Company registration number: 371956

Simon Community (Midlands) Limited
(A Company Limited by Guarantee and not having Share Capital)

Financial statements

for the financial year ended 31 December 2016

Simon Community (Midlands) Limited
(A Company Limited by Guarantee and not having Share Capital)

Contents

Simon Community (Midlands) Limited
Company limited by guarantee

Directors and other information

Directors	Mark Cooney P.O. Keenan Tess Murphy Cormac Lally Molly Buckley Bernadette O'Mahony Mary Doyle Tom Keady Linda Reidy Peter Melinn Brian Cowen Stephanie Duffy (appointed 31/08/2016)
Secretary	Peter Melinn
Company number	371956
Registered office	Unit 15, Business Development Centre Ball Alley Lane Athlone Co. Westmeath
Business address	P.O Box 27 Athlone Co. Westmeath
Auditor	RSM Ireland Kellyville Centre Portlaoise Co. Laois
Bankers	Bank of Ireland 31 Church Street Athlone Co. Westmeath

Directors and other information (continued)

AIB
1 Custume Place
Athlone
Co.Westmeath

Simon Community (Midlands) Limited
(A Company Limited by Guarantee and not having Share Capital)

Directors report

The directors present their annual report and the audited financial statements of the company for the financial year ended 31 December 2016.

Directors

The names of the persons who at any time during the financial year were directors of the company are as follows:

Mark Cooney
P.O. Keenan
Tess Murphy
Cormac Lally
Molly Buckley
Bernadette O'Mahony
Mary Doyle
Tom Keady
Linda Reidy
Peter Melinn
Brian Cowen
Stephanie Duffy

Principal activities

The principal activity of the company is to provide relief for people who are homeless in the local authority areas of Laois, Longford, Offaly & Westmeath. Services provided by the company includes emergency accommodation, regional settlement services and housing with support. The main sources of the company's income, all of which are used to fund these services, include grants from agencies of the state, donations & fundraising and income from the operation of charity shops.

On the 3rd of October 2016, the company entered into a progressive and innovative collaboration agreement with Sophia Housing. This is aimed at attaining greater efficiencies and an optimal return of state and public resources.

Development and performance
The results for the year are set out in detail in the Income & Expenditure Account. The surplus for the year was €16,216 (31 December 2015 : €42,602 (surplus)).

Assets and liabilities and financial position
At the end of the year the company has net assets of €72,257 (31 December 2015 : €56,041). The directors are satisfied with the level of retained reserves at the year end.

Principal risks and uncertainties
The directors have responsibility for, and are aware of, the risks associated with the activities of the company.

One of the key risks for the company at present is it's ability to obtain sufficient funding from agencies of the state and other sources to maintain its activities and meet its outgoings. The difficult general economic conditions in recent years in Ireland has the future potential to negatively impact on the level of funding raised to allow the company to remain in operational existence. The directors acknowledge that the company requires the continued support of its bankers and State Funding Agencies going forward, to ensure it can meet its financial obligations as they fall due.

After making due enquiries and considering the uncertainties above, together with the actions being taken by the company to address the uncertainties, such as active engagement with these agencies and the controlling of costs, the directors have a reasonable expectation that the company will have access to adequate resources to continue in operational existence for the foreseeable future.

Likely future developments
The directors have no plans to change significantly the activities of the company in the foreseeable future.

Events after the end of the reporting period
No events occurred between the year end and the date of signing of the auditors report which would require adjustment or disclosure in the financial statements.

Company status
Simon Community (Midlands) Limited is a company limited by guarantee and has charitable status (Charity No. CHY 15508). The liability of the members is limited to €1 per member.

Accounting records
The measures taken by the directors to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The accounting records of the company are located at Unit 15, Business Development Centre, Ball Alley Lane, Athlone, Co. Westmeath.

Relevant audit information

In the case of each of the persons who are directors at the time this report is approved in accordance with section 332 of Companies Act 2014:

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

This report was approved by the board of directors on 8 November 2017 and signed on behalf of the board by:

Mark Cooney	**Molly Buckley**
Director	**Director**

Directors responsibilities statement

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

Irish company law requires the directors to prepare 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council, and promulgated by the Institute of Chartered Accountants in 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 and of the surplus or deficit of the company for the financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies 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 surplus or deficit 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 Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of
Simon Community (Midlands) Limited

We have audited the financial statements of Simon Community (Midlands) Limited for the year ended 31 December 2016 which comprise the Income & Expenditure Account, statement of income and retained earnings, Balance Sheet and related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

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 auditors 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.

Respective responsibilities of directors and auditor
As explained more fully in the directors responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in the circumstances set out in Note 16 to the financial statements.

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements
In our opinion the financial statements:
- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2016 and of its surplus for the year then ended; and
- have been properly prepared in accordance with the relevant reporting framework and, in particular the requirements of the Companies Act 2014.

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.

Matters on which we are required to report by exception

We have nothing to report in respect of our obligation under the Companies Act 2014 to report to you if, in our opinion, the disclosures of directors remuneration and transactions specified by sections 305 to 312 of the Act are not made.

Patrick Keegan

For and on behalf of
RSM Ireland
Chartered Accountants and Registered Auditors
Kellyville Centre
Portlaoise
Co. Laois

8 November 2017

Simon Community (Midlands) Limited
(A Company Limited by Guarantee and not having Share Capital)

Income & expenditure account
Financial year ended 31 December 2016

	Note	2016 €	2015 €
Income		1,528,668	1,401,910
Administrative expenses		(1,543,160)	(1,390,016)
Other operating income		30,708	30,708
Surplus for the financial year		**16,216**	**42,602**

The company has no other recognised items of income and expenses other than the results for the financial year as set out above.

The notes on pages 13 to 18 form part of these financial statements.

Simon Community (Midlands) Limited
(A Company Limited by Guarantee and not having Share Capital)

Statement of income and retained earnings
Financial year ended 31 December 2016

	2016	2015
	€	€
Surplus for the financial year	16,216	42,602
Retained earnings at the start of the financial year	56,041	13,439
Retained earnings at the end of the financial year	**72,257**	**56,041**

Simon Community (Midlands) Limited
(A Company Limited by Guarantee and not having Share Capital)

Balance sheet
As at 31 December 2016

	Note	2016 €	2016 €	2015 €	2015 €
Fixed assets					
Tangible assets	8	1,347,232		1,383,419	
			1,347,232		1,383,419
Current assets					
Debtors	9	104,037		111,851	
Cash at bank and in hand		125,436		225,760	
		229,473		337,611	
Creditors: amounts falling due within one year	10	(201,354)		(331,187)	
Net current assets			28,119		6,424
Total assets less current liabilities			1,375,351		1,389,843
Creditors: amounts falling due after more than one year	11		(1,303,094)		(1,333,802)
Net assets			72,257		56,041
Reserves					
Income and expenditure account			72,257		56,041
Members funds			**72,257**		**56,041**

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The notes on pages 13 to 18 form part of these financial statements.

Balance sheet (continued)
As at 31 December 2016

These financial statements were approved by the board of directors on 8 November 2017 and signed on behalf of the board by:

Mark Cooney	**Molly Buckley**
Director	**Director**

The notes on pages 13 to 18 form part of these financial statements.

1. General information

The company is a private company limited by guarantee, registered in Ireland. The address of the registered office is Unit 15, Business Development Centre, Ball Alley Lane, Athlone, Co. Westmeath.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Summary of Significant Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation
The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

The financial statements are prepared in Euro, which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty
The directors consider the accounting estimates and assumptions below to be its critical accounting estimates and judgements:

(a) Going Concern

The charity is substantially dependent on income in the form of grants, general fundraising receipts, shop sales and other funding to cover its operating expenses and to meet the company's objectives.

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.

Income

Income of the company consists primarily of grants (primarily from government bodies), donations & fundraising income and income from charity shop sales. The company also has a number of properties which it manages and lets to its service users from which rental income is generated.

In the case of voluntary donations, income is recognised when lodged to the charity bank account.

Various groups of individuals, including members of the charity, raise funds privately for the charity by running events and collections. These funds are recognised as income when lodged to the charity bank account.

Proceeds from the sale of donated goods are recognised in the financial statements in the period in which they are lodged to the charity bank account.

Tangible assets
All tangible fixed assets are initially recorded at historic cost.

Depreciation
Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset systematically over its expected useful life, on a straight-line basis, as follows:

Freehold property	-	2%	straight line
Fittings fixtures and equipment	-	15%	straight line

The residual value and useful lives of tangible assets are considered annually for indicators that these may have changed. Where such indicators are present, a review will be carried out of the residual value, depreciation method and useful lives, and these will be amended if necessary. Changes in depreciation rates arising from this review are accounted for prospectively over the remaining useful lives of the assets.

Impairments of assets, other than financial instruments
At the end of each reporting period, the company assesses whether there is any indication that the recoverable amount of an asset is less than its carrying amount. If any such indication exists, the carrying amount of the asset is reduced to its recoverable amount, resulting in an impairment loss. Impairment losses are recognised immediately in the income and expenditure account.

The recoverable amount of tangible fixed assets is the higher of the fair value less cost to sell of the asset and its value in use. The value in use of these assets is the present value of the cash flows expected to be derived from those assets. This is determined by reference to the present value of the future cash flows of the company which is considered by the directors to be a single cash generating unit.

Government grants
Grants are recognised at fair value of the asset receivable using the accruals model when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Grants towards capital expenditure are credited to deferred income and are released to the income and expenditure account over the expected useful life of the related assets, by equal annual instalments. Grants towards revenue expenditure are released to the income and expenditure account as the related expenditure is incurred.

Financial instruments
Cash and cash equivalents - Cash consists of cash on hand and demand deposits. Cash equivalents consist of short term highly liquid investments that are readily convertible to known amounts of cash that are subject to an insignificant risk of change in value.

Other financial assets - Other financial assets are measured at amortised cost less impairment, where there is objective evidence of impairment.

Loans and borrowings - All loans made by the company are initially recorded at the amount of cash advanced plus transaction costs incurred, unless the arrangement constitutes, in effect, a financing transaction, in which case it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument. Subsequently loans made by the company are stated at amortised cost using the effective interest rate method less impairment, where there is objective evidence of impairment.

All borrowings by the company are initially recorded at the amount of cash received less separately incurred transaction costs, unless the arrangement constitutes, in effect, a financing transaction, in which case it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument. Subsequently, borrowings are stated at amortised cost using the effective interest rate method.

The computation of amortised cost includes any issue costs, transaction costs and fees, and any discount or premium on settlement, and the effect of this is to amortise these amounts over the expected borrowing period. Loans with no stated interest rate and repayable within one year or on demand are not amortised. Loans and borrowings are classified as current assets or liabilities unless the borrower has an unconditional right to defer settlement of the liability for at least twelve months after the financial year end date.

Other financial liabilities - Other financial liabilities, including trade creditors arising from goods purchased from suppliers on short-term credit, are initially measured at the undiscounted amount owed to the creditor, which is normally the invoice price. Liabilities that are settled within one year are not discounted. If payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate, this constitutes a financing transaction, and the financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Subsequently, other financial liabilities are measured at amortised cost.

Impairment of financial assets - At the end of each reporting period, the company assesses whether there is objective evidence of impairment of any financial assets that are measured at cost or amortised cost, including loans and cash. If there is objective evidence of impairment, impairment losses are recognised in the income and expenditure account in that financial year.

Defined contribution plans
The company operates a defined contribution scheme. Retirement benefit contributions in respect of the scheme for employees are charged to the Income & Expenditure account as they become payable in accordance with the rules of the scheme. The assets are held separately from those of the company in an independently administered fund. Differences between the amounts charged in the Income & Expenditure account and payments made to the retirement benefit scheme are treated as assets or liabilities.

4. Limited by guarantee

This company is limited by guarantee and has no share capital. The liability of each member in the event of the Company being wound up is €1.

5. Staff costs

The average number of persons employed by the company during the financial year, including the directors was 33 (2015: 32).

The aggregate payroll costs incurred during the financial year were:

	2016	2015
	€	€
Wages and salaries	1,069,700	946,418
Other retirement benefit costs	3,991	7,089
	1,073,691	953,507

All the amounts stated above were treated as an expense of the company in the financial year. No amount was capitalised into assets.

6. Directors remuneration

The total salary cost (including pension contributions) for the company CEO was €62,619 in the financial year ended 31 December 2016 (31 December 2015 : €65,595).

The company had no other employee earning more than €62,619 in the year ended 31 December 2016.

No emoluments were paid to directors during the year ended 31 December 2016 (31 December 2015 : €Nil).

7. Appropriations of income and expenditure account

	2016	2015
	€	€
At the start of the financial year	56,041	13,439
Surplus for the financial year	16,216	42,602
At the end of the financial year	72,257	56,041

8. Tangible assets

	Freehold property	Fixtures, fittings and equipment	Total
	€	€	€
Cost			
At 1 January 2016	1,575,828	85,388	1,661,216
Additions	-	1,378	1,378
At 31 December 2016	**1,575,828**	**86,766**	**1,662,594**
Depreciation			
At 1 January 2016	207,940	69,858	277,798
Charge for the financial year	31,517	6,047	37,564
At 31 December 2016	**239,457**	**75,905**	**315,362**
Carrying amount			
At 31 December 2016	**1,336,371**	**10,861**	**1,347,232**
At 31 December 2015	1,367,888	15,530	1,383,418

9. Debtors

	2016	2015
	€	€
Prepayments	3,361	3,363
Accrued income	100,676	108,488
	104,037	111,851

All debtors fall due within one year.

10. Creditors: amounts falling due within one year

	2016	2015
	€	€
Bank overdrafts	7	52,681
Loan from an affiliated community	31,707	45,640
Trade creditors	39,847	40,237
Other creditors including tax and social insurance	47,928	67,557
Accruals	81,865	45,943
Deferred income	-	79,129
	201,354	331,187

11. Creditors: amounts falling due after more than one year

	2016	2015
	€	€
Government grants	1,303,094	1,333,802

12. Details of indebtedness

The company's solicitor has given a letter of undertaking, acceptable to the Bank to hold the title deeds to Athlone property in trust for and to the order of the Bank pending sale and forward proceeds of same thereafter. The bank also holds an assignment of deposits held.

Laois County Council hold a charge over five properties in Portlaoise totalling €734,834.

13. Capital commitments

The company had no capital commitments at 31 December 2016.

14. Events after the end of the reporting period

No events occurred between the year end and the date of signing of the auditors report which would require adjustment or disclosure in the financial statements.

15. Related party transactions

The company had no related transactions during the financial year ended 31 December 2016 (31 December 2015 : €Nil).

16. Ethical standards

In common with many other entities of our size and nature we use our auditors to prepare and submit returns to the relevant authorities and assist with the preparation of the financial statements.

17. Approval of financial statements

The board of directors approved these financial statements for issue on 8 November 2017.

Simon Community (Midlands) Limited
(A Company Limited by Guarantee and not having Share Capital)

The following pages do not form part of the statutory accounts.

Simon Community (Midlands) Limited
(A Company Limited by Guarantee and not having Share Capital)

Detailed income and expenditure account
Financial year ended 31 December 2016

	2016	2015
	€	€
Income		
Simon Communities of Ireland	13,933	14,360
Fundraising & donations	319,239	198,921
Westmeath County Council	242,899	356,386
HSE	311,429	343,088
Shop sales	300,518	279,335
Recycling income	12,877	15,679
House of Cards Appeal	22,946	19,209
Offaly County Council	132,801	90,500
EPA	-	36,000
Laois County Council	50,832	-
Longford County Council	46,249	-
Ireland Funds	25,000	-
Rent receivable	49,945	48,432
	1,528,668	1,401,910
Administrative expenses		
Wages and salaries, including Employer PRSI	(1,069,700)	(946,418)
Staff pension costs - defined contribution	(3,991)	(7,089)
Staff training	(21,340)	(21,541)
Staff recruitment expenses	(2,044)	(4,156)
Staff redundancy costs	-	(2,342)
Rent payable	(114,107)	(91,194)
Rates	896	(2,025)
House Provisions	(12,982)	(10,654)
Insurance	(5,067)	(4,531)
Light and heat	(27,729)	(26,460)
Repairs and maintenance	(56,640)	(31,413)
Health & safety	(2,812)	(2,214)
CEO Arrangement fee	(11,286)	-
Printing, postage and stationery	(17,553)	(16,619)
Advertising	(869)	(2,645)
Telephone	(18,673)	(16,614)
Computer costs	(12,748)	(17,051)
Travelling and subsistence	(59,006)	(47,994)
Legal and professional	(299)	(40)
Board meeting expenses	(3,702)	(4,565)
Consultancy fees	(10,565)	(29,595)
Accountancy fees	(25,009)	(25,226)
Auditors remuneration	(1,845)	(1,911)
Bank charges	(6,111)	(7,087)
Conference expenses	(5,306)	(19,916)
General expenses	(8,731)	(8,410)
Subscriptions	(8,378)	(3,823)
Depreciation of tangible assets	(37,563)	(38,483)
	(1,543,160)	(1,390,016)

Simon Community (Midlands) Limited
(A Company Limited by Guarantee and not having Share Capital)

Detailed income and expenditure account (continued)
Financial year ended 31 December 2016

	2016	2015
	€	€
Other operating income		
Amortisation of government grants	30,708	30,708
	30,708	30,708
Surplus for the financial year	**16,216**	**42,602**