Grant Thornton

Financial Statements
Arlington Novas Ireland Company Limited by Guarantee

For the financial year ended 31 December 2018

Contents

Company Information

Directors	Greg Maxwell (Chairperson) Maria O'Dwyer (resigned 25 October 2018) Kieran Walshe Martina Murphy Justin Brosnan Eimear Griffin Eoin Gallagher Joseph McGarry (appointed 1 February 2018) Siobhan Wheeler (appointed 25 October 2018)
Company secretary	Donal O' Carroll
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	Holmes O' Malley Sexton Bishopsgate Henry Street Limerick
Solicitors continued	Hayes Solicitors Lavery House Earlsfort Terrace Dublin 2

Bailys Solicitors
Church Street
Tralee
Co. Kerry

Directors' Report

For the Financial year Ended 31 December 2018

The directors present their annual report and the audited financial statements for the financial year ended 31 December 2018.

Principal activities

Arlington Novas Ireland Company Limited by Guarantee (Novas) 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, without share capital (CRN 330018) and was incorporated in Ireland on 11th June 2000; on 1st September 2005 it became entirely independent from its founding UK charitable company. It is a registered charity CHY 13390 and a registered housing provider/ approved housing body by the Department of Housing, Planning, Community and Local Government. It operates under the standards of best practice through the Voluntary Governance Code for Irish Charities and also the DECLG Code for Approved Housing Bodies.

Since it opened its first service in Limerick in 2002 it has grown significantly to now offer more than 20 services in counties Limerick, Dublin, Kerry, Tipperary and Cork. Clients are supported through Housing, Health and Recovery.

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 2018

Business review

The total income generated by Novas in 2018 was €10.229M, a 12.35% increase from the previous year. Revenue grants received by the organisation for core homeless funding amounted to €5.554M. Non-core funding for 2018 was €3.133M and other income (primarily client contributions, fundraising and donations) amounted to €1.542M.

Governance

During the year, our staff were constantly challenged to meet the demands of continued expansion of homeless services to cater for unprecedented demands and achieving our ambitious housing acquisition programme. In addition in our strategic plan we are comitted to improving standards and outcomes for clients and tenants. To improve the Board's general oversight on the implementation of our Strategic Plan we introduced Annual Operational Plans (AOPs) setting out detailed Key Performance Indicatators (KPIs). This enhances effective governance in the planning and operations of all activities to measure outcomes, performance standards and advancement on each of our strategic objectives year on year. This proved very effective and also provides cohesion in planning and monitoring performance during the next year.

We had achieved compliance with the comprehensive standards set out in voluntary Code of Governance for Voluntary Bodies. Towards the end of the year the Charity Regulator issued a new code. The new code will have statutory enforcement by 2020. The Board is confident full compliance with the new legally backed code will be achieved well within the deadline.

In addition the Board oversaw important work to comply with a number of new codes and performance standards. This included those issued by the Housing Regulator, GDPR and various compliance changes made by funders in service agreements. Work also began to review our Articles and Memorandum of Association. The Board also finalised appraisal schemes for the CEO and the Board itself and these are being bedded down.

In 2017 Dermot Sadlier director for 7 years and Chairperson resigned from the Board on ill health grounds. Regrettably in August 2018 and after a long illness Dermot died. He was an enormously popular and respected person at board level and also among staff as he visited projects to learn about the everyday work and support staff.

The work of charities has attracted increased public scrutiny in recent years due to some instances of well publicised questionable practices and poor governance standards. It is right that we are scrutinised and the responsibilities of each charitable trust requires exemplary fiduciary standards.

During the year we welcomed two new directors. In February Joe McGarry and then at the end of the year Siobhan Wheeler joined the Board. Both are most welcome. Siobhan is well known in Limerick due to her extensive voluntary work as Trustee and Chair of the Free Dinner Trust in the city. Joe has a unique place in the Novas story. He came to Limerick in 2002 from Novas Quvertures, an English based homeless charity, and on their behalf started our first service. He was away from Ireland for some years but on his return he rejoined our Board. At the end of the year Maria O'Dwyer resigned from the Board for business reasons. Maria an expert in children's issues was a director for 6 years.

The CEO led the Senior Management Team (SMT) which, following changes the previous year, had its first full year of the enlarged team of six 'heads of function': Finance; Property/ Development; Services; Personnel/ Legal; Quality/ Safety/ Compliance; and, Communications/Policy/ Fundraising.

Risk Management

Emphasis continued to be given to applying the risk manaagement 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 SMT review the Risk Register at each of its meetings and this in turn is reviewed at each scheduled Board meeting.

Directors' Report (continued)

For the Financial year Ended 31 December 2018

Housing and Homeless Policy

During 2018, more people than ever before were homeless. At the end of the year almost 9753 people (of whom 3811 were children) were officially registered as homeless. (The comparable 2017 figures were 8587.) The underlying trends again showed more families becoming homeless for the first time, and the number of children homeless is unprecedented. The state has been very slow to give priority to new public housing and output from the private sector has been increasing steadily but from a very low base.

Over the 12 months period Novas worked with 4768 people; an increase of over 4% over the previous year (but an almost 150% increase over the previous 5 years. The numbers of families and children who are homeless climbed steeply. We worked with 1003 children during the year (of whom 592 were supported by our Intensive Family Support service, a further 190 by our West Cork Tenancy Sustainment Service and 93 children living with family in Novas owned houses). The number of families supported by the IFS was 274, again a record.

The solution of course is housing. The year was one of increasing frustration with no end in sight. Despite an increase in housing completions the gap between what was built and what was needed widened. Over 18000 houses (an increase of about 20% over 2017) were completed but estimates of annual need range from 35/50000 each year. This shortfall was surpassed only by a worsening and increasingly dysfunctional rental market. Yet again annual rents increased well above the ceilings imposed by the rent pressure zones with Limerick experiencing the highest at 11.8%. Simultaneously the number of rental units available was reducing. The number of properties available for rent was the lowest on record since 2006; indeed at 3000 units it was only a third of the number available in 2010.

It was the second year of our 5 year strategic plan. In an environment which is constantly changing unfavourably (more clients with less long term options) our focus is twofold; meeting the needs of clients and tenants and also achieving the key objectives of our strategic plan.

Services

During the year, we extended our service delivery. This included a new disability service in Co. Clare (our first Novas service in that county); new Housing First service in Kerry, (first family service in Kerry and 50 children were supported); a Short Term Accommodation service for 26 women in Rathmines, Dublin (there are two women-only homeless services in the capital and both are operated by Novas. In addition every service worked with more clients and frequently under increasing pressure.

During 2018 we achieved an important objective of our strategic plan when Novas became a Trauma Informed Organisation, becoming the first agency in Ireland to gain such a standard. Every staff member is trained in Trauma Informed Care. Achieving this level involved great collaboration among services, personnel and quality assurance. The provision of support through the lens of trauma has already enhanced outcomes for our clients and staff, reduced the number of incidents in our services and transformed how we respond to challenging behaviour.

Housing

Another key objective in our strategic plan is to invest annually €4m in the procurement of housing with the aim of delivering in excess of 20 homes each year. The wider context saw the escalation of a chronic shortage of supply of both properties for rental and new housing supply within the sector and the wider economy. Rebuilding Ireland initiatives during the year sought to significantly increase the investment and output of social housing. The Housing Regulator published the 3rd and final compliance standard in December 2018 (Performance Standard). The Regulator sets out the various standards which we must meet on a wide range of housing issues, from capital access and borrowing to tenants' supports. With such phenomenal demands on the acquisition of housing properties much of our work involves identifying and following up potential homes for our clients.

Despite the enormous challenges in housing we achieved all of our main targets. This included continued delivery of CAS /Calf and lease projects. CAS net addition of 17 units and 5 additional CALF dwellings; and an additional 18 new units in short term accommodation centres (able to accommodate 29 clients)

Directors' Report (continued)
For the Financial year Ended 31 December 2018

New tenancies: 21 new tenancies were provided Kerry 1, Limerick 14, Tipperary 6.

Novas secured funding for and invested in excess of €3.6m in social housing during 2018

Personnel

The increasing number, and range of services, the need for new staff and meeting the ever more complex range of training needs all contribute to sustained challenges for our one person personnel function. All services were adequately staffed but recruitment is a constant pressure area, made more difficult due to the refusal of government to restore legacy funding cuts from the economic crash some 10 years ago and since then restricting salary increases and also the increasing practice of funding new services on a short term basis. Attracting and retaining sufficient talented staff is made the more difficult due to the relatively high employment levels generally in the economy for social care graduates. Also to ensure compliance with CORU standards for registration (Health and Social Care Professional Council), pending for the social care profession, we now also require evidence of qualifications from all applicants.

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.

At the end of the year, we had 130 full time employees (and 100 part-time). This was an increase of 5%.

Quality Assurance

It was the first full year of our senior position for quality assurance, safety and compliance and substantial progress was made in developing, implementing and evidencing standards in a wide range of our work. It was the first full year of our ambitious programme to use a software platform for all aspects of our service delivery and substantial progress was achieved. Full implementation across all activities remains 'work in progress' but the value of this template is clear.

Compliance with GDPR (General Data Protection Regulations) was a huge challenge but was successfully achieved within the deadline of 25 May 2018. We commissioned an external data protection audit and arising from this developed an action plan to ensure full compliance. All staff were trained in GDPR requirements and projects engaged in data retention reviews and data security practices. A comprehensive GDPR policy was completed.

Another important development was to carry out internal quality audits in all projects, identify where standards can be improved and where appropriate devise practical plans to enhance standards. Much progress was made and will help to focus this work in the future.

Safety compliance continues to have a high priority and emphasis was placed on staff reporting incidents and clients reporting complaints and on effective and speedy follow-up. The Safety Committee continued as an essential regular forum for Safety Officers and Safety Representatives. Children's first training was provided for all staff as per legislation and compliance with service level arrangements

Communications/ Fundraising

During the year, we continued to publicly highlight the experiences of our clients. Their voice is to the fore of all our publications, videos, media and social media interactions. National and local media outlets were regularly utilized.

We joined a number of advocacy groups including the Irish Coalition to End Youth Homelessness and the Housing First Good Practice Platform. We advocated on issues including the Decriminalization of Drugs for personal use and child homelessness. In November 2018, Novas was recognised as the Best Non-Profit in the Limerick

Directors' Report (continued)
For the Financial year Ended 31 December 2018

Chamber Regional Awards.

Throughout 2018 we continued to fundraise to raise vital funds to support client welfare and service delivery. This was a grassroots approach that involved our large pool of volunteers and a number of corporate partners in the Mid-west and Kerry. Our largest single event throughout the year was our Annual Christmas Sleep-Out, which was supported by the Limerick Hurlers, some of whom are our organisation ambassadors. The dual purpose of our fundraising activities was to raise money and awareness of our work.

Results

The surplus for the financial year, after taxation, amounted to €407,052 (2017 -€61,091).

Directors and Secretary

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

Greg Maxwell (Chairperson)
Maria O'Dwyer (resigned 25 October 2018)
Kieran Walshe
Martina Murphy
Justin Brosnan
Eimear Griffin
Eoin Gallagher
Joseph McGarry (appointed 1 February 2018)
Siobhan Wheeler (appointed 25 October 2018)

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 2018, Arlington Novas Ireland held €499,803 (2017: €500,000) 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.

Directors' Report (continued)
For the Financial year Ended 31 December 2018

Events since the end of the year

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

Accounting records

The directors believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act, 2014 with regard to the keeping of accounting records by employing persons with appropriate expertise and by providing adequate resources to the financial function. The accounting records are held at the company's business address at 87 O'Connell Street, Limerick.

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 by:

Greg Maxwell

Greg Maxwell (Chairperson)
Director

Date: 25 July 2019

Martina Murphy
Director

Date: 25 July 2019

Directors' Responsibilities Statement
For the Financial year Ended 31 December 2018

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 report was approved by the board and signed on its behalf by:

Greg Maxwell

Greg Maxwell (Chairperson)
Director

Date: 25 July 2019

Martina Murphy
Director

Date:25 July 2019

GrantThornton

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 income and retained earnings for the financial year ended 31 December 2018, and the related notes to the financial statements.

The financial reporting framework that has been applied in their 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 2018 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.

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

Other information

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

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.

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

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.

Mr. Damian Gleeson FCCA

for and on behalf of
Grant Thornton

Chartered Accountants
Statutory Audit Firm

25 July 2019

Statement of Comprehensive Income
For the Financial year Ended 31 December 2018

	Note	2018 €	2017 €
Turnover	4	**10,228,612**	9,103,985
Administrative expenses		**(9,727,457)**	(9,010,913)
Operating profit	5	**501,155**	93,072
Interest receivable and similar income	7	**96**	846
Interest payable and expenses	8	**(94,199)**	(32,827)
Surplus before tax		**407,052**	61,091
Surplus for the financial year		**407,052**	61,091
Other comprehensive income for the financial year			
Total comprehensive income for the financial year		**407,052**	61,091

There were no recognised gains and losses for 2018 or 2017 other than those included in the statement of comprehensive income.

All amounts related to continuing operations

The notes on pages 20 to 38 form part of these financial statements.

Balance Sheet

As at 31 December 2018

	Note		2018 €		2017 €
Fixed assets					
Tangible assets	10		**10,374**		33,012
Tangible assets - Housing Properties	11		**32,250,515**		29,001,129
Investments	12		**499,803**		499,803
			32,760,692		29,533,944
Current assets					
Debtors: amounts falling due within one year	13	**459,126**		504,876	
Cash at bank and in hand	14	**3,517,360**		2,229,981	
		3,976,486		2,734,857	
Creditors: amounts falling due within one year	15	**(1,387,403)**		(891,418)	
Net current assets			**2,589,083**		1,843,439
Total assets less current liabilities			**35,349,775**		31,377,383
Creditors: amounts falling due after more than one year			**(26,573,334)**		(22,995,845)
Grants			**(2,175,396)**		(2,202,934)
Provisions for liabilities					
Other provisions	21	**(89,151)**		(73,762)	
			(89,151)		(73,762)
Net assets			**6,511,894**		6,104,842
Reserves					
Restricted fund	22		**730,700**		411,228
Designated fund	22		**2,079,867**		1,764,262
Profit and loss account	22		**3,701,327**		3,929,352
Reserves			**6,511,894**		6,104,842

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

Greg Maxwell

Greg Maxwell (Chairperson)
Director

Date: 25 July 2019

Martina Murphy
Director

Date: 25 July 2019

Statement of income and retained earnings

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 38 form part of these financial statements.

Statement of income and retained earnings

For the Financial year Ended 31 December 2017

	Restricted fund	Designated fund	Profit and loss account	Total
	€	€	€	€
At 1 January 2017	271,161	1,493,794	4,278,796	6,043,751
Comprehensive income for the year				
Profit for the year	-	-	61,091	61,091
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	61,091	61,091
Transfer from profit and loss account	-	-	(410,535)	(410,535)
Transfer to other reserves	140,067	270,468	-	410,535
Total transactions with owners	140,067	270,468	(410,535)	-
At 31 December 2017	411,228	1,764,262	3,929,352	6,104,842

The notes on pages 20 to 38 form part of these financial statements.

Statement of Cash Flows

For the Financial year Ended 31 December 2018

	2018 €	2017 €
Cash flows from operating activities		
Surplus for the financial year	407,052	61,091
Adjustments for:		
Depreciation of tangible assets	422,816	383,211
Amortisation	(27,537)	(27,537)
Interest paid	94,199	32,827
Interest received	(96)	(846)
Decrease/(increase) in debtors	45,750	(156,729)
Increase in creditors	397,571	29,440
Increase in provisions	15,389	5,759
Fair value movement in fixed asset investments	-	199
Net cash generated from operating activities	1,355,144	327,415
Cash flows from investing activities		
Purchase of tangible fixed assets	(3,649,564)	(5,103,976)
Interest received	96	846
Net cash from investing activities	(3,649,468)	(5,103,130)
Cash flows from financing activities		
New secured loans	973,000	-
Repayment of loans	(68,062)	(16,563)
New CAS and CALF loans	2,817,530	1,637,261
New Housing Financing Agency Loan	-	972,749
Repayment of Housing Financing Agency Loan	(46,566)	-
Interest paid	(94,199)	(32,827)
Net cash used in financing activities	3,581,703	2,560,620
Net increase/(decrease) in cash and cash equivalents	1,287,379	(2,215,095)
Cash and cash equivalents at beginning of financial year	2,229,981	4,445,076
Cash and cash equivalents at the end of financial year	3,517,360	2,229,981
Cash and cash equivalents at the end of financial year comprise:		
Cash at bank and in hand	3,517,360	2,229,981
	3,517,360	2,229,981

The notes on pages 20 to 38 form part of these financial statements.

Notes to the Financial Statements

For the Financial year Ended 31 December 2018

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 2018

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, 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 the Statement of Comprehensive Income.

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 2018

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 are specific funds received at the end of the financial year from funders which are required to be utilised on specific following financial year programmes.

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 non-puttable 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 financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

Notes to the Financial Statements
For the Financial year Ended 31 December 2018

2. Accounting policies (continued)

2.8 Financial instruments (continued)

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 2018

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 2018

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 €10,374 (2017: €33,012) and €32,250,515 (2017: €29,001,129) 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.

4. Turnover

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

	2018	2017
	€	€
Revenue grants	**8,687,151**	7,832,170
Donations	**200,369**	178,144
Accommodation charge	**753,421**	719,496
Rent receivable	**513,089**	374,175
Development levies	**74,582**	-
	10,228,612	9,103,985

Analysis of turnover by country of destination:

	2018	2017
	€	€
Republic of Ireland	**10,228,612**	9,103,985
	10,228,612	9,103,985

5. Surplus on ordinary activities before taxation

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

	2018	2017
	€	€
Depreciation of tangible fixed assets - housing properties	**400,178**	349,898
Depreciation of tangible fixed assets	**22,638**	33,313
Amortisation of grants	**(27,537)**	(27,537)
Defined contribution pension cost	**105,581**	108,104

Notes to the Financial Statements

For the Financial year Ended 31 December 2018

6. Employees

Staff costs were as follows:

	2018 €	2017 €
Wages and salaries	**5,433,703**	5,117,733
Social security costs	**662,492**	619,468
Cost of defined contribution scheme	**105,581**	108,104
Locum and volunteer expenses	**945,850**	952,802
	7,147,626	6,798,107

Capitalised employee costs during the financial year amounted to €NIL (2017 -€NIL).

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

	2018 No.	2017 No.
Support staff	**211**	207

The remuneration of the CEO for the year was €83,008 (2017: €86,357). The company also made contributions at the standard rate, to the company pension scheme of €9,061 (2017: €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

	2018 €	2017 €
Bank interest receivable	**96**	846
	96	846

Notes to the Financial Statements
For the Financial year Ended 31 December 2018

8. Interest payable and similar expenses

	2018	2017
	€	€
Interest payable to credit institutions	**94,199**	32,827
	94,199	32,827

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 2018	**133,250**	**133,250**
At 31 December 2018	**133,250**	**133,250**
Amortisation		
At 1 January 2018	**100,238**	**100,238**
Charge for the year	**22,638**	**22,638**
At 31 December 2018	**122,876**	**122,876**
Net book value		
At 31 December 2018	**10,374**	**10,374**
At 31 December 2017	33,012	33,012

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 2018	26,502,740	935,393	1,247,192	935,393	1,247,192	311,799	31,179,709
Additions	3,102,128	109,487	145,983	109,487	145,983	36,496	3,649,564
At 31 December 2018	29,604,868	1,044,880	1,393,175	1,044,880	1,393,175	348,295	34,829,273
Depreciation							
At 1 January 2018	1,098,188	84,576	293,233	274,922	305,462	122,199	2,178,580
Charge for the financial year on owned assets	201,856	15,528	53,829	50,464	56,072	22,429	400,178
At 31 December 2018	1,300,044	100,104	347,062	325,386	361,534	144,628	2,578,758
Net book value							
At 31 December 2018	28,304,824	944,776	1,046,113	719,494	1,031,641	203,667	32,250,515
At 31 December 2017	25,404,552	850,817	953,959	660,471	941,730	189,600	29,001,129

Notes to the Financial Statements
For the Financial year Ended 31 December 2018

12. Fixed assets

	Other fixed asset investments €
Cost or valuation	
At 1 January 2018	**499,803**
At 31 December 2018	**499,803**

13. Debtors

	2018 €	2017 €
Trade debtors	**260,687**	214,155
Other debtors	**1,059**	4,296
Prepayments and accrued income	**197,380**	286,425
	459,126	504,876

14. Cash and cash equivalents

	2018 €	2017 €
Cash at bank and in hand	**3,517,360**	2,229,981
	3,517,360	2,229,981

Notes to the Financial Statements

For the Financial year Ended 31 December 2018

15. Creditors: Amounts falling due within one year

	2018	2017
	€	€
Loans owed to credit institutions	**103,934**	18,890
Other loans	**70,590**	57,221
Trade creditors	**253,379**	190,913
Taxation and social insurance	**184,305**	158,707
Other creditors	**16,649**	8,301
Accruals	**27,846**	46,159
Deferred income	**730,700**	411,227
	1,387,403	891,418

	2018	2017
	€	€
Other taxation and social insurance		
PAYE/PRSI control	**147,762**	130,841
VAT and RCT control	**36,543**	27,866
	184,305	158,707

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 2018 were €942,266 (2017: €37,328). 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.

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

	2018 €	2017 €
Bank Loans	**838,332**	18,438
Capital Assistance Scheme Loans	**23,222,246**	20,506,502
Capital Advance Leasing Facility Loan	**1,657,163**	1,555,377
Housing Finance Agency Loan	**855,593**	915,528
	26,573,334	22,995,845

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 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 14 May 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 Tce, 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. Limerick City & Couny Council holds a charge over 29 Rosendale Gardens, Corbally, Limerick dated 24 June 2019. 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 holds a charge over 3 The Willows, Old Cork Road, Limerick, currently being processed. Tipperary County Council holds a charge of over 8 Stradavoher Court, Thurles, Co Tipperary, currently being processed. Tipperary County Council holds a charge over 13 Stradavoher Court, Thurles, Co Tipperary, currently being processed. Tipperary County Council holds a charge over 16 Stradavoher Court, Thurles, Co Tipperary, currently being processed. Tipperary County Council holds a charge over 56 Mitchell Street, Thurles, Co Tipperary, currently being processed. Kerry County Council holds a charge over 16 Milk Market Lane, Tralee, Co Kerry, currently being processed. Kerry County Council holds a charge over 23 Old Golf Links Road, Milk Market Lane, Tralee, Co Kerry, currently being processed. Kerry County Council holds a charge over 59 Killeen Woods, Tralee, Co Kerry, currently being processed.

17. Loans

Analysis of the maturity of loans is given below:

	2018 €	2017 €
Amounts falling due within one year		
Bank and other loans	**174,524**	76,111
	174,524	76,111
Amounts falling due 2-5 years		
Bank loans	**346,458**	18,438
Other loans	**282,361**	228,882
	628,819	247,320
Amounts falling due more than 5 years		
Bank loans	**491,874**	-
Other loans	**25,452,641**	22,748,525
	25,944,515	22,748,525
	26,747,858	23,071,956

Notes to the Financial Statements

For the Financial year Ended 31 December 2018

18. Grants

	2018 €	2017 €
Grants received		
At 1 January	2,315,001	2,315,001
Total grants received	2,315,001	2,315,001
Amortisation		
At 1 January	(112,068)	(84,531)
Amortisation	(27,537)	(27,537)
Total amortisation	(139,605)	(112,068)
Net balance	2,175,396	2,202,933

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 2018

19. Grant information

Grantor	Sponsoring Department	Grant due 31/12/2017	Deferred Income 17	Recognised in P&L 2018	Grant due 31/12/2018	Deferred Income 2018
HSE West - Social Inclusion	Department of Health	2,863	40,000	1,439,606	-	229,325
HSE West - Disabilities	Department of Health	45,529	-	780,721	85,383	-
HSE West – Mental Health	Department of Health	-	15,386	317,968	-	15,386
Mid-West Drug and Alcohol Forum	Department of Health	32,538	-	260,209	-	39,365
HSE South – Social Inclusion	Department of Health	-	348,500	562,662	-	381,624
HSE South – Disabilities	Department of Health	8,375	-	87,105	8,375	-
HSE South – Mental Health	Department of Health	-	-	50,000	-	-
HSE East	Department of Health	-	-	639,016	-	-
Tusla	Child and Family Agency		-	891,978		-
Dublin Region Homeless Executive	Dublin Region Homeless Executive	22,293	-	1,174,257	5,600	65,000
Limerick City and County Council	Limerick City and County Council	100,057	7,341	1,861,495	78,421	-
Tipperary County Council	Tipperary County Council	-	-	157,816	-	-
Kerry County Council	Kerry County Council	-	-	413,820	68,970	-
Cork County Council	Cork County Council	2,500	-	10,000	2,500	-
Clare County Council	Clare County Council	-	-	40,498	11,438	-
Total		**214,155**	**411,227**	**8,687,151**	**260,687**	**730,700**

Notes to the Financial Statements
For the Financial year Ended 31 December 2018

20. Financial instruments

	2018 €	2017 €
Financial assets		
Cash at bank	**3,517,360**	2,229,981
Financial assets are measured at amortised cost	**761,549**	718,254
	4,278,909	2,948,235
Financial liabilities		
Financial liabilities measured at amortised cost	**(27,045,732)**	(23,317,329)

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 2018	**73,762**
Charged to profit or loss	**15,389**
At 31 December 2018	**89,151**

In respect of prior financial year:

	Leave pay €
At 1 January 2017	**68,003**
Charged to profit or loss	**5,759**
At 31 December 2017	73,762

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.

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 2018 the company has agreed to purchase the following properties: 16 Downey Street, Limerick, 50 Owenmore, Raheen, Limerick, 13 Stradavoher Court, Thurles, Tipperary, 14B Glenview Gardens, Farranshone, Limerick, 4 The Close, Huntsfield, Limerick. The combined price for the properties is €847,081.

Up to the date of financial statements signing the company has agreed to purchase the following properties: 16 Stradavoher Court, Thurles, Co Tipperary, 3 The Willows, Old Cork Road, Limerick, 33 Mulcair road, Raheen, Limerick and 1-6 Barrack Mews, Brennans Row, Limerick. The combined price for the properties is €1,319,000.

423 Alder Close, Castletroy, Limerick, Epsom Lodge, Racefield, Dooradoyle, Limerick, 9 Oakfield, Cabragh, Thurles, Co Tipperary, 9 stradavoher Court, thurles, Co Tipperary. The combined price for the properties is €599,000.

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 €105,581 (2017: €108,104). The following amounts relating to pensions and post retirement benefits owing of €Nil (2017: €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.

28. Controlling party

The company is under the control of its directors.

29. Comparative information

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

30. Approval of financial statements

The board of directors approved these financial statements for issue on 25 July 2019

Registered number: 330018

Arlington Novas Ireland Company Limited by Guarantee

Management information

For the financial year ended 31 December 2018

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

Detailed profit and loss account
For the Financial year Ended 31 December 2018

	Note	2018 €	2017 €
Turnover		**10,228,612**	9,103,985
Less: overheads			
Administration expenses		**(9,727,457)**	(9,010,913)
Operating profit		**501,155**	93,072
Interest receivable		**96**	846
Interest payable		**(94,199)**	(32,827)
Surplus for the financial year		**407,052**	61,091

Schedule to the Detailed Accounts

For the Financial year Ended 31 December 2018

	2018	2017
	€	€
Turnover		
Revenue grants	**8,687,151**	7,832,170
Donations	**200,369**	178,144
Accommodation charge	**753,421**	719,496
Rent Receivable	**513,089**	374,175
Development Levies	**74,582**	-
	10,228,612	9,103,985

Schedule to the Detailed Accounts

For the Financial year Ended 31 December 2018

	2018 €	2017 €
Administration expenses		
Wages and salaries	**5,433,703**	5,117,733
Employers PRSI	**662,492**	619,468
Staff pension contributions	**105,581**	108,104
Staff training	**70,294**	63,689
Motor expenses	**34,560**	36,846
Travel and subsistence	**231,000**	197,645
Printing, stationery and postage	**104,303**	91,102
Telephone	**56,918**	48,838
Computer costs	**63,834**	52,891
Legal and professional	**38,159**	105,552
Auditors' remuneration	**11,685**	11,624
Bank charges	**8,544**	6,123
Rent, rates and water	**13,247**	32,450
Light and heat	**140,259**	127,407
Cleaning	**235,751**	211,268
Insurance	**162,428**	121,813
Repairs and maintenance	**490,351**	251,122
Depreciation	**22,638**	33,313
Depreciation - housing properties	**400,178**	349,898
Recruitment	**12,299**	7,027
Clients welfare	**154,938**	143,363
Clothing	**2,280**	2,891
Medical costs	**10,573**	12,844
TV and video	**10,204**	11,124
Food and provisions	**281,556**	268,864
Refuse charge	**48,688**	46,564
Locum and volunteer expenses	**945,850**	952,802
General expenses	**2,681**	6,085
Grant amortisation	**(27,537)**	(27,537)
	9,727,457	9,010,913

Schedule to the Detailed Accounts
For the Financial year Ended 31 December 2018

	2018	2017
	€	€
Interest receivable		
Bank interest receivable	**96**	846
	96	846

	2018	2017
	€	€
Interest payable		
Bank loan interest payable	**94,199**	32,827
	94,199	32,827