

Merchant's Quay Project CLG
(A company by guarantee and having no share capital)

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

MERCHANT'S QUAY PROJECT CLG

**REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

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MERCHANT'S QUAY PROJECT 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 Pdraig 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

MERCHANT'S QUAY PROJECT 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

REGISTERED NUMBER: 176421

REGISTERED OFFICE: 24 Merchants Court
Merchant's Quay
Dublin 8

CHARITY NUMBER: CHY 10311

CHARITY REGULATORY AUTHORITY NUMBER: 20026240

BANKERS: AIB
7/12 Dame Street
Dublin 2

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

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

MERCHANT'S QUAY PROJECT CLG

DIRECTORS AND OTHER INFORMATION (CONTINUED)

PLACES OF OPERATION:

24 Merchants Court
Merchant's Quay
Dublin 8

Riverbank House
Merchant's Quay
Dublin 8

High Park
Drumcondra
Dublin 9

Ball Ally Lane
Parnell Square
Athlone
Co Westmeath

16 Ballymount Cottages
Dublin 22

Irish Prison Service

St. Francis Farm
Tullow
Co. Carlow

7A
Dolphins Barn
Dublin

68 Easton Row
Easton Meadow Estate
Leixlip House
Leixlip
Co Kildare

MERCHANT'S QUAY PROJECT CLG

DIRECTORS' REPORT

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

COMPANY STRUCTURE

Merchant's Quay Project CLG ("MQP") is incorporated as a Company limited by guarantee and not having share capital. It was registered on 12 July 1991 with Company number 176421. The Company is registered for the charitable purpose of promoting health and to provide the steppingstones for every point of a man's or woman's journey out of homelessness and addiction, and toward a drug free life.

The main objects of the Company are:

- (a) To promote health for the benefit of the people in contact with our project and in particular to relieve suffering relating to disease and conditions the transmission of which are drug related and sexual with special reference to AIDS and apparently related conditions.
- (b) To alleviate physical, mental or financial deprivation caused by and to seek to minimise the spread of such diseases or conditions.

The Company is a public benefit entity and is registered with the Charities Regulator, charity registration number 20026240, and is granted charitable tax exemption, charity tax reference number CHY 10311 with the Revenue Commissioners.

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

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

- Franciscan Social Justice Initiatives CLG (FSJI)
- St. Francis Housing Association CLG (SFHA)
- Merchant's Quay Project CE Scheme CLG (MQPCE)

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 MQP 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 page 29 and 30 respectively.

Financial Review - 2016

MQP is financed by a mix of statutory and voluntary funding. In 2016 MQP raised a total income of €6.4m up from €6m in 2015.

This income was generated from various sources with 53% from Statutory Government funding mainly from the HSE and the balance raised through our fundraising activities and training. Fundraising generated €2.84m, up from €2.4m in 2015 making up 45% 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 MQP 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.

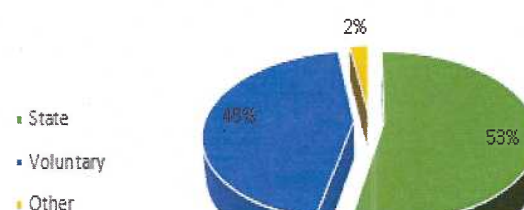
The Board of Directors also considers the need to provide against any future income shortfall and allow funds to be available to support service developments. The reserves are reviewed by the Audit Committee as part of a review and assessment of the organisations risks.

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: €6.4m (2015: € 6.0m)

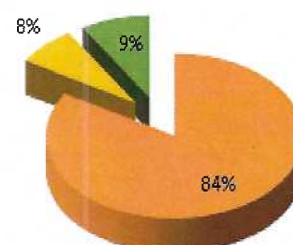
Statutory	3.4m
Voluntary	2.8m
Other	.2m



Expenditure

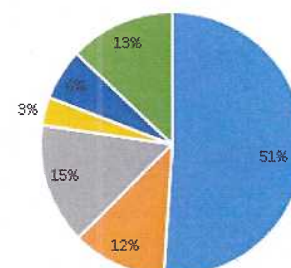
2016: €5.77m (2015: €5.36m)

Core Services	84%
Governance & Admin	8%
Generating Funds	9%



Service Delivery Areas

Homeless	51%
Addictions Day Services	12%
Rehab & Detox Services	15%
Aftercare Services	3%
Mental Health/Case Work	2%
Community Employment	13%



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.

MERCHANT'S QUAY PROJECT CLG

DIRECTORS' REPORT (CONTINUED)

ACHIEVEMENTS AND PERFORMANCE

2016 LOOKING BACK

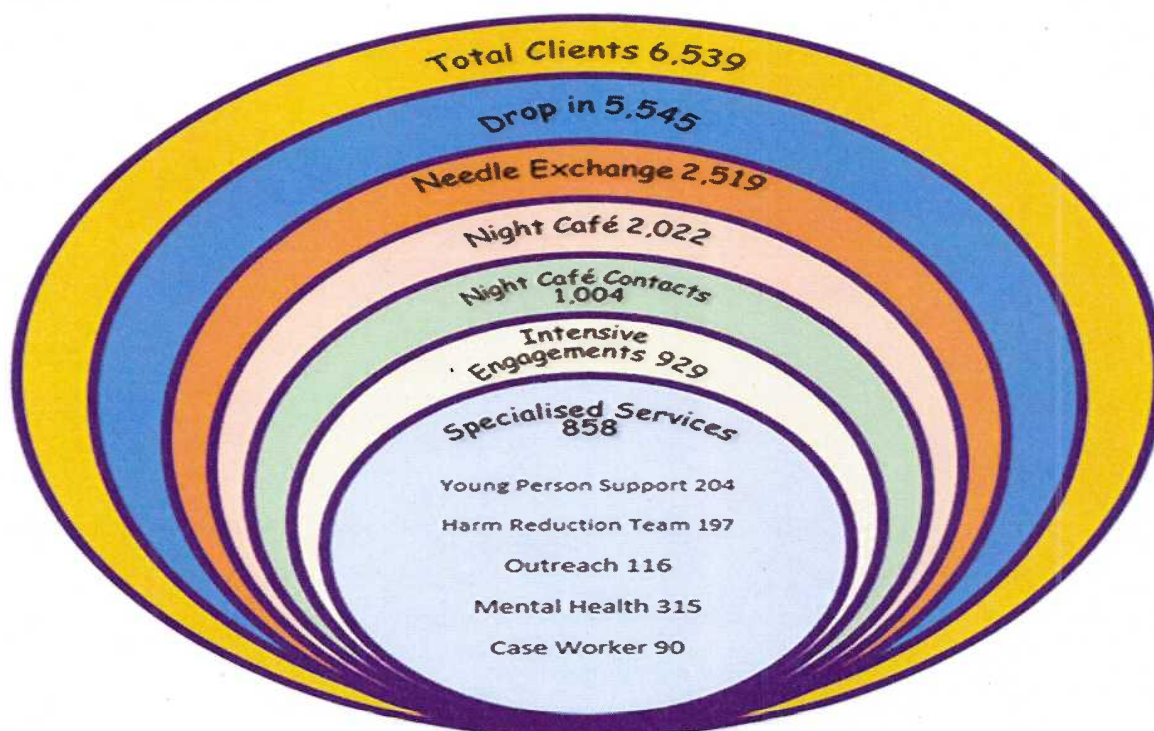
Merchant's Quay Project CLG is one of four companies operating under the banner name of Merchant's Quay Ireland carrying out activities for social justice for homeless persons and drug users on a nationwide basis some of these projects sit in Franciscan Social Justice Initiatives CLG. As these organisations work together for co efficiencies some of the projects below are interoperable across the organisations.

Merchants Quay Ireland provide a range of residential detox, rehab and aftercare services. These include our 10 bed detox and 13 bed rehab at St Francis Farm in Co. Carlow, our 13 bed rehab service in High Park in Dublin and our Aftercare day programme and supported housing services, 9 accommodation units, in Dublin and Kildare.

Our residential Detox, Rehab and Aftercare services received a total of 1,072 referrals and carried out 625 Comprehensive Needs Assessments during 2016. In addition, there were a total of 258 admissions to these services during the year. Our Post Service Outcome evaluation system reveals that clients we contacted at 6, 12 and 24 months after they leave our services report that 70% to 80% of them are drug free or have reduced drug use and have improved quality of life, family and social relationships.

Merchants Quay Ireland in partnership with the Irish Prison Service have delivered addiction counselling services to prisoners in 13 prisons since 2007. During 2016 there were 2,731 prisoners referred to our national Prison Based Addiction Counselling Service and 1,106 Needs Assessments were carried out with prisoners. In addition, a total of 11,682 counselling sessions and 3,033 group-work attendances were delivered during the year.

Many of the 6,539 individuals who used MQI's Open Access Services in 2016 accessed multiple services across the drug and homeless spectrum. For example 2,022 individuals used the night café but many of these individuals also used the food service or the drug treatment or medical services during the day. There are also specialised services such as the psychiatric nurse and young person's support worker which are available to everyone presenting to the service. The diagram below illustrates the overlap and interconnection between MQI Open Access Services.



ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

ADDRESSING CRISIS: OPEN ACCESS HOMELESS AND DRUG SERVICES

2016 was a difficult year for homeless people in Ireland. Record numbers of people across the country lost their homes and many came to Merchants Quay Ireland (MQI), to our Open Access services for help. The thrust of the government's response to the homeless crisis is to prioritise housing families, with the result that many single people with complex needs now find themselves at the back of the queue for housing. MQI's core competency is serving homeless people who have substance misuse problems and in 2016 we maintained our focus on securing outcomes for this cohort. This means providing an accessible, compassionate and multidisciplinary service to clients with high levels of need spanning substance abuse, homelessness and mental health.

The primary purpose of MQI is to address homelessness and substance misuse. To this end, 2016 saw the introduction of further specialised services including community detox, the out of hours mental health service and expanded medical services. All specialised services are aimed at addressing the causes of homelessness and addiction using the most up to date evidence and practice. The common theme underlying the majority of client presentations is the need for stable accommodation. Day after day, many of those in the drop in centre are glued to phones awaiting a bed from the Dublin City Council Homeless Freephone. Importantly, while clients seek to get off the streets for the night – MQI case workers are busy putting robust care plans in place in collaboration with councils and other agencies.

In 2016 we spent a significant amount of resources on minimising the impact of our services on the local community. This included a new Community engagement team, setting up a Community Task Force to collaborate with statutory and community stakeholders and engaging UISCE (the drug user's forum) on finding solutions to anti-social behaviour. Our good neighbourhood policy seeks to maximise engagement with local community groups and to minimise the amount of visible street homelessness in the neighbourhood. To this end, our focus is to re-integrate homeless people back into their community of origin. 1,125 new people presented to our service in 2016, however, overall there was a reduction of 985 unique individuals using our services (from 7,524 in 2015 to 6,539 in 2016). In some cases we don't see people returning to our service from one year to the next because they are in hospital or prison, sadly clients do die, many people move on to a better life and when we see this happening it gives the MQI team a huge lift.

Open Access clients consistently advocate for more access to services to help them change their lives – in addition to helping them filling out assessment forms, a robust network of relationships with other support services helps open the door to treatment or accommodation options. The open access service strengthened partnerships with other support services in 2016 to optimise outcomes for our clients. We advanced partnerships with the HSE on Naloxone, Dublin City Council regarding homelessness and drug related litter, the Gardaí regarding crime prevention and Dublin Simon on providing homeless people with rapid access to residential drug treatment. At a time when the Health Research Board continue to report one person a day in Ireland dying of drug overdose (HRB, 2016), making treatment an accessible and a realistic option for clients helps to fuel their hope and motivation to get their lives back on track.

Open Access Services:

Building working relationships forms the bedrock of case work we do with clients and very often this starts with a cup of tea and a warm meal. The Riverbank building on Merchants Quay continues to offer 24 hour services - the majority of those coming to our door in 2016 were experiencing mental health, accommodation and substance misuse related crises. The 96,250 meals served in Open Access was a 3% reduction on 2015 and the number of unique individuals using the service reduced by 13% compared with 2015 to 6,539. This reduction in the number of unique individuals using the service reflects a continued focus on the core target group – that is people with accommodation, drug and health related problems. Many of the 6,524 individuals who used MQI's Open Access Services in 2016 accessed multiple services across the drug and homeless spectrum. For example 2,022 individuals used the Night Café but the vast majority of these individuals also used the food service or the drug treatment or medical services. Specialised services such as the Mental Health Team and the Young Persons Support Worker seek to provide solutions based on collaboration with the client through assessment and care planning.

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Homeless Services

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:

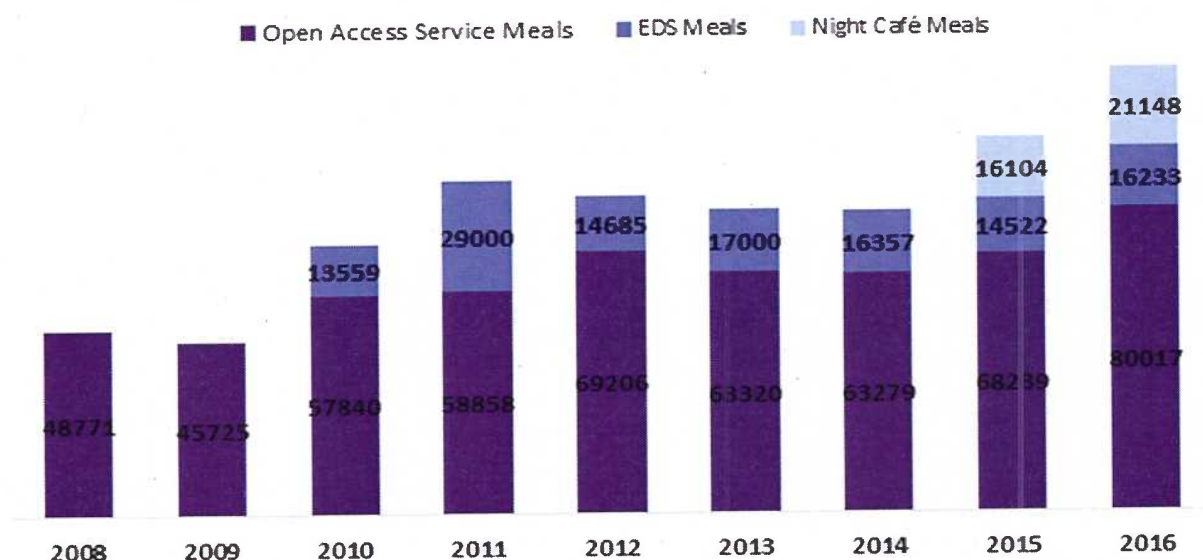
- Tea/coffee and a light meal
- Information and advice
- Showers/clothing
- Drug treatment options
- Brief interventions on addiction and mental health
- Case work regarding accommodation, health & social services

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).

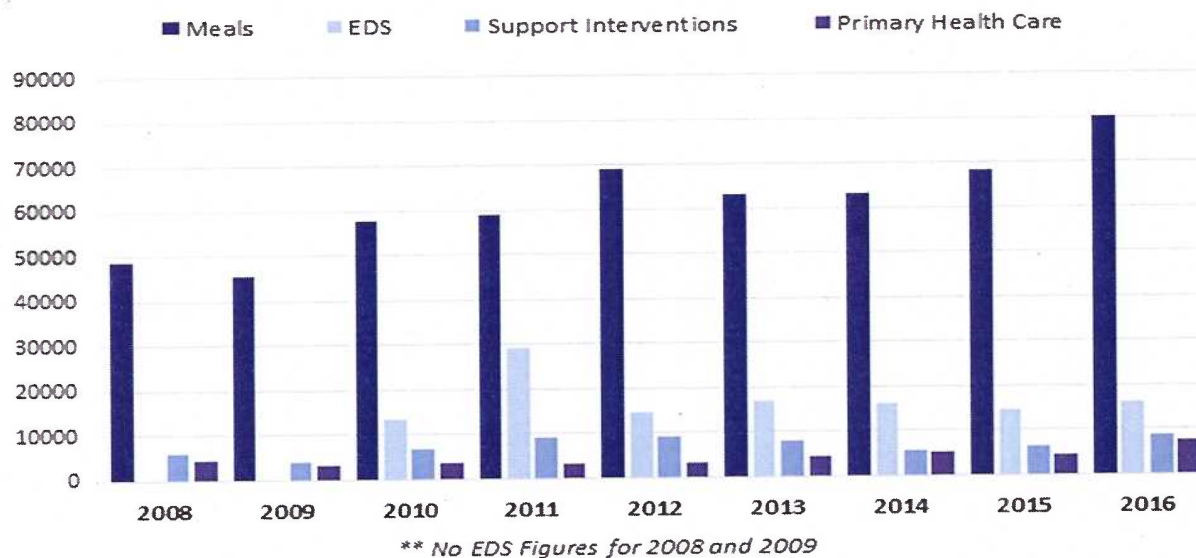
ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Riverbank Meals, 2008 - 2016



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.

Homeless Drop-In Services, 2008 - 2016



ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Primary Healthcare Services

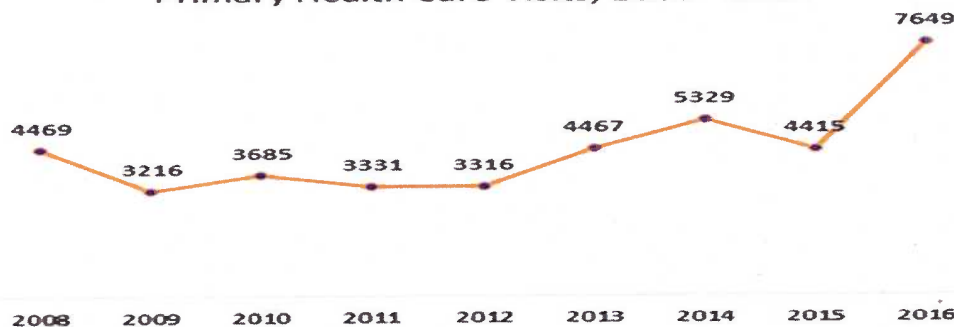
2016 saw significant increases in both the breadth and depth of health supports provided in Open Access. The challenges of accessing hard to reach rough sleepers means that the Open Access Service is a practical place for GP's and hospital consultants to see their patients (who may not otherwise have 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.



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).

Primary Health Care Visits, 2008 - 2016



ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

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.

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.

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

The Mental Health Team (Continued):

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.

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.

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.

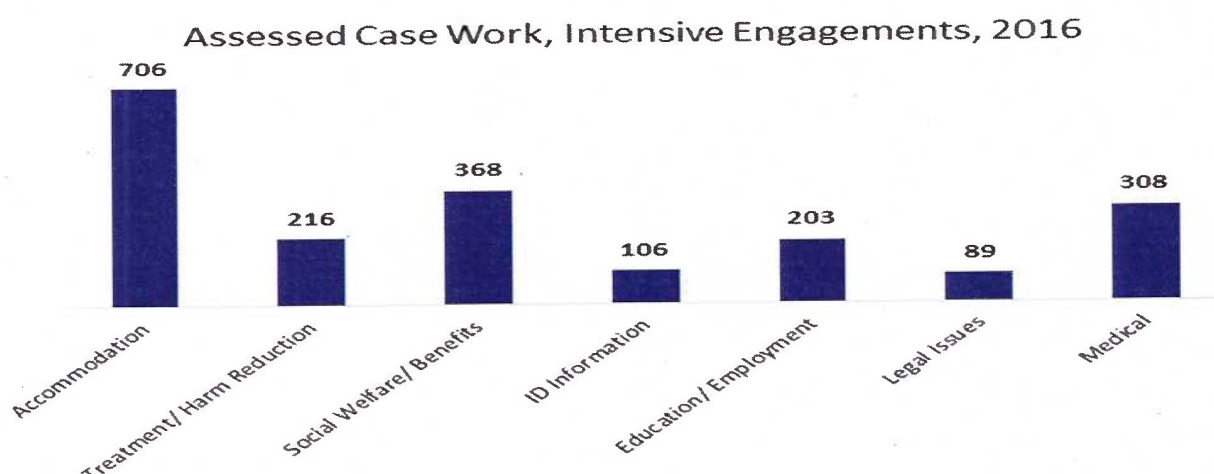
The Young Persons Support Worker (YPSW): The evidence shows that early intervention is effective in addressing drug and homeless issues. A life revolving around homeless and drug services is not what we want for our clients. Instead, we want to see our clients address the core problems in their lives 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.

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.

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.



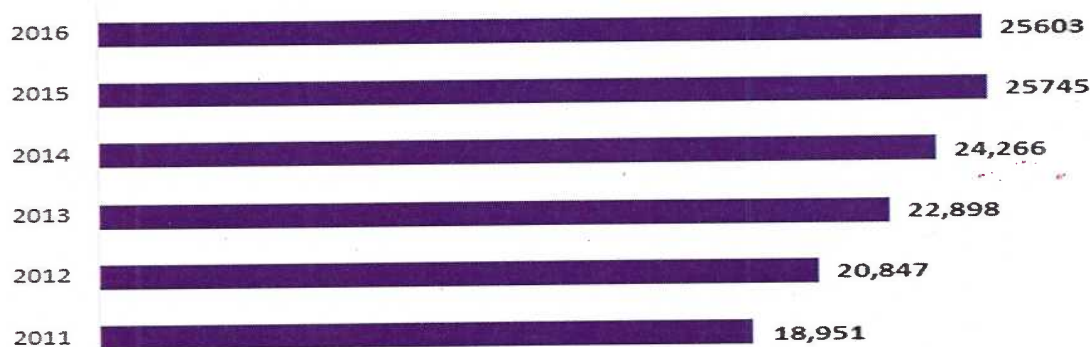
Health Promotion Unit (HPU): Generally, each year we see about 500 new people presenting with drug problems and 500 people move away from the service for a multitude of reasons. The HPU provides drug users with information about the risks associated with drug use and the means to minimise such risks. We also offer drug users a pathway into treatment and the possibility of living life without drugs. In our needle exchange and health promotion service, our main focus is on reducing the harm associated with injecting drug use, generating the motivation to become abstinent, giving advice on HIV and hepatitis prevention and on providing information on overdose and other risks. We also offer early referral to drug treatment services. In 2016 there were 27,742 visits to Drug Services (an increase of 1% on 2015) and 25,603 needle exchange interventions (a decrease of 1% on 2015).

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Health Promotion Unit (HPU) (Continued):

A total of 2,519 individuals used the service (a decrease of 6% on 2015) of which 421 were new clients. As part of our health promotion remit, a total of 2,139 safer injecting workshops (an increase of 30% on 2015) were undertaken with injecting drug users. Many of these interventions are with new injecting drug users and are an important part of early intervention where people are given treatment options and advice on the dangers of injecting drugs (including blood borne viruses and overdose risk). Harm reduction services can be accessed by drug users simply by walking in from the street. For this reason, we are often the first place people with drug problems turn to for help.

Needle Exchange Visits



Naloxone: MQI are part of the Quality Advisory Group which aims to roll out naloxone in order to reduce the annual drug deaths in Ireland – an average of 1 person each day dies in Ireland due to drug overdose, one of the highest rates of overdose deaths across the EU (EMCDDA, 2016). Naloxone is an antidote for opioid overdose in that it reverses the depressant effects of opiates (such as heroin). The Naloxone Demonstration Project (in conjunction with our partners in the HSE, The Family Support Network and the Ana Liffey Drug Project) published an evaluation report in 2016 illustrating that the pilot project was a success and resulted in the reversal of 5 overdoses that we know of. To date, more than 400 drug users have been prescribed naloxone and our hope is that eventually all drug users in Ireland and their families will have access to this life saving drug.

Working with Clients in Custody: MQI, in partnership with our prison counselling teams, endeavour to provide links to homeless people and drug users within the prison system. We offer support, advice and counselling with a particular focus on accessing appropriate pre entry and post-release options. This process entails a close working arrangement with treatment services, Probation and Welfare Service and with members of the legal profession. We estimate that at least five per cent of the 6,500 individuals using MQI services involve those who have ongoing interactions with the prison service. It is important that the transition into the prison system optimises opportunities for treatment and ongoing supports, and, equally on release, we aim to support the best possible transition back into the community. As ever, we advocate treating drug problems as a health issue rather than a criminal justice issue, thereby avoiding costly incarceration costs to the taxpayer and effective treatment to the drug user.

Family Support Group: The consequences of addiction are often borne by the family and the needs of families are often overlooked by society. We often get family members contacting the service who are worried about their loved ones. We give one-to-one advice and support to family members on the realities of drug use and how they can best cope and provide optimum support to their loved ones. We also run a Family Support Group which meets every week providing a forum where parents, and other close relatives and friends of drug users are offered support and advice on a range of issues. The participants provide support for each other and the group is continually open to new members. The weekly Family Support Group is linked to the National Family Support Network which offers an opportunity to raise issues at a national level. MQI's Family Support Group in Dublin worked with 25 individuals throughout 2016.

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

RECOVERY: PROGRESSION PATHWAYS PROGRAMMES

These services offer the first steps away from crisis drug use and towards stability. They are aimed at people who are currently using street drugs, or those recently engaged in treatment and seeking more stability and structure in their lives.

Into Education and Employment: Stabilisation Programme – The MQI stabilisation service offers structured Drug Rehabilitation Programme including training, life skills training, personal development work and therapeutic groups to help drug users reintegrate into society. Life skills course content covers art therapy, cooking, drama, yoga, gardening, history, maths, & social outings. The group using this service are younger people, 83% of participants are aged between 18-39. The group seeks to establish a regular pattern of discipline and daily attendance in order to help people stabilise their drug use and prepare people for mainstream training and employment. Links with the Education and Training Boards (ETBs) facilitate the educational component for this programme, accredited education helps people gain momentum into education and employment. We are so grateful to our donors and 'Business in the Community' for helping us to provide work experience opportunities for those on the stabilisation program. Having a job and the means to pay rent are vital in helping people feel normal and part of the community. The program was reviewed in 2016 and our focus changed to ensuring that care plans are 'live entities' and that people are engaged and retained on the program.

The programme had decreased individual participants during 2016 (48 which was a decrease of 27% on 2015) but attendances were up 63% in the second half of the year (780 attendances compared with 478 for the same period in 2015). Not everybody stays with the program and some relapse into chaotic drug use, however, many people do progress to training, work experience or more structured abstinence based treatment.

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.

Gender Specific Services: Friday mornings in 2016 were all about hairdressing, beauty and nails. The safe atmosphere provided the setting for many discussions about getting support and pathways into recovery. Females find the atmosphere in homeless settings very intimidating and the shame and stigma associated with drug use more magnified – the self-esteem and self-confidence benefits of a new hairdo were the catalyst for many people leaving the Riverbank Centre with their heads held high. Because the staff team in the Riverbank is predominantly female, there is always a friendly face to discuss gender specific needs and support options. In 2016, a total of 407 women used our services (a decrease of 18% on 2015).

The Pre-Entry Group: The pre-entry group was not operating for a large part of 2016 but was successfully restarted at the end of the year. Because many people wish to get into residential drug treatment, this group is an essential bridge between the chaos of homeless services and the highly structured residential treatment services. Our clients do so much work on trying to attain abstinence while living on the streets – much of this work is against the odds given that they have so much instability and anxiety in their lives. The pre entry group provided support in maintaining stability and abstinence and preparation for the culture and workings of residential therapeutic community treatment. Knowing how treatment centres operate can make it less daunting for those who have no experience and can help them to stay the course and be successful in treatment.

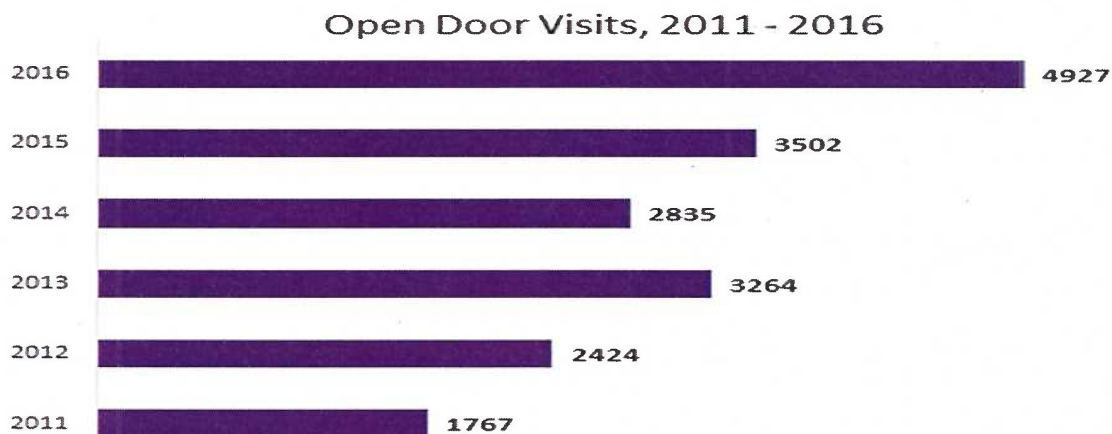
Midlands Services:

MQI, in conjunction with the Midlands Regional Drugs & Alcohol Task Force and the HSE (CADS), provide drug services in the four Midlands counties of Laois, Longford, Offaly and Westmeath. The Midlands team provide Community Harm Reduction, Rehabilitation & Aftercare and Family Support Services.

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Rehabilitation and Aftercare Services: The service provides a range of rehabilitation and aftercare supports targeting clients from the region including those exiting drug treatment or prison. This involves assisting clients in the process of regaining their capacity for daily life free from the impact of problem drug use and enabling their reintegration into their community. Our Rehabilitation and Aftercare Workers provide case management for clients with a view to ensuring that all clients have their needs assessed and have the opportunity to participate in developing a care plan offering a pathway towards rehabilitation. The workers also provide psychosocial support for persons leaving drug treatment or released from prison via one-to-one support and aftercare group work. The service worked with 75 individuals in 2016. The team liaise closely with local partners in the region to address the underlying issues of addiction, accommodation, healthcare and abuse. Service users set care plan goals as a means to begin taking control of their lives and have a structure including both group support and one-to-one interventions where required, there were 244 one-to-one sessions (a reduction of 32% on 2016) and 56 groups (a reduction of 46% on 2015) facilitated in 2016.

Athlone Open Door Centre: The Open Door Centre provides a range of services for drug users in Athlone. It includes a Drop-in Centre offering crisis support, a food service, washing and laundry facilities, vocational training initiatives and support towards rehabilitation and reintegration.



The service provides crisis support and progression pathways for clients in partnership with DSP, HSE, LWETB, GP's and other inter-agency partners in the midlands region. As part of the harm reduction and rehabilitation process, the Open Door team worked with 138 individuals throughout 2016 (an increase of 21% on 2015). Those using the Open Door Service make use of the facilities within the centre such as food, training, computers, washing and laundry as well as care plan focused one-to-one work. The Open Door team develop positive working relationships with clients as the basis for helping them achieve their goals. In 2016, there were 4,927 visits to the project (an increase of 45% on 2015) including the provision of 3,706 meals, 201 showers, 208 laundry services, and 301 phone calls.

Family Support Services

In 2016, MQI provided interventions that supported 78 family members in coping with addiction related issues. The supports include counselling, guidance and advice. In 2016, the Midlands Family Support Service assisted families to:

- Deal with the trauma associated with a family member or loved one using drugs
- Act as a reliable source of information and advice on drug use and related issues
- Deal with the reaction of neighbours and others
- Overcome self-blaming responses
- Create positive coping strategies that will help the parent and the drug user make positive decisions
- Build their capacity to respond
- Set rules of behaviour for those living in their house

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Community Harm Reduction Services: Local people and organisations are very concerned about the level of public and community harm associated with drug use in their communities, as well as the risks that drug users may expose themselves to.

The aims of this service are to:

- Act as a resource for community groups in their efforts to minimise the impact of problem drug use on their communities
- Reduce the level of individual and community harm experienced in local communities as a result of drug use in their area
- Reduce the associated level of public health risk
- Provide harm reduction and crisis support services to local drug users in places and at times where such services are unavailable
- Ensure that problems associated with drug use are minimised

Overdose continues to be a regular occurrence for many people using our services – we seek to empower drug users and their friends and family with all of the information to ensure that they keep themselves safe. In the Midlands region, our harm reduction service worked with 165 clients during 2016 (a reduction of 28% on 2015), providing 1,402 harm reduction interventions. The service facilitated an average of 120 needle exchanges each month (a reduction of 27% on 2015), operating in collaboration with the local pharmacy needle exchange scheme. The harm reduction outreach team provide on-going support for clients, and are outcome focused through the use of motivational interviewing, CBT and care planning. MQI work on supporting clients in the 'pre-entry' phase before admission to residential rehab and detox. 9 clients from the Midlands Region entered MQI residential drug treatment during the course of 2016. MQI is focused also on supporting clients in assisting with community detox in partnership with local GP's.

DSP Drug Rehabilitation Scheme, Open Door:

In the last quarter of 2016, 20 participants were engaged on this programme – giving them the opportunity to participate in activities and educational qualifications at an appropriate level on the National Framework of Qualifications while at the same time being provided with addiction and other rehabilitation supports e.g. crisis intervention supports, group work and keyworking.

Of the participants who attended this programme in 2016, 7 clients achieved a QQI Level 3 Minor award in Media Expression and 7 clients achieved a QQI Level 3 Minor in Computer Literacy. In addition clients participated in Digital Photography, Pyrography, Art, Personal Fitness, Woodwork and Music. These programmes were supported by Athlone Community Taskforce, Adult Education Centre, Probation Services, Longford Westmeath Education Training Board, SWEETS and Laois Partnership. Other clients were involved in mainstream classes e.g. ICT Employability.

Re-Orientation of Midlands Services

Following an evaluation of drug and alcohol treatment support services in the Midlands, HSE CADS (Community, Alcohol & Drug Services) and the Midlands Regional Drug & Alcohol Task Force (MRDATF) developed a roadmap for the optimum use of resources and service delivery for the region.

A rigorous tendering process was conducted and as a result, in November 2016, Merchant's Quay Ireland have been awarded the contract to provide a Community based Drug & Alcohol treatment support service for individuals over 18 years and their families for the Midlands Area i.e. Longford, Westmeath, Laois & Offaly. This service will complement and enhance existing statutory, community and voluntary services currently operating in the region and provide appropriate interventions to over 18's and their families in line with best international research and standards.

This reorientation of services will ensure a harmonisation of treatment supports across the midlands area thus providing a more equitable and accessible service to all. Since the award of the contract MQI have been engaged in transitioning the existing service to the new model of service delivery as required by the service contract.

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

NATIONAL PRISON BASED ADDICTION COUNSELLING SERVICE

Overview of Services

Merchants Quay Ireland in partnership with the Irish Prison Service, delivers a national prison based addiction counselling service aimed at prisoners with drug and alcohol problems. This service operates in 13 prisons throughout the country and provides structured assessments, one-to-one counselling, therapeutic group work and multidisciplinary Care and Release Planning interventions with clearly defined treatment plans and goals. Services offered include:

- brief interventions
- motivational interviewing and motivational enhancement therapy
- 12-step facilitation programme
- relapse prevention and overdose reduction
- cognitive behavioural therapy
- harm reduction approaches
- individual care planning and release planning

During 2016 a total of 2,624 prisoners accessed the MQI / IPS Addiction Counselling Service.

Mountjoy Drug Treatment Programme *(in partnership with Ana Liffey Drug Project, Ballymun Youth Action Project and Coolmine)*

The Merchants Quay Ireland Addiction Service also co-ordinates and contributed to the delivery of a structured, multi-agency 8-week Detox & Drug Treatment Programme (DTP) in the Mountjoy Medical Unit. The programme assists prisoners in detoxing from methadone and benzodiazepines. During 2016 this service was expanded and a total of 80 prisoners availed of the Mountjoy Drug Treatment Programme. Of this group 64 (75%) completed their detox.

Counselling Sessions

Counselling sessions refer to the number of one-to-one meetings with prisoners where counselling interventions and care planning is provided. During 2016 there were 11,682 counselling sessions delivered to prisoners by the Merchants Quay Ireland Prison-based Addiction Counselling service, representing an 11% in the number of counselling sessions delivered since 2011.

Brief Interventions

Brief Interventions are one-to-one meetings between a counsellor and prisoner of generally 30 minutes in duration. These meetings focus on a prisoner's immediate needs or problems which can often be resolved in a brief meeting. There were 3,396 brief interventions delivered during 2016, a 6% increase compared to 2015.

MQI / IPS Addiction Service Developments 2016

During 2016 the Addiction Counselling Service continued to assist in the development and supported the implementation of a number of Irish Prison Service initiatives including the expansion of the Drug Treatment Programme, Incentivised Sentence Management (ISM) and the Red Cross Overdose Prevention programme. In addition, the Addiction Service developed referral pathways for prisoners to community based detox and rehab services including the carrying out of Compressive Needs Assessments on behalf of detox / rehab service.

MQI / IPS Planned Addiction Service Developments 2017

In 2017 the prison based Addiction Counselling Service plans to further develop and improve the services we offer to prisoners which includes;

- Piloting psychometric outcome metrics aimed at capturing the impact of the service on clients.
- Develop the group-work programme delivered in prisons.
- Develop access to service for prisoners on protection.

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

DETOX AND REHAB TREATMENT SERVICES

Our residential Detox and rehab treatment services aim at providing easily accessible treatment for drug users who wish to become drug free. The service has a national catchment area and users can self-refer or may be referred from a wide variety of agencies.

St. Francis Farm Residential Detox Programme

The Merchants Quay Ireland residential detoxification service at St Francis Farm delivers methadone and combined methadone/benzodiazepine detoxes. The unit has a national catchment area and has a 10 bed capacity for men and women. The detox activity programme includes individual care planning, therapeutic group work, psycho-educational workshops, fitness/gym training and farm work activities. What makes St. Francis Farm Detox unique is the fact that our programme is situated in a working farm environment and service users gain work experience in animal care, vegetable production, and in general farming. The food produced at the farm is used to supply the kitchens in our various centres, and contributes to feeding up to three hundred people every day.

During 2016, the service's fifth year of operation, St. Francis Farm Detox received 344 referrals, an 11% increase in the previous year's referral levels and an 100% increase since 2012. A total of 434 comprehensive needs assessments were offered to clients referring to the service during 2016 (328 male and 106 female). This was a 25% increase compared to the 347 assessment appointments offered during 2015.

There were 72 clients admitted for detox service during the 2016, a 14% increase compared to 2015. Of the 72 admissions, 53 were men and 19 were women.

Of the 72 clients admitted to SFF Detox within 2016, of these 62 clients were on a methadone maintenance programme prior to admission. The length of time individual clients were on methadone prior to admission ranged from 1 year to 34 years. The average number of years on methadone was 10 years (Males 11 years, Females 8 years).

Of the 71 clients who departed the service during 2016, an impressive 75% completed their detox.

St. Francis Farm Residential Rehab Programme

This is a therapeutic facility with a 14 weeks rehabilitation programme set on a working farm. At St. Francis Farm rehab we provide a safe drug free environment where service users can adjust to life without drugs and make positive choices about their future. We also afford service users the opportunity to explore the reasons for their drug use and to learn more effective coping mechanisms.

The programme covers areas of relapse prevention, one-to-one counselling and care planning, group therapy, self-esteem seminars, assertiveness training, anger management and farm work training. Service users also receive training in Emergency First Aid and in life skills and budgeting. What makes St. Francis Farm Rehab unique is the fact that our programme is situated in a working farm environment. Service users gain work experience in animal care, vegetable production, and in general farming. The food produced at the farm is used to supply the kitchens in our various centres, and contributes to feeding up to three hundred people every day.

During 2016 the service received 360 referrals, 291 (81%) of these were male and 69 (19%) were female. In addition, 211 Comprehensive Needs Assessment appointments were offered, of these clients attended on 164 occasions.

There were 53 clients admitted to SFF Rehab service during 2016, 37 (70%) males and 16 (30%) female. This represents a 4% increase in admissions compared to 2015.

St Francis Farm Rehab has a national catchment area, with Dublin and Cork being the largest source of admissions.

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Self Esteem Outcomes

The average self-esteem outcomes of the 57 clients who departed SFF Rehab during 2016 as measured by the Rosenberg Self Esteem Scale. The Rosenberg Self Esteem Scale was completed by clients at up to 4 stages during their programme, depending on their length of stay, at admission, at 4 weeks, at 9 weeks and at the final week of their 14 week programme. The Rosenberg Scale has a range of 0 – 30, with 30 an indication of the highest score and self-esteem level. When carried out on a cross section of the general population the average Rosenberg self-esteem measure is 15. The average scale score of service users at admission to SFF Rehab was 15, increasing to a score of 23 for clients who completed the full 14-week programme. The above chart illustrates the incremental increases in client's self-esteem as they progress through the programme, with the highest self-esteem outcomes achieved by those who complete the full 14 week programme.

Self-Efficacy Outcomes.

The average self-efficacy outcomes of the 57 clients who departed SFF Rehab during 2016, as measured by the Pearlin Mastery Scale (Leonard Pearlin). The Pearlin Mastery Scale is designed to measure self-concept and the extent to which individuals perceive themselves in control of forces that have a significant impact on their lives.

The average Pearlin Scale score of service users at admission to SFF Rehab was 12. The above chart illustrates the incremental increases in service users self-efficacy as they progress through the programme, with the highest self-efficacy outcomes achieved by those who complete the full 14 week programme, averaging a 16 scale score.

Completions

Of the 57 clients who departed the service during 2016 58% completed the programme.

SFF Detox & Rehab Developments 2016

During 2016 there has been a number of positive service developments at St. Francis Farm Detox & Rehab service, which include the following;

- An Overdose Prevention Leaflet was developed during the early part of 2016. This leaflet is now being given to and discussed with all clients prior to their departure from the service with the aim of reducing the risk of overdose to this vulnerable group.
- The integration of a SMART Recovery pilot into the Detox and Rehab services.
- The introduction of Art Therapy into the client activity programme, achieved as a result of a partnership developed between the Education & Training Board (ETB) and St Francis Farm.
- A new position of Senior Project Worker / Counsellor was recruited contributed to strengthening the operational management at the service, better managing the increasing levels of referrals to the service and reducing the waiting times for assessment and admission.
- Gender groups were introduced into the programme aimed at better meeting the gender specific needs of all clients, but particularly female clients. There has been very positive feedback from clients, particularly female clients, in relation to the introduction of Gender Groups.
- Outcome metrics aimed at capturing the Self Esteem & Self Efficacy outcomes of clients as they progress through the detox programme were implemented at the beginning of 2016.
- Assessment clinics based in Dublin were established in March 2016. The Dublin based assessment clinics have been very successful at reducing the assessment non-attendance rates of clients being offered assessments at SFF site in Tullow.
- A new position of an Addiction Support Worker was recruited which has enabled the service to better manage the increasing levels of referrals, reducing the waiting times for assessment and developing the one-to-one support available to clients in the detox programme.
- Following Dr Eamon Keenan, Consultant Psychiatrist, move to a new position in the HSE, Dr Mike Scully, Consultant Psychiatrist, has taken on the role of Clinical Governance Advisor for the service.

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

High Park Residential Programme

The High Park residential rehab service aims to help participants become and remain drug free. The service is a low threshold programme that seeks to attract service users who might not otherwise engage in drug free treatment such as prisoners, homeless and female drug users. The emphasis is on assisting service users to gain insight into the issues which underpin their drug use and developing realistic measures to prevent relapse.

The High Park programme offers individual care plans, one-to-one counselling, group therapy, psycho-educational groups, fitness-gym activities, outdoor pursuits and recreational activities and where necessary in-house detoxification in partnership with community GPs.

During 2016 a total of 239 clients were referred to High Park, of these 77% were male (184) and 23% were female (55). During the year 230 clients were offered appointments for Comprehensive Needs Assessments, a 23% increase compared to the number of appointments offered in 2015.

There were 61 clients admitted to High Park during 2016, 46 (75%) male and 15 (25%) female. In addition to clients' addiction needs, 46% of clients were homeless and 39% the subject of Criminal Justice Orders at admission.

Self Esteem Outcomes

The averaged self-esteem outcomes of the 58 clients who departed High Park during 2016 as measured by the Rosenberg Self Esteem Scale. The Rosenberg Self Esteem Scale was completed by clients at up to 4 stages during their programme, depending on their length of stay, at admission, at 4 weeks, at 9 weeks and at the final week of their 14 week programme. The Rosenberg Scale has a range of 0 – 30, with 30 an indication of the highest score and self-esteem level. When carried out on a cross section of the general population the average Rosenberg self-esteem measure is 15.

The average scale score of service users at admission to High Park was 13, increasing to a score of 22 for clients who completed the full 14-week programme. The above chart illustrates the incremental increases in service user's self-esteem as they progress through the programme, with the highest self-esteem outcomes achieved by those who complete the full 14-week programme.

Self-Efficacy Outcomes.

The average self-efficacy outcomes of the 58 clients who departed High Park during 2016, as measured by the Pearlin Mastery Scale (Leonard Pearlin). The Pearlin Mastery Scale is designed to measure self-concept and the extent to which individuals perceive themselves in control of forces that have a significant impact on their lives. The Pearlin Mastery Scale was completed by clients at up to 4 stages during their High Park programme, depending on their length of stay, at admission, at 4 weeks, at 9 weeks and at the final week of their 14 week programme. The Pearlin Mastery Scale has a range of 7 – 28, with 28 an indication of the highest score and self-efficacy.

The average Pearlin Scale score of service users at admission to High Park was 12. The above chart illustrates the incremental increases in service users self-efficacy as they progress through the programme, with the highest self-efficacy outcomes achieved by those who complete the full 14 week programme, averaging a 75 scale score.

Completions

Of the 58 clients who departed the service during 2016 an impressive 58% completed the programme. During 2016 completion levels of the programme increased by 93% compared to 2015.

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

The Pre-Entry Group: A review and evaluation process was carried out with the Pre-Entry Group service during the 2nd quarter of 2016. As a result of this review the service was relaunched in July 2016 with changes to staff inputs and premises location moved from the Riverbank Centre to High Park campus. The pre-entry group has operated very successfully during the second half of 2016 providing support, information and referral pathways to residential treatment and rehabilitation. During this period 19 clients availed of the service and 12 clients from the group were admitted to High Park Residential Rehab

High Park Developments 2016

During 2016 there has been a number of positive developments in the High Park service which include the following;

- As a result of the comprehensive review initiated during 2015 and continued into 2016, there has been significant improvements in the service's key performance indicators of bed occupancy and client retention & completion levels.
- A new Senior Counsellor role was recruited to the service during 2016. This new role contributed to better managing the referral systems, reducing the waiting times for assessment, developing the one-to-one support to service users and strengthening the operational middle management at the service.
- The weekly Pre-entry Group was re-launched and has been successful in providing support to service users awaiting admission to High Park. The venue for the service has been moved from the Open Access Service in Riverbank to the Respond premises adjacent to High Park
- A newly renovated courtyard area for residents' use was completed during 2016, thanks to the support of Gaisce, PACE and the Central Bank. The area is much appreciated by the residents and includes a new gazebo, seating & garden furniture, a water feature, fish pond and outdoor lighting.
- A review and streamlining of the referral, assessment and admission system was carried out in early 2016 which was a primary factor in increasing 2016 bed occupancy to 84% compared to 73% in 2015

AFTERCARE & SOCIAL HOUSING SERVICES

Drug Free Day Programme

Our Drug-Free Day Programme based in Dolphins Barn, Dublin, is part of MQI's Aftercare Services and is targeted at clients exiting our residential rehab services at High Park and St Francis Farm. The day programme is 6 months in duration and provides one-to-one care planning, support groups and education sessions aimed at assisting clients reintegrate into society. Demand for the service was high during 2016 with 27 clients admitted to the service during the year. Of the 29 clients who left the service during 2016, 62% of them completed the programme.

Weekly Aftercare Support Group

During 2016 the Aftercare Weekly Support Group was temporarily suspended. It is planned that the service will be reviewed and evaluated in 2017.

Transitional Housing Services – Ballymount and Leixlip

Finding accommodation for the large proportion of clients leaving our residential rehab services who are effectively homeless has been an increasing challenge in recent years. MQI operates two short-term transitional housing services, one in Ballymount, Dublin, developed with the support of one of the organisation's donors, the other in Leixlip, Co Kildare, developed in partnership with Respond Housing Association. Across both houses we provide a total capacity of 9 supported accommodation units. Demand for the Ballymount and Leixlip Transitional Housing services was high during 2016, with 27 clients admitted during the year, a 17% increase compared to 2015. In addition, occupancy levels for the 9 units averaged 90% during this period. Of the 30 clients who departed the service during the year 70% completed the programme.

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Aftercare Service Developments 2016

During 2016 there were many developments of the Aftercare Service, which included;

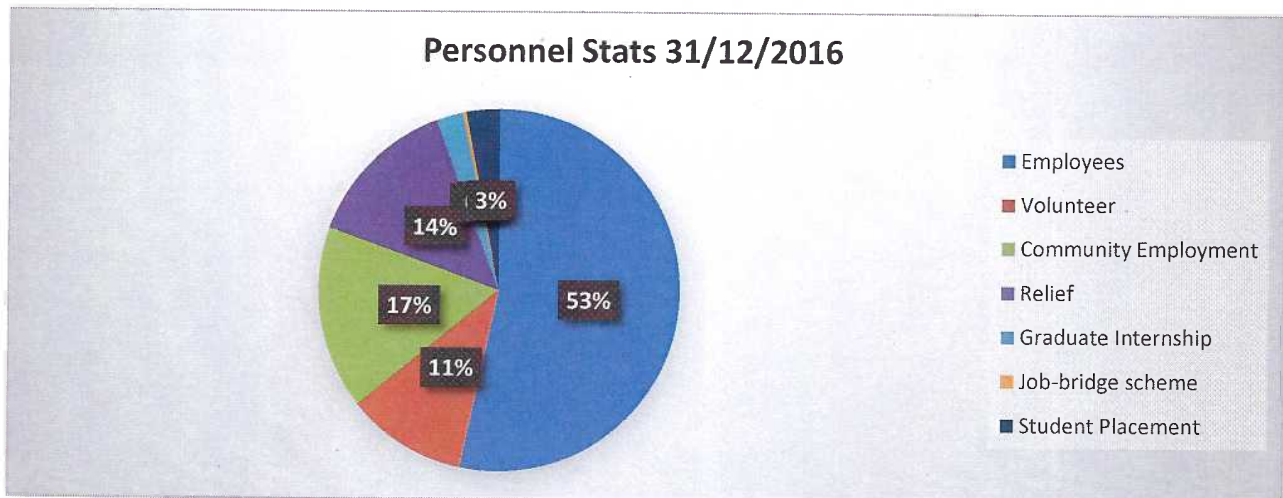
- The cultural and social activities in the Aftercare Day Programme were expanded.
- The use of the new Aftercare premises in Dolphins Barn was expanded during the year to include the hosting of organisational training and meetings.
- An additional Project Worker post was recruited to the team aimed at providing additional support to clients and service delivery.

During 2017 the Aftercare team plan to further develop and improve the service in the following ways;

- The production of an Aftercare Service Welcome Pack.
- To further develop the eCASS Salesforce CRM Treatment Outcome Monitoring & Information System in areas such as outcome psychometrics.
- To review and evaluate the Aftercare Weekly Support Group.

HUMAN RESOURCES

Merchant's Quay Ireland personnel are our greatest asset. We strive to attract, develop, engage and retain, high calibre personnel to deliver a high standard of service to our clients. As at 31 December 2016 total headcount in Merchants Quay Ireland was 298 this includes employees, community employment, volunteers, student placements, graduate interns and relief workers.



The implementation of a Human Resource Business Partner model has been embraced by both personnel and management, who are spread across a number of geographical locations. This ensures that HR is an integral part of the organisation and allows the team to work on more strategic projects. 2016 saw the HR team achieve their objectives while working on very exciting projects.

Learning & Developing

Learning and development forms an essential part of our organisation's Strategic Plan and thus supports and equips personnel to meet the challenges they encounter, while delivering a high-level of service to clients.

During 2016 training needs were met and continuous learning was encouraged and supported. 3 of our staff attended the Diploma in Drugs Counselling Theory and Intervention through UCD, while all our counsellors were supported around obtaining their 30 hours of Continuous Professional Development (CPD) as set out by their respective Accrediting Bodies.

MERCHANT'S QUAY PROJECT CLG

DIRECTORS' REPORT (CONTINUED)

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Our Scholarship Fund encourages and supports both our clients and personnel in up-skilling, by applying for funding to further their qualifications in a recognised educational institute. 2016 saw MQI increase contributions to the fund by 100%, with Clients taking precedence in-line with policy.

Volunteering

Volunteering is a key part of the Merchant Quay Ireland's Strategy and contributes highly to the overall success of the organisation. Volunteer roles include activities such as catering, counselling, maintaining/replenishing our donations hub and project working. Our longest serving volunteer has been with us for 9 years and works as part of our High Park team. Annual Volunteer Appreciation Evenings are held which brings volunteers together nationwide. Our Chef for a Day initiative allow volunteers to assist our chef in preparing and serving meals – this may include making deserts such as cakes or biscuits as a special treat for our clients.

Merchants Quay Ireland partners with Corporate organisations as part of their Corporate Social Responsibility programmes. This allows their staff to work on very exciting projects such as painting, landscaping etc. These projects might take approximately 1-3 days and can be completed during the working week or at weekends.

Health & Wellness Programme

As part of our Engagement/Retention Strategy MQI implemented a Health & Wellness Programme in 2016 (H&WP). Our Framework was aligned to the definition of Health & Wellness as per the World Health Organisation (WHO) and involved 3 elements i.e. Physical, Mental and Social. The first Nationwide Activity in September was the 'Steps Challenge' in partnership with the NTA. Various competitions were held thereafter e.g. Best Creative T-shirt; Movember Challenge; Best Christmas Jumper, with regular monthly activities e.g. Mindfulness and Yoga, but to name a few.

Health & Safety

Health & Safety (H&S) continues to be of high importance for personnel and managers in Merchants Quay Ireland. Regular Health & Safety Committee meetings are paramount and are supported by stringent processes, which ensure the safety of all personnel and clients. 2016 saw a number of employees trained in Safety Representative/Awareness training which shows our commitment to H&S.

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

GOVERNANCE AND MANAGEMENT (CONTINUED)

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.

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.

GOVERNANCE AND MANAGEMENT (CONTINUED)

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 is anticipated that 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.

GOVERNANCE AND MANAGEMENT (CONTINUED)

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.

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.

MERCHANT'S QUAY PROJECT CLG

DIRECTORS' REPORT (CONTINUED)

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 on 19/6/17 and signed on its behalf by:



Mick Price
Director



Kieran Cronin
Director

MERCHANT'S QUAY PROJECT CLG

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the directors' report and the financial statements in accordance with the Companies Act 2014 and the applicable regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with 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 directors are 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 relevant financial reporting framework, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and income and expenditure of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MERCHANT'S QUAY PROJECT CLG

We have audited the financial statements of Merchant's Quay Project CLG for the financial year ended 31 December 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes 1 to 20. 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 Reports 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 the company's affairs 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 AUDITORS' REPORT TO THE MEMBERS OF MERCHANT'S QUAY PROJECT 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*

MERCHANT'S QUAY PROJECT CLG

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

	Notes	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 and endowments from:									
Charitable Activities	4	-	-	3,297,109	3,297,109	-	-	3,320,801	3,320,801
Donations and Legacies	3	-	2,751,474	89,538	2,841,012	-	2,286,184	92,931	2,379,115
Other Incoming Resources	5	-	249,668	-	249,668	-	298,813	-	298,813
Total		-	3,001,142	3,386,647	6,387,789	-	2,584,997	3,413,732	5,998,729
Expenditure on:									
Charitable Activities	6	-	1,550,512	3,357,365	4,907,877	-	1,399,272	3,372,214	4,771,486
Raising Funds	7	-	861,087	-	861,087	-	591,683	-	591,683
Total		-	2,411,599	3,357,365	5,768,964	-	1,990,955	3,372,214	5,363,169
Net income for the financial year	9	-	589,543	29,282	618,825	-	594,042	41,518	635,560
Taxation	17	-	-	-	-	-	-	-	-
Net income after Taxation		-	589,543	29,282	618,825	-	594,042	41,518	635,560
Actuarial (loss)/gain in respect of the pension scheme	15	-	(26,721)	-	(26,721)	-	43,512	-	43,512
Transfer of funds	16	517,886	(517,886)	-	-	544,156	(544,156)	-	-
Total Funds as at 1 January 2016	16	2,076,717	284,823	369,420	2,730,960	1,532,561	191,425	327,902	2,051,888
Total Funds as at 31 December 2016	16	2,594,603	329,759	398,702	3,323,064	2,076,717	284,823	369,420	2,730,960
The Statement of Financial Activities includes all gains and losses recognised in the financial year.									

MERCHANT'S QUAY PROJECT CLG

**BALANCE SHEET
AS AT 31 DECEMBER 2016**

	Notes	2016 €	2015 €
Fixed assets			
Tangible assets	10	35,593	52,732
Current assets			
Debtors	11	782,373	269,239
Cash at bank and in hand		3,198,321	3,573,223
		<u>3,980,694</u>	<u>3,842,462</u>
Creditors: Amounts falling due within one year	12	<u>(698,675)</u>	<u>(1,140,472)</u>
Net current assets		<u>3,282,019</u>	<u>2,701,990</u>
NET ASSETS EXCLUDING PENSION LIABILITY		<u>3,317,612</u>	<u>2,754,722</u>
Net pension asset/(liability)	15	5,452	(23,762)
NET ASSETS INCLUDING PENSION ASSET /(LIABILITY)		<u><u>3,323,064</u></u>	<u><u>2,730,960</u></u>
Funds of the charity:			
Restricted Funds	16	398,702	369,420
Unrestricted Fund	16	329,759	284,823
Designated Funds	16	2,594,603	2,076,717
		<u>3,323,064</u>	<u>2,730,960</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

MERCHANT'S QUAY PROJECT CLG

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

RECONCILIATION OF NET INCOME TO CASH USED IN CHARITABLE ACTIVITIES

	2016 €	2015 €
Net income for the financial year	618,825	635,560
Depreciation	17,139	21,092
(Increase)/decrease in debtors	(513,134)	201,593
Decrease in creditors	(441,797)	(7,575)
Defined benefit pension scheme costs	(55,935)	(25,672)
Net Cash Flow from charitable activities	(374,902)	824,998
	2016 €	2015 €
Cash flows from charitable activities		
Net cash generated by charitable activities	(374,902)	824,998
Cash used in investing activities	-	(3,580)
Change in cash and cash equivalents in the reporting year	(374,902)	821,418
Cash and cash equivalents in the beginning of the reporting year	3,573,223	2,751,805
Cash and cash equivalents at the end of reporting year	3,198,321	3,573,223
Reconciliation to cash at bank and in hand:		
Cash and cash equivalents at the end of financial year	3,198,321	3,573,223

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

Merchant's Quay Project CLG is a company incorporated in Ireland under the Companies Act 2014. The address of the registered office is 24 Merchants Court, Merchant's Quay, Dublin 8. The nature of the company's operations and its principal activities are set out in the Directors Report on pages 5 to 25.

- (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 Merchant's Quay Project CLG 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 Merchant's Quay Project CLG 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, Merchant's Quay Project CLG has prepared its financial statements in accordance with the formats provided for in the SORP consistent with the prior financial year.

1. ACCOUNTING POLICIES (CONTINUED)

Basis of Preparation of Accounts (Continued)

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 forecasts 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 continue to adopt the going concern basis of accounting in preparing 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:

Category	Basis	Rate per annum
Improvements to premises	Straight line	2% - 20%
Equipment	Straight line	15%
Furniture and fittings	Straight line	12.5%
Motor vehicles	Straight line	20%

A full month's depreciation is charged in the month of purchase. No depreciation is charged in the month of sale.

1. ACCOUNTING POLICIES (CONTINUED)

Income

- (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 measured reliably.
- (vi) Other income reflects money received from training and any voluntary contributions made by the users of the service.

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.

Gifts In Kind

Gifts in kind which are deemed non-material are not included in the financial statements. Gifts in kind that can be valued with reasonable confidence will be included in the financial statements.

Pensions

Defined benefit pension scheme assets are measured at fair value. Defined benefit pension scheme liabilities are measured on an actuarial basis using the projected unit method. The excess of scheme liabilities over scheme assets is presented on the balance sheet as a liability net of related deferred tax. The defined benefit pension charge to operating profit comprises the current service cost and past service costs. The excess of the expected return on scheme assets over the interest cost on the scheme liabilities is presented in the income and expenditure account as other finance income. Actuarial gains and losses arising from changes in actuarial assumptions and from experience surpluses and deficits are recognised in the statement of total recognised gains and losses for the financial year in which they occur.

The fair value of quoted securities held as scheme assets was determined using the year-end bid price.

The defined contribution pension charge to the income and expenditure account comprises the contribution payable to the scheme for the year.

1. ACCOUNTING POLICIES (CONTINUED)

Debtors

Known bad debts are written off and specific provision is made for any amount, the collection of which is considered doubtful.

Leasing Commitments

Operating lease costs are charged to the statement of financial activities as incurred.

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 Merchant's Quay Project CLG and to maintain the smooth operation of the organisation, it is critical to ensure that the organisation has adequate reserves.

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.
- Working Capital Requirements.
- Maintain a required level of funding available for programmes during times of financial difficulty where fundraising income is diminished.
- Meet unanticipated expenses such as repairs and maintenance, currency variances and legal costs.
- Cover day to day expenditure of Merchant's Quay Project.
- Ensure there is adequate funding should any winding up costs ever arise.
- Provide for any other unanticipated expenditure of significance.

The board has adopted a reserves policy based on foreseeable expenditure and in particular, long-term commitments. In addition, a general reserve of €2.59m has been set aside towards the reserves policy goal of €2.88m which would allow operation of the organisation for 6 months, based on historical running costs and programme expenditure.

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

1. ACCOUNTING POLICIES (CONTINUED)

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.

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.

Taxation

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

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

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.

Critical judgements in applying the Company's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Defined Benefit Pension Scheme Obligation

The organisation has a defined benefit pension scheme in operation. There are estimates with respect to certain key assumptions made in calculating the actuarial accrual relating to the scheme including the discount rate and inflation rate as disclosed in note 15.

3. DONATIONS AND LEGACIES	Unrestricted Funds 2016 €	Restricted Funds 2016 €	Total Funds 2016 €	Total Funds 2015 €
Legacies	113,644	-	113,644	45,291
General donations	2,637,830	89,538	2,727,368	2,333,824
	<u>2,751,474</u>	<u>89,538</u>	<u>2,841,012</u>	<u>2,379,115</u>
4. CHARITABLE ACTIVITIES	Unrestricted Funds 2016 €	Restricted Funds 2016 €	Total Funds 2016 €	Total Funds 2015 €
Drug treatment services	-	2,024,761	2,024,761	2,047,840
Counselling and support	-	1,272,348	1,272,348	1,272,961
Total Income	<u>-</u>	<u>3,297,109</u>	<u>3,297,109</u>	<u>3,320,801</u>

The Department of Justice and Equality through the Probation Service provided current funding in the amount of €183,000 in 2016 (€182,400 in 2015). Funding is granted for a 12 month period and is restricted in accordance with the terms and conditions, including schedule 1, of the funding agreement. Funds are for the provision of addiction treatments services and costs apply to all payroll, administration, direct and indirect costs.

MERCHANT'S QUAY PROJECT CLG

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

4. CHARITABLE ACTIVITIES (CONTINUED)

ANALYSIS OF GOVERNMENT GRANT INCOME

	2016 €	2015 €
Health services executive	1,245,797	1,266,900
Irish prison services	1,062,348	1,063,561
Department of justice and equality through the probation service	183,000	182,400
South inner city local drugs task force	56,392	56,392
South east regional drugs task force	422,452	422,452
Midlands regional drug task force – health services executive	254,986	256,962
Midlands regional drug task force – westmeath county council	45,134	45,134
Family support agency	27,000	27,000
	<u>3,297,109</u>	<u>3,320,801</u>

5. OTHER INCOMING RESOURCES	Unrestricted Funds 2016 €	Restricted Funds 2016 €	Total Funds 2016 €	Total Funds 2015 €
Diploma & certificate fees	103,256	-	103,256	135,176
Client contributions	136,149	-	136,149	158,210
Bank interest received	2,963	-	2,963	8,001
Sundry	7,300	-	7,300	(2,574)
	<u>249,668</u>	<u>-</u>	<u>249,668</u>	<u>298,813</u>

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds 2016 €	Restricted Funds 2016 €	Total Funds 2016 €	Total Funds 2015 €
Drug treatment services	892,153	2,085,017	2,977,170	2,886,256
Counselling and support	544,422	1,272,348	1,816,770	1,750,009
University diplomas & certificate	113,937	-	113,937	135,221
Total Expenditure	<u>1,550,512</u>	<u>3,357,365</u>	<u>4,907,877</u>	<u>4,771,486</u>

The total support costs for MQP for 2016 were € 431,278, 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.

MERCHANT'S QUAY PROJECT CLG

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

7. RAISING FUNDS

	2016 €	2015 €
Quarterly Appeals	349,885	279,745
DRTV	246,689	100,451
Other Appeals	264,513	211,487
	<u>861,087</u>	<u>591,683</u>

8. EMPLOYEES

	2016 Number	2015 Number
Number of employees		
The average numbers of employees (including the Directors) during the financial year were:		
Administration and social workers	<u>101</u>	<u>99</u>

The number of employees whose emoluments (including allowances but excluding any employer pension contributions) that were greater than €60,000 is as follows:

	2016 Number	2015 Number
€60,000 - €70,000	-	-
€70,001 - €80,000	-	2
€80,001 - €90,000	-	2
€90,001+	4	1
	<u>4</u>	<u>5</u>

No basic salaries are paid in excess of €100,000.

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 for the organisation of the key management personnel were €522,445 (2015: €531,424) 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 adjusted remuneration costs charged to MQP taking this into account is €411,896 (2015: €417,693).

MERCHANT'S QUAY PROJECT CLG**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016****8. EMPLOYEES (CONTINUED)**

	2016 €	2015 €
Employment costs		
Wages and salaries	2,992,529	2,773,175
Social welfare costs	309,064	291,186
Defined benefit pension costs	23,513	27,219
Defined contribution pension costs	61,928	56,904
Death in service costs	3,347	33,232
	<u>3,390,381</u>	<u>3,181,716</u>

It should be noted that 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 and excluded from the above.

9. NET INCOME

	2016 €	2015 €
Net income is stated after charging:		
Directors' remuneration	-	-
Auditors' remuneration*	16,974	18,696
Depreciation	17,139	21,092
Operating leases	9,600	9,600

*The auditors' remuneration fee is in respect of audit only and includes VAT. No amounts were paid to the auditors in relation to advisory, tax advisory or other assurance services.

MERCHANT'S QUAY PROJECT CLG

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

10. TANGIBLE ASSETS

	Improvements to premises €	Equipment €	Furniture and fittings €	Motor vehicles €	Total €
Cost					
At 1 January 2016	330,095	273,044	272,798	68,767	944,704
Disposals	(18,230)	(25,758)	(83,462)	(1,968)	(129,418)
At 31 December 2016	311,865	247,286	189,336	66,799	815,286
Depreciation					
At 1 January 2016	330,095	251,545	252,551	57,781	891,972
Charge for the financial year	-	3,623	5,276	8,240	17,139
Disposals	(18,230)	(25,758)	(83,462)	(1,968)	(129,418)
At 31 December 2016	311,865	229,410	174,365	64,053	779,693
Net book values					
At 31 December 2016	-	17,876	14,971	2,746	35,593

In respect of prior financial year:

	Improvements to premises €	Equipment €	Furniture and fittings €	Motor vehicles €	Total €
Cost					
At 1 January 2015	330,095	271,682	270,576	68,767	941,120
Additions	-	1,362	2,222	-	3,584
At 31 December 2015	330,095	273,044	272,798	68,767	944,704
Depreciation					
At 1 January 2015	330,095	244,940	246,304	49,541	870,880
Charge for the financial year	-	6,605	6,247	8,240	21,092
At 31 December 2015	330,095	251,545	252,551	57,781	891,972
Net book values					
At 31 December 2015	-	21,499	20,247	10,986	52,732

MERCHANT'S QUAY PROJECT CLG

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

11. DEBTORS	2016 €	2015 €
Amounts falling due within one year:		
Other debtors	375,287	175,121
Prepayments	166,383	94,118
Franciscan Social Justice Initiative (Note 14)	240,287	-
Debtors PAYE/PRSI	416	-
	<u>782,373</u>	<u>269,239</u>

12. CREDITORS:	2016 €	2015 €
Amounts falling due within one year		
Other creditors	-	321
Trade creditors	102,636	250,171
Accrued expenses	292,062	459,076
Deferred Income**	300,663	329,481
Amount due to Franciscan Social Justice Initiative CLG (Note 14)	-	101,198
Amount due to Merchants Quay Project CE CLG	-	225
Amount due to St Francis Housing Association	3,315	-
	<u>698,675</u>	<u>1,140,472</u>

**Deferred income relates to income with performance related conditions applied for Q1 2017.

13. FINANCIAL INSTRUMENTS	2016 €	2015 €
Financial Assets:		
Measured at undiscounted amounts receivable		
Debtors (Note 11)	375,287	175,121
Amount due from Franciscan Social Justice Initiative CLG (Note 11)	240,287	-
	<u>615,574</u>	<u>175,121</u>
Financial Liabilities:		
Measured at undiscounted amounts payable		
Creditors (Note 12)	698,675	1,105,643
Amount due to Franciscan Social Justice Initiative CLG (Note 12)	-	101,198
Amount due to MQP CE Scheme CLG (Note 14)	-	225
Amount due to St Francis Housing Association	3,315	-
	<u>701,990</u>	<u>1,216,666</u>

MERCHANT'S QUAY PROJECT CLG

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

14. RELATED PARTY TRANSACTIONS

The Directors of the Company are also Directors of Franciscan Social Justice Initiative CLG (FSJI) and St Francis Housing Association (SFHA). The Directors of the Company along with additional directors are also directors of Merchants Quay Project CE Scheme Ltd. The Members on behalf of the Order of The Friars Minor have effective control over all four companies.

The balance owed by FSJI at 31 December 2016 was €240,287 (2015: €101,198 owed to FSJI). The balance owed to MQPCE at 31 December 2016 was €NIL (2015: €225 owed to MQP). The balance owing to St Francis Housing Association at 31 December 2016 was €3,315 (2015: Nil).

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

15. RETIREMENT BENEFIT SCHEME

The pension entitlements of eligible employees arise under a defined contribution and a defined benefit scheme. The pension entitlements under the defined benefit scheme are based on final pensionable pay and are secured by contributions by the Company to a separately administered group pension fund operated by the Order of Friars Minor in Ireland. The scheme's actuary has split the assets and liabilities of the scheme between the various participating entities, for the financial year ended 31 December 2016. It is on this basis that the pension liability has been recognised in the financial statements of Merchant's Quay Project CLG.

The assets of the defined benefit pension scheme are held separately from those of the Company. The scheme provides retirement benefits on the basis of the member's final salary. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. On 1 January 2006 the scheme was closed to new entrants. As this scheme was closed it has an age profile that is rising and therefore under the projected unit method the current service cost will increase as the member of the scheme approaches retirement.

The most recent valuation was at 30 December 2016 and is available for inspection by the scheme members but not for public inspection. The last triennial funding valuation was carried out at 30 June 2015.

The Company also operates a defined contribution scheme to provide benefits for new employees. Contributions made to the defined contribution scheme during the financial year amounted to €61,928 (2015: €56,904). The contributions in relation to the two schemes payable at the financial year-end was €Nil (2015: €56).

The actuarial valuation as at 31st December 2016 was prepared for by a qualified independent actuary, using the projected unit method. The main financial assumptions used in the valuation were:

15. RETIREMENT BENEFIT SCHEME (CONTINUED)

Basis of expected rate of return on scheme assets

The overall expected return on assets was derived as follows:

- Bonds: The return available on the ML > 5 year Euro Government Bond Index at 31 December 2016 of 1.20%.
- Equities: The return available on the ML > 10 year Euro Government Bond Index at 31 December 2016 plus an equity risk premium of 4.80%.
- Property: The return available on the ML > 10 year Euro Government Bond Index at 31 December 2016 plus a property risk premium of 4.30%.
- Other: The ECB interest rate, 0% at 31 December 2016.

The main financial assumptions used in the valuation of the scheme liabilities are:

	2016 %	2015 %
Rate of increase in salaries	3.40%	3.40%
Rate of increase in pension payment	0.00%	0.00%
Discount rate of scheme liabilities	1.80%	2.20%
Inflation assumption	1.50%	1.40%

Mortality assumptions

Assumptions regarding future mortality are set based on advice from published statistics and experience. The average life expectancy in years for a pensioner retiring aged 65 is as follows:

	2016	2015
Retiring at 31 December 2016		
Male	21.1	21
Female	23.6	23.5
Retiring in 20 years		
Male	23.6	23.5
Female	25.7	25.7

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

15. RETIREMENT BENEFIT SCHEME (CONTINUED)

Risks and rewards arising from the assets

At 31 December 2016 the scheme assets were invested in a diversified portfolio that consisted primarily of equities and bonds.

The market value of the scheme assets and the expected long term return therein are as follows:

	Rates at 31-Dec 2016 %	At 31-Dec 2016 €	Rates at 31-Dec 2015 %	At 31-Dec 2015 €
Equities	4.5%	393,243	4.8%	265,796
Bonds	0.9%	61,758	1.20%	32,546
Property	4%	72,919	4.30%	103,064
Other	0.00%	216,153	0.00%	231,694
Total market value of assets		<u>744,073</u>		<u>633,100</u>

The following amounts were measured at 31 December 2016:

	2016 €	2015 €
The amounts recognised in the balance sheet are as follows:		
Fair value of scheme assets	744,074	633,100
Present value of scheme liabilities	(738,622)	(656,862)
Pension asset/(deficit) in the balance sheet	<u>5,452</u>	<u>(23,762)</u>
Net pension asset/(liability)	<u>5,452</u>	<u>(23,762)</u>
	2016 €	2015 €

The amounts recognised in the Statement of Financial Activities ("SOFA") are as follows:

Interest cost	(16,047)	(14,670)
Expected return on scheme assets	16,147	12,927
Other finance costs	<u>100</u>	<u>(1,743)</u>
Current service cost – included in other operating costs	23,512	27,220
	<u>23,612</u>	<u>25,477</u>

MERCHANT'S QUAY PROJECT CLG

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

15. RETIREMENT BENEFIT SCHEME (CONTINUED)

The amounts recognised in the Statement of Financial Activities are as follows:

Actual return less expected return on pension scheme assets	15,480	5,272
Experience gains and losses arising on the scheme liabilities	(3,204)	22,595
Changes in assumptions underlying the present value of the scheme liabilities	(38,997)	15,645
Actuarial (loss)/gain recognised in the statement of Financial Activities	<u>(26,721)</u>	<u>43,512</u>

	Pension assets €	Pension liabilities €	Pension surplus €
Movement in scheme assets and liabilities			
At 1 January 2016	633,100	(656,862)	(23,762)
Current service cost	-	(23,512)	(23,512)
Interest on scheme liabilities	-	(16,047)	(16,047)
Expected return on scheme assets	16,147	-	16,147
Actual less expected return on scheme assets	15,480	-	15,480
Experience gains on liabilities	-	(3,204)	(3,204)
Contributions by employer	79,347	-	79,347
Changes in assumptions	-	(38,997)	(38,997)
At 31 December 2016	<u>744,074</u>	<u>(738,622)</u>	<u>5,452</u>

	Pension assets €	Pension liabilities €	Pension deficit €
Movement in scheme assets and liabilities			
At 1 January 2015	560,269	(653,212)	(92,943)
Current service cost	-	(27,220)	(27,220)
Interest on scheme liabilities	-	(14,670)	(14,670)
Expected return on scheme assets	12,927	-	12,927
Actual less expected return on scheme assets	5,272	-	5,272
Experience gains on liabilities	-	22,595	22,595
Contributions by employer	54,632	-	54,632
Changes in assumptions	-	15,645	15,645
At 31 December 2015	<u>633,100</u>	<u>(656,862)</u>	<u>(23,762)</u>

The best estimate of employer contributions expected to be paid to the scheme in the next financial year is €79,000.

MERCHANT'S QUAY PROJECT CLG

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

16. A. RECONCILIATION OF MOVEMENTS IN FUNDS

	Unrestricted Fund €	Designated fund €	Restricted fund €	Total €
Balance as at 1 January 2016	284,823	2,076,717	369,420	2,730,960
Net income	589,543	-	29,282	618,825
Other recognised income	(26,721)	-	-	(26,721)
Transfer from unrestricted fund to designated fund	(517,886)	517,886	-	-
Balance as at 31 December 2016	329,759	2,594,603	398,702	3,323,064

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 €2.88m.

In 2016 the board designated a transfer of €517,886 from unrestricted reserves into designated reserved in order to work on compliance with this policy.

In respect of prior financial year:

	Unrestricted Fund €	Designated fund €	Restricted fund €	Total €
Balance as at 1 January 2015	191,425	1,532,561	327,902	2,051,888
Net income	594,042	-	41,518	635,560
Other recognised income	43,512	-	-	43,512
Transfer from unrestricted fund to designated fund	(544,156)	544,156	-	-
Balance as at 31 December 2016	284,823	2,076,717	369,420	2,730,960

In 2015 the board designated a transfer of €544,156 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	35,593	-	-	35,593	52,732
Current assets	987,389	2,594,603	398,702	3,980,694	3,842,462
Current liabilities	(698,675)	-	-	(698,675)	(1,140,472)
Long term asset/(liabilities)	5,452	-	-	5,452	(23,762)
	329,759	2,594,603	398,702	3,323,064	2,730,960

MERCHANT'S QUAY PROJECT CLG

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

17. TAXATION

The Company received Charitable Tax Status in September 1992 consequently no provision for corporation tax is necessary.

The Company is compliant with all other taxes and held a valid tax clearance certificate for the year 2016.

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. COMMITMENTS

	2016 €	2015 €
Total future minimum lease payments under non-cancellable operating leases as follows:		
Leasehold Premises		
Within one year	9,600	-
In two to five years	140,993	216,531
More than five years	1,200,000	1,207,600
	<u>1,350,593</u>	<u>1,424,131</u>

It should be noted that a portion of the rent that arises within Merchant's Quay Project CLG that is attributable to the locations operated partly by Franciscan Social Justice Initiatives CLG is transferred over to this Company but is included in the above as the lease commitment in Merchant's Quay Project CLG.

20. SUBSEQUENT EVENTS

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