

Franciscan Social Justice Initiatives CLG
(A company limited by guarantee and having no share capital)

Directors' Report and Financial Statements
for the financial year ended
31 December 2016

FRANCISCAN SOCIAL JUSTICE INITIATIVES CLG
REPORT AND FINANCIAL STATEMENTS 2016

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FRANCISCAN SOCIAL JUSTICE INITIATIVES CLG

DIRECTORS AND OTHER INFORMATION

DIRECTORS:

Mr Mick Price (Chair)
Rev Kieran Cronin OFM
Rev Patrick Lynch OFM
Mr Brian Melaugh
Dr Joanne Fenton
Rev Joe Walsh OFM
Mr Ray Langton
Dr Siobhan Garrigan
Ms Margaret Hennessy
Mr Derek Bell

MEMBERS:

Rev Hugh McKenna OFM
Rev Kieran Cronin OFM
Rev Joseph MacMahon OFM
Rev Patrick Lynch OFM
Rev Patrick Younge OFM
Rev Liam Kelly OFM
Rev Padraig Breheny OFM

SECRETARY:

L & P Trustee Services Limited
2/3 Terminus Mills
Clonskeagh Road
Dublin 6
D06 YP23

BOARD SUB-COMMITTEES:

Finance Committee

Rev Kieran Cronin OFM (Chair)
Ms Mairead Divilly
Mr Ray Langton
Mr Jonathan Mooney

Audit & Risk Committee

Mr Ray Langton (Chair)
Rev Kieran Cronin OFM
Ms Mairead Divilly
Mr Derek Bell

Governance & Nominations Committee

Mr Mick Price (Chair)
Mr Derek Bell
Ms Fidelma Keogh

Client Services Committee

Mr Mick Price (Chair)
Mr Brian Melaugh
Dr Joanne Fenton
Dr Siobhan Garrigan

HR & Remuneration Committee

Mr Mick Price (Chair)
Mr Ray Langton
Ms Margaret Hennessy

FRANCISCAN SOCIAL JUSTICE INITIATIVES CLG

DIRECTORS AND OTHER INFORMATION (CONTINUED)

Fundraising & Communications Committee Mr Ray Langton (Chair)
Rev Joe Walsh
Mr Mick Price

EXECUTIVE LEADERSHIP TEAM:

CEO	Mr Tony Geoghegan
Head of Human Resources & Governance	Ms Stella O Sullivan
Head of Finance Risk & IT	Ms Jennifer Owens
Head of Fundraising and Communications	Ms Carol Casey
Head of Day Services	Ms Paula Byrne
Head of Residential Services	Mr Mark Kennedy

COMPANY NUMBER: 280573

CHARITY NUMBER: CHY 12809

**CHARITY REGULATORY
AUTHORITY NUMBER:** 20038335

REGISTERED OFFICE: 24 Merchants Court
Merchants Quay
Dublin 8

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

PRINCIPAL BANKERS: AIB Bank
7/12 Dame Street
Dublin 2

PLACES OF OPERATION: 24 Merchants Court
Merchants Quay
Dublin 8

Riverbank House
Merchant's Quay
Dublin 8

INDEPENDENT AUDITOR: Deloitte
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin 2

FRANCISCAN SOCIAL JUSTICE INITIATIVES CLG

DIRECTORS' REPORT

The directors present herewith the audited financial statements for the financial year ended 31 December 2016.

COMPANY STRUCTURE

Franciscan Social Justice Initiatives CLG ("FSJI") is incorporated as a company limited by guarantee and not having share capital. It was incorporated on 20 February 1998 with registered company number 280573. The company is registered for the charitable purpose of providing a range of services for homeless, unemployed, and marginalised persons.

The main objects for which the Company was established are:

- (a) To work in the inner city with people who are homeless, unemployed or otherwise marginalised in order to provide them with information, advice, referral or advocacy appropriate to their needs and to work to improve their skills and self-confidence to enable them to address their current situation effectively. For this purpose and this purpose only the Company may do or undertake any of the following : -
- (b) To provide a range of services for homeless, unemployed or marginalised persons including:
 - A Citizen Advice Service
 - An Adult Literacy Service
 - A Resettlement Service for homeless persons
 - A Hospitality and Befriending Service
 - A Referral and Advocacy Service
- (c) To promote the greater co-ordination of statutory and voluntary services in the inner city for homeless persons, unemployed persons and other marginalised persons.
- (d) To work towards improving the income and quality of life for the homeless, the unemployed and marginalised.

FSJI is a public benefit entity and is recognised by the Revenue Commissioners as having registered charity status – registration number CHY 12809. The Company is registered with the Charity Regulatory Authority - registration number of 20038335.

The Company is governed by its Constitution (comprising the Memorandum and Articles of Association).

Franciscan Social Justice Initiatives CLG is one of four companies operating under the banner name of Merchant's Quay Ireland carrying out activities for social justice for homeless persons and drug users on a nationwide basis. The other companies are:-

- Merchant's Quay Project CLG
- St. Francis Housing Association CLG
- Merchants Quay Project CE Scheme CLG

Services continue to incorporate the provision of meals, drug services, crisis intervention, needle exchange, rehabilitation and detox services, together with day programmes, aftercare and training.

OBJECTIVES AND ACTIVITIES

VISION, VALUES & MISSION

The Company is a national voluntary service agency providing creative and innovative responses to the issues faced by homeless people and drug users. Below are the overarching Vision, Values and Mission of MQI of which FSJI is a part.

VISION

We are committed to working towards a society where the incidence of drug related harm for the individual, the family and the wider community is greatly reduced and the range and quality of drug services are maximised while also reaching out to the marginalised affected by homelessness to assist them as MQI desire to see a society where nobody is without a place to call home and the need to sleep rough is eliminated.

VALUES

Passion: We are committed to supporting and empowering all people who use our services

Openness: We believe in each person's unique potential and welcome all regardless of circumstances

Excellence: We continue to develop our resources to deliver the highest standards

Collaboration: We recognise that we are stronger when we work collectively; we are committed to developing partnerships to deliver our vision

Adaptability: An openness to change allows us to find solutions to emerging challenges

Integrity: We act with personal responsibility, we treat everyone with dignity and respect

MISSION

We work as a collaborative community to reduce the harm caused by addiction and homelessness.

STRATEGY

The Strategic Plan developed in 2013 for the period 2013-2016 was the basis of the core strategies for the organisation in 2016 which include:

- Cultivate an innovative mindset within MQI that is guided by an ethos of Social Justice which reflects our foundations and values.
- Ensure that service users' voice is represented at all levels so that they are empowered to make informed choices.
- To develop a better understanding of addiction and homelessness by raising awareness through public policy and education
- Strengthen and develop our engagement with existing and potential partners to deliver better services across the greater continuum of care to service users.
- Continuously review and develop our service models and service delivery.
- Develop our data management procedures to ensure that information gathered shapes our planning and decision making.

RESULTS FOR THE FINANCIAL YEAR AND STATE OF AFFAIRS AT 31 DECEMBER 2016

The Statement of Financial Activities and Balance Sheet are set out on pages 22 and 23 respectively.

Financial Review - 2016

FSJI is financed by a mix of statutory and voluntary funding. In 2016 FSJI raised a total income of €3.6m up from €3.5m in 2015.

This income was generated from various sources with 71% from Statutory Government funding mainly from the DCC and Homeless Agency and the balance raised through our fundraising activities and training. Fundraising generated €1.04m, up from €0.95m in 2015 making up 29% of our income for 2016.

Our work would not have been possible without the continued support from our state funders and voluntary funders. We and all those we support would like to pay tribute to the generosity of all our donors.

As a result of an increase in our fundraising and expenditure management, 2016 was a positive year financially, this will allow FSJI to focus on the implementation of our strategic priorities and to ensure we give best care and service possible to our clients. We continue to commit voluntary income to all our services, the continuum of all core services remains one of our key goals.

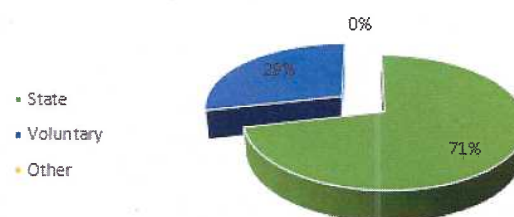
The Board of Directors also considers the need to provide against any future income shortfall and allow funds to be available to support service developments. The reserves are reviewed by the Audit Committee as part of a review and assessment of the organisations risks.

The organisation benefits greatly from the involvement and enthusiastic support of many of its volunteers. In accordance with the Charities SORP (FRS102), the economic contribution of general volunteers is not recognised in the accounts.

Income

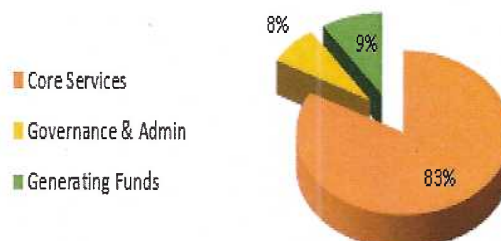
2016: €3.6m (2015: €3.5m)

Statutory	2.57m
Voluntary	1.04m
Other	.00m

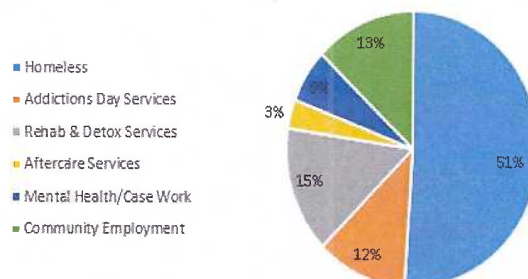


Expenditure

2016: €3.67m (2015: €3.15m)



Service Delivery Areas - MQI



PLANS FOR FUTURE PERIODS

Merchants Quay Ireland is a national voluntary organisation providing a range of effective, efficient and evidence-based treatment and support services for homeless persons and drug users. Through our work we strive to build a society where the incidence of homelessness and drug related harm are greatly reduced and the range and quality of homeless and drugs services are maximised. Our mission is to provide accessible quality services aimed at reducing harm related to drug use and homelessness and at providing pathways towards rehabilitation and settlement.

Notwithstanding that Ireland is finally emerging from over seven years of a deep recession and showing many positive signs of economic growth and development, the rising tide has not lifted all boats. This is particularly evidenced in the current unprecedented levels of homelessness where, month on month, the numbers of people in emergency accommodation continue to rise. Official Government figures show that 7,148 people (including 2,500 children) were in emergency accommodation in the week before Christmas 2016, an increase of 36% year on year, and a massive 91% hike on the figures seen two years ago. With so many people caught in homelessness, unfortunately, it is those with more complex issues, such as drug and alcohol addiction and mental health problems, who get left behind. It is this cohort that makes up MQI's core client group and for 2017 our focus is on maintaining and developing our services to meet the growing demand for drugs and homeless provision with an emphasis on ensuring access to treatment and providing post treatment settlement and supports for the most vulnerable. Our Night Café, which was established in January 2015 as an emergency provision to address the numbers sleeping rough on the streets, remains as needed today as ever and we are committed to continuing this service until such time as the demand abates. We are also working closely with Dublin Simon to develop a residential rapid access low threshold stabilisation and detoxification service specifically targeting those with drug and/or alcohol problems who are sleeping rough. We will be seeking State support for this initiative and our aim is to commence this service in 2017.

Demand for our residential drug treatment services remains high and we are fully committed to maintaining these services. Aftercare support, including access to accommodation, is an essential component of drug treatment and of successfully sustaining a drug-free lifestyle and the move to independent living. However, in the current housing crisis access to accommodation for people completing drug treatment is extremely difficult. We know that realistically MQI cannot address these issues on our own and in 2017 will work closely with our partner agencies in the homeless and drug sectors to maximise access to supported housing and independent living units for people completing drug treatment.

As we commence 2017, the Government have introduced a new action plan 'Rebuilding Ireland' to address the current housing and homeless crisis. MQI, through our participation in the Homeless Network, remain committed to working with our colleagues in the statutory and voluntary sectors to develop positive policy and practical responses to these issues. Similarly in the drugs arena, 2017 sees the development of a new National Drugs Strategy 2017 – 2025 and MQI, through our participation in the National Voluntary Drug Treatment Network, will continue to work to provide support and treatment options for people caught in addiction.

At Merchants Quay we believe that the issues of homelessness and drug use are not insurmountable and can be addressed and in 2017 remain committed to addressing these issues and prioritising the needs of these more vulnerable members of our society. At the end of the day this is what social justice and creating a fair society is all about.

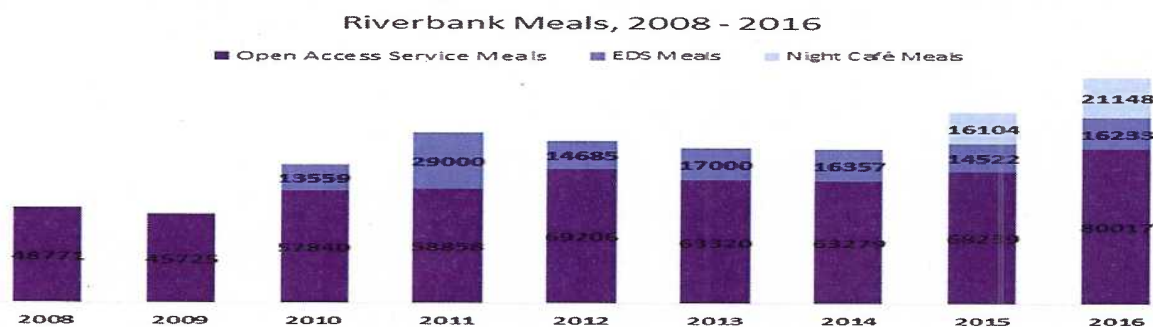
ACHIEVEMENTS AND PERFORMANCE

The Night Café: The MQI Night Café service continued to open every night in 2016 between 11pm and 7.30am, seven nights per week, catering for up to 70 people each night. This initiative was originally part of an emergency solution to the homeless crisis at Christmas 2014, but the service continued to play a role in 2016 with average attendance up 23% at 58 people each night. The main aim of the service is firstly to keep people safe and sheltered and then to engage them with support options. The Night Café service is different from a coffee shop in that clients can't just walk in the door, they are referred to the service by calling the homeless 'Freephone' or by engaging with the 'Housing First' Outreach Team operating on the streets at night. These two services do everything possible to get people into emergency accommodation for the night. The Night Café is the 'plan B' for those who cannot or will not access emergency accommodation. The service provides a range of support options to people who are experiencing homelessness, including:

- Tea/coffee and a light meal
- Information and advice
- Showers/clothing
- Drug treatment options
- Brief interventions on addiction and mental health
- Case work regarding accommodation, health & social services

A total of 2,022 individuals attended the service in 2016 (86% of those referred to the service actually presented). MQI aspire to find a dignified place to stay for everyone who presents to the Night Café service, this however takes time and hard work on the part of the individual supported by a case worker. The nature of rough sleeping means that relapse and crises do occur frequently so it is not possible to say that once someone exits the service that they will not be back. People do relapse after supports have been put in place, so, in line with best practice in drug and homeless service provision, we strive to swiftly reconnect people with the means to mitigate crisis and prevent a full return to rough sleeping. MQI are adamant that resting on yoga mats on a floor is far from the dignity human beings deserve, however, it is a safe and accessible place off the streets for people to get hot food, shelter and a chance to work on finding a proper place to live.

The Drop-In Service: The Drop-in Service aims to address crisis and to provide links to community based services. The Drop-in Service is central to making contact with those who are in crisis and to providing a platform for assessment and goal setting to be developed based on the needs of each service user. While service users gain respite from the streets, in addition to a hot meal, we offer connections to health, social welfare and emergency accommodation supports. In 2016, we recorded 8,607 supportive interventions with service users at Riverbank, an increase of 34% on 2015. Interventions include key working sessions, referrals to emergency accommodation, social work services, medical services and social welfare services. It also includes help in contacting friends or family, access to drug treatment and support in a variety of other matters. The service provides supports to clients who have been experiencing hard times, striving to empower and assist them to find a place to live and to get their lives on the road to a better place. Project workers help homeless people from a variety of settings, including rough sleeping, hostels, B&B's, short-term arrangements with friends/families and transitional and supported accommodation. Our staff assist those who have accommodation problems - the goal being to help clients into long term housing and independent living. In cases where the person is unable or unwilling to engage with support work, or wants to continue living on the streets, we try to reduce the associated harms where possible. Getting a client to come into the breakfast service regularly can take as much work as getting someone into accommodation. We also support people who are not homeless but who are at risk of losing their accommodation. The Drop in Service at the Riverbank centre offers homeless people breakfast and lunch 6 days per week (The service is closed on Saturdays).

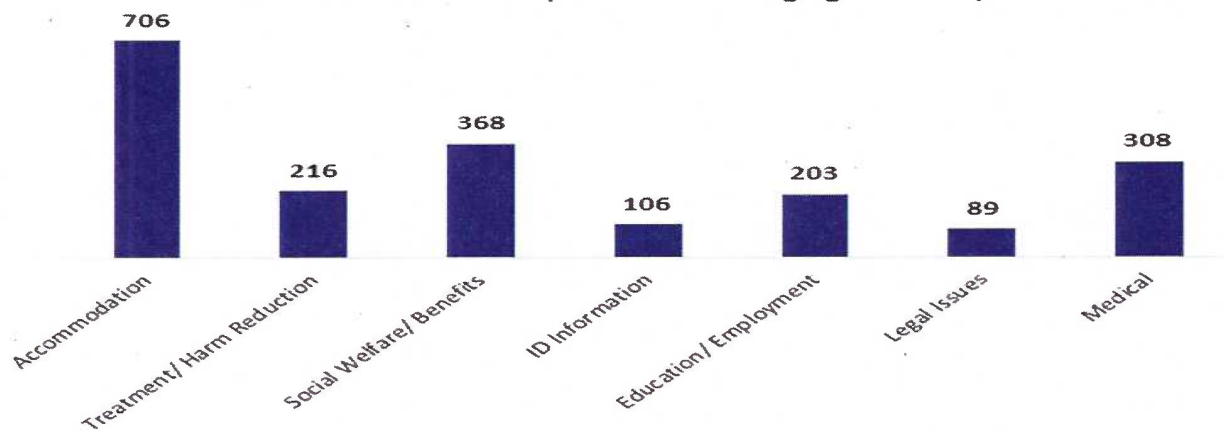


ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

The Case Management HUB: Connections to the broader network of support services are a vital part of what we offer clients in the Open Access service. Our vision is to provide solutions to people so that their time in Dublin homeless / drug services is minimised. Generally this means putting in place a care plan to re-integrate the client into their community where their professional and social supports reside – whether this be Dublin, Kerry, Donegal or places outside Ireland. The Case Management HUB seeks to empower people to access supports with the help of social care professionals operating in specialist roles such as youth, mental health and assertive outreach. The Open Access crisis support services address basic needs but individualised care plans are central to beginning pathways out of crisis. In some cases, there are up to 10 different agencies engaging with one client as part of a care plan that the client has played an active role in developing. The Case Management HUB works with external agencies in areas such as health, accommodation and welfare to give the client a greater continuum of care and a better chance of achieving positive outcomes.

Intensive Engagement Service: Many of the drug users who come to us are in crisis. Some have become homeless; others have financial and legal problems. The thrust of our morning service (10.00-13.00) is now a one-to-one support function called the Intensive Engagement Service. This service operated throughout 2016 providing an increased depth of work with individuals presenting with complex needs. The service provides support with accommodation, treatment, training, medical, welfare and legal issues. We want continuity of care for our clients as sometimes it can take weeks or months working with multiple support agencies in order to attain outcomes. Working with homeless people or drug users often involves working on crisis situations. In maintaining contact with clients we were able to assist them by filling out paperwork or getting signatures on medical card applications, homeless registrations or treatment referral forms. In 2016, 929 individuals (a reduction of 9% on 2015) availed of the intensive engagement service. As with previous years, accommodation was the predominant area that people sought help with in 2016.

Assessed Case Work, Intensive Engagements, 2016



Support to foreign nationals: Roughly 20% of visits to the service were made by people from new communities living in Ireland, mainly from Eastern Europe. Language, culture and distance from family mean that life can be that bit more challenging for those from outside of Ireland who are experiencing hard times. Several of our team members are fluent in a number of European languages and have links to services including Barka, Mendicity and Embassies who provide specialist supports including training and employment, repatriation, English language classes, drug and alcohol treatment, replacement of identity documents and making links with healthcare services in the country of origin. Some non-national clients are now back with family and friends in their country of origin, others are doing well in Ireland and many are continuing to work on getting themselves out of homeless services through MQI and our partners.

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

The Assertive Outreach Service: Many homeless people and drug users come to serious harm on the streets, and those who are not engaging with services are at high risk in every sense. In line with our mission statement to reach out to the most vulnerable in society, this service aims to make contact with drug users not engaged with any services and to provide them with accessible support options. In 2016, the assertive outreach team contacted vulnerable drug users on the street, collected used needles and syringes and also liaised with local community groups including, An Garda Síochána, Dublin City Council and other drugs and homeless service providers. The geographical zone covered by the outreach service was predominantly around the Merchants Quay area. Outreach workers also liaised with a variety of other businesses, residents, individual tourists and services. Clients were assisted with accommodation, drug treatment options, clothing, food, showers and basic services. The service visited a number of clients in hospitals and nursing homes throughout the year, this involved working with medical staff and social workers to progress care plans. We also accompanied service users to doctors, court, the post office and case conference meetings. The service engaged with 116 individuals on specific casework and over 1,000 individuals on an informal support basis on the street throughout 2016.

The Young Persons Support Worker (YPSW): The evidence shows that early intervention is effective in addressing drug and homeless issues. A life revolving around homeless and drug services is not what we want for our clients. Instead, we want to see our clients address the core problems in their lives and then connect with community, training, education and employment services to enable them to move forward with new purpose. This is why our donors kindly supported the appointment of a dedicated support worker for those in the 18-25 age bracket. The YPSW has a strong network of community options for young people presenting to the MQI services, and specialises in connecting young people with areas they are passionate about so that they are supported in making a swift exit from homeless services onto a positive pathway in life. In 2016, the YPSW worked with 204 individuals (an increase of 24% on 2015) to address the source of crisis (normally accommodation and drug treatment) and to support the young people in achieving their goals in life. Antoinette, our YPSW has solid working relationships with GPs' and organisations such as EPIC, Ballymun YAP and Peter McVerry Trust which she uses to provide community detox, accommodation and advocacy for the young people presenting to MQI.

Primary Healthcare Services

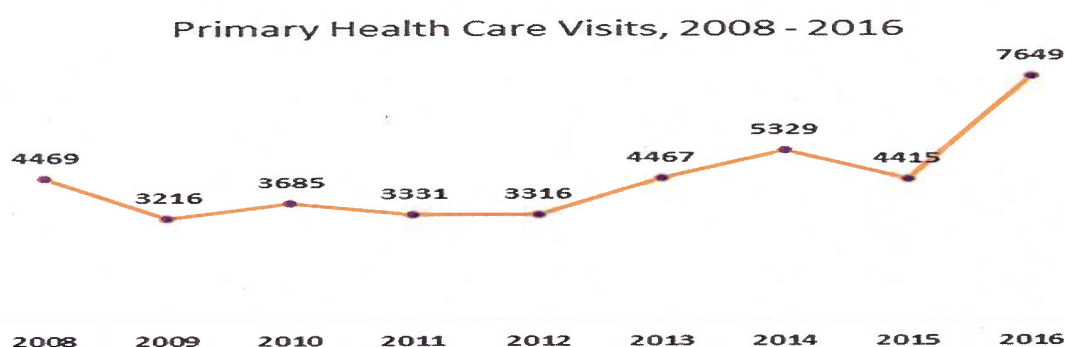
2016 saw significant increases in both the breadth and depth of health supports provided in Open Access. The challenges of accessing hard to reach rough sleepers means that the Open Access Service is a practical place for GP's and hospital consultants to see their patients (who may not otherwise have the capacity to turn up on time for hospital appointments). The logic of seeing patients in a community setting and pre-emptively treating a range of mental and physical health issues before they turn into hospital admissions makes sense from both practical and health economics standpoints.



ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

MQI has embraced the implementation of the National Drugs Rehabilitation Implementation Committee (NDRIC) protocols for drug services in Ireland which essentially puts the client at the centre of their own care plan. The staff in the primary health service meet clients with a mix of warmth and pragmatism – seeking not just to address the health issue, but also the human being and the causal factors behind the problem. MQI's specialty is harm reduction, health and rehabilitation and many recovery stories begin with a trip to see Dr. Kieran the GP. Being well connected with other agencies who specialise in areas such as domestic violence, care of the aged, housing experts and cardiac/liver problems is an important factor in moving people out of chaos and homelessness. Because resources are scarce, MQI seeks out innovative solutions to extend health and treatment services to people – these include video conferencing with hospital consultants, providing access to hepC / HIV treatment in our day service and embracing the latest evidence on 'street medicine'.

Our services operate off a platform of partnership with the HSE, the Dublin Regional Homeless Executive and SafetyNet. An important dynamic is the provision of healthcare to people who find it hard to engage with conventional health systems. In total there were 7,649 health care interventions during 2016 (an increase of 73% compared to 2015).



Nursing: There were a total of 2,474 nursing interventions in 2016 (an increase of 68% compared to 2015). Behind this number are many instances of our nurse, Marguerite, going above and beyond the call of duty – accompanying people to A&E, treating overdoses on the street and giving people respite in the nurse's room. Sometimes compassion is the essential ingredient to building a working relationship. We mix this with the leading practices on issues such as wound care, blood testing, sexual health, medication management and gender specific health issues. Referrals to services such as A&E and other hospital services are a large part of the nursing role. We aim to provide consistency and continuity of care through collaborative working with hospitals, community GP's and the 'SafetyNet' homeless medical services.

GP Service: The waiting area in the Open Access primary health service was constantly full of people patiently waiting to see the GP in 2016. Dr. Kieran and his colleagues mobilised supports to open the doors to medical and psychiatric supports for 1,792 individuals in 2016 – sometimes against all the odds. As a leading practitioner of 'street medicine', Dr Kieran has been central to the organic growth of the Open Access medical services – providing a senior level link with St James Hospital which has in turn opened doors to specialist disciplines and 'inclusion medicine' projects. The GP service provided 3,927 consultations over the course of the year, an increase of 85% compared to 2015. The service is used by clients with a variety of acute and chronic illnesses and our focus is on linking people with community or mainstream G.P. services. Methadone substitution therapy helps people to break their links with illegal and high-risk drug use. The GP's from SafetyNet provided methadone substitution therapy to approximately 40 service users in 2016.

MENTAL HEALTH SUPPORTS

The Mental Health Team: In order to meet increased demands for mental health services, generous donations from donors allowed us to hire another psychiatric nurse and a mental health case worker in order to expand Mental Health Services to clients across MQI.

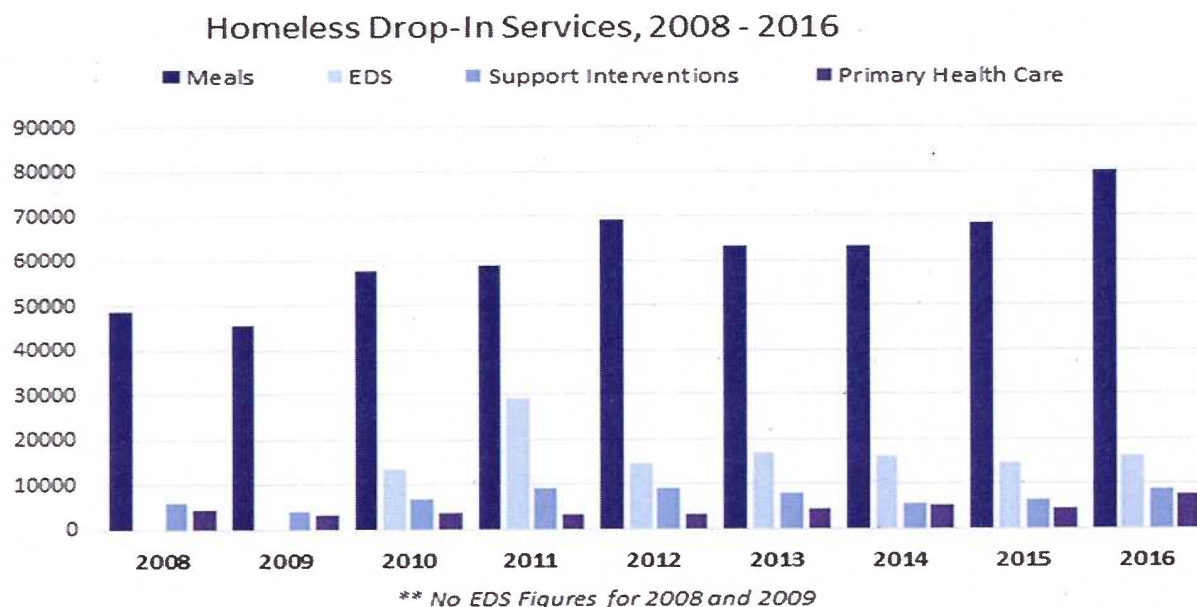


Derek, our Clinical Nurse Manager and his team work with the HSE, community mental health teams, other homeless and addiction agencies as well as foreign embassies in order to achieve the best outcomes for clients. In 2016, 315 people (84% of whom were Irish nationals) needed our mental health services due to concerns about their mental health, an 8% increase on 2015. There were a total of 1,407 appointments provided in 2016, of which significant crisis support was required on 161 occasions. The Mental Health team is staffed by highly motivated nursing and mental health care professionals who have been able to effectively intervene and manage situations that would have otherwise resulted in referrals to HSE mental health services. Having the mental health team means that clients no longer have to wait for hours in A&E and can get their problems addressed before they turn into full blown crises. Where possible, clients presenting to the service are linked into pre-existing community mental health supports. In many cases this means that people can get on with their lives and their time in homeless services is at an end. In 2016 the mental health team were an integral part of providing community detox in partnership with Safetynet (the medical service provider for homeless services) and provided substantial support to staff at MQI in addressing client mental health issues.

Counselling: We provided 386 counselling sessions in 2016 (a reduction of 12% on 2015). Bernie our counsellor spent much of her time talking to clients in the Drop-in food centre, creating working relationships and providing brief interventions to those in need of support. Homelessness is often associated with severe stresses and difficulties in life, and it's not surprising that many people find it hard to cope. The Counselling Service for homeless people works at two levels. Firstly, providing a brief crisis counselling service targeted at service users in distress. And secondly, offering medium to long-term counselling relating to issues such as relationships, bereavement and drug use. In addition, we provide group support for homeless service users attending our day programmes.

Extended Day Service (EDS): The EDS addresses a gap in out of hours' services available to homeless people between 5:30pm and 8:30pm. The service provided 16,233 evening meals in 2016 along with crisis support, information, advice and assistance - between 80 and 120 people used the service each night. The EDS is operated in partnership with Focus Ireland in order to offer an efficient and integrated continuum of care, capitalising on the strengths of both organisations to deliver the best possible outcomes for clients. This service was established to meet the evening time needs of homeless people and rough sleepers, and continued throughout 2016.

MENTAL HEALTH SUPPORTS (CONTINUED)



Holistic supports: MQI seek to open gateways from crisis services to recovery, we do this by providing one-to-one support linked to a range of leisure and learning opportunities. The aim is to encourage service users to examine alternatives to drug use. One of the features of this program is weekly acupuncture within the Open Access Service which was accessed on over 200 occasions during the year. We facilitated a mix of programmatic and impromptu music sessions during the year which provided transformative experience for many service users, putting smiles on faces and setting people off dancing in the drop in centre. The Franciscan Friars & Nuns, yoga teachers, art therapists and meditation practitioners offered a holistic and creative dimension to those who were seeking resources at a deeper level.

GOVERNANCE AND MANAGEMENT

DIRECTORS/TRUSTEES AND SECRETARY

The current directors are listed on page 2. The directors/trustees, who served at any time during the financial year except as noted, were as follows:

Directors/Trustees:

Mr Mick Price (Chair)
Rev Hugh McKenna OFM (resigned 26/7/16)
Rev Kieran Cronin OFM
Rev Patrick Lynch OFM
Mr Brian Melaugh
Dr Joanne Fenton
Mr Marcus Keane (resigned 26/7/16)
Rev Joe Walsh OFM
Mr. Ray Langton
Dr Siobhan Garrigan
Ms Margaret Hennessy (appointed 11/11/2016)
Mr Derek Bell (appointed 11/11/2016)

Secretary:

L & P Trustee Services Limited

Directors are appointed by the Members of the Company. The Chairperson of the Board of Directors shall be appointed by the Members for a three year term and may be reappointed. The Members are the Definitory of the Order of Friars Minor of the Irish Franciscan Province.

The term of office of a Director shall be three years and Directors may be reappointed.

The composition of the Board shall be not more than ten persons and not less than five. The quorum for meetings is four. All Directors are chosen on the basis of their willingness to serve, their ability, governance experience and support of the ethos and mission of the Company. In line with this, the Board enhanced its membership with the appointment of Ms Margaret Hennessy and Mr Derek Bell on the 11th November 2016. The Board is committed to ensuring it has the necessary mix of skills and expertise and where necessary, seeks professional advice.

The Board meets formally at least six times a year. During 2016, the Board met nine times.

Directors are required to undergo an induction programme to ensure that collectively they have the necessary oversight for the appropriate governance of the organisation. Training is arranged when a need is identified. With the exception of necessitous expenses, Directors are not remunerated for their work on the Board nor can they be appointed to any salaried position of the Company. No expenses were paid to Directors during the financial year (2015: €nil).

The Members meet annually to receive the annual report and audited financial statements of the Company. Other meetings may take place as required.

GOVERNANCE AND MANAGEMENT (CONTINUED)

There are currently six sub-committees of the Board

1. The Finance Committee is responsible for overseeing the Board's financial responsibilities and ensuring that effective systems, financial controls and procedures are in place to enable the organisation to operate in an orderly and efficient manner, and to report and make recommendations to the Board thereon.
2. The Audit & Risk Committee is responsible for the monitoring and review of the organisation's financial performance and financial controls, including the organisation's internal audit function, making recommendations to the Board about the appointment and remuneration of the external auditor and all matters relating to the external audit process, and overseeing, reviewing and monitoring Risk within the organisation.
3. The Client Services Committee is responsible for overseeing the services and operations of the Company. It is also responsible for assisting the Board in the planning and development of new services, the development and implementation of appropriate quality standards, compliance reporting to stakeholders and the clinical governance of the services such as supervision, good quality standards and best practice. The Committee is also responsible for considering the impact of any new Client Service proposals in line with the strategic plan, opportunities and considering the challenges which may arise in any change process.
4. The Governance & Nominations Committee is responsible for ensuring that best practice is adhered to regarding governance, accountability and transparency, monitoring and reviewing adherence to relevant Voluntary Codes and Statutory Guidelines and making recommendations on nominations for Board membership, ensuring that the organisation has sufficient resourcing with the correct skills and expertise in place to achieve its strategic objectives.
5. The HR & Remuneration Committee is responsible for overseeing employment practices, pay and pay structures and to consider, advise and recommend on organisational restructuring.
6. The Fundraising and Communications Committee is responsible for ensuring that best practices are adhered to regarding Fundraising practice and oversight and to make recommendations to the Board regarding the Fundraising strategy.

MANAGEMENT

The Company is led and controlled by a Board of Directors ("the Board") which is collectively responsible for ensuring the delivery of the organisation's objectives, for setting its strategic direction, and for upholding its values.

Day-to-day management of the organisation is delegated to the Chief Executive Officer and the Executive Leadership Team.

All of the above form the key management team.

RISK ASSESSMENT

The Board of Directors & the Executive Leadership Team is committed to maintaining a strong risk management framework. The objective of the risk management is to ensure that the organisation is equipped to monitor and manage its key risks in line with good practice and to ensure that the Company makes every effort to manage risk appropriately by maximising its potential opportunities to mitigate risk, while also minimising the adverse effects of risk.

The Executive leadership team along with the relevant Committees will be responsible for executing and maintain the organisation's Risk Management programme.

The principal risks and uncertainties that the trustees see as facing the charity are:

- Health & Safety Risks for staff and clients
- Threats to Funding
- Risk of Material Error
- Risk of Litigation
- Inability to meet costs as they arise

The Company has appropriate insurance and business policies to limit the risks associated with its activities and the Audit & Risk Committee reporting to the Board of Directors reviews, assesses and monitors the organisation's control and risk management systems, its Risk Register and Risk Appetite Statement.

COMMITMENT TO BEST PRACTICE IN CORPORATE GOVERNANCE

The Company is on the journey towards being compliant with the *Governance Code: A Code of Practice for Good Governance of Community, Voluntary and Charitable Organisations in Ireland* ("the Code") and it became fully compliant with the Code by March 2017. The process involved a thorough review and assessment of the organisation's policies, procedures, structures and values to ensure that the Company was run as effectively as possible, with a focus on increasing transparency and a reassurance to all stakeholders that funds and donations are being well managed.

The Company recognises that organisations have a responsibility to follow a code of good practice when it comes to how their organisations are run. The aim of the Code is to determine and formulate standards of best practice in corporate governance applicable across the areas of leadership, control, transparency, accountability, working effectively and behaving with integrity.

COMMITMENT TO STANDARDS IN FUNDRAISING PRACTICE

The Company is fully committed to achieving the standards contained within the Statement of Guiding Principles for Fundraising ("the Statement"). The Statement was developed by the Irish Charities and Tax Research Group and exists to provide charities in Ireland with a Fundraising Code of Practice.

The purpose of the statement is to:

- Improve the way charities in Ireland raise their funds
- Promote high levels of accountability and transparency by organisations fundraising from the public
- Provide clarity and assurances to donors and prospective donors about the organisations they support.

The Company is committed to complying with the Statement for Guiding Principles for Fundraising and has formally discussed and adopted the Statement at a meeting of the Board. The Board meets regularly to discuss plans for funding, including any shortfall or excess and allocation of funds.

DIRECTORS' REPORT (CONTINUED)

RESERVES POLICY

The Directors have examined the Company's requirements for reserves in light of the main risks of the organisation. The Board is working to achieve a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the Company should be 6 months of the current expenditure.

TAXATION STATUS

The Company has been granted charitable tax status by the Revenue Commissioners.

EVENTS SINCE THE FINANCIAL YEAR END

At the date of signing the Company has not been notified of any significant reductions in income that would impact on the service the Company provides however, should there be any reductions in 2017 it may necessitate cost containment measures.

ACCOUNTING RECORDS

The measures that the directors have taken 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 employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at 24 Merchants Court, Merchant's Quay, Dublin 8.

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each of the persons who are directors at the time the directors' report and financial statements are approved:

- A) So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- B) Each director has taken all steps that ought to have been taken by the director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Deloitte, Chartered Accountants and Statutory Audit Firm continue in office in accordance with Section 383(2) of the Companies Act 2014.

Approved by the Board and signed on its behalf by:



Mick Price
Director



Kieran Cronin
Director

Date:

19/6/2017

FRANCISCAN SOCIAL JUSTICE INITIATIVES CLG

DIRECTORS' RESPONSIBILITIES STATEMENT

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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework"). 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 those financial statements, the Board is required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the 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 Board is 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 Board's report complies with the Companies Act 2014 and enable the financial statements to be audited. It is 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 Board is responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRANCISCAN SOCIAL JUSTICE INITIATIVES CLG

We have audited the financial statements of Franciscan Social Justice Initiatives CLG for the financial year ended 31 December 2016 which comprise the Statement of Financial Activities, Balance Sheet, the Statement of Cash Flows and the related notes 1 to 19. 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 ("relevant financial reporting framework").

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 auditors

As explained more fully in the Directors' Responsibilities Statement, 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 the Companies Act 2014 and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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 and Financial Statements for the financial year ended 31 December 2016 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 state of affairs of the company as at 31 December 2016 and of its incoming resources and application of resources, including its income and expenditure for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with 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.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
FRANCISCAN SOCIAL JUSTICE INITIATIVES CLG**

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Margarita Martin

Margarita Martin
For and on behalf of Deloitte
Chartered Accountants and Statutory Audit Firm
Dublin

Date: *11 July 2017*

FRANCISCAN SOCIAL JUSTICE INITIATIVES CLG

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	Note	Designated Funds 2016 €	Unrestricted Funds 2016 €	Restricted Funds 2016 €	Total Funds 2016 €	Designated Funds 2015	Unrestricted Funds 2015	Restricted Funds 2015	Total Funds 2015 €
Income from:									
Charitable activities	4	-	-	2,570,711	2,570,711	-	-	2,530,142	2,530,142
Donations and legacies	3	-	687,619	347,427	1,035,046	-	573,162	385,500	958,662
Other incoming resources	5	-	675	-	675	-	2,353	-	2,353
Total income		-	688,294	2,918,138	3,606,432	-	575,515	2,915,642	3,491,157
Expenditure On:									
Charitable activities	6	-	548,954	2,837,611	3,386,565	-	305,497	2,615,104	2,920,601
Raising funds	7	-	287,387	-	287,387	-	234,721	-	234,721
Total Expenditure		-	836,341	2,837,611	3,673,952	-	540,218	2,615,104	3,155,322
Net (expenditure)/income for the financial year	9		(148,047)	80,527	(67,520)	-	35,297	300,538	335,835
Taxation	17	-	-	-	-	-	-	-	-
Net movement in funds		-	(148,047)	80,527	(67,520)	-	35,297	300,538	335,835
Transfer between funds	14	(150,000)	150,000	-	-	44,415	(44,415)	-	-
Total funds at 1 January 2016		394,415	89,082	445,193	928,690	350,000	98,200	144,655	592,855
Total funds at 31 December 2016	14	244,415	91,035	525,720	861,170	394,415	89,082	445,193	928,690

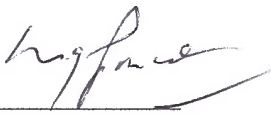
All activities relates to continuing operations. The statement of financial activities includes all gains and losses recognised in the financial year.

FRANCISCAN SOCIAL JUSTICE INITIATIVES CLG

BALANCE SHEET AS AT 31 DECEMBER 2016

	Notes	2016 €	2015 €
Fixed Assets			
Tangible assets	10	-	-
Current Assets			
Debtors	11	62,219	152,741
Cash at bank and in hand		1,124,612	913,776
		<u>1,186,831</u>	<u>1,066,517</u>
Creditors: Amounts falling due within one year	12	(325,661)	(137,827)
		<u></u>	<u></u>
NET ASSETS		861,170	928,690
		<u></u>	<u></u>
Charity Funds			
Restricted funds	14	525,720	445,193
Unrestricted funds	14	91,035	89,082
Designated funds	14	244,415	394,415
		<u>861,170</u>	<u>928,690</u>

The financial statements were approved and authorised for issue by the Board of Directors on 19 June 2017 and signed on its behalf by:


Mick Price
Director


Kieran Cronin
Director

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FRANCISCAN SOCIAL JUSTICE INITIATIVES CLG

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

RECONCILIATION OF NET (EXPENDITURE)/ INCOME TO CASH USED IN CHARITABLE ACTIVITIES

	2016 €	2015 €
Net (Expenditure)/ Income for The Reporting Year	(67,520)	335,835
Decrease/(increase) in debtors	90,522	(152,677)
Increase/(decrease) in creditors	187,834	(36,931)
Net Cash Flow from Charitable Activities	210,836	146,227

	2016 €	2015 €
Cash flows from Charitable Activities		
Net Cash used in Charitable Activities	210,836	146,227
Cash provided by investing activities	-	-
Change in cash and cash equivalents in the reporting year	210,836	146,227

Cash and cash equivalents at the beginning of the reporting year	913,776	767,549
Cash and cash equivalents at the end of the reporting year	1,124,612	913,776

Reconciliation to cash at bank and in hand:

Cash and cash equivalents at end of financial year	1,124,612	913,776
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1. ACCOUNTING POLICIES

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

Basis of Preparation

The significant accounting policies and estimation techniques adopted by the Company are as follows:

Basis of Preparation of Accounts

Franciscan Social Justice Initiatives is a company incorporated in Ireland under the Companies Act 2014. The address of the registered office is Merchants Court, 24 Merchant's Quay, Dublin 8. The nature of the company's operations and its principal activities are set out in the report of the directors on pages 4 to 18.

- (i) In accordance with Section 1180(8) of the Companies Act, 2014, the company is exempt from including the word "Limited" in its name. The company is limited by guarantee and has no share capital.
- (ii) In prior financial years, companies not trading for gain for the members were not within the scope of company law requirements with regard to formats and content of financial statements which applied to not-for-profit companies, thus permitting the adoption of a format appropriate to a charity. Accordingly, the organisation adopted and reported its performance in accordance with the format provided for in the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" as published by the Charity Commission for England and Wales. In particular Franciscan Social Justice Initiatives reports its performance for the financial year in the format of the SORP's Statement of Financial Activities (SOFA).

The Charity Commission for England and Wales, is recognised by the UK Accounting Standards Board (ASB) as the appropriate body to issue SORPs for the charity sector in the UK, and the SORP has heretofore been recognised as best practice for financial reporting by charities in Ireland.

The Companies Act 2014 became effective in law on 1 June 2015 and from that date applies the format and content of financial statements requirements appropriate for a company trading for the profit of its members to a company that is a not-for-profit organisation. This would require Franciscan Social Justice Initiatives for example, to present a profit and loss account and report on items such as turnover, cost of sales, profit or loss on ordinary activities before taxation, along with related notes. In the view of the directors this is neither an appropriate presentation nor terminology for a not-for-profit organisation.

In order to provide information relevant to understanding the stewardship of the directors and the performance and financial position of the charity, Franciscan Social Justice Initiatives has prepared its financial statements in accordance with the formats provided for in the SORP consistent with the prior financial year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

(ii) Basis of preparation

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with the Statement of Recommended Practice (SORP 2015)) "Accounting and Reporting by Charities" in accordance with the Financial Reporting Standard applicable in the UK (which has been recognised as best practice for financial reporting by charities in Ireland) and Republic of Ireland (FRS 102), issued by the Financial Reporting Council, and the Companies Act 2014.

The financial statements are presented in euro.

Going Concern

The organisation's forecast and projections, taking account of reasonable possible changes in performance, show that the organisation will be able to operate within the level of its current cash and investment resources. The Board have a reasonable expectation that the organisation has adequate resources to continue in operational existence for the foreseeable future. Thus they have continued to adopt the going concern basis of accounting in preparation of the annual financial statements.

Tangible Fixed Assets

The cost of tangible fixed assets is their purchase price. Tangible fixed assets are shown at cost less accumulated depreciation.

Depreciation is calculated in order to write off the cost of tangible fixed assets over their estimated useful lives by equal annual instalments. The estimated useful lives of tangible assets by reference to which depreciation has been calculated are as follows:

Fixtures and fittings	6 – 7 years
Improvements to premises	5 – 50 years

Income

Grant Income is recognised on a receivable basis in the Statement of Financial Activities. Donations and similar income are recognised in the Statement of Financial Activities when received.

- (i) Income from voluntary donations and similar income is recognised when received.
- (ii) Grants from the government and other agencies have been included as income from activities in furtherance of the charity's objects and accounted for on a receivable basis.
- (iii) Legacies are included when the amount is to be received is probable and can be measured with certainty.
- (iv) Interest income is recognised on a receivable basis.
- (v) Revenue refunds in respect of tax relief on voluntary donations are recognised on a receivable basis in so far as the receivable can be established with a reasonable amount of accuracy.
- (vi) Other income reflects bank interest received.

1. ACCOUNTING POLICIES (CONTINUED)

Expenditure

Charitable activities comprises expenditure incurred that are directly related to the implementation of programmes and the activity of the company. Expenditure is recognised in the period to which it relates. Expenditure incurred but unpaid at the balance sheet date is included in accruals and other creditors.

Expenditure on raising funds comprise all expenditure incurred by Merchant's Quay Ireland on raising funds for the organisation's charitable activities.

Fund Accounting

The following funds are operated by the Charity

General Funds - unrestricted

General Funds represent amounts which are expendable at the discretion of the Board of Directors in furtherance of the objective of the charity which have not been designated for other purposes. Such funds may be held in order to finance working capital or capital expenditure.

Designated Funds

Designated funds are unrestricted funds earmarked by the Board of Directors for particular purposes.

Restricted Funds

Restricted funds represent income, which has been received and recognised in the financial statements, which is subject to specific conditions imposed by the donors on grant making institutions.

Reserves Policy

In order to secure the long term viability of Franciscan Social Justice Initiatives and to maintain the smooth operation of the organisation, it is critical to ensure that the organisation has adequate reserves.

The board has adopted a reserves policy based on foreseeable expenditure and in particular, long-term commitments. In addition, a general reserve of €244k has been set aside towards the reserves policy goal of €1.83m which would allow operation of the organisation for 6 months, based on historical running costs and programme expenditure.

The level of reserves is required to cover the following activities of the organisation:

- Provide funding for sustainable programmes.
- Meet contractual liabilities such as lease agreements, statutory staff payments and payments to creditors.
- Operating
- Maintain a required level of funding available for programmes during times of financial difficulty where fundraising income is diminished.
- Working Capital Requirements.
- Meet unanticipated expenses such as repairs and maintenance, currency variances and legal costs.
- Cover day to day expenditure of Franciscan Social Justice Initiatives.
- Ensure there is adequate funding should any winding up costs ever arise.
- Provide for any other unanticipated expenditure of significance.

1. ACCOUNTING POLICIES (CONTINUED)

Pensions Schemes

The company operates an employer sponsored, defined contribution pension schemes. The assets of the schemes are held separately from those of the charity, in an externally managed fund. The company's annual contributions are charged to the Statement of Financial Activities.

Taxation

The company has been granted charitable status by the Revenue Commissioners and is therefore exempt from taxation.

Foreign Currencies

Transactions are recorded at the rates of exchange ruling at the date of transaction. Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Foreign exchange gains and losses are dealt with in the statement of financial activities in the financial year in which they occur.

Financial Instruments

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the entity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are recognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the entity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are recognised only when the obligation specified in the contract is discharged, cancelled or expires.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONTINUED)**

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The directors do not consider there are any critical judgements or sources of estimation requiring disclosure.

3. DONATIONS AND LEGACIES	Unrestricted Funds 2016 €	Restricted Funds 2016 €	Total Funds 2016 €	Total Funds 2015 €
Legacies	-	-	-	11,323
General donations	687,619	347,427	1,035,046	947,339
	<u>687,619</u>	<u>347,427</u>	<u>1,035,046</u>	<u>958,662</u>

4. CHARITABLE ACTIVITIES	Unrestricted Funds 2016 €	Restricted Funds 2016 €	Total Funds 2016 €	Total Funds 2015 €
Homeless services	-	2,570,711	2,570,711	2,328,502
Counselling and support	-	-	-	201,640
Total Income	<u>-</u>	<u>2,570,711</u>	<u>2,570,711</u>	<u>2,530,142</u>

ANALYSIS OF GOVERNMENT GRANT INCOME

	2016 €	2015 €
Health services executive	501,260	501,260
Dublin City Council	912,916	932,550
Dublin City Council Night Café	1,156,535	1,096,332
	<u>2,570,711</u>	<u>2,530,142</u>

FRANCISCAN SOCIAL JUSTICE INITIATIVES CLG

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

5. OTHER INCOMING RESOURCES	Unrestricted Funds 2016 €	Restricted Funds 2016 €	Total Funds 2016 €	Total Funds 2015 €
Bank interest received	675	-	675	2,353

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds 2016 €	Restricted Funds 2016 €	Total Funds 2016 €	Total Funds 2015 €
Drug treatment services	521,685	2,696,652	3,218,337	2,920,601
Counselling and support	27,269	140,959	168,228	-
Total Expenditure	548,954	2,837,611	3,386,565	2,920,601

The total support costs for FSJI for 2016 were € 90,057, these have been apportioned across the above charitable activities in the following methods:

- Per the agreement in the SLA relating to that service
- The balance has been allocated as a portion of state funded expenditure per service against total state funded expenditure.

7. RAISING FUNDS

	2016 €	2015 €
Quarterly appeals	36,103	123,760
DRTV cold acquisitions	101,054	11,736
Other appeals	150,230	99,225
	287,387	234,721

8. EMPLOYEES

	2016 Number	2015 Number
The average weekly number of employees during the financial year were:		
Project workers	81	73

No basic salaries are paid in excess of €60,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

8. EMPLOYEES (CONTINUED)

Directors are not remunerated for their work on the Board nor can they be appointed to any salaried position at the company. No expenses were paid to directors during the financial year.

The key management personnel at the company comprises of the Directors and the executive team. The total remuneration costs charged to FSJI for the key management personnel was €110,549 (2015:€113,731) which included salaries, PRSI, pension and allowances.

As the key management team work across MQI a portion of the salaries that arise within Merchant's Quay Project CLG that are attributable to the work of Franciscan Social Justice Initiatives CLG are transferred over to this Company. The total remuneration costs charged across the companies is €522,445 (2015:€531,424)

	2016 €	2015 €
Employment costs:		
Wages and salaries	2,476,615	2,262,803
Employers' PRSI	259,660	231,358
Staff pension costs (Note 15)	30,106	20,279
	<u>2,766,381</u>	<u>2,514,440</u>

It is important to note that a portion of the salaries that arise within Merchants Quay Project CLG that are attributable to the work of Franciscan Social Justice Initiatives CLG are transferred over to this charity and included in the above.

9. NET (EXPENDITURE)/ INCOME

	2016 €	2015 €
Net (expenditure)/ income is stated after charging:		
Directors' remuneration	-	-
Depreciation	-	-
	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

10. TANGIBLE ASSETS	Improvements to premises €	Fixtures and fittings €	Total €
Cost			
At 1 January 2016	243,097	94,603	337,700
At 31 December 2016	243,097	94,603	337,700
Accumulated depreciation			
At 1 January 2016	243,097	94,603	337,700
At 31 December 2016	243,097	94,603	337,700
Net book amounts			
At 31 December 2016	-	-	-
In respect of prior financial year:			
	Improvements to premises €	Fixtures and fittings €	Total €
Cost			
At 1 January 2015	243,097	94,603	337,700
At 31 December 2015	243,097	94,603	337,700
Accumulated depreciation			
At 1 January 2015	243,097	94,603	337,700
At 31 December 2015	243,097	94,603	337,700
Net book amounts			
At 31 December 2015	-	-	-

FRANCISCAN SOCIAL JUSTICE INITIATIVES CLG

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

11. DEBTORS	2016	2015
	€	€
Other debtors	62,219	51,543
Amounts due from MQP CLG (Note 16)	-	101,198
	<u>62,219</u>	<u>152,741</u>
12. CREDITORS:	2016	2015
Amounts falling due within one year	€	€
Trade creditors	-	177
Amounts due to MQP CLG (Note 16)	240,287	-
Accruals	85,374	137,650
	<u>325,661</u>	<u>137,827</u>
13. FINANCIAL INSTRUMENTS	2016	2015
	€	€
Financial Assets:		
Measured at undiscounted amounts receivable		
Other debtors (Note 11)	62,219	51,543
Amounts due from MQP CLG (Note 10)	-	101,198
	<u>62,219</u>	<u>152,741</u>
Financial Liabilities:		
Measured at undiscounted amounts payable		
Creditors and accruals (Note 12)	85,374	137,827
Amounts due to MQP CLG (Note 11)	240,287	-
	<u>325,661</u>	<u>137,827</u>

NOTES TO THE FINANCIAL STATEMENTS)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

14. A. RECONCILIATION OF MOVEMENT IN FUNDS

	Unrestricted funds €	Designated funds €	Restricted funds €	Total €
Balance at 1 January 2016	89,082	394,415	445,193	928,690
Net income	(148,047)	-	80,527	(67,520)
Transfer from unrestricted to designated fund	150,000	(150,000)	-	-
Balance at 31 December 2016	91,035	244,415	525,720	861,170

The current balance in the designated fund comprises of amounts set aside by the Board of Directors to establish minimum reserves equivalent to at least 6 months expenses in accordance with the reserves policy. The current reserves objective is €1.8m

In 2016 the board designated a transfer of €150,000 from designated reserves into unrestricted reserved in order to deal with the annual deficit in unrestricted reserves.

In respect of prior financial year:

	Unrestricted funds €	Designated funds €	Restricted funds €	Total €
Balance at 1 January 2015	98,200	350,000	144,655	592,855
Net income	35,297	-	300,538	335,835
Transfer from unrestricted to designated fund	(44,415)	44,415	-	-
Balance at 31 December 2015	89,082	394,415	445,193	928,690

In 2015 the board designated a transfer of €44,415 from unrestricted reserves into designated reserved in order to work on compliance with this policy.

B. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds €	Designated Funds €	Restricted Funds €	Total 2016 €	Total 2015 €
Tangible fixed assets	-	-	-	-	-
Current assets	416,696	244,415	525,720	1,186,831	1,066,517
Current liabilities	(325,661)	-	-	(325,661)	(137,827)
	91,035	244,415	525,720	861,170	928,690

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016 (CONTINUED)**

15. PENSIONS

The pension entitlements of eligible employees that arise under the defined benefit scheme is borne by Merchants Quay Project CLG. The defined benefit scheme has been closed to new entrants for a number of years. The company also operates a defined contribution scheme for eligible employees. Contributions made to the defined contribution scheme during the financial year amounted to €30,106 (2015: €20,279). There are no amounts outstanding at the financial year end (2015: €Nil).

16. RELATED PARTY TRANSACTIONS

The Directors of the company are also Directors of Merchants Quay Project CLG (MQP). The Members have effective control over both companies.

The balance owed to the Merchants Quay Project CLG at 31 December 2016 was € 240,287. (2015: owed by MQP €101,198).

The transactions during the financial year were as follows:		2016	2015
			€
Repayments to MQP		289,286	(132,222)
Expenses paid by MQP on behalf of FSJI		52,199	8,380
		<hr/>	<hr/>

17. TAXATION

The company received Charitable Tax Status in May 1998, consequently no provision for corporation tax is necessary.

18. ULTIMATE CONTROLLING PARTY

The members and Directors of the Company at 31 December 2016 apart from Mr Mick Price, Mr Brian Melaugh, Dr Joanne Fenton, Mr Ray Langton, Mr Derek Bell, Ms Margaret Hennessy and Dr Siobhan Garrigan are members of the Order of Friars Minor.

19. SUBSEQUENT EVENTS

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