

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

**Directors' Report and Financial Statements  
Year Ended 30 June 2014**

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**DIRECTORS AND OTHER INFORMATION**

**Board of Directors at 13 November 2014**

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

**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 herewith the audited financial statements of the charity for the year ended 30 June 2014.

### **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 five non-executive and two 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.

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 Risk Committee comprises six members, the CEO, one non-executive member of the Board, the Company Treasurer and three independent business advisors. The Committee reviews financial performance, financial strategy and policies and makes recommendations to the Board on financial issues. Immediately prior to the year-end the Finance and Risk Committee was reconstituted as the Finance and Audit Committee and responsibility for Risk Management will be overseen by the executive team and periodically by the Finance and Audit Committee.

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 giving a true and fair view of the state of the company's affairs at the end of the financial year and of its profit or loss for the financial year. Under that law the directors have elected to prepare 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).

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;
- 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 proper books of account which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with the Irish Companies Acts 1963 to 1983 and 1990 to 2013. 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.

### **Books of account**

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

Airmount  
Dominick Place  
Waterford

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

The total property portfolio of Respond! and the maintenance of same, as an Approved Housing Body, became the responsibility of Respond! with effect from 1 July 2012, and as a result the income and expenditure (rental income, maintenance grant, estate and community development costs and estate maintenance costs) pertaining to housing management and landlord tenant relationship activities are reflected in the accounts of Respond! from that date. The ancillary supportive and caring operations remain the responsibility of Respond (Support) Ltd. 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**

The names of the persons who were directors of the company at any time during the year ended 30 June 2014 are set out below. Except where indicated, they served as directors for the entire year.

Patrick Cogan, ofm  
Michael O'Doherty  
Brian Hennebry  
Tom Dilleen  
Joe Horan (resigned 8 May 2014)  
Deirdre Keogh (resigned 8 May 2014)  
Anna Walsh (appointed 10 June 2014)  
Jill Jackman (appointed 10 June 2014)  
Niall Bradley (appointed 10 June 2014)

**DIRECTORS' REPORT - continued**

**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, will be re-appointed in office in accordance with the provisions of Section 160(2) of the Companies Act 1963.

**On behalf of the board**

**P Cogan ofm**

**B Hennebry**

**Date: 13 November 2014**



## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RESPOND (SUPPORT) LIMITED (COMPANY LIMITED BY GUARANTEE)**

We have audited the financial statements of Respond (Support) Limited for the year ended 30 June 2014 which comprise the Income and Expenditure Account, the Statement of Movements in Retained Funds, the Balance Sheet, the Cash Flow Statement 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 (Generally Accepted Accounting Practice in Ireland).

### **Respective responsibilities of directors and auditors**

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 giving 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 193 of the Companies Act, 1990 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.

### **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 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.

### **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 state of the company's affairs as at 30 June 2014 and of its result for the year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Acts 1963 to 1983 and 1990 to 2013.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RESPOND (SUPPORT) LIMITED (COMPANY LIMITED BY GUARANTEE) - continued**

**Matters on which we are required to report by the Companies Acts 1963 to 1983 and 1990 to 2013**

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion proper books of account have been kept by the company.
- The financial statements are in agreement with the books of account.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.

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

We have nothing to report in respect of the provisions in the Companies Acts 1963 to 1983 and 1990 to 2013 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

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

**Date: 9 December 2014**



**INCOME AND EXPENDITURE ACCOUNT**  
Year Ended 30 June 2014

	Notes	2014 €	2013 €
<b>Income</b>			
Deposit interest		90,653	187,388
Grants	11	1,974,952	2,089,678
Course fees		7,063	58,316
Child care fees		352,057	349,501
Sundry income		<u>290,351</u>	<u>90,524</u>
		<u>2,715,076</u>	<u>2,775,407</u>
<b>Expenses</b>			
Overseas costs		194,749	133,242
Homeless, day care and elderly projects		1,248,354	1,320,383
Child care schemes		1,749,484	1,686,158
Education costs		114,215	230,591
Better being and family support		<u>219,964</u>	<u>165,928</u>
		<u>3,526,766</u>	<u>3,536,302</u>
Operating (deficit) for the year		<u>(811,690)</u>	<u>(760,895)</u>
<b>(Deficit) for the year</b>		(811,690)	(760,895)
Transfer from specific reserves	8	780,743	612,730
Transfer of maintenance funds to Respond!		-	<u>(1,002,615)</u>
<b>(Deficit) for the year after reserve transfers</b>		<u>(30,947)</u>	<u>(1,150,780)</u>

On behalf of the board

P Cogan ofm

B Hennebry

**STATEMENT OF MOVEMENT IN RETAINED FUNDS**  
**Year Ended 30 June 2014**

	Notes	2014 €	2013 €
Retained surplus at beginning of year		2,565,219	2,713,384
(Deficit)/surplus for the year before reserve transfers		(811,690)	(760,895)
Transfer from specific reserves	8	<u>780,743</u>	<u>612,730</u>
<b>Retained surplus at end of year</b>		<u>2,534,272</u>	<u>2,565,219</u>

The company has no recognised gains and losses other than those included in the results above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the deficit for the year and its historical cost equivalent.

All operations are continuing in the current year.

**On behalf of the board**

**P Cogan ofm**

**B Hennebry**

**BALANCE SHEET**  
**30 June 2014**

	Notes	2014 €	2013 €
<b>Current assets</b>			
Debtors	5	178,059	274,568
Investments	6	8,032,782	10,567,217
Cash at bank and in hand		<u>397,847</u>	<u>519,583</u>
		8,608,688	11,361,368
<b>Current liabilities</b>			
Creditors	7	<u>(241,646)</u>	<u>(2,182,636)</u>
<b>Net current assets</b>		<u>8,367,042</u>	<u>9,178,732</u>
<b>Financed by:-</b>			
Retained funds	8	2,534,272	2,565,219
Other reserves	8	<u>5,832,770</u>	<u>6,613,513</u>
		<u>8,367,042</u>	<u>9,178,732</u>

On behalf of the board

P Cogan ofm

B Hennebry

**CASH FLOW STATEMENT**  
**30 June 2014**

	Notes	2014 €	2013 €
Net cash (outflow) from operating activities	9	(2,746,824)	(3,765,023)
Returns on investments and servicing of finance	10	90,653	187,388
Capital expenditure and financial investment	10	<u>2,534,435</u>	<u>3,005,996</u>
<b>(Decrease) in cash during year</b>	10	<u>(121,736)</u>	<u>(571,639)</u>

**On behalf of the board**

**P Cogan ofm**

**B Hennebry**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1 Accounting policies**

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

#### **Basis of preparation**

The financial statements have been prepared on a going concern basis and in accordance with the Companies Acts, 1963 to 2013 and Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland).

The financial statements are presented in euro represented by the symbol €.

#### **Accounting convention**

The financial statements have been prepared under the historical cost convention.

#### **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.

#### **Grants**

Revenue Grants received to fund revenue expenditure are credited to the income and expenditure account in the period in which they relate.

#### **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 Surplus retained**

Surplus for the year is stated after charging/(crediting):-

	2014 €	2013 €
(a) Auditors' remuneration	<u>9,000</u>	<u>9,000</u>
(b) Deposit interest received	<u>(90,653)</u>	<u>(187,388)</u>

The directors did not receive any emoluments during the current or prior year.

**4 Employee information**

(a) The average number of persons employed by the charity during the year is analysed below:

	2014 Number	2013 Number
Management	8	8
Operational	<u>130</u>	<u>117</u>
	<u>138</u>	<u>125</u>

(b) The aggregate payroll costs of these employees was as follows:

	2014 €	2013 €
Wages and salaries	2,543,013	2,384,621
Social welfare costs	249,495	224,472
Pension costs	<u>16,773</u>	<u>34,328</u>
	<u>2,809,281</u>	<u>2,643,421</u>

**5 Debtors**

	2014 €	2013 €
Sundry debtors	<u>178,059</u>	<u>274,568</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**

<b>6 Investments</b>	2014 €	2013 €
Investment funds (i)	5,200,000	5,200,000
Structured deposits	<u>2,832,782</u>	<u>5,367,217</u>
	<u>8,032,782</u>	<u>10,567,217</u>

- (i) All investment funds are fixed for a period. The market value of these investments at 30 June 2014 was €5,602,510 (2013: €5,539,522). These investments are capital guaranteed if held to maturity, which is the intention of the directors.

<b>7 Creditors</b>	2014 €	2013 €
Due to related companies	58,819	1,291,593
Creditors and accruals	120,603	834,106
PAYE/PRSI	<u>62,224</u>	<u>56,937</u>
	<u>241,646</u>	<u>2,182,636</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

8 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>	<u>2,534,272</u>	<u>1,685,416</u>	<u>1,651,659</u>	<u>1,070,671</u>	<u>107,970</u>	<u>1,317,054</u>	<u>8,367,042</u>



NOTES TO THE FINANCIAL STATEMENTS - continued

<b>9 Reconciliation of surplus for the year to operating cashflow:</b>	2014	2013
	€	€
Deficit for the year	(811,690)	(760,895)
Interest received	(90,653)	(187,388)
Decrease/(increase) in debtors	96,509	801,288
(Decrease)/increase in creditors	(1,940,990)	(3,618,028)
<b>Net cash (outflow) from operating activities</b>	<u>(2,746,824)</u>	<u>(3,765,023)</u>
<b>10 Analysis of cash flows for headings netted in the cash flow statement</b>	2014	2013
	€	€
<b>Returns on investments and servicing of finance</b>		
Interest received	<u>90,653</u>	<u>187,388</u>
Net cash inflow from returns on investments and servicing of finance	<u>90,653</u>	<u>187,388</u>
<b>Capital expenditure and financial investment</b>		
Decrease in short-term investments	<u>2,534,435</u>	<u>3,005,996</u>
Net cash inflow from capital expenditure and financial investment	<u>2,534,435</u>	<u>3,005,996</u>
<b>Analysis of change in net funds</b>		
Balance at beginning of year	519,583	1,091,222
(Decrease)/increase in cash during year	<u>(121,736)</u>	<u>(571,639)</u>
Cash at bank	<u>397,847</u>	<u>519,583</u>

**11 Grants**

Grant income of €1,974,952, in the income and expenditure account for the year, arises from the following bodies:-

Name of Agency	Type of Funding/ Grant programme	Term of Grant	Use of Grant	Amount €
Dept of Children & Youth Affairs	ECCE	Annual	Delivery of Service	357,200
Dept of Children & Youth Affairs	Lottery	Annual	Delivery of Service	2,220
HSE	Section 39	Annual	Delivery of Service	668,266
IPB Insurance	Parenting Skills	Annual	Parenting Skills	3,045
Limerick City Council	Section 10	Annual	Delivery of Service	198,227
Pobal	CCS	Annual	Delivery of Service	711,876
Pobal	CETS	Annual	Delivery of Service	26,186
Pobal	Capital	Annual	Delivery of Service	7,732
South Tipperary Co.Co.	Arts Grant	Annual	Promoting Art	200
<b>Total</b>				<u>1,974,952</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**

**12 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 €83,455 (2013: €606,000). The balance owed to that company at 30 June 2014 was €58,819 (2013: €1,291,593).

**13 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 €16,773 (2013: €34,328).

**14 Approval of financial statements**

The financial statements were approved by the directors on 13 November 2014.