating (loss) for the financial year to net cash (outflow) from operating activities:	2015	2014
	€	€
Operating (loss) for the year	(1,073,981)	(902,343)
Decrease in debtors	54,036	96,509
Increase/(decrease) in creditors	113,468	(1,940,990)
<b>Net cash (outflow) from operating activities</b>	<b>(906,477)</b>	<b>(2,746,824)</b>
11 Analysis of cash flows for headings netted in the cash flow statement	2015	2014
	€	€
<b>Returns on investments and servicing of finance</b>		
Interest received	451,641	90,653
Net cash inflow from returns on investments and servicing of finance	451,641	90,653
<b>Capital expenditure and financial investment</b>		
Decrease in short-term investments	951,255	2,534,435
Net cash inflow from capital expenditure and financial investment	951,255	2,534,435
<b>Analysis of change in net funds</b>		
Balance at beginning of year	397,847	519,583
Increase/(decrease) in cash during year	496,419	(121,736)
Cash at bank	894,266	397,847

## 12 Grants

Grant income of €2,045,732 (2014: €1,974,952), in the profit and loss account for the year, arises from the following bodies:-

Name of Agency	Type of Funding/ Grant programme	Term of Grant	Use of Grant	Amount 2015 €	Amount 2014 €
Dept of Children & Youth Affairs	ECCE	Annual	Delivery of Service	365,549	357,200
Dept of Children & Youth Affairs	Lottery	Annual	Delivery of Service	19,219	2,220
HSE	Section 39	Annual	Delivery of Service	669,025	668,266
Limerick City Council	Section 10	Annual	Delivery of Service	190,660	198,227
Pobal	CCS	Annual	Delivery of Service	764,204	711,876
Pobal	CETS	Annual	Delivery of Service	34,675	26,186
South Tipperary Co.Co.	Arts Grant	Annual	Promoting Art	2,400	200
IPB Insurance	Parenting skills	Annual	Parenting Skills	-	3,045
Pobal	Capital	Annual	Delivery of Service	-	7,732
<b>Total</b>				<b>2,045,732</b>	<b>1,974,952</b>

**NOTES TO THE FINANCIAL STATEMENTS - continued****13 Related party transactions**

The company administration is effectively through the use of an inter company account, by Respond!, a company which is a charity engaged in building housing schemes and providing these for rental, below market rates. Expenses recharged from Respond! for the year amounted to €98,056 (2014: €83,455). The balance owed to that company at 30 June 2015 was €30,947 (2014: €58,819).

**14 Directors' remuneration**

	2015 €	2014 €
Emoluments	<u>25,951</u>	<u>-</u>
Contributions to retirement benefit schemes:		
- Defined contribution	<u>1,300</u>	<u>-</u>

**15 Pension scheme**

A related company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the related company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to €15,591 (2014: €16,773).

**16 Bank security**

The company's bankers hold letters of lien, totalling €227,500, on deposit funds in respect of guarantees they have issued on behalf of the company (2014: €Nil).

**17 Approval of financial statements**

The financial statements were approved by the directors on 8 December 2015.