

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

Directors' Report and Financial Statements

Year Ended 31 December 2012

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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
Ms Joanne Fenton

Solicitors

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

Secretary

L & P Trustee Services 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

Company Number: 449783

Charity Number: CHY 18159

Registered Office

28 Winetavern Street
Dublin 8

Places of operation

St. Francis Farm
Tullow
Co Carlow

DIRECTORS' REPORT

The directors present herewith the audited financial statements for the year ended 31 December 2012.

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 Financial Reporting Council 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 2012. 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 2012

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 2012 are set out below. Unless otherwise indicated they served as directors for the entire year.

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

Ms Joanne Fenton (appointed 5 September 2012)

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 2012.

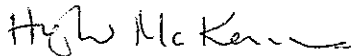
Auditors

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



Rev Hugh McKenna OFM



Rev Kieran Cronin OFM

19 June 2013



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 2012 which comprise of the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements giving a true and fair view. 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 Ethical Standards for Auditors.

This report, including the opinions, 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 these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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. 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 in accordance with Generally Accepted Accounting Practice in Ireland of the state of the company's affairs as at 31 December 2012 and of its deficit and cash flows for the year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Acts 1963 to 2012.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST. FRANCIS HOUSING ASSOCIATION LIMITED - continued

Matters on which we are required to report by the Companies Acts 1963 to 2012

- We have obtained all the information and explanations which we consider 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 account.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Acts 1963 to 2012 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Teresa Harrington

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

20 June 2013

INCOME AND EXPENDITURE ACCOUNT
Year Ended 31 December 2012

	Notes	2012 €	2011 €
Income		539,440	61,453
Expenditure		<u>(568,543)</u>	<u>(61,453)</u>
Deficit for the year before interest		(29,103)	-
Interest received		<u>-</u>	<u>-</u>
Deficit for the year		(29,103)	-
Accumulated result at the beginning of the year		<u>-</u>	<u>-</u>
Accumulated deficit at 31 December 2012	10	<u>(29,103)</u>	<u>-</u>

There are no recognised gains or losses other than the deficit noted above for the financial year 2012.

On behalf of the board


Rev Hugh McKenna OFM


Rev Kieran Cronin OFM

St. Francis Housing Association Limited

BALANCE SHEET
As at 31 December 2012

	Notes	2012 €	2011 €
Current assets			
Cash at bank		<u>345,572</u>	<u>298,536</u>
		345,572	298,536
Creditors (amounts falling due within one year)	4	<u>(374,675)</u>	<u>(63,953)</u>
Total assets less current liabilities		(29,103)	234,583
Creditors: amounts falling due after more than one year	5	<u>-</u>	<u>(234,583)</u>
Total net liabilities		<u>(29,103)</u>	<u>-</u>
Capital and reserves			
Income and expenditure account		<u>(29,103)</u>	<u>-</u>
Total reserves	10	<u>(29,103)</u>	<u>-</u>

On behalf of the board


Rev Hugh McKenna OFM


Rev Kieran Cronin OFM

CASH FLOW STATEMENT
As at 31 December 2012

	Notes	2012 €	2011 €
Cash inflow from operating activities	6	47,036	298,536
Returns on investments and servicing of finance		-	-
Capital expenditure and financial investment		<u>-</u>	<u>-</u>
Increase in cash	8	<u>47,036</u>	<u>298,536</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 2012. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those issued by the Financial Reporting Council and published by the Institute of Chartered Accountants in Ireland.

Accounting convention

The financial statements are prepared under the historical cost convention.

Income

Income represents amounts received and receivable during the year.

Donations received specifically for the activities of the company are recognised when the company is entitled to the monies and the service has been delivered.

Expenditure

Some costs are borne by Merchants Quay Project Limited and reallocated to the company on a consistent basis each year.

NOTES TO THE FINANCIAL STATEMENTS

1 Going concern

During the year the company incurred a deficit of €29,103 and at the balance sheet date the company had net liabilities of €29,103.

The directors have prepared financial statements on the going concern basis, which assumes that the company will continue in operational existence for the foreseeable future.

The validity of this assumption is dependent on the improvement of operational performance and the continued support of Merchants Quay Project Limited. Merchants Quay Project Limited has confirmed that they will not seek repayment of the balance owed to them of €371,600 (2011: €63,953) should this in any way impair the operations of the company and its ability to meet its obligations as they fall due.

Whilst the directors acknowledge the matters mentioned above, they believe that it is appropriate for the accounts to be prepared on the going concern basis.

2 Tangible fixed assets

The company did not beneficially own any assets at 31 December 2012.

3 Employees	2012 €	2011 €
Employment costs:		
Wages and salaries	111,580	13,698
Employers' PRSI	<u>10,355</u>	<u>1,349</u>
	<u>121,935</u>	<u>15,047</u>

Employment costs are based on employee contracts held with Merchants Quay Project Ltd.

4 Creditors: amounts falling due within one year	2012 €	2011 €
Accruals	3,075	-
Amounts due to Merchants Quay Project Limited (Note 9)	<u>371,600</u>	<u>63,953</u>
	<u>374,675</u>	<u>63,953</u>

5 Creditors: amounts falling due after more than one year	2012 €	2011 €
Deferred income	<u>-</u>	<u>234,583</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

6 Reconciliation of operating deficit to operating cash flow	2012	2011
	€	€
Operating deficit	(29,103)	-
Increase in creditors	<u>76,139</u>	<u>298,536</u>
Net cash inflow from operating activities	<u>47,036</u>	<u>298,536</u>

7 Reconciliation of net cash flow to movement in net funds	2012	2011
	€	€
Increase in cash in the year	47,036	298,536
Net funds at beginning of the year	<u>298,536</u>	<u>-</u>
Net funds at 31 December 2012	<u>345,572</u>	<u>298,536</u>

8 Analysis of changes in net funds during the year	Balance at 31 December 2011	Cash flows	Balance at 31 December 2012
	€	€	€
Cash at bank and in hand	<u>298,536</u>	<u>47,036</u>	<u>345,572</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 2012 was €371,600 (2011: €63,953).

10 Reconciliation of movements in reserves	2012	2011
	€	€
Opening accumulated balance as previously stated	-	-
Net result for year	<u>(29,103)</u>	<u>-</u>
Closing deficit	<u>(29,103)</u>	<u>-</u>

11 Guarantees and securities

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

NOTES TO THE FINANCIAL STATEMENTS - continued

12 Contingent liabilities

There were no contingent liabilities at the balance sheet date.

13 Ultimate controlling party

The members and directors of the company at 31 December 2012 apart from Mr. Mick Price, Ms. Joanne Fenton and Mr. Brian Melaugh are members of the Order of Friars Minor.

14 Approval of financial statements

The financial statements were approved by the board of directors on 19 June 2013.