

St. Francis Housing Association Limited
(A company limited by guarantee and having no share capital)

Directors' Report and Financial Statements

Year Ended 31 December 2011

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DIRECTORS AND OTHER INFORMATION

Board of Directors

Rev Joseph MacMahon OFM
Rev Hugh McKenna OFM
Rev Kieran Cronin OFM
Br Niall O'Connell OFM
Rev Patrick Lynch OFM
Mr Brian Melaugh
Mr Mick Price

Solicitors

Marcus A. Lynch & Son
12 Lower Ormond Quay
Dublin 1

Secretary

L & P Financial Trustees Limited
2/3 Terminus Mills
Clonskeagh Road
Dublin 6

Auditors

PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
One Spencer Dock
North Wall Quay
Dublin 1

Registered Office

10 Newmarket Square
Dublin 8

Registered Number

449783

Charity Number

CHY 18159

DIRECTORS' REPORT

The directors present herewith the audited financial statements for the year ended 31 December 2011.

Directors' responsibilities for financial statements

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable Irish law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Accounting Standards Board and published by The Institute of Chartered Accountants in Ireland.

Irish company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper books of account, which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and Irish Statute comprising the Companies Acts, 1963 to 2009. 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.

Structure, governance and management

The company was incorporated as a company limited by guarantee and not having share capital on 27 November 2007.

Books of account

The measures taken with regard of the keeping of proper books of account include the use of systems and procedures appropriate to the company's business and the use of competent and reliable persons. The books of account are kept at 28 Winetavern Street, Dublin 8.

Principal activities

The main objectives of the company is to carry on for the benefit of the community the provision of housing and associated amenities for persons in deprived or necessitous circumstances, and to provide for relief of poverty and deprivation caused by poor housing conditions and homelessness or other social and economic circumstances.

Risk assessment

The directors consider that the principal risk factors that could materially and adversely affect the company's future operating profits or financial position would be the cessation of funding.

The company has insurances and business policies to limit the business risks associated with its activities and the board of directors regularly review, reassess and proactively limit the associated risks insofar as possible.

Post balance sheet events

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

Results for the year and state of affairs at 31 December 2011

The income and expenditure account and balance sheet are set out on pages 7 and 8 respectively.

DIRECTORS' REPORT - continued

Directors

The names of the individuals who were directors at any time during the year ended 31 December 2011 are set out below. Unless otherwise indicated they served as directors for the entire period (from the date of incorporation).

Rev. Caoimhin O Laoide OFM	(resigned 20 July 2011)
Rev. Ulic Troy OFM	(resigned 20 July 2011)
Rev. Phillip Forker OFM	(resigned 20 July 2011)
Rev. Joseph MacMahon OFM	
Rev. Hugh McKenna OFM	
Rev. Kieran Cronin OFM	(appointed 20 July 2011)
Br. Niall O'Connell OFM	(appointed 20 July 2011)
Rev. Patrick Lynch OFM	(appointed 6 December 2011)
Mr Brian Melaugh	(appointed 6 December 2011)
Mr Mick Price	

Transactions involving directors

There were no contracts or arrangements of any significance in relation to the company's business, or that of related companies, in which the directors or secretary of the company had any interest, as defined in the Companies Act, 1990, at any time during the year ended 31 December 2011.

Auditors

The auditors, PricewaterhouseCoopers, will be re-appointed in accordance with Section 160 (2) of the Companies Act, 1963.

Taxation status

The company was granted charitable tax status by the Revenue Commissioners on the 20 May 2008.

On behalf of the board

Kieran Cronin
JH MacMahon



Independent auditors' report to the members of St. Francis Housing Association Limited

We have audited the financial statements of St. Francis Housing Association Limited for the year ended 31 December 2011 which comprise of the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement, the Accounting Policies and the related notes. These financial statements have been prepared under the accounting policies set out in the statement of accounting policies on page 10.

Respective responsibilities of the directors and auditors

The directors' responsibilities for preparing the director's report and the financial statements in accordance with applicable Irish law and the accounting standards issued by the Accounting Standards Board and published by The Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice) are set out in the Statement of Director's Responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 193 of the Companies Act, 1990 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, and are properly prepared in accordance with Irish statute comprising the Companies Acts, 1963 to 2009. We state whether we have obtained all the information and explanations we consider necessary for the purposes of our audit and whether the financial statements are in agreement with the books of account. We also report to you our opinion as to:

- whether the company has kept proper books of account; and
- whether the directors' report is consistent with the financial statements; and

We also report to you if, in our opinion, information specified by law regarding directors' remuneration and directors' transactions is not disclosed.

We read the directors' report and consider the implications of our report if we become aware of any apparent misstatements within it.



**Independent auditors' report to the members of St. Francis Housing Association Limited
- continued**

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the company's affairs at 31 December 2011 and of its results for the period then ended; and
- have been properly prepared in accordance with the requirements of the Companies Acts, 1963 to 2009.

We have obtained all the information and explanations which we considered necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the company. The financial statements are in agreement with the books of accounts.

In our opinion, the information given in the report of the directors on pages 3 and 4 is consistent with the financial statements.

A handwritten signature in blue ink that reads 'Teresa Harrington'.

**Teresa Harrington
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin**

1 August 2012

PROFIT AND LOSS ACCOUNT
Year Ended 31 December 2011

	Notes	2011 €	2010 €
Income		61,453	-
Expenditure		<u>(61,453)</u>	<u>-</u>
Result for the year before interest		-	-
Interest received		<u>-</u>	<u>-</u>
Result for the year		-	-
Accumulated surplus/(deficit) at 1 January 2011	2	<u>-</u>	<u>-</u>
Accumulated fund at 31 December 2011	10	<u>-</u>	<u>-</u>

The company commenced to trade during the financial year ended 31 December 2011, the company did not trade in the prior year and as a result the company made neither a profit nor a loss during that period.

On behalf of the board

Kieran Cronin
Pat Macken

BALANCE SHEET
As at 31 December 2011

	Notes	2011 €	2010 €
Current assets			
Cash at bank		<u>298,536</u>	<u>-</u>
		298,536	-
Creditors (amounts falling due within one year)	4	<u>(63,953)</u>	<u>-</u>
Total assets less current liabilities		234,583	-
Creditors: amounts falling due after more than one year	5	<u>(234,583)</u>	<u>-</u>
Total net liabilities		<u>-</u>	<u>-</u>
Capital and reserves			
Income and expenditure account		<u>-</u>	<u>-</u>
Represented by: accumulated funds	10	<u>-</u>	<u>-</u>

On behalf of the board

Kieran O'Connell
JH MacMahon

CASH FLOW STATEMENT
As at 31 December 2011

	Notes	2011 €	2010 €
Cash inflow from operating activities	6	298,536	-
Returns on investments and servicing of finance		-	-
Capital expenditure and financial investment		<u>-</u>	<u>-</u>
Increase in cash	8	<u>298,536</u>	<u>-</u>

ACCOUNTING POLICIES

The significant accounting policies adopted by the company are as follows:

Basis of preparation

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts, 1963 to 2009. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland.

Accounting convention

The financial statements are prepared under the historical cost convention.

Going concern

The financial statements have been prepared on the going concern basis.

Income

Income represents amounts received and receivable during the year.

Expenditure

Some costs are borne by Merchants Quay Project Limited.

NOTES TO THE FINANCIAL STATEMENTS

1 Tangible fixed assets

The company did not beneficially own any assets at 31 December 2011.

2 Funds for the year

Auditors' remuneration is borne by Merchants Quay Project Limited.

3 Employees

2011 Number	2010 Number
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The average weekly number of employees during the year were:

Project workers	<u>1</u>	<u>-</u>
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2011 €	2010 €
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Employment costs:

Wages and salaries	13,698	-
Employers' PRSI	<u>1,349</u>	<u>-</u>
	<u>15,047</u>	<u>-</u>

4 Creditors: amounts falling due within one year

2011 €	2010 €
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Amounts due to Merchants Quay Project Limited (Note 9)	<u>63,953</u>	<u>-</u>
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5 Creditors: amounts falling due after more than one year

2011 €	2010 €
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Deferred income	<u>234,583</u>	<u>-</u>
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NOTES TO THE FINANCIAL STATEMENTS

6 Reconciliation of operating deficit to operating cash flow	2011	2010
	€	€
Operating result	-	-
Increase in creditors	<u>298,536</u>	<u>-</u>
Net cash inflow from operating activities	<u>298,536</u>	<u>-</u>

7 Reconciliation of net cash flow to movement in net funds	2011	2010
	€	€
Increase in cash in the year	298,536	-
Net funds at 1 January 2011	<u>-</u>	<u>-</u>
Net funds at 31 December 2011	<u>298,536</u>	<u>-</u>

8 Analysis of changes in net funds during the year	Balance at	Cash	Balance at
	31 December	flows	31 December
	2010		2011
	€	€	€
Cash at bank and in hand	<u>-</u>	<u>298,536</u>	<u>298,536</u>

9 Related party transactions

The Directors of the company are also Directors of Merchants Quay Project Limited (MQP) and the Franciscan Social Justice Initiative Limited (FSJI). The Members have effective control over all three companies.

The balance owing to the Merchants Quay Project Limited at 31 December 2011 was €63,953 (2010: €Nil). Merchants Quay Project Limited has confirmed that they will not seek repayment of this balance for at least twelve months from the date of approval of these financial statements, to enable the company to meet all its liabilities as they fall due.

10 Reconciliation of movements in reserves	2011	2010
	€	€
Opening accumulated surplus/(deficit) as previously stated	-	-
Net result for year	<u>-</u>	<u>-</u>
Closing accumulated fund	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

11 Guarantees and securities

The company has issued no guarantees and has pledged no securities.

12 Contingent liabilities

There were no contingent liabilities at the balance sheet date.

13 Ultimate controlling party

Merchants Quay Project Limited is the ultimate controlling party.

14 Approval of financial statements

The financial statements were approved by the board of directors on 3 July 2012.