Grant Thornton

Financial Statements

Arlington Novas Ireland Company Limited by Guarantee

For the financial year ended 31 December 2019

Contents

Company Information

Directors	Greg Maxwell (Chairperson) Kieran Walshe (resigned 17 February 2020) Martina Murphy (resigned 7 November 2019) Justin Brosnan Eimear Griffin Eoin Gallagher Joseph McGarry (resigned 17 February 2020) Siobhan Wheeler Patrick Claffey (appointed 23 January 2020)
Company secretary	Donal O' Carroll (resigned 23 April 2020) Siobhan Wheeler (appointed 23 April 2020)
Registered number	330018
Registered office	87 O'Connell Street Limerick
Independent auditors	Grant Thornton Chartered Accountants & Statutory Audit Firm Mill House Henry Street Limerick
Bankers	AIB Bank Plc 106/108 O' Connell Street Limerick
Solicitors	Hayes Solicitors Lavery House Earlsfort Terrace Dublin 2
	Browne & Murphy Solicitors 64 O'Connell Street Limerick
	Michael Houlihan & Partners Solicitors 9, 10/11 Bindon Street Lifford Ennis Co. Clare

Directors' report
For the financial year ended 31 December 2019

The directors present their annual report and the audited financial statements for the financial year ended 31 December 2019.

Principal activities

Arlington Novas Ireland is a national homeless and housing charity working with families, single people, children and unaccompanied minors who are disadvantaged and socially excluded; primarily those who are homeless or at risk of being homeless. On a day-to-day basis, it operates as Novas.

It is a company limited by guarantee (CRN 330018) and was incorporated in 2000. In September 2005, it became entirely independent from its founding UK charity company. It is a registered charity (CHY 13390) and an Approved Housing Body. It is compliant with the standards set out by the Charity Regulator in the Charities Governance Code, which will have statutory effect from 2020. In addition, it operates the standards of best practice for Approved Housing Bodies.

The Companies Act 2014 came into effect on 1st June 2015 and from then the requirements for the content and presentation of financial reporting for not-for-profit companies changed. Novas adopted the reporting standards of FRS 102 (FRS;Financial Reporting Council) for charities to report their financial activities.

VISION To provide lasting solutions to homelessness.

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

AIMS AND OBJECTIVES

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

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

Directors' report (continued)

For the financial year ended 31 December 2019

Business review

FINANCES

Income for the year was €12,098,126 (2018 - €10,228,708) and expenditure was €11,338,961 (2018 - €9,821,656). The surplus for the financial year, after taxation, amounted to €759,165 (2018 - €407,052)

RISK MANAGEMENT

Risk is an integral part of the governance role and the Board is ultimately responsible for ensuring we have an effective risk management strategy. Managers at all levels are responsible for ensuring the risk management strategy is implemented.

Emphasis continued to be given to applying the risk management framework to all aspects of our work. All senior managers have responsibility for risk management within their areas of responsibility and the Head of Quality, Safety and Compliance guides and co-ordinates this work. The Senior Management Team (SMT) review the overall Risk Register at each of its meetings and this in turn is reviewed at each scheduled Board meeting. In addition each Board committee regularly reviews the risk register in its terms of reference. Towards the end of the year the SMT embarked on a fundamental review of risks and mitigation options.

SERVICES

During the year the housing and homeless crisis worsened. Novas worked with 5,263 people, the largest number of people the organisation worked with to date and represents a 10% increase from the previous 12-month period. With new service development, by the end of the year there was a total of 22 services in Clare, Dublin, Cork, Kerry, Limerick, and Tipperary. The ranges of services is extensive. The staff have continued to experience increasing demands on all services and their professional approach despite the pressures is acknowledged.

Five new services opened in 2019, four in Dublin and one in Clare, reflecting the continued growth in homeless figures throughout the year.

Ennis Family Hub & outreach support; In Ennis this service provides accommodation and support for five homeless families. Also it offers outreach support services for more than 30 families who are homeless in emergency hotel and B&B accommodation. Over the 6 months since it opened the service worked with 71 children and parents.

Rathgar Family Hub; This opened in September taking families directly from staying in hotels. It supported eight families including 43 children.

Supported Living Service (SLS); This is the first Novas SLS service in Dublin to support a woman with a moderate learning disability and significant mental health needs.

Whitestown Short Term Accommodation (STA); This offers temporary accommodation for singles and couples experiencing homelessness in the north Dublin region. Our partner is Fingal CC.

Whitestown Family Support Service (FSS); This opened towards the end of the year and is our first FSS in Dublin, with Fingal CC as partner. We work with families who are homeless and those living in hotels and family hubs, to support them move into long-term, secure and sustainable tenancies. We also provide support and long-term housing for families living in substandard and overcrowded accommodation.

HOUSING

The wider context saw the continuing challenges of housing and rent affordability and the impact on the number of

Directors' report (continued)
For the financial year ended 31 December 2019

people, including children homeless in spite of increasing housing supply and an economy that was reaching full employment.

In the third year of our Strategic Plan we again exceeded the target of investing €4m in housing procurement to deliver at least 20 homes. During the year, we added 28 homes (22 in Limerick, Tipperary 4 and Fingal 2) and 24 additional units of accommodation for our services (Dublin 18, Clare 6).

By the end of the year there were 138 tenancies representing 368 people (167 adults and 201 children). These tenancies were in Dublin, Kerry, Limerick and Tipperary.

During the year Novas moved to be a Tier 3 Approved Housing Body, the top level, with over 300 accommodation units.

QUALITY ASSURANCE/ SAFETY

It was the second full year of our senior position for quality assurance, safety and compliance and following the ground work successfully undertaken the previous year the task of bedding in the improved software platform for service delivery and evidencing performance standards proved increasingly effective. Our objective, to use a software platform for all aspects of our service delivery is ambitious but the value of the template continues to be impressive.

The development of new systems was also accompanied with better assessments of basic elements of service provision. This included crucial everyday issues such as incidents in projects involving clients and also complaints from clients. Despite an increase in clients and services both incidents and complaints reduced over the previous year. This was encouraging as last year priority was placed on staff reporting incidents and clients reporting complaints and on effective and speedy follow-up. Hence even with this more focussed attitude on compliance standards even a slight reduction was encouraging.

Quality audits continued to increase with 14 services undergoing a full audit. This is vital in assessing the consistency of quality standards being evidenced in the project. It enables shortfalls be identified and appropriate remedial actions followed up.

The Safety Committee continued as an essential regular forum for Safety Officers and Safety Representatives. The Health and Safety Adviser led important progress in safety compliance. These included the development and delivery of in house training courses for fire safety programme, Safety Representative training and Sharps Safety training for staff. Nineteen services had a complete review of their safety statements and risk management schedules. The remaining three were new services which had start-ups at the end of the year.

HUMAN RESOURCES

The increasing number and range of services, the need for new staff and meeting the ever more complex range of compliance and training needs all contribute to sustained challenges for our one-person personnel function. It was increasingly difficult to maintain full staffing complements in projects as services continued to expand and project staff facing increasing pressure supporting record client numbers. In recent years our staff numbers have doubled to over 300.

However, a range of employee assistance programmes supported staff as required and fulfilled a vital need.
At the end of the year, there were no employment matters listed or pending in the WRC (Workplace Relations Commission). Given the nature of the work and client base the risk of litigation continues and in general increases as our services (including staff and clients) grow in numbers, complexity and pressures.

During the year we recruited 45 new volunteers and held three volunteer training events. All volunteers must complete a volunteer application and induction process. This includes Garda vetting, two nights volunteer training and shadowing on the roles they are interested in. The three main roles we recruit for are; the Street Outreach,

Directors' report (continued)
For the financial year ended 31 December 2019

support at the temporary emergency provision service in Limerick and Food cloud collections. The Street Outreach supports in the region of 500 people throughout the year. The service underwent a lot of change during 2019, in additional service provision, new volunteers and managing expectations of both the volunteers and clients.

COMMUNICATIONS / FUNDRAISING

Throughout the year we worked with local, regional and national media to raise the profile of the organisation, highlight the myriad of issues faced by our clients and promote policy change as necessary. We engaged on print media, television and radio. We were also very active on social media, curating regular, relevant and considered content.

Much of our fundraising activity is grassroots based involving volunteers from various backgrounds and communities.

Novas' Toy Appeal - This has been running for more than 10 years. This year it provided toys for 1295 children. This would not be possible without the generosity and goodwill of the public and local businesses.
Among the other main events were –
Sleep Out – We had co-located events in Tipperary, Limerick and Clare and all events were backed by hurlers from those counties.
Phil Coulter Concert – Sell out Concert in St. Mary's Cathedral last Christmas in aid of Novas and Limerick Suicide Watch.
Cook Medical – Main sponsors of our Sleep Out. They also do many volunteer activities in Brother Russell House throughout the year and organised a range of collections and Christmas gifts for our clients.
Trauma Informed Care in Practice Conference – In November Novas and Quality Matters hosted the first Trauma Informed Care in Practice Conference in Dublin. 200 delegates attended from a range of social, legal, human and educational services.
FEANTSA – In May a 3 person management delegation attended the AGM in Portugal.

GOVERNANCE

Charities are dealing with increasingly complex compliance requirements, from Data Protection legislation to Employment Law to Charity and Lobbying regulation; this in addition to corporate legislation. Also compliance requirements and standards for service provision are increasingly complex. In this environment, the role of the Board must ensure it identify appropriate controls and oversight on the multiple legal and regulatory obligations of their charity, in addition to the financial oversight role and risk management that are central to the trustees' duties.

The Board continued to work through a series of Board committees. Governance: Audit/ Finance: Clients/Services: Property: Quality/ Safety/Compliance: Communications / Policy/ Fundraising. Each met at least 4 times during the year and reported to the Board with recommendations as appropriate. The Board continued to schedule four main meetings a year. In December, as customary, it met specially to decide on the charity's budget for the following year.

It was year three of the five year Strategic Plan. 'Operational plans' were approved for the year under each of the main objectives of the Strategic Plan. These set out the targets to be achieved and also the evidence based performance indicators through which managers and the Board can assess performance. In July there was a half yearly review.

Martina Murphy a director for over six years decided to step down in November. She was a very active member of the Board and the Audit/ Finance and Governance committees and made a significant contribution to the work and development of the Board.

The CEO headed up the senior management team (SMT) of six heads of function Communication/ Policy/Fundraising; Finance, Personnel/ Legal; Property/ Development; Quality/Safety/ Compliance; Services.

Directors' report (continued)
For the financial year ended 31 December 2019

Results

The surplus for the financial year, after taxation, amounted to €759,165 (2018 -€407,052).

Directors and Secretary

In accordance with section 326 of the Companies Act 2014 the directors and secretary who served during the financial year were:

Greg Maxwell (Chairperson)
Kieran Walshe (resigned 17 February 2020)
Martina Murphy (resigned 7 November 2019)
Justin Brosnan
Eimear Griffin
Eoin Gallagher
Joseph McGarry (resigned 17 February 2020)
Siobhan Wheeler

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

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

Designated funds

At 31 December 2019, Arlington Novas Ireland held €499,803 (2018:€499,803) in financial assets. These assets have been accumulated through the prudent management of resources and the continued implementation of a cost saving culture within the company. The majority of these funds will be reinvested to maintain and improve services in accordance with the company's Strategic Plan 2017 - 2021.

Principal risks and uncertainties

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

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

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

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

Accounting records

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at 87 O'Connell Street, Limerick.

Directors' report (continued)

For the financial year ended 31 December 2019

Events since the end of the year

On the 11th of March 2020, the World Health Organisation officially declared COVID-19, the disease caused by novel coronavirus, a pandemic. Management is closely monitoring the evolution of this pandemic, including how it may affect the charity, the economy, and the general population. The board and management put a plan in place to ensure business continuity. There has been no impact to date on our agreed statutory funding. In fact, additional funding has been provided by the government in response to the pandemic to open a new short term project and increase the services provided by an existing project.

Statement on relevant audit information

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

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

Auditors

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

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

Greg Maxwell (Chairperson)
Director

Date: 23 July 2020

Siobhan Wheeler
Director

Date: 23 July 2020

Directors' responsibilities statement

For the financial year ended 31 December 2019

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

Irish company law requires the directors to prepare the financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' .

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

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

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

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

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

On behalf of the board

Greg Maxwell (Chairperson)
Director

Date: 23 July 2020

Siobhan Wheeler
Director

Date: 23 July 2020

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

Opinion

We have audited the financial statements of Arlington Novas Ireland Company Limited by Guarantee , which comprise the Statement of comprehensive income, the Balance sheet, the Statement of cash flows, the Statement of changes in equity for the financial year ended 31 December 2019, and the related notes to the financial statements.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'(Generally Accepted Accounting Practice in Ireland).

In our opinion, Arlington Novas Ireland Company Limited by Guarantee's financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the assets, liabilities and financial position of the Company as at 31 December 2019 and of its financial performance and cash flows for the financial year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the 'responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, namely the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard concerning the integrity, objectivity and independence of the auditor, and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the 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.

Other information

Other information comprises information included in the Annual Report, other than the financial statements and

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

our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in 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 in this regard.

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

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' report is consistent with the financial statements. Based solely on the work undertaken in the course of our audit, in our opinion, the Directors' report has been prepared in accordance with the requirements of the Companies Act 2014.

Matters on which we are required to report by exception

Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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 the Act have not been made. We have no exceptions to report arising from this responsibility.

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

Responsibilities of management and those charged with governance for the financial statements

As explained more fully in the directors' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, including FRS102, and for such internal control as they determine 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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Grant Thornton

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

Responsibilities of the auditor for the audit of the financial statements

The auditor's 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 auditor's 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.

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. They will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

The Auditor shall communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

The purpose of our audit work and to whom we owe our responsibilities

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

Grant Thornton

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

Mr. Damian Gleeson FCCA

for and on behalf of
Grant Thornton

Chartered Accountants
Statutory Audit Firm

23 July 2020

Statement of comprehensive income

For the financial year ended 31 December 2019

	Note	2019 €	2018 €
Turnover	4	**12,098,119**	10,228,612
Administrative expenses		**(11,247,178)**	(9,727,457)
Operating profit	5	**850,941**	501,155
Interest receivable and similar income	7	**7**	96
Interest payable and expenses	8	**(91,783)**	(94,199)
Surplus before tax		**759,165**	407,052
Surplus for the financial year		**759,165**	407,052
Other comprehensive income for the financial year			
Total comprehensive income for the financial year		**759,165**	407,052

There were no recognised gains and losses for 2019 or 2018 other than those included in the statement of comprehensive income.

All amounts related to continuing operations

The notes on pages 20 to 39 form part of these financial statements.

Balance sheet
As at 31 December 2019

	Note		2019 €		2018 €
Fixed assets					
Tangible assets	10		**42,561**		10,374
Tangible assets - Housing Properties	11		**35,984,734**		32,250,515
Investments			**499,803**		499,803
			36,527,098		32,760,692
Current assets					
Debtors: amounts falling due within one year	13	**762,590**		459,126	
Cash at bank and in hand	14	**4,394,057**		3,517,360	
		5,156,647		3,976,486	
Creditors: amounts falling due within one year	15	**(1,227,632)**		(1,387,403)	
Net current assets			**3,929,015**		2,589,083
Total assets less current liabilities			**40,456,113**		35,349,775
Creditors: amounts falling due after more than one year	16		**(30,961,304)**		(26,573,334)
Grants			**(2,147,859)**		(2,175,396)
Provisions for liabilities					
Other provisions	21	**(75,891)**		(89,151)	
			(75,891)		(89,151)
Net assets			**7,271,059**		6,511,894
Reserves					
Restricted fund	22		**514,783**		730,700
Designated fund	22		**2,443,009**		2,079,867
Profit and loss account	22		**4,313,267**		3,701,327
Reserves			**7,271,059**		6,511,894

The financial statements were approved and authorised for issue by the board:

Greg Maxwell (Chairperson)
Director

Siobhan Wheeler
Director

Date: 23 July 2020

The notes on pages 20 to 39 form part of these financial statements.

Statement of changes in equity

For the financial year ended 31 December 2019

	Restricted fund	Designated fund	Profit and loss account	Total
	€	€	€	€
At 1 January 2019	730,700	2,079,867	3,701,327	6,511,894
Comprehensive income for the financial year				
Profit for the financial year	-	-	759,165	759,165
Other comprehensive income for the financial year	-	-	-	-
Total comprehensive income for the financial year	-	-	759,165	759,165
Transfer from profit and loss account	-	-	(147,225)	(147,225)
Transfer to other reserves	(215,917)	363,142	-	147,225
Total transactions with owners	(215,917)	363,142	(147,225)	-
At 31 December 2019	514,783	2,443,009	4,313,267	7,271,059

The notes on pages 20 to 39 form part of these financial statements.

Statement of changes in equity

For the financial year ended 31 December 2018

	Restricted fund	Designated fund	Profit and loss account	Total
	€	€	€	€
At 1 January 2018	411,228	1,764,262	3,929,352	6,104,842
Comprehensive income for the financial year				
Profit for the financial year	-	-	407,052	407,052
Other comprehensive income for the financial year	-	-	-	-
Total comprehensive income for the financial year	-	-	407,052	407,052
Transfer from profit and loss account	-	-	(635,077)	(635,077)
Transfer to other reserves	319,472	315,605	-	635,077
Total transactions with owners	319,472	315,605	(635,077)	-
At 31 December 2018	730,700	2,079,867	3,701,327	6,511,894

The notes on pages 20 to 39 form part of these financial statements.

Statement of cash flows

For the financial year ended 31 December 2019

	2019 €	2018 €
Cash flows from operating activities		
Profit for the financial year	**759,165**	407,052
Adjustments for:		
Depreciation of tangible assets	**460,811**	422,816
Amortisation of government grants	**(27,537)**	(27,537)
Interest paid	**91,783**	94,199
Interest received	**(7)**	(96)
(Increase)/decrease in debtors	**(303,464)**	45,750
(Decrease)/increase in creditors	**(142,452)**	397,571
(Decrease)/increase in provisions	**(13,260)**	15,389
Net cash generated from operating activities	**825,039**	1,355,144
Cash flows from investing activities		
Purchase of tangible fixed assets - other	**(56,750)**	-
Purchase of tangible fixed assets - housing properties	**(4,170,467)**	(3,649,564)
Interest received	**7**	96
Net cash from investing activities	**(4,227,210)**	(3,649,468)
Cash flows from financing activities		
New secured loans	**-**	973,000
Repayment of loans	**(67,559)**	(68,062)
New CAS and CALF loans	**4,485,936**	2,817,530
Repayment of Housing Financing Agency Loan	**(47,726)**	(46,566)
Interest paid	**(91,783)**	(94,199)
Net cash used in financing activities	**4,278,868**	3,581,703
Net increase in cash and cash equivalents	**876,697**	1,287,379
Cash and cash equivalents at beginning of financial year	**3,517,360**	2,229,981
Cash and cash equivalents at the end of financial year	**4,394,057**	3,517,360
Cash and cash equivalents at the end of financial year comprise:		
Cash at bank and in hand	**4,394,057**	3,517,360
	4,394,057	3,517,360

The notes on pages 20 to 39 form part of these financial statements.

Analysis of Net Debt

For the financial year ended 31 December 2019

	At 1 January 2019 €	Cash flows €	Other non-cash changes €	At 31 December 2019 €
Cash at bank and in hand	**3,517,360**	**876,697**	**-**	**4,394,057**
Debt due after 1 year	**(26,573,334)**	**(4,387,970)**	**-**	**(30,961,304)**
Debt due within 1 year	**(174,524)**	**17,319**	**-**	**(157,205)**
	(23,230,498)	**(3,493,954)**	**-**	**(26,724,452)**

The notes on pages 20 to 39 form part of these financial statements.

Notes to the financial statements
For the financial year ended 31 December 2019

1. General information

Arlington Novas Ireland Company Limited by Guarantee (ANI) is a national homeless and housing charity working with families, single people, children and unaccompanied minors who are disadvantaged and socially excluded; primarily those who are homeless or at risk of being homeless. It offers client centred services and promotes social justice. The company's registered office is located at 87 O'Connell Street, Limerick.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The financial statements are presented in Euro (€).

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

The following principal accounting policies have been applied:

2.2 Going concern

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

2.3 Income

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

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

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

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

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

Notes to the financial statements
For the financial year ended 31 December 2019

2. Accounting policies (continued)

2.4 Tangible fixed assets

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

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

The estimated useful lives range as follows:

Motor vehicles	-	4 years
Fixtures and fittings	-	4 years

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Tangible Assets - Housing Properties

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

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

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

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

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

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

Notes to the financial statements
For the financial year ended 31 December 2019

2. Accounting policies (continued)

2.5 Fund accounting

The following funds are operated by the Company:

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

Restricted funds - this relates to any payments made in advance by funders which are related to specific projects and donations where the donor specifies the purpose for which the donation must be used. Restricted funds can only be used for the specific purposes for which they are given.

2.6 Debtors

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

2.7 Cash and cash equivalents

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

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

2.8 Financial instruments

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

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

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

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

Notes to the financial statements

For the financial year ended 31 December 2019

2. Accounting policies (continued)

2.8 Financial instruments (continued)

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

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

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

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

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

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

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

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

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

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

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

Notes to the financial statements

For the financial year ended 31 December 2019

2. Accounting policies (continued)

2.10 Housing Finance Agency (HFA) Loans

The Housing Finance Agency (HFA) Loan is recognised in creditors amounts due within one year and in creditors amounts falling due after one year. Interest is applied bi-annually. Interest and principal repayable in annual amounts is recorded in creditors falling due in one year

The HFA loan is repayable on demand, if the terms of the agreement are breached the loan amounts become repayable immediately.

2.11 Grants

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

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

2.12 Creditors

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

2.13 Pensions

Defined contribution pension plan

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

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

2.14 Provision for liabilities - Holiday pay

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

2.15 Taxation

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

Notes to the financial statements

For the financial year ended 31 December 2019

2. Accounting policies (continued)

2.16 Financial Assets

Investments comprise of a long term unlisted, capital guaranteed growth investment product.

Investments are measured at amortised cost.

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

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

Determination of depreciation, useful economic life and residual value of fixed assets and housing properties.
The annual depreciation charge depends primarily on the estimated lives of fixed assets. The directors regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation charge for the financial year. The net book value of Tangible Fixed Assets and Housing Properties subject to depreciation at the financial year end date was €42,561 (2018: €10,374) and €35,984,734 (2018: €32,250,515) respectively.

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

Notes to the financial statements
For the financial year ended 31 December 2019

4. Turnover

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

	2019 €	2018 €
Revenue grants	**10,411,519**	8,687,151
Donations	**201,975**	200,369
Accommodation charge	**844,439**	753,421
Rent receivable	**586,858**	513,089
Development levies	**53,328**	74,582
	12,098,119	10,228,612

Analysis of turnover by country of destination:

	2019 €	2018 €
Republic of Ireland	**12,098,119**	10,228,612
	12,098,119	10,228,612

5. Surplus on ordinary activities before taxation

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

	2019 €	2018 €
Depreciation of tangible fixed assets - housing properties	**436,248**	400,178
Depreciation of tangible fixed assets - other	**24,563**	22,638
Amortisation of grants	**(27,537)**	(27,537)
Defined contribution pension cost	**153,987**	105,581

Notes to the financial statements

For the financial year ended 31 December 2019

6. Employees

Staff costs were as follows:

	2019 €	2018 €
Wages and salaries	**6,430,849**	5,433,703
Social security costs	**784,825**	662,492
Cost of defined contribution scheme	**153,987**	105,581
Locum and volunteer expenses	**1,084,840**	945,850
	8,454,501	7,147,626

Capitalised employee costs during the financial year amounted to €NIL (2018 -€NIL).

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

	2019 No.	2018 No.
Support staff	**240**	211

The remuneration of the CEO for the year was €81,421 (2018: €83,008). The company also made contributions at the standard rate, to the company pension scheme of €9,206 (2018: €9,061) in respect of the CEO. No employee was paid more than this amount.

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

7. Interest receivable

	2019 €	2018 €
Bank interest receivable	**7**	96
	7	96

8. Interest payable and similar expenses

	2019 €	2018 €
Interest payable to credit institutions	**91,783**	94,199
	91,783	94,199

Notes to the financial statements

For the financial year ended 31 December 2019

9. Taxation

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

10. Other tangible assets

	Motor vehicles €	Total €
Cost		
At 1 January 2019	**133,250**	**133,250**
Additions	**56,750**	**56,750**
Disposals	**(50,200)**	**(50,200)**
At 31 December 2019	**139,800**	**139,800**
Amortisation		
At 1 January 2019	**122,876**	**122,876**
Charge for the financial year on owned assets	**24,563**	**24,563**
On disposals	**(50,200)**	**(50,200)**
At 31 December 2019	**97,239**	**97,239**
Net book value		
At 31 December 2019	**42,561**	**42,561**
At 31 December 2018	10,374	10,374

11. Tangible assets - housing properties

	Freehold property €	Roof structure and coverings €	Windows and doors €	Kitchen €	Heating appliances €	Safety equipment €	Total €
Cost or valuation							
At 1 January 2019	29,604,868	1,044,880	1,393,175	1,044,880	1,393,175	348,295	34,829,273
Additions	3,544,896	125,114	166,819	125,114	166,819	41,705	4,170,467
At 31 December 2019	33,149,764	1,169,994	1,559,994	1,169,994	1,559,994	390,000	38,999,740
Depreciation							
At 1 January 2019	1,300,044	100,104	347,062	325,386	361,534	144,628	2,578,758
Charge for the financial year on owned assets	220,127	16,933	58,700	55,032	61,146	24,310	436,248
At 31 December 2019	1,520,171	117,037	405,762	380,418	422,680	168,938	3,015,006
Net book value							
At 31 December 2019	31,629,593	1,052,957	1,154,232	789,576	1,137,314	221,062	35,984,734
At 31 December 2018	28,304,824	944,776	1,046,113	719,494	1,031,641	203,667	32,250,515

Notes to the financial statements

For the financial year ended 31 December 2019

12. Fixed assets

	Other fixed asset investments €
Cost or valuation	
At 1 January 2019	**499,803**
At 31 December 2019	**499,803**

13. Debtors

	2019 €	2018 €
Trade debtors	**522,301**	260,687
Other debtors	**1,934**	1,059
Prepayments and accrued income	**238,355**	197,380
	762,590	459,126

14. Cash and cash equivalents

	2019 €	2018 €
Cash at bank and in hand	**4,394,057**	3,517,360
	4,394,057	3,517,360

Notes to the financial statements

For the financial year ended 31 December 2019

15. Creditors: Amounts falling due within one year

	2019 €	2018 €
Loans owed to credit institutions	**86,615**	103,934
Other loans	**70,590**	70,590
Trade creditors	**218,100**	253,379
Taxation and social insurance	**287,595**	184,305
Other creditors	**27,878**	16,649
Accruals	**22,071**	27,846
Deferred income	**514,783**	730,700
	1,227,632	1,387,403

Other taxation and social insurance

	2019 €	2018 €
PAYE/PRSI control	**269,901**	147,762
VAT and RCT control	**17,694**	36,543
	287,595	184,305

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

The company's total bank loans at 31 December 2019 were €874,707 (2018: €942,266). The loans are from commercial institutions which charge a market interest rate. The loans are due for repayment in installments in line with the terms of the loan agreement.

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

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

Notes to the financial statements

For the financial year ended 31 December 2019

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

	2019	2018
	€	€
Loans owed to credit institutions	**788,092**	838,332
Capital Assistance Scheme Loans	**27,619,617**	23,222,246
Capital Advance Leasing Facility Loan	**1,745,729**	1,657,163
Housing Finance Agency Loan	**807,866**	855,593
	30,961,304	26,573,334

Kerry County Council holds a charge of €1,088,220 over company land at no. 5 Church Street, Tralee, Co. Kerry dated 23 March 2004. Limerick City & County Council holds a charge of €158,815 over Apartment 111, Glenlara, Mount Kenneth Place dated 20 December 2005. AIB plc. holds a charge over folio 34628F, Limerick dated 27 July 2006. Limerick City & County Council holds a charge of €387,893 over No. 2 St. Patrick's Hill, Dublin Road Limerick, dated 14 September 2006. Limerick City & County Council holds a charge of €216,908 over 13 Clare Street, Limerick, dated 14 September 2006. Kerry County Council holds a charge of €561,051 over folio 34690F, Kerry, dated 14 February 2008. Limerick City & County Council holds a charge of €12,600,000 over Clyde House, Alphonsus Street, Limerick, dated 08 June 2009. Limerick City & County Council holds a charge of €538,079 over 10 Verekeer Gardens, Limerick, dated 08 September 2009. Limerick City & County Council holds a charge over Brother Stephen Russell House, Limerick, dated 28 November 2013. The Housing Finance Agency hold a form 52 pursuant to a charge and a first fixed charge over 8 apartments at Haarlem Court, Old Court Road, Firhouse, Dublin 24 dated 18 August 2018. AIB plc hold a charge over properties comprised in folios LK68823F, LK12196L, LK40404F, LK51812F, LK20027F, LK39382F and LK2527L dated 7 February 2018. Limerick City and County Council holds a Limerick City and County Council holds a charge over 166 Woodhaven, Castletroy, Limerick dated 14 May 2018. Limerick City and County Council holds a charge over 18 The Park, Rosmor, Crossagalia, Limerick dated 14 May 2018. Limerick City and County Council holds a charge over 1 Dympna Terrace, Mulgrave Street, Limerick dated 14 May 2018. Limerick City & County Council holds a charge over 66 Cois Rioga, Caherconlish, Limerick dated 14 May 2018. Limerick City & County Council holds a charge over 8 St Ita's Park, Limerick dated 8 May 2018. Limerick City & County Council holds a charge over 11 Dromroe, Limerick, dated 8 June 2018. Limerick City & County Council holds a charge over 8 Kilbranish Drive, Woodview Park, Limerick dated 22 October 2018. Limerick City & County Council holds a charge over 53 Curragh Birin, Castletroy, Limerick, dated 22 October 2018. Limerick City & County Council holds a charge over 56 Aisling Heights Raheen, Limerick dated 1 November 2018. Limerick City & County Council holds charges over 1 and 2 Denmark Street, Limerick dated 31 October 2018. Limerick City & County Council holds a charge over 3 Crannog, Dublin Road, Limerick dated 31 October 2018. Limerick City & County Council hold a charge over 1, 2, 3, 4 Blackboy Terrace, Mulgrave St., Limerick, dated 31 October 2018. Limerick City & County Council hold a charge over 6 Aspen Gardens, St Patricks Road, Limerick, dated 1 November 2018. Tipperary County Council hold a charge over 10 and 11 Stradavoher Court, Thurles, Co Tipperary, dated 3 December 2018. Tipperary County Council holds a charge over Apt 5A, 5B, 5C, 5D, 5E, 5F Silver Mews, Silver Street, Nenagh, Co Tipperary, dated 3 December 2018. Tipperary County Council holds a charge over 13 Stradavoher Court, Thurles, Co. Tipperary, dated 26 March 2019 Limerick City & County Council holds a charge over 29 Rosendale Gardens, Corbally, Limerick dated 24 June 2019.

Notes to the financial statements

For the financial year ended 31 December 2019

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

Limerick City & County Council holds a charge over 708 Elm Green Close, Elm Park, Castletroy Limerick dated 24 June 2019. Limerick City & County Council holds a charge over 104 Elm Park Avenue, Castletroy, Limerick dated 24 June 2019. Limerick City & County Counil holds a charge over No. 8 Upper Carey's Road, Limerick dated 24 June 2019. Limerick City & County Council holds a charge over 15 Fairgreen Road, Limerick dated 27 June 2019. Limerick City & County Council holds a charge over 19 Fairgreen Road, Limerick dated 27 June 2019. Limerick City & County Council holds a charge over Garyville, O'Donoghue Avenue, Janesboro, Limerick dated 27 June 2019. Limerick City & County Council holds a charge over 4 Janemount Park, Corbally, Limerick dated 27 June 2019. Limerick City & County Council holds a charge over 410 Alder Close, Castletroy, Limerick dated 1 July 2019. Limerick City & County Council holds a charge over 89 Sheelin Road, Caherdavin, Limerick dated 1 July 2019. Limerick City & County Council holds a charge over 14B Glenview Gardens, Farranshone, Limerick dated 1 July 2019. Limerick City & County Council holds a charge over 50 Owenmore Drive, Raheen, Limerick dated 1 July 2019. Limerick City & County Council holds a charge over 1-6 Barrack Mews, Brennans Row, Limerick dated 6 September 2019. Tipperary County Council holds a charge over 16 Stradavoher Court, Thurles, Co Tipperary dated 6 November 2019. Limerick City & County Council holds a charge over 33 Mulcair Road, Raheen, Limerick, dated 5 November 2019. Limerick City & County Council holds a charge over 3 The Willows, Old Cork Road, Limerick, dated 27 November 2019. Tipperary County Council holds a charge of €152,099 over 9 Oakfield Park, Cabra Road, Thurles, Co Tipperary dated 13 December 2019. Tipperary County Council holds a charge over 17 Stradavoher Court, Thurles, Co Tipperary dated 16 January 2020. Limerick City and County Council holds a charge over 423 Alder Close, Castletroy, Co Limerick dated 13 February 2020. Limerick City and County Council holds a charge over Epsom Lodge, 1 Racefield, Gouldavoher, Limerick dated 13 February 2020. Limerick City and County Council holds a charge over 16 Downey Street, Killalee, Limerick dated 19 February 2020. Tipperary County Council holds a charge over 36 Oakfield Drive, Cabra Road, Thurles, Co. Tipperary dated 23 March 2020. Limerick City and County Council holds a charge over 56 Richmond Court, Corbally, Limerick dated 20 March 2020.

17. Loans

Analysis of the maturity of loans is given below:

	2019 €	2018 €
Amounts falling due within one year		
Bank and other loans	**157,205**	174,524
	157,205	174,524
Amounts falling due 2-5 years		
Bank loans	**346,458**	346,458
Other loans	**282,361**	282,361
	628,819	628,819
Amounts falling due more than 5 years		
Bank loans	**441,634**	491,874
Other loans	**29,890,851**	25,452,641
	30,332,485	25,944,515
	31,118,509	26,747,858

Notes to the financial statements

For the financial year ended 31 December 2019

18. Grants

	2019 €	2018 €
Grants received		
At 1 January	**2,315,001**	**2,315,001**
Total grants received	**2,315,001**	**2,315,001**
Amortisation		
At 1 January	**(139,605)**	**(112,068)**
Amortisation	**(27,537)**	**(27,537)**
Total amortisation	**(167,142)**	**(139,605)**
Net balance	**2,147,859**	**2,175,396**

Grants:

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

Notes to the financial statements

For the year ended 31 December 2019

19. Grant information

Grantor	Sponsoring Department	Grant due 31/12/2018	Deferred Income 18	Recognised in P&L 2019	Grant due 31/12/2019	Deferred Income 2019
HSE West - Social Inclusion	Department of Health	-	229,325	1,461,334	-	70,000
HSE West - Disabilities	Department of Health	85,383	-	846,381	92,239	-
HSE West – Mental Health	Department of Health	-	15,386	317,968	52,995	-
Mid-West Drug and Alcohol Forum	Department of Health	-	39,365	258,162	-	41,700
HSE South – Social Inclusion	Department of Health	-	381,624	567,496	-	321,833
HSE South – Disabilities	Department of Health	8,375	-	293,088	-	-
HSE South – Mental Health	Department of Health	-	-	50,000	-	-
HSE East	Department of Health	-	-	819,411	-	81,250
Tusla	Child and Family Agency		-	909,732	-	-
Dublin Region Homeless Executive	Dublin Region Homeless Executive	5,600	65,000	2,102,709	301,175	-
Limerick City and County Council	Limerick City and County Council	78,421	-	1,914,010	54,325	-
Tipperary County Council	Tipperary County Council	-	-	157,816	-	-
Kerry County Council	Kerry County Council	68,970	-	413,820	-	-
Cork County Council	Cork County Council	2,500	-	10,000	5,000	-
Clare County Council	Clare County Council	11,438	-	289,592	16,567	-
Total		**260,687**	**730,700**	**10,411,519**	**522,301**	**514,783**

Notes to the financial statements

For the financial year ended 31 December 2019

20. Financial instruments

	2019 €	2018 €
Financial assets		
Cash at bank	**4,394,057**	3,517,360
Financial assets are measured at amortised cost	**1,024,038**	761,549
	5,418,095	4,278,909
Financial liabilities		
Financial liabilities measured at amortised cost	**(31,386,558)**	(27,045,732)

Financial assets measured at amortised cost comprise of fixed asset investments, trade debtors and other debtors

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

21. Provisions

	Leave pay €
At 1 January 2019	**89,151**
Charged to profit or loss	**(13,260)**
At 31 December 2019	**75,891**

In respect of prior financial year:

	Leave pay €
At 1 January 2018	**73,762**
Charged to profit or loss	**15,389**
At 31 December 2018	**89,151**

Leave pay:

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

Notes to the financial statements

For the financial year ended 31 December 2019

22. Reserves

Designated funds
The Designated fund represents a reserve for strategic building purposes.

Retained earnings
Includes all current and prior period retained profit and losses.

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

23. Company status

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

24. Capital commitments

At 31 December 2019 the company has agreed to purchase the following properties: 121 Walkinstown Road, Dublin and 9 Stradavoher Court, Thurles, Co. Tipperary. The combined price for the properties is €520,754

25. Pension information

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

The charge to the income and expenditure account for the year was €153,987 (2018: €105,581). The following amounts relating to pensions and post retirement benefits owing of €NIL (2018: €NIL) are included in the balance sheet at year end.

26. Transactions with directors

No transactions with directors were undertaken during the financial year.

27. Related party transactions

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

Notes to the financial statements
For the financial year ended 31 December 2019

28. Post balance sheet events

On the 11th of March 2020, the World Health Organisation officially declared COVID-19, the disease caused by novel coronavirus, a pandemic. Management is closely monitoring the evolution of this pandemic, including how it may affect the charity, the economy, and the general population. The board and management put a plan in place to ensure business continuity. There has been no impact to date on our agreed statutory funding. In fact, additional funding has been provided by the government in response to the pandemic to open a new short term project and increase the services provided by an existing project.

29. Controlling party

The company is under the control of its directors.

30. Comparative information

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

31. Approval of financial statements

The board of directors approved these financial statements for issue on 23 July 2020

Registered number: 330018

Arlington Novas Ireland Company Limited by Guarantee

Management information

For the financial year ended 31 December 2019

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

Detailed profit and loss account

For the financial year ended 31 December 2019

	Note	2019 €	2018 €
Turnover	4	**12,098,119**	10,228,612
Gross profit		**12,098,119**	10,228,612
Less: overheads			
Administration expenses		**(11,247,178)**	(9,727,457)
Operating profit		**850,941**	501,155
Interest receivable		**7**	96
Interest payable		**(91,783)**	(94,199)
Profit for the financial year		**759,165**	407,052

Schedule to the detailed accounts

For the financial year ended 31 December 2019

	2019 €	2018 €
Turnover		
Revenue grants	**10,411,519**	8,687,151
Donations	**201,975**	200,369
Accomodation charge	**844,439**	753,421
Rent receivable	**586,858**	513,089
Development levies	**53,328**	74,582
	12,098,119	10,228,612

Schedule to the detailed accounts

For the financial year ended 31 December 2019

	2019 €	2018 €
Administration expenses		
Staff salaries	**6,430,849**	5,433,703
Staff national insurance	**784,825**	662,492
Staff pension costs - defined contribution schemes	**153,987**	105,581
Staff training	**55,896**	70,294
Motor running costs	**40,729**	34,560
Hotels, travel and subsistence	**232,919**	231,000
Printing and stationery	**106,653**	104,303
Telephone and fax	**54,632**	56,918
Computer costs	**70,095**	63,834
Legal and professional	**77,284**	38,159
Auditors' remuneration	**12,000**	11,685
Bank charges	**8,664**	8,544
Rates	**8,836**	13,247
Light and heat	**146,889**	140,259
Cleaning	**283,948**	235,751
Insurances	**169,578**	162,428
Repairs and maintenance	**365,952**	490,351
Depreciation	**24,563**	22,638
Depreciation - housing properties	**436,248**	400,178
Profit/loss on sale of tangible assets	**(7,260)**	-
Recruitment	**10,170**	12,299
Clients welfare	**307,654**	154,938
Clothing	**1,900**	2,280
Medical costs	**14,014**	10,573
TV and video	**10,929**	10,204
Food and provisions	**326,440**	281,556
Refuse charge	**57,135**	48,688
Locum and volunteer expenses	**1,084,840**	945,850
General expenses	**4,346**	2,681
Grant amortisation	**(27,537)**	(27,537)
	11,247,178	9,727,457

Schedule to the detailed accounts

For the financial year ended 31 December 2019

	2019	2018
	€	€
Interest receivable		
Bank interest receivable	7	96
	7	96

	2019	2018
	€	€
Interest payable		
Bank loan interest payable	91,783	94,199
	91,783	94,199