respond

building homes, improving lives

Annual Report 2018

Respond is a company limited by guarantee and registered in Dublin, Ireland.

Registration Number: 90576
Charity Number: CHY 6629
CRA Number: 20012625
Registered Office: Airmount, Dominick Place, Waterford, Ireland.

Sincere thanks to our outgoing directors Juneanne Falconer, retired 13th December 2018, and Cathal O'Connell, retired 20th March 2018.

Auditors:
PricewaterhouseCoopers,
Chartered Accountants and Registered Auditors
Ballycar House,
Newtown,
Waterford, Ireland.

Solicitors:
Beauchamps Solicitors (Dublin)
Luke House Solicitors (Waterford)

Bankers:
Ulster Bank, 97/98 Custom House Quay, Waterford
Allied Irish Banks, Lisduggan, Waterford.

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 Housing, Planning, Community, and Local Government.

All of our work is only possible with the support of our partners which include the Local Authorities around the country, the Department of Housing, Planning and Local Government, the Housing Finance Agency, the Housing Agency, Dublin Regional Homelessness Executive, Limerick City and County Council and the Health Service Executive.

Contents

Martanna House: A Respond led development of 8 units comprising of 4 one-bed and 4 two-bed apartments for older people and people with disabilities.

Welcome to Respond's Annual Report for 2018.

A secure place to call home is critical to quality of life and wellbeing. On every level, the lack of housing or very insecure accommodation can have a devastating impact on people. When we visit tenants in their new homes, we see just how important quality housing is for the well-being of a family or individual. Earlier this year, a tenant got the keys to her forever home in one of our apartments in Stepaside, Dublin. She told us that she thinks she is *'in a dream. It's like winning the lottery…great to have the security at [my] age.'* This woman is now living close to her children and grandchildren in an area she knows well. Every day we see the happiness and peace of mind that a secure home can bring to people.

Respond has achieved a great deal in the provision of social housing in Ireland and, more recently, in the development of homelessness services. We are proud to be at the fore of the housing association movement in Ireland. We have provided 5,899 homes nationwide over our 36 year history. In 2018, we supported 8,676 people in housing and we provided emergency accommodation with support for 110 families experiencing the trauma of homelessness over the course of the year.

A renewed sense direction

In 2018 we concluded our Strategic Planning process, which will guide our work and our priorities over the next five years. Respond aims to provide at least 2,500 new social homes by 2023, to focus on affordable housing, placing our tenants at the heart of our work. We will provide additional homeless services as needed and continue to be a voice for and with people who are homeless and in need of housing and other services. We are committed to ensuring a strong and prudent financial foundation and good governance across our organisation. Our staff are our biggest resource and we will work hard to support them to grow and develop, responding to the needs of our tenants and service users, as we embark on this journey together.

A holistic approach to housing

Respond's primary challenges over the next five years are to increase our social housing stock and to provide more homelessness services as needed whilst maintaining our existing housing stock. This is achieved by working in collaboration with our partners across the State sector. We currently manage six Family Hubs providing emergency accommodation with support, five in Dublin and one in Limerick. Designed to be a short term response to the most acute element of the housing and homelessness crisis, Respond is committed to ensuring that these premises are capable of being converted to permanent housing for those in need when the crisis abates. It has become extremely difficult for an individual or family to rent an affordable, secure home. There are large numbers of people in Ireland who cannot afford the rents which are being charged in the locations where they work, attend college or near where their social networks are based. A priority area of work for Respond is focusing on housing for intermediate households who don't qualify for social housing, won't be able to afford a mortgages and yet cannot afford market rents. This we see being delivered in the form of cost rental and affordable rental housing which in turn will take pressure off the other parts of the housing market.

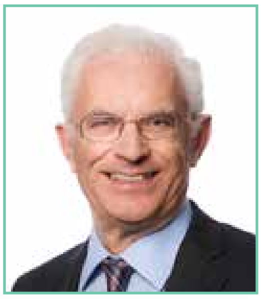
While general social housing need will continue to be our focus during the period of this strategic plan, the provision of housing for the population requires a holistic approach. Our vision is that every family and individual in Ireland will have high-quality housing as part of a vibrant and caring community. While housing is important, we also want to support the ongoing growth and development of diverse communities where people want to live and participate actively.

"Respond aims to provide at least 2,500 new social homes by 2023, to focus on affordable housing, placing our tenants at the heart of our work."

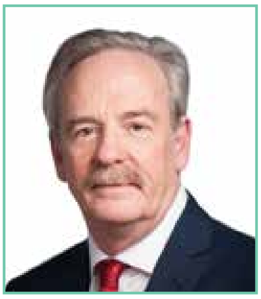
Unique and important contributions

It is estimated that at least 10,000 new social housing units per year are needed (NERI, 2017; Report of the Committee on Housing and Homelessness, 2016) while there are approximately 100,000 households in need of social housing with over 10,000 people in emergency accommodation including 3,778 children as of July 2019. It is also important to provide tailored support services in the community for children, families and older people. It is clear that there are huge challenges concerning the building of new homes, and providing accommodation and support for people who are homeless. There are many Government Departments, agencies and organisations involved in tackling the housing and homelessness crisis. Respond wants to ensure that it is complementing the work of other organisations and agencies while fostering collaboration and partnership on the ground. At the same time we are making our own unique and important contributions to responding to housing and homelessness need in Ireland. We are convinced that these problems can be overcome. We intend to play a significant role in ensuring that very substantial progress will have been made in reducing housing lists and in providing decent housing and accommodation for many thousands of people over the coming years.

Respond are doing all we can to play our part in addressing the crisis but we cannot do it alone. We wish to thank the Directors of the company all of whom give of their time on entirely voluntary basis in the interest of social justice, and our wonderful staff throughout the organisation for their considerable work and commitment. We would like to thank the Department of Housing, Planning and Local Government, the Housing Agency, Local Authorities, the Housing Finance Agency, the Dublin Regional Homeless Executive (DRHE), Limerick City and County Council and the Health Service Executive (HSE) for their continued support to Respond in achieving our goals for the delivery of additional social housing and provision of homeless services. Finally, and most importantly, we want to thank the tenants and service users who put their trust in us every day. It is our mission to ensure that, along with a home of their own, they are empowered to reach their full potential.



John O'Connor
Chairperson



Declan Dunne
Chief Executive Officer

Respond 2019†

building homes

26
Homes in 26 counties in the Republic of Ireland

5,899
Total number of homes built by Respond

4,526
Social housing units owned and managed

1,086
Number of homes in construction & onsite

€561m
Amount invested in social housing‡

2,500
Number of units to be built by 2023

improving lives

6
Family Hubs

9,507
Tenants

306
Families supported in family hubs
(emergency accommodation plus wraparound support)~

143
Respond Estates Nationally (with 55 homes on other estates)§

Key
† Unless otherwise stated these figures are as at Quarter 3 2019
‡ As at 31/12/2018
§ These homes are acquisitions, Mortgage to Rent, Part V's etc.
~ Since Quarter 4 2016

Respond at a glance

Development
- Chartered Architects
- Chartered Quantity Surveyors
- Project Cost Consultant
- Planners
- Clerk of Works
- Architectural Technicians

Housing
- Tenant relations
- Customer Services Centre
- Asset management

Services
- Homelessness
- Early Years services
- Day care services for older people
- Resettlement services
- Family Support

Compliance
- Quality assurance
- Data Protection Framework
- Risk Management Framework
- PQASSO Programme

Finance & IT
- Financial administration
- Banking and investments
- Infrastructural funding
- 5 year/30 year financial planning
- Information technology

Legal
- Conveyancing
- Financing with lending institutions
- Residential Tenancies Board
- General Counsel and Corporate Services

Human Resources
- Recruitment
- Staff development
- Staff wellbeing

Advocacy
- Policy
- Communications
- Research
- Partnerships

Ray Fanning
Head of
Finance & IT

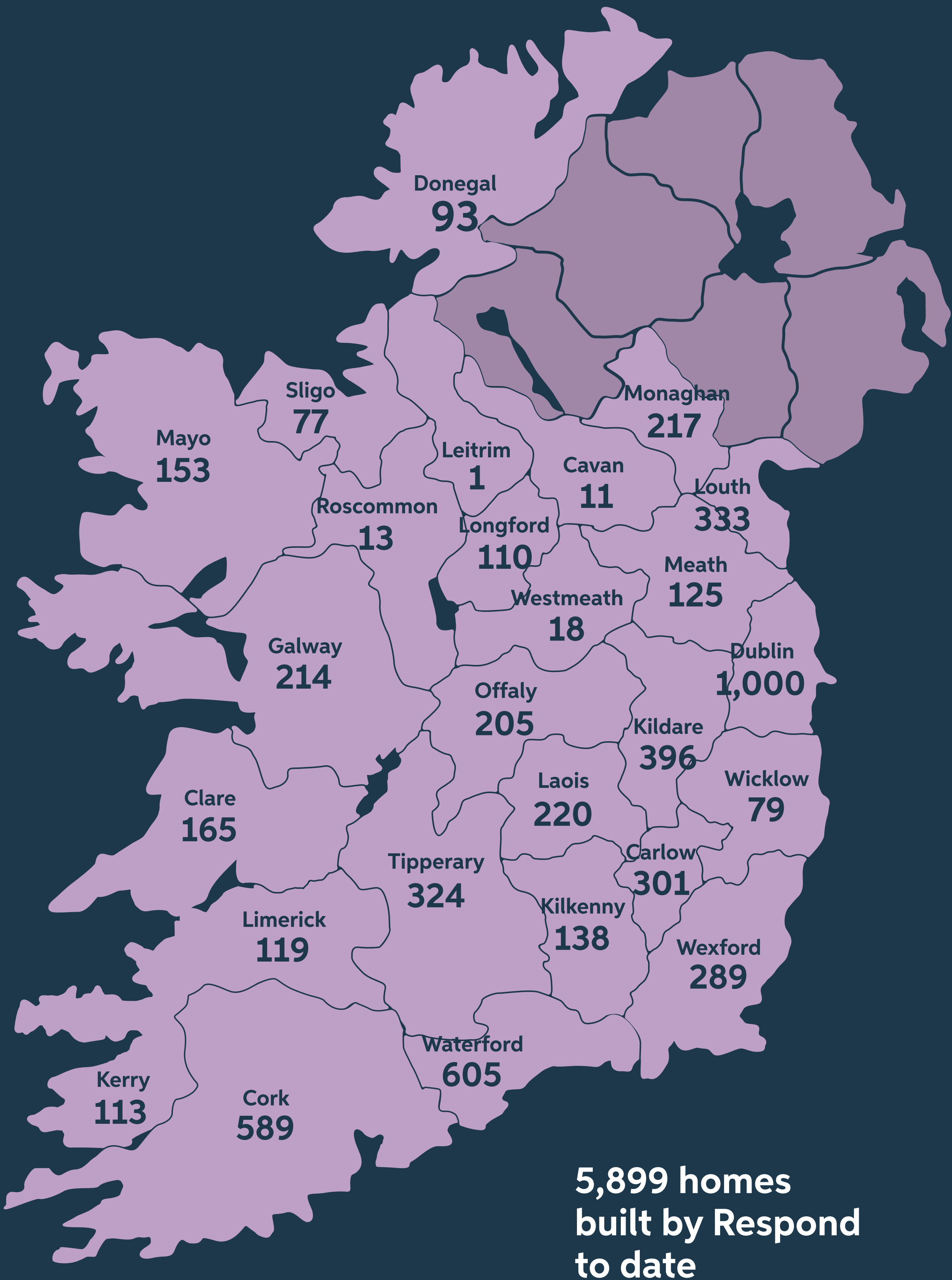
Declan Dunne
CEO

Jill Jackman
Head of Legal
Services and
Company Secretary

Louisa Carr
Head of Services

Missing from this photo is **Julia Carmichael,** Head of Compliance & Quality Assurance.

Respond nationwide



5,899 homes built by Respond to date

Vision, Mission, and Guiding Principles

Our Vision

That every family and individual in Ireland will have high-quality housing as part of a vibrant and caring community.

Our Mission:

Respond will play an enhanced role in effectively addressing the specific housing and homelessness crisis in Ireland by expanding and improving the housing services we provide.

We will significantly increase our housing stock, all the while seeking to maintain our focus on the alleviation of poverty. Respond estates will be well-designed, vibrant communities with new developments prioritising mixed tenure to ensure true social integration and inclusion.

We will strive to contribute to an Ireland where everyone can have a home to call their own and where individuals, families and communities are empowered to reach their full potential.

Our Guiding Principles

In all of our work Respond is informed and inspired by the following guiding principles:

A Human Right to Housing:
Respond believes that every human being is equal in rights and dignity and has the right to a secure, affordable home which meets their needs throughout their lifetime. Respond will strive to ensure that the services we provide are inclusive, empowering and value the human rights of the people we work with and support.

Social Justice:
All our initiatives will focus on creating a more just and equal society. We will seek to identify the root cause of social problems and, where we can, seek to address these through the deployment of our resources, expertise and energies. As a not-for-profit organisation, Respond will be measured by the positive impact we have on the lives of the individuals, families and communities we serve and our wider contribution to the well-being of Irish society.

“Respond believes that every human being is equal in rights and dignity and has the right to a secure, affordable home which meets their needs throughout their lifetime.”

A renewed sense of direction for Respond

Respond has made great strides from its beginnings in 1982 to date, evolving from a locally based housing association responding to housing needs in Waterford City to a significant provider of social housing across Ireland. It has been an exciting journey for Respond and we have learnt a lot. As well as the provision of housing, the Respond model of supports for people in social housing also acknowledges that tenants may have non-housing needs and requirements in their lives. We have tried to assist people to access appropriate services and, where necessary, provided these services though Respond Support e.g. childcare, elder care, family support and resettlement services.

Change and renewal

Beginning in 2017, Respond began a process of reflection and critical analysis. While taking pride in our roots, which had a strong focus on social justice, equality and community, we acknowledged the need for change and renewal. We engaged in a comprehensive strategic planning process to guide and direct the work and activities of Respond for the next five years. This included consultation with tenants, staff, board members and key stakeholders. We also looked at good practice in other jurisdictions. Thirty-eight strategic review and planning meetings took place in Waterford, Dublin, Limerick and Galway. This allowed us to revisit our mission, vision and values and to agree to move together in a new direction toward our new mission to contribute to an Ireland where everyone can have a home to call their own and where individuals, families and communities are empowered to reach their full potential.

Respond's future work and activities will be informed by demographics and housing trends within Ireland and by the housing problems being experienced by particular groups within Irish society. The Strategic Plan provides the vision and the framework within which Respond will operate over the next five years against which the Board and management of Respond can assess progress on a regular and ongoing basis. At the heart of this are our guiding principles of a human right to housing and social justice. For the period from 2019 to 2023, Respond's priorities will be informed by the national need to increase housing supply, provide transitional accommodation for homeless individuals and families, and effectively and efficiently maintain the properties of Respond tenants and the estates in which they live. Respond Support, providing special and community services, will continue activities in relation to Day Care services for older people, Early Education, Childcare, and Resettlement services.

"Respond has made great strides from its beginnings in 1982 to date, evolving from a locally based housing association responding to housing needs in Waterford City to a significant provider of social housing across Ireland."

Core Values

Listening:
We will consult with and listen to our tenants, service users and staff. We will reflect their opinions in the planning, design and delivery of housing and housing support services.

Empathy:
In all our work we will try to see the situation from the point of view of the tenant or the community with which we are engaging; we will be non-judgemental, regardless of past or current difficulties, we will listen to and value their stories and experiences and endeavour to have a positive influence on their lives.

Integrity:
Honesty, truthfulness and transparency of purpose and method will be our constant watchwords.

Trust:
We will aim to be a trusted and reliable social landlord to our tenants and service users, a trusted partner for those with whom we collaborate and a trustworthy employer for Respond employees.

Sustainability:
All our developments will endeavour to enhance the natural world around us and not adversely impact the environment without redress. Through the design of our housing and communities we will be mindful of our ethical obligations to pursue national goals of sustainable development through energy efficiency and the reduction of carbon emissions.

Quality design:
All our developments will be based on principles of place-making and creating sustainable and safe living environments. We will seek to follow best practice to deliver integrated housing developments designed to high quality standards capable of being used by all including those with specific needs.

Value for Money:
Conscious at all times that we utilise state-backed loans and tenants' rental income to finance our building and service-delivery programme, we will ensure that all our expenditure and investment provides clear value for money with evidence-based, testable outcomes.

A skilled and experienced team

To embark on this ambitious plan requires an experienced, skilled and committed staff team. There have been a number of significant organisational developments within Respond between 2016 and 2019. Additional appointees to the Respond Board include six new Directors who have skills and experience to support the delivery of Responds strategy; these skills and knowledge range from planning and development, banking and financial services, architecture, legal affairs, community development and social studies. These crucial skillsets and experience will ensure that Respond as well as delivering the necessary services for our tenants and service users is also able to meet its stakeholder requirements (see page 40 for more details on our directors).

We also have a newly formed Executive Management Team led by our CEO, Declan Dunne, who has a significant set of experiences in the private sector, in the local development sector and in the social housing sector. The five new members of this team bring a wealth of knowledge and experience in relation to Human Resources; Compliance and Risk Management; Advocacy and Communications, Service Management and Housing Management. This has added to the existing skilled in-house team in the areas of Development, Finance and Legal Affairs. Respond is one of the few Approved Housing Bodies in Ireland with its own in-house design team. This in-house, multi-disciplinary Development team comprises of Chartered Architects, Quantity Surveyors, Planners, Project Managers, Clerk of Works and Technicians. This team has a vast and varied range of experience in Development projects including business development, feasibility studies and project development, risk management, cost control, procurement, project management and contract administration, planning, architectural design and developing whole life cycle costings and financial modelling.

Ongoing contact with and relationships are being made with Respond tenants by Tenant Relations Officers, by Technical Services Officers and by people in the centralised Customer Service Centre. Our Homeless Services staff are busy providing emergency accommodation and wraparound support in six Family Hubs. Our goal is to support families to move into secure homes as quickly as possible. Our colleagues in Respond Support provide support to a variety of service users from small children to older people across a number of services. 567 children attend the early education service across 17 centres around the country. Almost 200 clients attend our elder care day centres on a weekly basis. These services provide social and nursing support to individuals across the community who have been experiencing social isolation. Family support teams are providing a combination of brief interventions and one to one support to vulnerable families living in Respond estates. Finally, there are teams in Waterford, Kilkenny and Longford providing resettlement service to Syrian refugee families. This service is expanding with two additional services commencing soon. This work is all supported by other employees providing essential support such as finance, legal, compliance and administrative services.

We are building

Respond aim to deliver high quality homes that will transform people's lives and represent value for money. In 2018 five Development Teams, with responsibility for various regions across the country, were formed and tasked with sourcing and enhancing development opportunities. Over the course of the year, they created a substantial development pipeline of just under 4,000 homes with a view to delivering these over a period. This will be through a combination of new build, acquisition, lease and refurbishment projects, whilst also exploring other opportunities for delivery through Public Private Partnerships (PPPs); rapid build projects with local authorities; low cost delivery models; and the provision of affordable housing. We currently have over 1,000 homes in construction and onsite.

Embracing a changing environment

Respond is aware of the ever changing environment within which it works not least of all maintaining the confidence of its tenants, service users and all of its stakeholders. There have been a series of significant changes to legislation and regulation within the Approved Housing Bodies sector and the charity sector requiring us to deliver to specific requirements and standards. Respond welcomes these changes and continues to work to deliver in compliance with them strengthening our internal controls and delivering consistent and quality services across the country.

A vibrant and caring community

Respond are working hard to ensure that we are listening to and meeting the needs of all our tenants and service users and our staff. This has been an exciting time developing our new Strategic Plan and with new teams working closer to the front line, we are improving what we do each and every day. We look forward to continuing collaboration and partnership with likeminded organisations and supporters in helping to provide homes with supports to individuals and families across Ireland who would otherwise have faced great stress and uncertainty in their lives. We will work hard to ensure we deliver on our seven goals guiding our work from 2019 -2023 as we work to contribute to an Ireland where every family and individual in Ireland will have high-quality housing as part of a vibrant and caring community.

Respond Goals

1. Respond, with Government support, will, through a programme of multi-faceted delivery, have increased the number of social homes in Ireland by at least 2,500 over the lifetime of the Strategic Plan.

2. In seeking to improve lives, Respond will place our tenants, residents in emergency accommodation and service users at the centre of our work and we will focus on positive outcomes and satisfaction for tenants and service users.

3. To support households and individuals experiencing homelessness on their journey back to independent living, Respond will provide safe and secure housing in the short-term in the form of supported temporary emergency accommodation.

4. We will seek to develop an expertise in and deliver affordable housing for those for whom the market rates are too high.

5. Respond will maintain a strong and prudent financial foundation underpinned by a risk-conscious approach to our business.

6. In pursuit of social justice Respond will be a high-performing, results-driven, accountable organisation which values our staff and those we work with.

7. Respond will be an effective voice with and for people in need of housing, homelessness and support services in order to effect positive change in their lives and will be respected and trusted by our partners.

“Respond aim to deliver high quality homes that will transform people’s lives and represent value for money.”

Arnelio Alano and An Van Delm from the Development Team

Building Homes

Development – delivering homes for life

The Development Department is tasked with delivering one of the key strategic objectives set out in the Respond's Strategic Plan. This objective sets out increasing our housing stock by over 50% through provision of 2,500 new social homes nationwide over the next 5 years.

Respond has an in-house multi-disciplinary Development team comprising of Chartered Architects, Quantity Surveyors, Planners, Project Managers, Clerk of Works and Technicians. This team has a vast and varied range of experience in Development projects including business development, feasibility studies and project development, risk management, cost control, procurement, project management and contract administration, planning, architectural design and developing whole life cycle costings and financial modelling.

Our overall goal is to deliver high quality homes, based on principles of place-making and creating sustainable and safe living environments that will transform people's lives and represent value for money. In 2018, five Development Teams, with responsibility for various regions across the country, were formed and tasked with sourcing and enhancing development opportunities. In addition to this, these teams, led by the Head of Development, focus on innovation and delivery of homes through strengthening our existing relationships and building new relationships with government departments, Local Authorities, developers, contractors, investors, Approved Housing Body sector and other stakeholders.

Our primary focus in 2018 was creating a substantial Development pipeline of just under 4000 homes with a view to translating same into delivery, over a period of time, through a combination of new build, acquisition, lease and refurbishment projects. We also explored other opportunities for delivery through Public Private Partnerships (PPPs), rapid build projects with local authorities, low cost delivery models, and the provision of affordable housing.

Enniskerry Road tenders issued

In 2018 Respond, in partnership with Tuath Housing, issued tender documentation for a €55million development consisting of 155 apartments on the Enniskerry Road near Sandyford. This pathfinder scheme under Rebuilding Ireland will be delivered as a joint venture with Dún Laoghaire-Rathdown County Council, Housing Agency and funded by Department of Housing and The Housing Finance Agency. As part of the overall development, 50 units will be delivered through a pilot cost rental scheme. This will be the first cost rental model in the State.

"Our overall goal is to deliver high quality homes, based on principles of place-making and creating sustainable and safe living environments that will transform people's lives and represent value for money."

Application for planning permission for High Park

A Strategic Housing Development (SHD) planning permission application for 101 apartments on the grounds of the High Park Campus was prepared for lodgement with An Bord Pleanála in early 2019. Respond was the first Approved Housing Body to lodge an SHD application. This new type of application has been introduced under Rebuilding Ireland in an effort to speed up the planning application process and accelerate delivery of much needed housing. The in-house Development Team has been involved in architectural design and project management supported by external consultants.

Visit from the Housing Minister

On the 31st October 2018 the Minister for Housing, Planning and Local Government Eoghan Murphy TD visited Respond's site at Martanna House, Drumcondra, Dublin 9 where 8 unit dwellings were under construction by means of the Capital Assistance Scheme (CAS). The scheme was designed for the provision of housing for persons with specific housing needs such as elderly persons or persons with a disability. The construction on these dwellings was completed in December 2018.

Development 2018

5,793

Total number of homes built nationwide up to 2018

475

Number of new homes commenced on-site 2018

151

Additional homes built but acquisition to be finalised in 2019

197

Increased number of units owned and managed in 2018

In-house multi-disciplinary Development Team includes
Chartered Architects, Quantity Surveyors, Planners, Project Managers, Clerk of Works and Technicians.

Respond Developments

Creston Avenue, Meakstown, Dublin 11

This development of 18 houses is comprised of 2 two-bed houses; 12 three-bed houses and 4 four-bed houses which forms part of the overall Creston Development built by Durkan Residential.

This was completed in 2018 and leased by Respond through National Asset Residential Property Services Limited (NARPS) which is the development arm of National Asset Management Agency (NAMA) with the support of Fingal County Council.

Martanna House, Grace Park Road, Dublin 9

A Respond led development of 8 units comprising of 4 one-bed and 4 two-bed apartments for older persons and persons with disabilities. Funded through the Capital Assistance Scheme (CAS), this development in partnership with Dublin City Council was completed in December 2018.

Part V – 1-8 Aikens Village, Stepaside, Co.Dublin.

Respond acquired 8 Part V allocated homes in Aikens Village, Stepaside, County Dublin, built and developed by SDR Property Development LTD. These homes located in a four storey apartment block consist of 2-bedroom apartments. All units are A3 rated and equipped with air-to-water heat pumps, Lift access and private parking spaces.

Respond acquired these homes in December 2018 funded through CALF from Dun Laoghaire Rathdown County Council and Department of Housing, Planning and Local Government and Rebuilding Ireland and private finance from The Housing Finance Agency.

Bellingsfield, Naas, Co.Kildare

Respond acquired 10 Part V houses in Bellingsfield, a development of 243 residential units by Ballymore Homes. The Part V units comprise of 6 three-bed houses and 4 four-bed houses. These units were delivered through partnership with Kildare County Council, the Housing Finance Agency and the Department of Housing, Planning and Local Government through the provision of CALF/P&A and Private Finance.

Glenview, Dublin Road, Dundalk

Respond acquired 14 units in Phase 1 of this developer-led scheme of 31 units in Dublin Road, Dundalk. Phase 1 comprises of 10 three-bed houses and 4 four-bed houses. Respond intends to acquire the remaining 17 units which are currently being constructed and are well advanced on site.

These units were delivered through partnerhsip with Louth County Council, the Housing Finance Agency and the Department of Housing, Planning and Local Government through the provision of CALF/P&A and Private Finance.

Northwood Green, Santry, Dublin

Respond acquired 6 Part V allocated homes in early 2019; and consists of 2 one-bedroom and 4 two-bedroom apartments located in the Northwood Green development at the corner of Santry Road and Ballymun Road, Dublin 9. These homes are in a 2 storey apartment block with car parking and equipped with Solar PV panels and demand-control ventilation system, achieving an A2 and A3 Rating.

Highlights 2018

Commemorating the Magdalene Laundry Survivors

We in Respond are conscious at all times of the troubled history of the grounds and buildings on our High Park campus in Dublin. High Park was once the site of a Magdalene Laundry. On 6th of June 2018, a group of 54 women who spent time in the laundry visited us to discuss how we might appropriately mark their experiences. For many of them, it was the first time they had returned since they left years ago.

Respond came to High Park in the year 2000 as the Dublin office to our then expanding national operation. Now it is the site of a Family Hub providing temporary supported accommodation to families who find themselves homeless. Our goal is to support families to move into secure homes as quickly as possible, leaving homelessness behind.

At our event, we listened to the women as to how we might commemorate their experience for them within their lifetimes and for all subsequent generations. Many of the women who visited were very clear that the legacy they want in High Park and beyond is that we build homes and improve lives. They repeatedly asked us to 'look after the vulnerable' and to 'take care of the children' in their name. We believe that one of the greatest ways we can honour these women is to help create a better experience for those currently in need.

It was a very moving event with residents of the Family Hub participating and the children living there doing some artwork. Our new motif for the Hub and surrounds is a butterfly. Having listened to what was said at the event and keeping it in mind, Respond will design a commemoration for the site – all are in keeping with the theme of hope and new life. High Park is witness to a terrible past but we believe that it has a future filled with new beginnings.

Mary Merritt and friends at our event

Integration event in Gleann na hEorna

In March, the residents of the Gleann na hEorna estate in Springfield Tallaght held an ‘Integration Day’ and clean-up day. The Gleann na hEorna estate has 147 homes, 112 of these are managed by Respond and the remainder are managed by South Dublin County Council, St. John of God’s and the Peter McVerry Trust. All organisations are members of an estate-wide Steering Committee to ensure cross-community cohesion and management of the development.

The children on the estate were delighted to have horticulturalist and educationalist Aoife Munn to help them in their spring planting. There was a great turnout by tenants of Gleann na hEorna to hear Lord Mayor Paul Gogarty congratulate them on their spring-clean and he encouraged everyone to keep working together. The Mayor then officiated at the planting of a ‘Tree of Hope’ outside the Resource Centre. Cllr. Charlie O’Connor read a moving poem he wrote on remembering those who have died and how they will always stay with us. It was a poignant moment for all attending as the ‘Tree of Hope’ is to commemorate those relatives and friends of residents who have lost their lives through suicide, to ensure they are never forgotten and also as a promise of new beginnings.

Community Garden, Airmount, Waterford

The community garden in Airmount, Waterford continued to flourish under the close care of Eleanor with the hard work done by Martin and his neighbours. As well as growing many of their own vegetables, the garden is also used for social events and the day to day cups of tea and chat. The project featured in the Irish Times in September.

Christmas 2018

Annual Christmas Card Competition

We ran our annual Christmas Card Competition where children living on our estates nationally are invited to design a Christmas card, which we use as our company Christmas card for that year. We also print cards for use by the winner. The overall winner in 2018 was Sophie Mooney, Co Waterford (age 12) for her fabulous drawing of 'Elf on the Shelf'. The winners in the other two categories were Age 10 category – Hannah Harding, Co Clare and Aged 6 category – Ben Stott, Co Waterford. Minister for Children and Youth Affairs Dr. Katherine Zappone TD chose the winning entries.

Christmas 2018 in homeless services

Christmas is always a hard time for families who are experiencing homelessness. Last year, with thanks to the Lyons club, we held a Christmas party for the families. DCU Raising and Giving Society (RAG) organised a grotto for our families to attend, and the children had an opportunity to send Santa letters with their wish lists.

The opening of Firhouse Family Hub

In December 2018, Respond opened its fifth Family Hub in Firhouse, Tallaght. Respond have responsibility for the onsite operation and day-to-day management of the Family Hub on the grounds of the former Carmelite monastery on the Firhouse Road, Tallaght. The building required some work and changes in preparation for the December opening, which were undertaken by Respond. The Firhouse Family Hub has the capacity to support up to 20 families at any given time. The staff team include caseworkers, housing caseworkers and a Child and Youth Development Worker. The service has been developed using the learning from our other Family Hubs.

Improving Lives

Homeless Services

Respond is committed to supporting families and individuals experiencing homelessness on their path back to independent living. We provide safe and secure short-term housing in the form of supported temporary emergency accommodation. In 2018, we provided emergency accommodation with support for families who are homeless in five Family Hubs. Our goal is to support families to move into secure homes as quickly as possible, leaving homelessness behind. Our experience indicates that families experiencing homelessness often need ongoing, wraparound support in relation to accessing housing, mental and physical health services, family or parenting support and a range of other issues. We also continue to work with families once they have moved on to ensure they sustain their new accommodation. Our Family Hubs are tailored for use with facilities for cooking and washing with family and communal space.

Three hundred and six (306) families have been supported in our services since we opened our first Family Hub. In line with housing and health policy, Respond implements a model of care for homeless families with complex and multiple needs, as part of an integrated housing and health response.

Child and Youth Development.
Respond work with children and their families when they move into emergency accommodation. This can be a very stressful time in a child's life. Respond provide children with opportunities to socialise, play with their peers and have other childhood experiences while living in the family hub. Respond also aims to ensure every child has a safe environment where they feel welcome and supported during their experience of homelessness.

"Families experiencing homelessness often need ongoing, wraparound support in relation to accessing housing, mental and physical health services, family or parenting support and a range of other issues."

Homeless Services 2018

5
Total number of Family Hubs in 2018[†]

110
Total number of families provided with emergency accommodation & support[‡]

124
Total number of adults

163 Total number of children (under 18 years) 163 including 5 adult dependents

94 (58%)	29 (18%)	25 (15%)	10 (6%)	5 (3%)
0-5 years	6-10 years	11-15 years	16-18 years	Total adult dependents

Where families moved on to[§]

36	5	4	16	16
HAP	Local Authority	AHB	Return to family of origin	Moved to other STA/PEA

6 months
Average length of stay

Support needs of families included:
- Housing.
- Mental health issues, emotional support, child and youth support, parenting skills.
- Education, training and employment.
- Medical, drugs and alcohol issues.
- Budgeting, legal issues, language skills.

† Our fifth Family Hub opened in December 2018
‡ These figure reflect the total number of families we worked with over the course of 2018 (01.01.2018 to 31.12.2018)
§ 33 of the 110 families we worked with in 2018 remained in emergency accommodation at the end of 2018. Access to secure, affordable housing being the main barrier to leaving homelessness behind


COFFEE
OPENING hours
MONDAY–
THURSDAY
930–4
FRIDAY 930–3
the Ginger fox

Our catering team, Chef Liam Tilly and Emer Burke.

Housing - Tenancy Relations and Asset Management

Tenant Relations Services

The Tenant Relations team are the face of Respond working with tenants from their nomination for housing through to supporting them maintain their tenancy. We also support tenants in developing their communities both individually and collectively. At the same time, the team manages the landlord function and assures adherence by both landlord and tenant to the Letting Conditions underpinned by the Residential Tenancies Act working with the Residential Tenancies Board (RTB) and in line with our regulatory requirements. 2018 saw a change in the staffing structure of our Tenant Relations Services following a review of our services to ensure that tenants are firmly placed at the heart of our work. The Team is split over four clusters: East, South, West and Midlands and includes a Tenant Relations Manager, 4 Tenant Relation Coordinators and 27 Tenant Relation Officers.

We also planned for the growth in our national housing stock, ensuring that we were prepared for all our new tenants. We welcomed 199 new families to their new homes in 2018; 99 of these were new units while the remainder were previously occupied Respond units.

Customer Services Centre

To the forefront of our Tenant Relations team is the Customer Services Centre (CSC), headed by a co-ordinator. The CSC are the first port of call for many of our tenants. We currently have five full-time and two part-time staff members working in our CSC. The role of the Customer Service Centre (CSC) Team is to support all tenants and Respond employees across Ireland by dealing with routine tenant requests and enquiries via phone and email, freeing up front-line Tenant Relations staff to deal with the more complex issues that arise. The CSC provide continuous service during business hours and a consistent level of service to all callers nationally. The CSC aim to resolve 85% of calls and queries at first point of contact.

Asset Management – maintaining and upgrading our stock

The Asset Management team are responsible for the ongoing repair and maintenance of Respond's housing stock, Family Hubs, community buildings, offices and group homes. The team respond to the day-to-day reactive maintenance repairs reported by our tenants, staff and service users and carry out proactive cyclical maintenance. Repairs are reported to our Customer Service Centre (CSC) and logged via our Active H Management System and tasked to the appropriate team member to address. Due to the nature of the work, the Asset Management team are in daily contact with our contractors, our tenants, and our work colleagues, ensuring we address issues in a timely manner.

Some of the cyclical tasks that the Asset Management team undertake include the scheduling of the annual servicing of heating systems, chimney cleaning, testing of domestic smoke alarm, gutter cleaning, arranging the testing of communal fire alarms and emergency lighting. This essential work ensures the comfort and safety of our tenants, as well as compliance under relevant legislation requirements.

Respond carried out upgrade works to 52 homes in two estates in Co Mayo, under the Sustainable Energy Authority of Ireland (SEAI) Deep Retro Fit Pilot scheme. This was undertaken with support from the Sustainable Energy Authority of Ireland (SEAI) and in partnership with Electric Ireland and Envirobead. Deep Retro Fit is the significant upgrade of a building toward nearly zero energy requirements where it is practically feasible and achievable.

The works consisted of upgrade of cavity wall and attic insulation, installation of new uPVC windows/door including air tightness, provision of energy efficient air to water heat pumps, installation of wood burning stove, installation of Solar Photovoltaic solar panels and demand control ventilation. The upgrade works on these estates brought the homes up to a BER energy rating of A3.

Housing 2018

3717
Total number of tenancies

8676
Total number of individuals in those tenancies

6254
Total number of adults

2422
Total number of children

Customer Service Centre dealt with:

32,081
Inbound calls

8,792
Post received including 2,800 rent reviews

454
Application forms processed

12,603
Emails handled

52 homes
Upgrade works under the Sustainable Energy Authority of Ireland (SEAI) Deep Retro Fit Pilot scheme

Growing and developing our team

The people who work in Respond are our single biggest resource and we take great pride in the work of Respond. We set ourselves an ambitious challenge to make a meaningful impact on the homelessness and housing crisis in Ireland. This requires an experienced, skilled and committed staff team.

Our strategic goals require us to transform and enhance how we work together to deliver our services. As we increase our output and activity, we are focusing on managing our talent, strengthening our team and enhancing our abilities to ensure we meet the challenges we have set. We are also introducing new talent to our existing team, ensuring that we are meeting needs and growth of the organisation.
This year the Human Resources team introduced a new Performance Management System. This helps the organisation to meet goals set and identify the skills needed to proactively plan for the future, as a high performance, results driven organisation.

We undertook an ambitious re-structure of our organisation in 2018. New teams were put in place, working hard to ensure that we are meeting the needs of all our tenants and service users, to a consistent standard and in line with regulations and Service Level Agreements. This has been an exciting time developing new teams working closer to the front line where we are getting better at what we do each and every day. We take great pride in growth we have achieved in a short space of time, confident that it will further increase the impact Respond have.

Staff salary bands for 2018 were:

0-20k	**17**	31k -40k	**43**	51k-60k	**7**	70k-100	**5**
21-30k	**32**	41k-50k	**16**	61k-70k	**8**	100k-120	**4**

Liam Fewer from the Development Team on site in Co. Cork

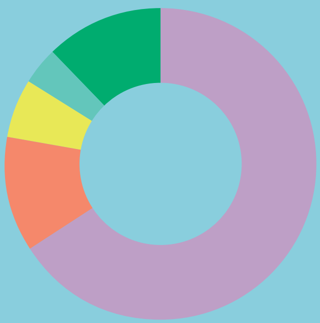
Members of the Homeless Services Team (L-R) Raimat Ayilara, Aine Hughes, Issa olwengo, Joyce O'Brien

The people who work in Respond are our single biggest resource and we take great pride in the work of Respond.

Finance & Governance

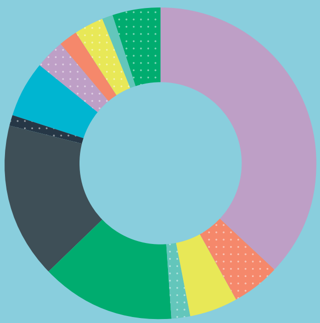
Current Expenditure and Funding

Income



- Rental Income **66%**
- Payment & Availability Income **12%**
- Maintenance Grant **6%**
- Sundry Income **4%**
- Grant Income **12%**

Expenditure



- Salaries **37%**
- Light & Heat, Telephone, Post & Stationary **5%**
- Insurance **5%**
- Leasing **2%**
- Cyclical Maintenance **14%**
- Reactive Maintenance **16%**
- Property Tax and Charges **1%**
- Loan Interest **6%**
- Depreciation & Related Charges **3%**
- Travel Costs **2%**
- Professional Fees **3%**
- Rent arrears **1%**
- Other costs **5%**

Capital Funding

Capital Assitance Scheme (CAS)	175,920,483
Capital Loan & Subsidy Scheme (CLSS)	260,461,841
Other Government Grants	33,216,564
Capital Advance Leasing Facility (CALF)	38,126,503
Housing Finance Agency (HFA) Loans	55,624,488
Total	**563,349,879.00**

Respond - Total Maintenance Expenditure

	Totals	12 months to Dec 2018	18 months to Dec 2017	12 months to June 2016	12 months to June 2015	12 months to June 2014
Reactive	8,611,421	2,029,085	3,741,446	981,302	903,748	955,840
Cyclical	7,101,936	2,304,210	2,511,378	714,536	895,491	676,321
Void	2,864,276	556,086	982,634	478,904	481,284	365,368
Subtotal Maintenance	**18,577,633**	**4,889,381**	**7,235,458**	**2,174,742**	**2,280,523**	**1,997,529**
Planned Maintenance	12,454,088	1,004,252	4,589,376	4,679,990	1,541,722	638,748
Total Expenditure by Respond	31,031,721	5,893,633	11,824,834	6,854,732	3,822,245	2,636,277
Planned Maintenance SEAI Grants Received	9,587,144	1,050,717	3,636,000	2,732,000	2,027,000	141,427
Total Investment in Maintenance/Property Upgrades	**40,618,865**	**6,944,350**	**15,460,834**	**9,586,732**	**5,849,245**	**2,777,704**
No of Units on which SEAI Works carried out	1674	52	430	646	342	204

Board of Directors

John O’Connor
(Chairperson)

John O’Connor joined Respond Board of Directors in December 2016 and was appointed chairman with effect from 1st January 2017. John is also Chairperson of the Board of EirGrid, the electricity transmission market operator for the island of Ireland. He served as Chairman of the Pyrite Resolution Board from 2013 to 2016. From 2000 to 2011, he was the Chairperson of An Bord Pleanála, the independent national tribunal for the determination of planning appeals and strategic infrastructure projects. Prior to that, he served for 35 years as a civil servant in the Department of the Environment where he occupied senior positions as Finance Officer, Principal Housing Policy and Finance and Assistant Secretary in charge of the Planning and Water Services Division. He has also served as director of three commercial State Bodies: the Housing Finance Agency, Temple Bar Properties and the Dublin Docklands Development Authority. He holds a Diploma in Public Administration from UCD.

Brendan Cummins
(Vice Chairperson)

Brendan is a seasoned industry executive with 40 years of industry and leadership experience. Formerly, he was Chief Executive Officer of Ciba Inc., the major international chemicals company headquartered in Switzerland. During his executive career he worked for many years at the Ciba-Geigy Group and then at Ciba Inc., which was formed in 1998 when Ciba-Geigy separated its chemical and pharmaceutical interests. He joined Ciba-Geigy in Ireland in the early 70’s and went on to hold many senior international positions in locations including Switzerland, China, UK, Hong Kong and Singapore. He is currently a non-executive director of Ashland Inc., a global speciality chemical company quoted on the New York Stock Exchange where he is also a member of The Ashland Audit Committee and Chair of The Nominations and Governance Committee. Brendan also serves as a non-executive Board Member of The Perstorp Group Headquartered in Sweden and is a member of the Remuneration Committee. In addition, he is the Senior Non-executive Director of the Nanoco Group, Chairs that company’s Remuneration Committee and is a member of The Audit Committee. He is also a strategy advisor to several Irish enterprises.

Cathleen Callanan

Cathleen Callanan has a background in social work and social policy. Since the 1980s she has worked as a social worker, as a probation officer, and as a lecturer in social work and social policy: she also holds a qualification to teach social work. Cathleen has held a number of managerial posts in the voluntary and statutory sector such as, director of a voluntary adoption agency, and child care manager with the Health Service Executive (HSE). She was an Area Manager for the Health Information and Quality Authority from 2009 until 2014, when she left to establish a private consultancy for social service organisations. Cathleen holds a Masters in Social Service Administration and a Ph.D in social policy. She has had a long standing interest in the complexities of homelessness having been responsible for the young people out of home service while a child care manager with the HSE.

Noel Kelly

Senior Director Nypro Healthcare Pharmaceutical delivery systems. Noel is an experienced professional Engineer with a Higher Diploma in Applied Finance. He has over 28 years' experience in the global manufacturing and business environment having held leadership roles with Waterford Crystal, Honeywell and Nypro Healthcare. He is currently in a senior global management position with Nypro Healthcare a worldwide manufacturer of complex drug delivery devices.

Joseph O'Connor

Joe qualified as a Chartered Accountant with PWC and worked in various roles in AIB Capital Markets, a consistently successful Division of AIB, over an extended period. (Capital Markets business included the Treasury, Corporate Banking and Investment Banking operations of AIB Group.) Joe was a Board Member of that division for 16 years and his roles included Head of Banking, Head of Risk Management, Finance Director, Head of H. R. and Chief Credit Officer, at different times. Joe was recalled from retirement in 2010 and served on the AIB Group Executive for a number of years. Currently Joe is Chairman of the Irish AIB DB Pension Fund, which has a membership of c17, 000, and is one of the largest Pension Funds in Ireland.

Michael Dominick Anglim

Michael Anglim joined the Respond Board of Directors in June 2017. Michael worked with McInerney's from the early 60s to mid-80s in various departments. He became a Director in early 1970s. Michael left McInerney's mid-1980s to join Gannon Homes. Later he was appointed a Director in the Company. He worked with Gannon Homes for 31 years. Michael is a past Chairman of Irish House Builders Association. He also served as a Director of Workers Pension Scheme. Presently Michael is a Trustee of C.I.F. where he has been an active member over a long period of time.

Daniel Vincent McCarthy

Daniel Vincent Mc Carthy is the Co-founder & CEO of The Festival of Curiosity, which is Dublin's annual international festival of science, arts, design and technology with over 45,000 attendees each year. Vincent previously was the Curator of Dublin City of Science 2012 at the Irish Office of the Chief Scientific Adviser. He worked with the Irish Department of Foreign Affairs as a consultant on science and technology projects in Mozambique. He was a contributor for RTÉ Young Peoples on Science and Technology and features regularly on Irish radio shows. Vincent is also the President of the Ireland United States Alumni Association, which helps promote U.S.-Irish relations, he is the Chair of the International School of Dublin and a member of the Smart Dublin Advisory Network. Vincent has a Joint Honours BSc in Physics and Mathematics from University College Cork and an MA in International Relations from Dublin City University.

Jill Jackman
Company Secretary (CIS Affiliated)

Jill is Head of Legal Services at Respond. She is responsible for legal and administration matters within the organisation including conveyance, litigation and the insurance portfolio. With more than 35 years' experience in the legal profession, Jill previously worked with Nolan, Farrell & Goff Solicitors (1976 to 1983) and with Kinsella Heffernan & Foskin Solicitors (1983 to 1999). Jill Joined Respond in 1999.

List of Board Sub-Committees and Members:

Remuneration, Succession and Nominiations Committee (Rsn)

Members:	John O'Connor	Chair and Board Member
	Brendan Cummins	Board Member
	Joe O'Connor	Board Member
	Noel Kelly	Board Member
Assisted by:	Declan Dunne	CEO
	Eric Young	Head of HR
	Jill Jackman	Company Secretary.

Community Support, Research & Advocacy Sub-Committee (Csra)

Members:	Cathleen Callanan	Chair and Board Member
	D. Vincent McCarthy	Board Member
	Cathal O'Connell	External Sub-committee Member
Assisted by:	Declan Dunne	CEO
	Niamh Randall	Head of Advocacy & Communications
	Louisa Carr	Head of Services.

Finance Risk and Audit Committee (Frac)

Members:	Joe O'Connor	Chair and Board Member
	Brendan Cummins	Board Member
	Noel Kelly	Board Member
	Clair Grant	External Sub-committee Member
Assisted by:	Declan Dunne	CEO
	Ray Fanning	Head of Finance & IT
	Tomás English	Financial Controller.

Development Committee

Members:	John O'Connor	Chair and Board Member
	Michael Anglim	Board Member
	Kevin Duke	External Sub-committee Member
	Juneanne Falconer	External Sub-committee Member
Assisted by:	Declan Dunne	CEO
	Parag Joglekar	Head of Property
	Liam Fewer	National Production Manager.

Audited Financial Statements

Board of Directors at 11 June 2019

John O'Connor (Chair)
Michael Anglim
Cathleen Callanan
Brendan Cummins
Noel Kelly
Daniel McCarthy
Joe O'Connor

Solicitors

Beauchamps
Riverside Two
Sir John Rogerson's Quay
Dublin 2

William Fry
Fitzwilliam House
Wilton Place
Dublin 2

Secretary and Registered Office

J Jackman
Airmount
Dominick Place
Waterford

Registered Number: 90576

Bankers

Allied Irish Bank
The Quay
Waterford

Ulster Bank
The Quay
Waterford

The Housing Finance Agency
46 St. Stephen's Green
Dublin 2

Auditors

PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Ballycar House
Newtown
Waterford

Directors' Report

The directors present their report and the financial statements of the company for the financial year ended 30 December 2018.

Principal activities

The company is a charity engaged in the acquisition, construction and lease of housing schemes and providing these for rental to those who are deemed eligible for social housing.

Change of name

On 20 March 2018, the company changed its name from Respond! to Respond.

Corporate governance

For the most part of the reporting period the Board was comprised of between six and seven non-executive members, who are drawn from a wide background, bringing together professional, commercial and local experience.

The Board aims to meet formally at least ten times a year, and for this current reporting period the board met on 16 occasions. John O'Connor was appointed Chair of the Board in December 2016.

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 not a member of the Board. Declan Dunne was appointed as CEO in August 2016.

The CEO chairs regular management meetings throughout the year 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 Board has established four sub-committees to assist it in carrying out its responsibilities:

- Finance, Risk and Audit Committee
- Development Committee
- Remuneration, Succession and Nominations Committee
- Research, Advocacy, Evaluation and Innovation Committee

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 Housing, Planning, 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 Head of Finance.

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

The external statutory 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' 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 period that give a true and fair view of the company's assets, liabilities and financial position as at the end of the financial period and of the profit or loss of the company for the financial period. 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 of the UK, 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).

Directors' Report

Directors' responsibilities statement (continued)

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 period and the profit or loss of the company for the financial period.

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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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.

Business review

Respond has been to the forefront in the provision of social housing in the Republic of Ireland for the last 36 years and is one of the largest approved housing bodies in the country. We have continued to provide new units annually to meet the growing need for social housing for families, older persons, homeless persons, members of travelling community & people with special needs.

We are committed to providing good quality homes that meets residents' needs and aspirations and strive to provide excellent support services. Respond supports inclusive communities where individual talents and contributions are valued and we work in partnership with Local Authorities, Department of Housing, Planning & Local Government, and lending institutions to enable delivery of new units.

We provide these homes with the assistance of Government funding in the form of Capital Assistance Subsidy (CAS), Capital Assisted Lease Finance (CALF) and Payment & Availability Agreement (PAA) monies, an balance funding from the Housing Finance Agency (HFA) and other private finance institutions.

Respond has 4,526 housing units (2017: 4,329) under its ownership / management at the balance sheet date and continues to invest in housing through its development program. We have ambitions to deliver a significant number of additional units over the next 5 years in support of the Government Program "Rebuilding Ireland: Action Plan on Housing and Homelessness". In addition to a significant ramping up and acceleration of work on new social housing projects in a range of locations across Ireland, Respond also opened up two new Family Hubs at locations in Clontarf and Firhouse, Dublin, with the assistance of funding from the Dublin Regional Homeless Executive which provide transitional accommodation for homeless families. This brings the number of Family Hubs in operation by Respond to five at the balance sheet date, with the capacity to accommodate 75 families.

Directors' Report (continued)

Financial performance for period

Respond delivered another strong operating and financial performance for the year to December 2018. Turnover for the financial year amounted to €18.7m compared to €23.8m for the preceding 18 month accounting period to December 2017 and profit for the financial year was €7.96m (2017: €12m).

Other Operating Income of €5.4m (2017: €9.4m) represents the net amortisation of government mortgages and grants over the depreciation of social housing assets.

The company invested €69.9m (2016: €19.4m) in housing units during the year and delivered 197 additional housing units in 2018 (2017: 74), which were funded primarily by the drawdown of additional CALF & HFA funding of €67m which now stands at €94m on the balance sheet.

The company has a healthy aggregate bank balance of €22.6m (2017: €13.9m) held primarily in investments and short term deposits and these funds will be utilised to facilitate ongoing reinvestment in our existing stock and growth in the supply of new housing units over the coming years.

Reserves increased by €7.96m year on year and the overall reported equity figure is €128.59m.

Principal risks and uncertainties

The company's activities expose to it a wide variety of operational, strategic, economic, market and environmental risks. Respond is also conscious that as a registered charity it has both ethical and legal obligations to protect the assets of the company in the pursuit of its charitable objectives.

The company has developed a risk management framework and risk register as part of the ongoing process for the identification, evaluation and management of the significant risks faced by the company. The principal risks identified by the company are:

Governance and the achievement of excellence in governance standards in adopting and complying with the principles outlined in The Governance Code for Community and Voluntary Organisations in Ireland.

Strategic risks in the achievement of our business objectives while keeping faith with the mission, ethos, values and charitable objectives of the company.

Financial risks in terms of treasury management, exposure to credit risk, interest rate risks, market rents, continued availability of loan finance at optimal rates, loan covenant compliance.

Operational risks in terms of human resource management and the company's capacity to deliver on its development plans. Health & Safety from a landlord and employer perspective in ensuring that the well being of our tenants and employees are safeguarded. Child Protection in terms of children and vulnerable adults. Tenancy management and the management of repairs and voids. Data Protection of the personal data of our employees and tenants.

Environmental in terms of minimising the adverse impact on society and the environment arising from our activities and the adoption and promotion of energy efficient sustainable solutions.

The board is assisted in the management of these and other risks through the engagement of an external firm of Chartered Accountants independent of the external statutory auditor who regularly conduct internal audits of the company's activities under the direction of the Finance, Risk and Audit Committee.

Dividends

No dividend is payable in accordance with the company's Constitution.

Directors

The names of the persons who were directors of the company at any time during the financial year ended 30 December 2018 are set out below. Except where indicated, they served as directors for the entire financial period.

John O'Connor	
Michael Anglim	
Noel Kelly	
Joe O'Connor	
Brendan Cummins	(appointed 11 December 2018)
Daniel McCarthy	(appointed 16 February 2018)
Cathleen Callanan	(appointed 11 December 2018)
June Anne Falconer	(resigned 13 December 2018)
Cathal O'Connell	(resigned 20 March 2018)

The Charities Act 2009

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

Events since the end of the financial year

There have been no significant events affecting the company since the end of the financial year.

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 10 members at the date of the balance sheet.

Directors' Report (continued)

Disclosure of information to auditors

The directors in office at the date of this report have each confirmed that:

- As far as he/she is aware, there is no relevant audit information of which the company's statutory auditors are unaware; and
- He/she has taken all the steps that he/she ought to have taken as a director in order to make himself/ herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

Statutory auditors

The statutory 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

John O'Connor
Joe O'Connor

Date: 11 June 2019

Independent auditors' report to the members of Respond

Report on the audit of the financial statements

Opinion

In our opinion, Respond's financial statements:

- give a true and fair view of the company's assets, liabilities and financial position as at 30 December 2018 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 (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland") and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

We have audited the financial statements, included within the Annual Report, which comprise:

- the Balance Sheet as at 30 December 2018;
- the Profit and Loss Account for the year then ended;
- the Statement of Cash Flows for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Directors' report and financial statements other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Independent auditors' report to the members of Respond (continued)

Reporting on other information (continued)

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 30 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on pages 4 - 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at: https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_foraudit.pdf

This description forms part of our auditors' report.

Use of this report

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.

Other required reporting

Companies Act 2014 opinions on other matters

- 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.

Companies Act 2014 exception reporting

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.

Brendan O'Neill
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Waterford
Date: 11 June 2019

PROFIT AND LOSS ACCOUNT
For the financial year ended 30 December 2018

	Note	Year ended 30 December 2018 €	18 months ended 31 December 2017 €
Turnover	5	18,722,945	23,841,345
Cost of sales		-	-
Gross profit		18,722,945	23,841,345
Administrative expenses		(15,196,483)	(21,418,608)
Other operating income	6	5,365,430	9,425,110
Operating profit	7	8,891,892	11,847,847
Interest receivable and similar income		8,657	140,310
Interest payable and similar charges	8	(935,641)	(721,991)
Exceptional item	9	-	781,537
Profit before taxation		7,964,908	12,047,703
Tax on profit	11	-	-
Profit for the financial year/period		7,964,908	12,047,703

The company had no recognised gains or losses in the financial year/period other than those included in the profit and loss account above and therefore no separate statement of comprehensive income has been presented.

BALANCE SHEET
As at 30 December 2018

	Note	30 December 2018		31 December 2017	
		€	€	€	€
Fixed assets					
Intangible assets	13		140,254		176,014
Tangible assets	14		449,900,099		388,832,549
Current assets					
Debtors	15	9,719,491		9,718,967	
Investments	16	8,689,882		13,385,167	
Cash at bank and in hand		13,888,667		514,878	
		32,298,040		23,619,012	
Creditors: amounts falling due within one year	17	(8,043,363)		(6,143,914)	
		(8,043,363)		(6,143,914)	
Net current assets			24,254,677		17,475,098
Total assets less current liabilities			474,295,030		406,483,661
Less:					
Creditors: amounts falling due after more than one year	18		(345,700,872)		(285,854,411)
Net assets			128,594,158		120,629,250
Capital and reserves					
Reserves	21		128,594,158		120,629,250
Total equity			128,594,158		120,629,250

On behalf of the board

John O’Connor
Joe O’Connor

Date: 11 June 2019

STATEMENT OF CHANGES IN EQUITY
For the financial year ended 30 December 2018

	Note	Absorbed deficit €	Mortgage amortisation reserve €	Total €
Balance at 1 July 2016		(65,125,618)	173,707,165	108,581,547
Profit for financial period		12,047,703	-	12,047,703
Transfer to mortgage amortisation reserve		(20,303,995)	20,303,995	-
Balance at 31 December 2017	21	(73,381,910)	194,011,160	120,629,250
Balance at 1 January 2018		(73,381,910)	194,011,160	120,629,250
Profit for financial year		7,964,908	-	7,964,908
Transfer to mortgage amortisation reserve		(13,023,122)	13,023,122	-
Balance at 30 December 2018	21	(78,440,124)	207,034,282	128,594,158

CASH FLOW STATEMENT
For the financial year ended 30 December 2018

	Note	Year ended 30 December 2018 €	18 months ended 31 December 2017 €
Cash from operations	22	5,640,391	4,495,138
Income taxes paid		-	-
Net cash generated from operating activities		5,640,391	4,495,138
Cash flows from investing activities			
Purchase of tangible fixed assets		(69,907,595)	(19,551,600)
Purchase of intangible fixed assets		(70,272)	(112,772)
(Increase)/decrease in investments		(11,218)	497,521
Interest received and similar income		8,657	140,310
Net cash used in investing activities		(69,980,428)	(19,026,541)
Cash flows from financing activities			
Mortgages		5,112,488	2,909,542
CALF loans		32,066,438	2,514,629
HFA loans		35,712,704	10,590,977
Capital grants		1,560,757	250,755
Interest paid on HFA loans		(817,259)	(615,088)
Capital repayments of HFA loans		(627,804)	(804,371)
Payment for mortgage redemption		-	(243,504)
Net cash generated from financing activities		73,007,324	14,602,940
Net increase in cash and cash equivalents		8,667,287	71,537
Cash and cash equivalents at beginning of financial year/period		9,578,585	9,407,048
Exceptional item (note 9)		-	100,000
Cash and cash equivalents at end of financial year/period		18,245,872	9,578,585
Cash and cash equivalents consists of:			
Cash at bank and in hand		13,888,667	514,878
Short-term deposits (included in current asset investments)		4,357,205	9,063,707
Cash and cash equivalents		18,245,872	9,578,585

NOTES TO THE FINANCIAL STATEMENTS

1 General information

Respond ('the company') is a registered charity with the Charities Regulator (registered charity no. 20012625) and has been granted charitable tax exemption by the Revenue Commissioners. The company is engaged in building housing schemes and providing these for rental.

The company is incorporated as a company limited by guarantee in the Republic of Ireland. The address of its registered office is Airmount, Dominick Place, Waterford.

2 Statement of compliance

The entity financial statements have been prepared on a going concern basis and in accordance with accounting standards issued by the UK Financial Reporting Council and the Companies Act 2014. The entity financial statements comply with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). In preparing the financial statements the company has referred to guidance included in the Statement of Recommended Practice (SORP): Accounting by registered social housing providers. Although the company is not required to comply with the SORP, it has adopted many of the recommendations in these financial statements where applicable.

3 Summary of significant accounting policies

The significant accounting policies used in the preparation of the entity financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated.

(a) Basis of preparation

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

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date. It also requires the directors to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in note 4.

(b) Foreign currency

(i) Functional and presentation currency
The company's functional and presentation currency is the euro, denominated by the symbol "€".

(ii) Transactions and balances
Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At the end of each financial year foreign currency monetary items are translated to euro using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at exchange rates at the end of the financial year of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Foreign exchange gains and losses are presented in the profit and loss account within 'administrative expenses'.

(c) Revenue recognition

(i) Turnover
Turnover is the amount of revenue derived from the provision of goods and services falling within the company's ordinary activities. For Respond, turnover comprises rental income, payment and availability income, revenue grant income and sundry income, which are accounted for in the financial year to which they relate.

Turnover is measured at the fair value of the consideration received or receivable.

Where the consideration receivable in cash or cash equivalents is deferred, and the arrangement constitutes a financing transaction, the fair value of the consideration is measured as the present value of all future receipts using the imputed rate of interest.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3 Summary of significant accounting policies (continued)

(c) Revenue recognition (continued)

(ii) Other revenue
Interest income is recognised using the effective interest rate method. Interest income is presented as 'interest receivable and similar income' in the profit and loss account. Income from third party donations and fund raising is credited to the profit and loss account in the year 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.

(d) Employee benefits

The company provides a range of benefits to employees, including paid holiday arrangements and post-employment benefits (in the form of defined contribution pension plans).

(i) Short term employee benefits
Short term employee benefits, including paid holiday arrangements and other similar non-monetary benefits, are recognised as an expense in the financial year in which the employees render the related service.

(ii) Post-employment benefits
Defined contribution plan
The company operates defined contribution plans for certain employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further contributions or to make direct benefit payments to employees if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The assets of the plan are held separately from the company in independently administered funds. The contributions to the defined contribution plan are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet.

(e) Income tax

The company has been granted charitable tax exemption by the Revenue Commissioners.

(f) 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.

(g) Intangible fixed assets

Intangible assets (computer software) are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised over their estimated useful lives, of four years, on a straight-line basis.

Where factors, such as technological advancement or changes in market prices, indicate that the intangible's useful life has changed, the useful life is amended prospectively to reflect the new circumstances.

Intangible fixed assets are reviewed for impairment if there is an indication that the intangible fixed asset may be impaired.

(h) Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to the location and condition necessary for its intended use, applicable dismantling, removal and restoration costs.

(i) Capital expenditure on building programmes
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 company. Liabilities in respect of local authority mortgages on these properties are shown 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. 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 company does not pay interest in respect of these mortgages, they are treated as interest free.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3 Summary of significant accounting policies (continued)

(h) Tangible assets (continued)

(i) Capital expenditure on building programmes (continued)

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 company is reflected in the profit and loss account in the period to which it relates.

Development expenditure which cannot 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.

(ii) Depreciation and residual values

Land is not depreciated.

Depreciation on other assets is calculated, using the straight-line method over their estimated useful lives, as follows:

	Years
- Buildings – social housing	Refer note 4
- Buildings – other	30
- Fittings and equipment	5
- Computer equipment	4
- Motor vehicles	5

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each financial year. The effect of any change in either residual values or useful lives is accounted for prospectively.

(iii) Subsequent additions and major components

Subsequent costs, including major inspections, are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the company and the cost can be measured reliably.

The carrying amount of any replaced component is derecognised. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Repairs, maintenance and minor inspection costs are expensed as incurred.

(iv) Assets in the course of construction

Assets in the course of construction are stated at cost. These assets are not depreciated until it is available for use.

(v) Derecognition

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

(i) Government grants

Government grants, including non-monetary grants are recognised when there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. The company recognises grants on the accrual model and measures grants at the fair value of the asset received or receivable. Where a grant becomes repayable it is recognised as a liability when the repayment meets the definition of a liability.

The company classifies grants either as a grant relating to revenue or a grant relating to assets.

(i) Revenue grants

Grants relating to revenue are recognised in the profit and loss account on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate. A grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs is recognised in the profit and loss account in the period in which it becomes receivable.

(ii) Capital grants

Grants relating to capital projects including communal facilities are recognised in the profit and loss account on a systematic basis over the expected useful life of the asset.

(j) Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

(k) Leased assets

(i) Finance leases

Finance leases transfer substantially all the risks and rewards incidental to ownership to the lessee.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3 Summary of significant accounting policies (continued)

(k) Leased assets (continued)

(i) Finance leases (continued)

At the commencement of the finance lease term the company recognises its right of use and obligation under a finance lease as an asset and a liability at the amount equal to the fair value of the leased asset, or if lower, at the present value of the minimum lease payments calculated using the interest rate implicit in the lease. Where the implicit rate cannot be determined the company's incremental borrowing rate is used. Incremental and directly attributable costs incurred in negotiating and arranging a finance lease are included in the cost of the asset.

Assets under finance leases are depreciated over the estimated useful life of the asset. Assets are assessed for impairment at the end of each financial year.

The minimum lease payments are apportioned between the outstanding liability and finance charges, using the effective interest method, to produce a constant periodic rate of interest on the remaining balance of the liability.

(ii) Operating leased assets

Operating leases do not transfer substantially all the risks and rewards of ownership to the lessee. Payments under operating leases are recognised in the profit and loss account on a straight-line basis over the period of the lease.

(l) Impairment of non-financial assets

At the end of each financial year non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash-generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cashgenerating unit) is estimated.

The recoverable amount of the asset (or cash-generating unit) is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of the future cash flows expected to be derived from continuing use of the asset (or cash-generating unit) and from its ultimate disposal. In measuring value in use pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current risk-free market rate and the risks specific to the asset for which the future cash flow estimates have not been adjusted.

If the recoverable amount of the asset (or cash-generating unit) is less than the carrying amount of the asset (or cash-generating unit) the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in profit or loss, unless the asset has been revalued. If the asset has been revalued the impairment loss is recognised in other comprehensive income to the extent of the revaluation gains accumulated in equity in respect of that asset. Thereafter any excess is recognised in profit or loss.

If an impairment loss reverses (the reasons for the impairment loss have ceased to apply), the carrying amount of the asset (or asset's cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior financial years. A reversal of an impairment loss is recognised in the profit and loss account, unless the asset is carried at a revalued amount.

(m) Investments

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

(n) Cash and cash equivalents

Cash at bank and in hand includes cash in hand, cash held in bank current accounts, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities. Cash at bank and in hand are initially measured at transaction price and subsequently measured at amortised cost.

Bank deposits which have original maturities of more than three months are presented as current asset investments.

(o) Provisions and contingencies

(i) Provisions

Provisions are liabilities of uncertain timing or amount.

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3 Summary of significant accounting policies (continued)

(o) Provisions and contingencies (continued)

(i) Provisions (continued)
Provisions are measured at the present value of the best estimate of the amount required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are reviewed at the end of each financial year and adjusted to reflect the current best estimate of the amount required to settle the obligation. The unwinding of the discount is recognised as a finance cost in profit or loss, presented as part of 'interest payable and similar charges' in the financial year in which it arises.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

In particular:

a) Restructuring provisions are recognised when the company has a legal or constructive obligation at the end of the financial year to carry out the restructuring. The company has a constructive obligation to carry out a restructuring when there is a detailed, formal plan for the restructuring and the company has raised a valid expectation in those affected by either starting to implement the plan or announcing its main features to those affected; and
b) Provision is not made for future operating losses.

(ii) Contingencies
Contingent liabilities, arising as a result of past events, are not recognised as a liability because it is not probable that the company will be required to transfer economic benefits in settlement of the obligation or the amount cannot be reliably measured at the end of the financial year. Possible but uncertain obligations are not recognised as liabilities but are contingent liabilities. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

(p) Financial instruments

The company has chosen to apply the provisions of Sections 11 and 12 of FRS 102 to account for all of its financial instruments.

(i) Financial assets
Basic financial assets, including trade and other debtors, cash and cash equivalents, short-term deposits and investments in corporate bonds, are initially recognised at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial asset is initially measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Trade and other debtors, cash and cash equivalents, investments in corporate bonds and financial assets from arrangements which constitute financing transactions are subsequently measured at amortised cost using the effective interest method.

At the end of each financial year financial assets measured at amortised cost are assessed for objective evidence of impairment. If there is objective evidence that a financial asset measured at amortised cost is impaired an impairment loss is recognised in profit or loss. The impairment loss is the difference between the financial asset's carrying amount and the present value of the financial asset's estimated cash inflows discounted at the asset's original effective interest rate.

If, in a subsequent financial year, the amount of an impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised the previously recognised impairment loss is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment loss not previously been recognised. The impairment reversal is recognised in profit or loss.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

NOTES TO THE FINANCIAL STATEMENTS (continued)

3 Summary of significant accounting policies (continued)

(p) Financial instruments (continued)

(i) Financial assets (continued)
Such financial assets are subsequently measured at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are subsequently measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the financial asset are transferred to another party or (c) control of the financial asset has been transferred to another party who has the practical ability to unilaterally sell the financial asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities
Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial liability is initially measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Trade and other creditors, bank loans, loans from fellow group companies, preference shares and financial liability from arrangements which constitute financing transactions are subsequently carried at amortised cost, using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is treated as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Preference shares, which result in fixed returns to the holder or are mandatorily redeemable on a specific date, are classified as financial liabilities. The dividends on these preference shares are recognised in profit or loss within ‘interest payable and similar charges’.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as due within one year if payment is due within one year or less. If not, they are presented as falling due after more than one year. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iii) Offsetting
Financial assets and liabilities are offset and the net amounts presented in the financial statements 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.

(q) Exceptional items

The company has adopted a profit and loss account format that seeks to highlight significant items. Such items include assets and liabilities taken over by the company from other housing associations or other entities. Judgement is used by the directors in assessing the particular items which by virtue of their scale and nature should be disclosed in the profit and loss account and notes as exceptional items.

NOTES TO THE FINANCIAL STATEMENTS (continued)

4 Critical accounting judgements and estimation uncertainty

Estimates and judgements made in the process of preparing the entity financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The directors make estimates and assumptions concerning the future in the process of preparing the entity financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Major components of social housing buildings
Major components of social housing buildings are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life. The company has made a number of assumptions in determining the cost and useful economic life of each major component, which are set out below.

Component	Cost as %	Useful economic lives
Bathroom	2%	30 years
Boundaries	3%	20 years
Windows/doors	6%	25 years
Electrics	2%	30 years
Heating	2%	20 years
Kitchen	1%	20 years
Roof	6%	50 years
Structure	78%	75 years

NOTES TO THE FINANCIAL STATEMENTS (continued)

5 Turnover

	Year ended 30 December 2018 €	18 months ended 31 December 2017 €
Analysis of turnover by category:		
Rental income	12,289,417	17,300,074
Payment and availability income	2,288,856	1,845,954
Maintenance grant	1,208,138	1,758,984
Sundry income	766,203	1,066,634
Grant income	2,170,331	1,869,699
	18,722,945	23,841,345
Analysis of turnover by geographical market:		
Republic of Ireland	18,722,945	23,841,345

6 Other operating income

	Year ended 30 December 2018 €	18 months ended 31 December 2017 €
Amortisation of capital funding		
Mortgage amortisation CLSS	7,859,221	12,823,378
Mortgage amortisation adjustment on redemption of CLSS	-	(82,614)
Mortgage amortisation CAS	5,163,901	7,677,261
Amortisation of capital grants	713,038	1,043,037
	13,736,160	21,461,062
Depreciation of capital expenditure		
Depreciation – social housing	(8,370,730)	(12,035,952)
Amortisation of capital funding (net)	5,365,430	9,425,110

NOTES TO THE FINANCIAL STATEMENTS (continued)

7 Operating profit

	Year ended 30 December 2018 €	18 months ended 31 December 2017 €
The operating profit for the financial year/period is stated after charging:		
(a) Depreciation - Charity assets	124,420	233,191
(b) Amortisation of intangible fixed assets	106,032	327,896
(c) Loss on disposal of fixed assets	208,806	271,897
(d) Impairment charge – trade debtors	120,361	185,350
(e) Operating lease expense	319,716	407,503

8 Interest payable and similar charges

	Year ended 30 December 2018 €	18 months ended 31 December 2017 €
Interest on CALF loans	118,382	106,903
Interest on HFA loans	817,259	615,088
	935,641	721,991

9 Exceptional item

There are no exceptional items in the current year.

In the prior period, the company took over the activities and certain assets and liabilities of Athlone & District Housing Association Company Limited by Guarantee and Sonas Ballina for no consideration.

The assets and liabilities arising from the transactions were as follows:-

	Year ended 30 December 2018 €	18 months ended 31 December 2017 €
Tangible fixed assets	-	1,464,000
Cash and bank balances	-	100,000
Creditors and accruals	-	(782,463)
	-	781,537

NOTES TO THE FINANCIAL STATEMENTS (continued)

10 Employees and directors

(i) Employees

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

	Year ended 30 December 2018 Number	18 months ended 31 December 2017 Number
Management	16	15
Operational	123	100
	139	115

	2018 €	2017 €
Staff costs comprise:		
Wages and salaries	5,494,414	6,722,682
Social insurance costs	538,801	679,018
Other retirement benefit costs (note 23)	125,095	175,298
	6,158,310	7,576,998

Of the total staff costs €277,755 (2017: €474,630) has been capitalised into tangible fixed assets and €5,534,555 (2017: €6,934,106) has been treated as an expense in the profit and loss account.

(ii) Directors

	Year ended 30 December 2018 €	18 months ended 31 December 2017 €
Emoluments	-	-
Contributions to retirement benefit schemes:		
- defined contribution	-	-

(iii) Key management compensation

Key management includes the directors, CEO and members of the senior management team who report directly to the CEO, which at the balance sheet date comprised of 12 persons (2017:11). The compensation paid or payable to key management for employee services is shown below and includes employers' contribution to social insurance and pension scheme:

	Year ended 30 December 2018 €	18 months ended 31 December 2017 €
Total key management compensation	919,347	1,316,592

11 Taxation

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

12 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)

13 Intangible assets

	Software €
Cost	
At 1 January 2018	2,644,678
Additions	70,272
Disposals	-
At 30 December 2018	2,714,950
Amortisation	
At 1 January 2018	2,468,664
Charge for the financial year	106,032
On disposals	-
At 30 December 2018	2,574,696
Net book value	
At 31 December 2017	176,014
At 30 December 2018	140,254

14 Tangible fixed assets

	Social housing land and buildings €	Other land and buildings €	Fittings and equipment €	Computers €	Motor vehicles €	Total €
Cost						
At 1 Jan 2018	492,241,087	525,765	1,492,028	2,034,145	28,217	496,321,242
Additions	69,821,758	-	45,725	40,112	-	69,907,595
Disposals	(471,428)	-	-	-	-	(471,428)
Projects written off	(136,089)	-	-	-	-	(136,089)
At 30 December 2018	561,455,328	525,765	1,537,753	2,074,257	28,217	565,621,320
Accumulated depreciation						
At 1 Jan 2018	103,963,735	182,552	1,346,291	1,971,165	24,950	107,488,693
Charge for the financial year	8,370,730	17,508	66,158	39,354	1,400	8,495,150
Impairment	-	-	-	-	-	-
On disposal	(262,622)	-	-	-	-	(262,622)
At 30 December 2018	112,071,843	200,060	1,412,449	2,010,519	26,350	115,721,221
Net book value						
At 31 December 2017	388,277,352	343,213	145,737	62,980	3,267	388,832,549
At 30 December 2018	449,383,485	325,705	125,304	63,738	1,867	449,900,099

NOTES TO THE FINANCIAL STATEMENTS (continued)

15 Debtors

	30 December 2018 €	31 December 2017 €
Amounts falling due within one year:		
Trade debtors	3,867,501	4,782,801
Prepayments and accrued income	5,658,984	4,936,166
Balance due from related party (i)	193,006	-
	9,719,491	9,718,967

(i) At year end, the company was owed €193,006 from Respond (Support) Limited, a company under common control.

16 Investments

	30 December 2018 €	31 December 2017 €
Investment funds (i)	3,510,704	3,500,000
Deposits	5,179,178	9,885,167
	8,689,882	13,385,167

(i) All investment funds are fixed for a period. These investments are capital guaranteed if held to maturity, which is the intention of the directors.

17 Creditors - amounts falling due within one year

	30 December 2018 €	31 December 2017 €
HFA loans (note 18 (ii) and (iii))	939,163	579,000
Trade creditors	800,968	812,745
Accruals	4,779,691	4,432,876
PAYE and social insurance	131,581	144,128
Value added tax	1,381,649	151,617
Relevant contractors tax	10,311	23,548
	8,043,363	6,143,914

Trade creditors at 30 December 2018 and 31 December 2017 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)

18 Creditors - amounts falling due after more than one year

	30 December 2018 €	31 December 2017 €
CALF loans (i)	38,126,503	5,977,292
HFA loans (ii) and (iii)	54,685,184	19,915,574
Capital grants (note 19)	23,541,143	22,693,424
Mortgages (note 20)	229,348,042	237,268,121
	345,700,872	285,854,411

(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. Cumulative accrued interest included within the balance above amounts to €118,382 (2017: €160,183).

(ii) HFA loans represent loans received from the Housing Finance Agency. The loans were received for financing Sustainable Energy Authority of Ireland (SEAI) approved energy efficiency upgrades and for the purchase of housing units. The SEAI related loan is secured by a charge over bank deposits. The housing unit loans are secured by a fixed charge over the housing units and assignment of the related payment and availability agreements. The repayment schedule of the loans is set out in (iii) below. Interest on the loans was charged and paid on 30 December 2018 and hence there is no accrued interest within the above balance at year end.

(iii) HFA Loans	30 December 2018 €	31 December 2017 €
Not later than one year	939,163	579,000
Later than one year and not later than five years	4,522,086	2,540,000
Later than five years	50,163,239	17,375,574
	55,624,488	20,494,574

19 Government grants toward capital projects

	30 December 2018 €	31 December 2017 €
Received and receivable		
At 1 January	31,655,807	31,405,052
Additions	1,560,757	250,755
At 30 December	33,216,564	31,655,807
Amortisation		
At 1 January	8,962,383	7,919,346
Amortised to profit and loss account	713,038	1,043,037
At 30 December	9,675,421	8,962,383
Net book value at 30 December	23,541,143	22,693,424

NOTES TO THE FINANCIAL STATEMENTS (continued)

20 Mortgage liabilities

	30 December 2018 €	31 December 2017 €
(a) Capital Assistance Scheme ('CAS')		
Received and receivable		
At 1 January	170,741,528	167,049,523
Received	5,178,955	2,909,542
Transfers	-	782,463
At 30 December	175,920,483	170,741,528
Amortisation		
At 1 January	74,158,634	66,481,373
Amortised to profit and loss account	5,163,901	7,677,261
At 30 December	79,322,535	74,158,634
Net book value at 30 December	96,597,948	96,582,894
(b) Capital Loan & Subsidy Scheme ('CLSS')		
Received and receivable		
At 1 January	260,537,753	260,895,287
Received/adjustments	(66,467)	-
Redemption	(9,445)	(357,534)
At 30 December	260,461,841	260,537,753
Amortisation		
At 1 January	119,852,526	107,225,792
Amortised to profit and loss account	7,859,221	12,823,378
Redemption	-	(196,644)
At 30 December	127,711,747	119,852,526
Net book value at 30 December	132,750,094	140,685,227
Total net book value at 30 December	229,348,042	237,268,121

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

21 Reserves

A description of each reserve is outlined below:

Absorbed deficit
Absorbed deficit represents accumulated comprehensive income for the financial year and prior financial years, less amounts transferred to mortgage amortisation reserve.

Mortgage amortisation reserve
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.

NOTES TO THE FINANCIAL STATEMENTS (continued)

22 Note to the statement of cash flows

	Year ended 30 December 2018 Number	18 months ended 31 December 2017 Number
Profit for the financial year/period	7,964,908	12,047,703
Tax on profit	-	-
Interest receivable and similar income	(8,657)	(140,310)
Interest payable and similar charges	935,641	721,991
Exceptional item	-	(781,537)
Operating profit	8,891,892	11,847,847
Depreciation of tangible fixed assets	8,495,150	12,269,143
Amortisation of intangible fixed assets	106,032	327,896
Amortisation of capital grants	(713,038)	(1,043,037)
Amortisation of mortgages	(13,023,122)	(20,500,639)
Project assets written off	136,089	299,221
Loss on disposal of tangible fixed assets	208,766	271,897
Amortisation of mortgages adjustment on redemption of CLSS	-	82,614
Working capital movements:		
- (Increase) in debtors	(524)	(1,395,794)
- Increase in creditors	1,539,286	2,335,990
Cash flow from operating activities	5,640,531	4,495,138

23 Retirement benefit costs and similar obligations

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 €125,095 (2017: €175,295). Accrued costs at year end amounted to €Nil (2017: €Nil).

24 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.

25 Bank security

The company's bankers hold a letter of lien, in the amount of €750,000 in relation to its overdraft facility (2017: €750,000). No element of the facility had been drawn down at year end.

NOTES TO THE FINANCIAL STATEMENTS (continued)

26 Financial instruments

	30 December 2018 €	31 December 2017 €
The company has the following financial instruments:		
Financial assets that are debt instruments measured at amortised cost		
- Trade debtors	3,867,501	4,782,801
- Investment in short-term deposits	8,689,882	13,385,167
	12,557,383	18,167,968
Cash at bank and in hand	13,888,667	514,878
Financial liabilities measured at amortised cost		
- Trade creditors	800,827	812,745
- Accruals	4,779,691	4,432,876
- CALF loans	38,126,503	5,977,292
- HFA loans	55,624,488	20,494,574
- Mortgages	229,348,042	237,268,121
	328,679,551	268,985,608

27 Operating lease commitments

	30 December 2018 €	31 December 2017 €
Payments due:		
Not later than one year	317,724	317,724
Later than one year and not later than five years	1,270,896	1,270,896
Later than five years	4,253,908	4,571,632
	5,842,528	6,160,252

28 Grants

Grant income in the profit and loss account for the year/period arises from the following bodies:-

Name of Agency	Type of Funding/ Grant programme	Term of Grant	Use of Grant	Year ended 30 December 2018 €	18 months ended 31 December 2017 €
Local Authorities	Maintenance grants	Annual	Maintenance of property	1,208,138	1,758,984
Dublin Regional Homeless Executive	S.10 funding	Annual	Delivery of Services	1,783,590	1,295,342
Limerick City Council	S.10 funding	Annual	Delivery of Services	200,694	301,041
Health Service Executive	S.39 funding	Annual	Delivery of Services	177,992	267,200
Other	Miscellaneous	Monthly	Delivery of Services	8,055	6,116
Total				2,170,331	1,869,699

29 Approval of financial statements

The financial statements were approved by the directors on 11 June 2019.

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