Respond!
(Company Limited by Guarantee)

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

CONTENTS

DIRECTORS AND OTHER INFORMATION

Board of Directors

Patrick Cogan ofm
Brian Hennebry
Michael O'Doherty
Tom Dilleen
Niall Bradley
Seán Dorgan
Jill Jackman
Heather Reynolds

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

B Hennebry
Airmount
Dominick Place
Waterford

Registered Number: 90576

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 building housing schemes and providing these for rental.

Corporate governance
The Board currently comprises of one executive member and seven 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 acting Chief Executive Officer, who is not a member of the Board.

On 1 June 2015, Fr Patrick Cogan, ofm, retired from the position of CEO of Respond!. Patrick was a founding director of Respond! and CEO for more than 30 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!. Ned has been in management roles in Respond! 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, one of whom is a non-executive Board member who chairs the Committee. 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 to comply with the recommendations issued by the Housing Regulation Office.

Respond! as a registered charity complies with the Governance Code for community, voluntary and charitable organisations in Ireland, and as an Approved Housing Body complies with the "Voluntary Regulation Code for Approved Housing Bodies in Ireland, Building for the Future" issued by the Department of Environment Community, and Local Government.

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 Audit 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 Airmount, Dominick Place, Waterford

Review of business and future developments

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. All surpluses are recycled into the continuing operations of the company.

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 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	Niall Bradley
Michael O'Doherty	Seán Dorgan
Brian Hennebry	Jill Jackman
Tom Dilleen	Heather Reynolds

The Charities Act 2009

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

DIRECTORS' REPORT - continued

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 €1.27 each in the event of the company being wound up. There were 8 members at the date of the balance sheet.

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

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Independent auditors' report to the members of Respond!

Report on the financial statements

Our opinion

In our opinion, Respond!'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 profit 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.

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.

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

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.

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Chartered Accountants

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Independent auditors' report to the members of Respond! - continued

Matter on which we are required to report by exception

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.

Responsibilities for the financial statements and the audit

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.

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! - 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
		€	€
Turnover	1	12,306,817	11,570,726
Cost of sales		-	-
Gross profit		12,306,817	11,570,726
Administrative expenses		(10,118,212)	(9,627,016)
Other operating income	2	3,522,759	3,598,716
Operating profit	3	5,711,364	5,542,426
Interest receivable and similar income		573,459	468,989
Interest payable and similar charges	4	(12,489)	-
Exceptional item	5	-	1,409,191
Profit on ordinary activities before taxation		6,272,334	7,420,606
Tax on profit on ordinary activities	7	-	-
Profit for the financial year		6,272,334	7,420,606

Turnover and operating profit 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 profit on ordinary activities before taxation and the profit retained for the financial year, and their historical cost equivalents.

BALANCE SHEET
30 June 2015

	Notes	2015 €	2015 €	2014 €	2014 €
Fixed assets					
Tangible assets	9		323,606,119		323,525,995
Current assets					
Debtors	10	7,769,103		8,798,918	
Investments	11	10,473,196		13,823,064	
Cash and bank balances		1,485,733		527,260	
		19,728,032		23,149,242	
Creditors: amounts falling due within one year	12	(3,515,209)		(2,356,779)	
		(3,515,209)		(2,356,779)	
Net current assets			16,212,823		20,792,463
Total assets less current liabilities			339,818,942		344,318,458
Less:					
Creditors: amounts falling due after more than one year					
Capital grants	14	(19,375,960)		(19,842,280)	
Mortgage liabilities	15	(266,045,342)		(277,467,786)	
CALF loans	13	(1,116,914)		-	
			(286,538,216)		(297,310,066)
Net assets			53,280,726		47,008,392
Capital and reserves					
Reserves	16		53,280,726		47,008,392
			53,280,726		47,008,392

On behalf of the board

N Bradley

B Hennebry

CASH FLOW STATEMENT
30 June 2015

	Notes	2015 €	2014 €
Net cash inflow from operating activities	19	4,777,368	3,834,464
Returns on investments and servicing of finance	20	573,459	468,989
Capital expenditure and financial investment	20	(10,651,436)	(4,331,798)
Cash (outflow) before use of financing		(5,300,609)	(28,345)
Financing	20	6,259,082	321,990
Increase in cash during year	20	958,473	293,645

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 Acts 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 rental income, payment and availability income, maintenance grant income and sundry income, which are accounted for in the financial year to which they relate.

Income from donations and fund raising activities
Income from third party donations and fund raising activities is credited in the period in which it is received. Donations of assets other than cash are valued at date of receipt, and the value is included in assets in the balance sheet.

Deposit interest
Deposit interest is credited in the period to which it relates.

Grants

(a) Revenue grants
Grants received to fund revenue expenditure and expenditure on furnishings are credited to the profit and loss account in the period in which they relate.

(b) Capital grants
Grants received to fund capital projects including communal facilities are included in the capital grants account and amortised to the profit and loss account over the estimated useful life of the corresponding asset.

Contributions from Local Authorities
Contributions are recognised in the period in which they relate.

Capital expenditure on building programme

(a) All certified expenditure (including any retention) paid for by the company is capitalised and shown in the balance sheet in respect of assets created, the beneficial ownership of which remains vested with the charity. Liabilities in respect of local authority mortgages on these properties are shown in the balance sheet.

(b) All certified expenditure (including any retention) paid for by the company in respect of assets created, where the beneficial ownership is not expected to remain with the charity is reflected in the profit and loss account in the period to which it relates.

Development expenditure
Development expenditure which can not be attributed to approved schemes or does not specifically relate to the acquisition or development of the land and buildings is written off in the period to which it relates.

NOTES TO THE FINANCIAL STATEMENTS - continued

1 Accounting policies - continued

Depreciation of fixed assets

Depreciation is provided on a straight line basis at rates which are estimated to reduce the assets to realisable values by the end of their expected useful lives which are set out below:-

	Years
Buildings	30
Fittings and equipment	5
Computer equipment	4
Motor vehicles	5

Mortgages

(a) Amounts due in respect of mortgages on assets vested in the charity are shown as liabilities in the balance sheet. These mortgages can be either in respect of buildings erected or acquired under the capital assistance scheme or under the capital loan and subsidy scheme.

(b) In the case of buildings erected or acquired under the capital assistance scheme, and under the capital loan and subsidy scheme, repayments of mortgage amounts (together with interest on the mortgages) are met entirely by Government sources. Accordingly the capital sums due are amortised on a straight line basis over the life of the mortgage and a corresponding credit made to the profit and loss account. As the charity does not pay interest in respect of these mortgages, they are treated as interest free.

Value added tax

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

Pensions

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

Investments

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

Maintenance funds

The maintenance fund is established to appropriate retained funds towards future maintenance of housing schemes under management. Maintenance funds were previously calculated to reflect the excess of maintenance allowances received over related expenditure based on Department of the Environment guidelines. These guidelines have been withdrawn and are no longer applicable. The transfer to maintenance funds now represents a percentage of current income, which may vary from year to year depending on the future expected costs of maintaining the properties (based on the company's planned maintenance programme).

NOTES TO THE FINANCIAL STATEMENTS - continued

2 Other operating income

	2015	2014
	€	€
Amortisation of capital funding		
Mortgage amortisation CLSS	8,579,802	8,579,144
Mortgage amortisation CAS	7,469,360	7,463,965
Amortisation of capital grants	994,259	979,593
	17,043,421	17,022,702
Depreciation of capital expenditure		
Depreciation – social housing	(13,520,662)	(13,423,986)
Amortisation of capital funding (net)	3,522,759	3,598,716

3 Operating profit

The operating profit for the financial year is stated after charging or (crediting):-

	2015	2014
	€	€
(a) Depreciation - Charity assets	401,518	295,574
(b) Maintenance grants (included within turnover)	(1,184,788)	(1,181,905)
(c) Surplus on disposal of fixed assets	(1,000)	(1,302)

4 Interest payable and similar charges

	2015	2014
	€	€
Interest on CALF loans	12,489	-

5 Exceptional item

On 30 June 2014, the company took over the activities and certain assets and liabilities of Friends of Respond! Youghal and Friends of Respond! Ennis, for no consideration. The assets and liabilities arising from the transaction were as follows:-

	2015	2014
	€	€
Tangible fixed assets	-	100,049
Debtors	-	2,976
Investments	-	1,119,567
Cash and bank balances	-	202,404
Creditors and accruals	-	(15,805)
	-	1,409,191

NOTES TO THE FINANCIAL STATEMENTS - continued

6 Particulars of staff

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

	2015 Number	2014 Number
Management	17	24
Operational	87	76
	104	100

(b) Staff costs comprise:

	2015 €	2014 €
Wages and salaries	3,850,321	3,664,170
Social insurance costs	398,999	369,498
Other retirement benefit costs (i)	99,180	99,149
	4,348,500	4,132,817

(i) Other retirement benefit costs comprise defined contribution scheme pension costs

7 Taxation

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

8 Work in progress

In accordance with the accounting policy for Capital Expenditure on Building Programmes the cost of uncertified work at the balance sheet date is not regarded as a liability of the company. The fixed asset and corresponding mortgage liability is recognised in the accounts at the time that the work is certified.

NOTES TO THE FINANCIAL STATEMENTS - continued

9 Tangible fixed assets

	Other land and buildings €	Social housing land and buildings €	Fittings and equipment €	Computers €	Motor vehicles €	Total €
Cost						
At 1 July 2013	333,186	442,157,802	1,053,069	3,604,313	60,213	447,208,583
Additions	187,850	3,726,050	124,955	606,852	-	4,645,707
Disposals	-	-	-	-	(28,995)	(28,995)
Transfer (a)	-	50,490	120,164	-	-	170,654
At 30 June 2014	521,036	445,934,342	1,298,188	4,211,165	31,218	451,995,949
At 1 July 2014	521,036	445,934,342	1,298,188	4,211,165	31,218	451,995,949
Additions	4,729	13,710,914	45,224	229,788	11,649	14,002,304
Disposals	-	-	-	-	(10,000)	(10,000)
At 30 June 2015	525,765	459,645,256	1,343,412	4,440,953	32,867	465,988,253
Accumulated depreciation						
At 1 July 2013	107,933	110,425,512	1,008,707	3,131,314	26,620	114,700,086
Charge for the financial year	13,498	13,423,986	29,872	242,161	10,043	13,719,560
On disposal	-	-	-	-	(20,297)	(20,297)
Transfer (a)	-	6,312	64,293	-	-	70,605
At 30 June 2014	121,431	123,855,810	1,102,872	3,373,475	16,366	128,469,954
At 1 July 2014	121,431	123,855,810	1,102,872	3,373,475	16,366	128,469,954
Charge for the financial year	17,351	13,520,662	62,181	316,473	5,513	13,922,180
On disposal	-	-	-	-	(10,000)	(10,000)
At 30 June 2015	138,782	137,376,472	1,165,053	3,689,948	11,879	142,382,134
Net book value						
At 1 July 2013	225,253	331,732,290	44,362	472,999	33,593	332,508,497
At 30 June 2014	399,605	322,078,532	195,316	837,690	14,852	323,525,995
At 30 June 2015	386,983	322,268,784	178,359	751,005	20,988	323,606,119

(a) Represents the cost and accumulated depreciation of assets transferred from Friends of Respond! (note 5).

NOTES TO THE FINANCIAL STATEMENTS - continued

10 Debtors

	2015	2014
	€	€
Amounts falling due within one year:		
Trade debtors	3,501,955	3,815,650
Amounts due from related companies	30,947	58,819
Prepayments and accrued income	4,236,201	4,924,449
	7,769,103	8,798,918

11 Investments

	2015	2014
	€	€
Investment funds (i)	8,400,000	8,800,000
Deposits	2,073,196	5,023,064
	10,473,196	13,823,064

(i) All investment funds are fixed for a period. The market value of these investments at 30 June 2015 was €8,424,308 (2014: €8,905,660). These investments are capital guaranteed if held to maturity, which is the intention of the directors.

12 Creditors - amounts falling due within one year

	2015	2014
	€	€
Trade creditors	1,540,906	671,410
Accruals	1,438,353	1,355,516
PAYE and social insurance	90,386	75,356
Value added tax	435,365	241,823
Relevant contractors tax	10,199	12,674
	3,515,209	2,356,779

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.

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

13 CALF loans

	2015	2014
	€	€
CALF loans (i)	1,116,914	-
	1,116,914	-

(i) CALF loans represent loans received under the Capital Advance Leasing Facility scheme. The CALF loans are unsecured and are subject to simple interest at a rate of 2% per annum. The capital advance and interest is repayable on demand in the absence of a payment and availability agreement for the properties for which the capital advance was provided, however notwithstanding the demand nature of the loan the capital and all other amounts outstanding are to be repaid after more than 5 years. The company has payment and availability agreements in place relating to the above loans.

14 Government grants toward capital projects

	2015	2014
	€	€
Received and receivable		
At 1 July	29,540,326	29,498,058
Additions during year	527,939	42,268
Redeemed	-	-
At 30 June	30,068,265	29,540,326
Amortisation		
At 1 July	9,698,046	8,718,453
Amortised to profit and loss account	994,259	979,593
Redeemed	-	-
At 30 June	10,692,305	9,698,046
Net book value at 30 June	19,375,960	19,842,280

NOTES TO THE FINANCIAL STATEMENTS - continued

15 Mortgage liabilities

	2015	2014
	€	€
(a) Capital assistance scheme		
Received and receivable		
At 1 July	157,032,123	156,391,489
Received during year	4,606,954	640,634
At 30 June	161,639,077	157,032,123
Amortisation		
At 1 July	53,920,617	46,456,652
Amortised to profit and loss account	7,469,360	7,463,965
At 30 June	61,389,977	53,920,617
Net book value at 30 June	100,249,100	103,111,506
(b) Capital loan on subsidy scheme		
Received and receivable		
At 1 July	264,444,868	264,805,780
Received/adjustments during year	19,764	(360,912)
At 30 June	264,464,632	264,444,868
Amortisation		
At 1 July	90,088,588	81,509,444
Amortised to profit and loss account	8,579,802	8,579,144
At 30 June	98,668,390	90,088,588
Net book value at 30 June	165,796,242	174,356,280
Total net book value at 30 June	266,045,342	277,467,786

The mortgages are secured by fixed charges over the company's land and buildings.

NOTES TO THE FINANCIAL STATEMENTS - continued

16 Reserves

	Absorbed deficit €	Mortgage amortisation reserve €	Maintenance fund reserve €	Total €
At 1 July 2013	(104,663,800)	129,867,356	14,384,230	39,587,786
Profit for financial year	7,420,606	-	-	7,420,606
Transfer to mortgage amortisation reserve (a)	(16,043,109)	16,043,109	-	-
Transfer to maintenance fund reserve (b)	(3,133,045)	-	3,133,045	-
At 30 June 2014	(116,419,348)	145,910,465	17,517,275	47,008,392
At 1 July 2014	(116,419,348)	145,910,465	17,517,275	47,008,392
Profit for financial year	6,272,334	-	-	6,272,334
Transfer to mortgage amortisation reserve (a)	(16,049,162)	16,049,162	-	-
Transfer to maintenance fund reserve (b)	(2,204,703)	-	2,204,703	-
At 30 June 2015	(128,400,879)	161,959,627	19,721,978	53,280,726

(a) The amount transferred to the Mortgage Amortisation Reserve Fund is based on the amortisation of the capital advances, over the life of the mortgage. The Local Authorities from whom the mortgages were received are not in a position to provide confirmation of the year-end balance and the company is therefore relying on the information given by the Department of the Environment and Local Government in establishing the amortisation policy.

(b) In addition to the above transfer to maintenance fund reserve, the company incurred structural maintenance costs of €362,468 (2014: €638,748), which have been included as part of administrative expenses in the profit and loss account.

17 Related party transactions

The company effectively manages, through the use of an inter company account, the administration of Respond (Support) Limited, a company which is a charity engaged in the management of social and community initiatives which are carried out in Respond! housing schemes. Expenses recharged to Respond (Support) Limited for the year amounted to €98,056 (2014: €83,455). The balance owed by that company at 30 June 2015 was €30,947 (2014: €58,819).

18 Directors' remuneration

	2015 €	2014 €
Emoluments	25,951	2,994
Contributions to retirement benefit schemes:		
- Defined contribution	1,300	150

NOTES TO THE FINANCIAL STATEMENTS - continued

19 Reconciliation of operating profit for the financial year to net cash inflow from operating activities:

	2015	2014
	€	€
Operating profit for the year	5,711,364	5,542,426
Depreciation	13,922,180	13,719,560
Decrease in debtors	1,029,815	1,756,362
Increase/(decrease) in creditors	1,158,430	(159,880)
Mortgages amortised	(16,049,162)	(16,043,109)
Amortised grants	(994,259)	(979,593)
(Profit) on disposal of fixed assets	(1,000)	(1,302)
Net cash inflow from operating activities	4,777,368	3,834,464

20 Analysis of cash flows for headings netted in the cash flow statement

	2015	2014
	€	€
Returns on investments and servicing of finance		
Interest received and similar income	573,459	468,989
Net cash inflow from returns on investments and servicing of finance	573,459	468,989
Capital expenditure and financial investment		
Purchase of tangible assets	(14,002,304)	(4,645,707)
Proceeds from sale of tangible assets	1,000	10,000
Decrease in short-term investments	3,349,868	303,909
Net cash (outflow) from capital expenditure and financial investment	(10,651,436)	(4,331,798)
Financing		
Mortgages	4,626,718	279,722
Capital grants	527,939	42,268
CALF loans	1,104,425	-
Net cash inflow from financing	6,259,082	321,990

Analysis of change in net funds

	2015		2014	
	€	€	€	€
Balance at beginning of year		527,260		31,211
On transfer from Friends of Respond! (note 5)				202,404
Balance at end of year:				
Cash at bank	1,485,733		527,260	
Less bank overdraft	-		-	
		1,485,733		527,260
Increase in cash during year		958,473		293,645

NOTES TO THE FINANCIAL STATEMENTS - continued

21 Pension scheme

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to €99,180 (2014: €99,149).

22 Contingent liabilities

The company has received grants which may become repayable if certain circumstances set out in the agreements occur. The directors are of the opinion that these contingencies will not result in any material loss for the company.

23 Bank security

The company's bankers hold a letter of lien, in the amount of €750,000 in relation to its overdraft facility (2014: €Nil). No element of the facility had been drawn down at year end.

24 Approval of financial statements

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