

Company Number: 376398

Simon Community (South East) Limited
(A company limited by guarantee, without a share capital)

Directors' Report and Financial Statements

for the year ended 31 December 2015

Simon Community (South East) Limited
(A company limited by guarantee, without a share capital)
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Simon Community (South East) Limited

(A company limited by guarantee, without a share capital)

DIRECTORS AND OTHER INFORMATION

Directors	Leslie Warren Liam Dunne Mary Ryan Sean Ormonde Elizabeth Dowling Edward Grant
Company Secretary	Elizabeth Dowling
Company Number	376398
Charities Regulatory Authority Number	20055141
Charitable Status Number	CHY15749
Registered Office and Business Address	Unit 33, Johnstown Business Park, Johnstown, Waterford.
Auditors	MK Brazil Chartered Accountants and Registered Auditors, O'Connell Court, 64 O'Connell Street, Waterford.
Bankers	Allied Irish Banks, p.l.c., 72/73 The Quay, Waterford.
Solicitors	Nolan Farrell and Goff, Newtown, Waterford.

Simon Community (South East) Limited

(A company limited by guarantee, without a share capital)

DIRECTORS' REPORT

for the year ended 31 December 2015

The directors present their report and the audited financial statements of Simon Community (South East) Limited, ('South East Simon Community') for the year ended 31 December 2015.

Objectives and activities

South East Simon Community was established in 2003 for the charitable purpose of alleviating homelessness and the problems associated with homelessness. South East Simon Community works in solidarity with men and women who have past or present experience of homelessness, or at risk of future homelessness. We campaign for a society without homelessness. South East Simon Community is particularly concerned for people whose experience of homelessness is not just a short term setback but is a longer term manifestation of deep social exclusion.

Homelessness takes many forms. Sleeping rough is very visible but many people's experiences of homelessness are often hidden. Homelessness causes countless practical difficulties. It also has a detrimental effect on people's health and well-being. It is an isolating experience and people experiencing homelessness are some of the most vulnerable and socially excluded people in our society.

South East Simon Community offers a range of services in response to these needs including low threshold accommodation, key working and case management, and a range of housing and accommodation with appropriate levels of care and support. We work from a Housing First philosophy in addressing homelessness.

The Housing First philosophy embodies a commitment to housing as a social right. The aim of the Housing First approach is to minimise the number of steps and the amount of time a person has to take from the point of becoming homeless to the point of being rehoused. The key idea is to provide immediate or near-immediate re-housing without any requirement that homeless people show themselves to be 'housing ready' before they are re-housed. Support to sustain their housing and improve their health, well-being and social integration is provided to people in their own home, and use of that support is something over which people exercise considerable choice and control.

Our commitment to housing first informs our approach to delivery of services across the South East.

In 2015, South East Simon Community provided the following services

- We provide Supported Housing in Waterford, Tipperary, and Kilkenny. We provide Tenancy Sustainment Services and Resettlement Services, which work to address and prevent homeless by assisting people to maintain their tenancy or by supporting those at risk of a tenancy breakdown from our two regional offices in Clonmel and Waterford.
- Supported Advocacy service to assist people who require advice and information on their housing and related entitlements delivered in partnership with Focus Ireland at a shared services centre in Waterside, Waterford
- Aftercare Service to assist young people in preparing to leave the care environment and transition onto independent living.
- We run a charity shop on Michael Street, Waterford which provides low cost items for the community and is a net source of income to support our other services.
- Fundraising aimed at raising the costs of running the continuing services listed above.

Review of activities in 2015

During the year we responded to an increased number of people seeking our range of services.

- In 2015 the Supported Housing service supported 70 adults and over 29 children through visiting support in housing.
- We supported 13 adults who went from homelessness to housing, and we supported a further 24 people with advice and information to successfully secure housing.
- We supported 58 adults who were already in housing at the start of 2015 to sustain their housing, 49 of which remained housed at the end of 2015.
- We supported 341 through advocacy and the advice and information service. 261 in Waterford and 80 in Clonmel.
- In 2015 the Aftercare service in Wexford was discontinued following the reallocation of funding by the TUSLA to other TUSLA services.
- Our fundraising team and volunteers raised over €200,000 in voluntary donations and bequests.
- We pursued Capital Assistance Scheme funding to provide additional housing units, one of which will be available in 2016.
- During the year there were significant changes in staffing. In July 2015 the Chief Executive Officer left. The board of directors approached Cork Simon Community and requested that they provide operational and management supports. Cork Simon Community continues to provide this support.

Simon Community (South East) Limited

(A company limited by guarantee, without a share capital)

DIRECTORS' REPORT

for the year ended 31 December 2015

Financial review

The financial results for the year ended 31 December 2015 are shown in the Income and Expenditure Account on page 10.

Income from allocations and grants from other agencies accounted for 30% of total gross income for 2015. Fundraising and other income account for 70% of gross income in 2015.

The net movement in funds is reported as a decrease of €40,058. This includes once off expenditure of €33,089 on redundancy and staff restructuring.

The end of year reserves are reported as €121,114. This consists of :

€ 28,350 Restricted capital funds, received and spend on fixed assets.

€ 20,796 Restricted funds, income restricted to specific services and carried forward to 2016.

€ 20,000 Designated building fund, set aside for future property maintenance.

€ 51,968 Unrestricted funds, available for working capital and the continuity of services.

€121,114 Total funds

Reserves

South East Simon Community has a responsibility to ensure that it uses the funds and resources it receives for its charitable purpose of ending homelessness. There are uncertainties around most sources of funding and resources. South East Simon Community must plan its use of these funds and resources to ensure the continuity and sustainability of the services it offers. To this end, South East Simon Community aims to hold four months of operating costs in reserve. At the end of 2015 unrestricted funds represent 1.2 months of expenditure.

As is usual for housing bodies, South East Simon Community holds a property maintenance and development fund, often referred to as the 'sinking fund'. The directors have designated unrestricted funds for the future maintenance and development of the community's properties. At the year end this designated fund amounts to €20,000. The board of directors aims to increase this reserve.

Plans for future periods

South East Simon Community's main priorities are:

- Align all South East Simon Community services with a Housing First approach.
- Facilitate faster onward progression for people out of homelessness.
- Carry out a review of South East Simon Community governance and management structures and arrangements.
- Develop a strategic plan for 2017-2020.
- Elaborate a model of key working and case management in line with new standards for homeless services, to better support people on their journey out of homelessness.
- Offer an expanded range of housing options to people with high-support needs.
- Identify and access an increased number of housing units suitable for the needs of people we support and through various sources.
- Secure sustainable funding to support ongoing services.
- Improve the situation of people who are currently homeless through South East Simon Community acting as a leading advocate for the right to housing and supports for all at a national and local level.
- Continue to maintain and develop South East Simon Community support base, and promote a general understanding of the causes of and solutions to homelessness.
- Implement the National Quality Standards Framework across our services.

Relationships with other bodies

South East Simon Community recognises that the range of needs of people who are homeless are too complex for one organisation to solve. South East Simon Community fosters relationships and working arrangements with a variety of other agencies and providers of related services.

- South East Simon Community is part of a network of eight independent Simon Communities operating in the Republic, the others being in Dundalk, Dublin, Midlands, Cork, Galway, North West and Mid-West. All eight Simon Communities share common values and ethos in tackling all forms of homelessness throughout Ireland, and work collectively through a National Office to conduct valuable research and to inform and influence national policy.
- South East Simon Community is an Approved Housing Body and a member of the Irish Council for Social Housing.
- South East Simon Community has good working relationships with the Health Service Executive, Waterford City and County Council, Tipperary County Council, Department of Social Protection, and the Community Gardaí. We work with private landlords, voluntary housing bodies and a range of Community groups.
- South East Simon Community has close links with other agencies in providing services for people who are homeless. We are members of the Waterford Homeless Service Providers Network and of the South East Regional Homeless Forum.

Simon Community (South East) Limited

(A company limited by guarantee, without a share capital)

DIRECTORS' REPORT

for the year ended 31 December 2015

Structure Governance and management

South East Simon Community is a charitable company limited by guarantee not having a share capital. South East Simon Community has a Memorandum and Articles of Association. The members of the board of directors are the members of the company. The directors are volunteers.

The board of directors have signed up to the Governance Code for Voluntary Organisations and the Voluntary Regulation Code for Approved Housing Bodies. South East Simon Community adheres to the Statement of Guiding Principles for Fundraising. In service delivery South East Simon Community is applying the Putting People First Code, the National Quality Standards Framework, and the Quality Standards in Alcohol and Drugs Services.

The board of directors is responsible for governance, and developing and approving policies and strategies of the Community. The day to day management of the Community was delegated to the Chief Executive Officer. Since she left in July 2015, the day to day management of the Community is delegated to the Director of Cork Simon Community, Dermot Kavanagh, who is supported by the management team in Cork Simon Community. No remuneration or employee benefits are paid by South East Simon Community to the Director.

Principal risks and uncertainties

The directors have ultimate responsibility for managing risk and are aware of the risks associated with the operating activities of the Community. The directors carry out an annual risk audit and review the risks on an ongoing basis. The directors are satisfied that adequate systems of governance, supervision, procedures and internal controls are in place to mitigate the exposure to the major risks and that these controls provide reasonable assurance against such risks. The major risks include financial risks, operational and safety risks, compliance risks and reputational risks.

External risks include the impact of the current housing crisis. An increase to the number of people needing homeless services, or an inability of South East Simon Community to access more move-on accommodation / housing options for people, or a change in government policy or de-prioritisation of homelessness can all impact on the services South East Simon Community can offer.

Taxation

The company has been granted charitable status under Sections 207 and 208 of the Taxes Consolidation Act, 1997 (Charity No. CHY 15749).

Directors

The directors who served throughout the year, except as noted, were as follows:

Leslie Warren
Liam Dunne
Mary Ryan
Sean Ormonde
Elizabeth Dowling
Edward Grant

There were no changes in the board of directors between 31 December 2015 and the date of signing the financial statements.

In accordance with the Articles of Association, the directors Mary Ryan and Sean Ormonde retire by rotation at the next Annual General Meeting and, being eligible, offer themselves for re-election.

Going concern

The directors, after making enquiries and having considered the Community's financial position and expected future cash flows, conclude there are no material uncertainties about the Community's ability to continue operating for the foreseeable future. For this reason, the going concern basis continues to be adopted in preparing the financial statements.

Accounting Records

To ensure that adequate accounting records are kept in accordance with Sections 281 to 285 of the Companies Act, 2014, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The accounting records are located at the company's office at Unit 33, Johnstown Business Park, Johnstown, Waterford.

Auditors

The auditors, MK Brazil, have indicated their willingness to continue in office in accordance with the provisions of Section 383(2) of the Companies Act, 2014.

Simon Community (South East) Limited
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DIRECTORS' REPORT
for the year ended 31 December 2015

Events since the end of the year

There have been no significant events affecting the Community since the year-end.

Signed on behalf of the board

Mary Ryan
Director

29 June 2016

Edward Grant
Director

29 June 2016

Simon Community (South East) Limited
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DIRECTORS' RESPONSIBILITIES STATEMENT
for the year ended 31 December 2015

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Financial Reporting Council.

Irish company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice (accounting standards issued by the Financial Reporting Council) including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the surplus or deficit of the company for that financial year and otherwise comply with the Companies Act 2014.

In preparing these 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 applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

In so far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditor in connection with preparing the auditor's report) of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Signed on behalf of the board

Mary Ryan
Director

29 June 2016

Edward Grant
Director

29 June 2016

INDEPENDENT AUDITOR'S REPORT

to the Members of Simon Community (South East) Limited

(A company limited by guarantee, without a share capital)

We have audited the financial statements of Simon Community (South East) Limited for the year ended 31st December 2015 which comprise the Income and Expenditure Account, the Balance Sheet, the Reconciliation of Shareholders' Funds, the Cash Flow Statement, the Accounting Policies and the related notes. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and accounting standards issued by the Financial Reporting Council (Generally Accepted Accounting Practice in Ireland), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practice Board's Ethical Standards for Auditors, including 'APB Ethical Standard - Provisions Available for Small Entities (Revised)', in the circumstances set out in Note 4 to the financial statements.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2015 and of its results for the year then ended; and
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland 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.

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 Sections 305 to 312 of the Act are not made.



John Foley FCA
for and on behalf of
MK BRAZIL

Chartered Accountants and Registered Auditors,
O'Connell Court,
64 O'Connell Street,
Waterford.

26 July 2016

Simon Community (South East) Limited
(A company limited by guarantee, without a share capital)
INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 December 2015

	Notes	2015 €	2014 €
Income	5	512,542	601,388
Expenditure		<u>(550,287)</u>	<u>(671,732)</u>
Deficit on ordinary activities before interest		(37,745)	(70,344)
Interest receivable and similar income	7	23	305
Interest payable and similar charges	8	<u>(2,336)</u>	<u>(2,146)</u>
Deficit for the year		<u><u>(40,058)</u></u>	<u><u>(72,185)</u></u>

The company has no recognised gains or losses other than the results for the year. The results for the year have been calculated on the historical cost basis. The company's income and expenses all relate to continuing operations.

Simon Community (South East) Limited

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BALANCE SHEET

as at 31 December 2015

	Notes	2015 €	2014 €
Fixed Assets			
Tangible assets	10	<u>2,582,575</u>	<u>2,681,997</u>
Current Assets			
Debtors	11	48,564	54,558
Cash and cash equivalents		<u>102,779</u>	<u>161,401</u>
		<u>151,343</u>	<u>215,959</u>
Creditors: Amounts falling due within one year	12	<u>(142,564)</u>	<u>(161,539)</u>
Net Current Assets		<u>8,779</u>	<u>54,420</u>
Total Assets less Current Liabilities		<u>2,591,354</u>	<u>2,736,417</u>
Creditors			
Amounts falling due after more than one year	13	<u>(2,470,240)</u>	<u>(2,558,461)</u>
Net Assets		<u>121,114</u>	<u>177,956</u>
Reserves			
Restricted funds		20,796	36,230
Restricted capital fund		28,350	29,700
Designated building fund		20,000	-
Unrestricted fund		<u>51,968</u>	<u>112,026</u>
Total Charity Funds		<u>121,114</u>	<u>177,956</u>

Approved by the board on 29 June 2016 and signed on its behalf by:

Mary Ryan
Director

Edward Grant
Director

Simon Community (South East) Limited

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RECONCILIATION OF FUNDS

as at 31 December 2015

	Designated Funds	Unrestricted Funds	Capital Grants	Restricted Funds	Total
	€	€	€	€	€
At 1 January 2014	-	184,211	30,240	85,355	299,806
Deficit for the year	-	(72,185)	-	-	(72,185)
Other movements in	-	-	(540)	(49,125)	(49,665)
At 31 December 2014	-	112,026	29,700	36,230	177,956
	-	(40,058)	-	-	(40,058)
Other movements in	20,000	(20,000)	(1,350)	(15,434)	(16,784)
At 31 December 2015	20,000	51,968	28,350	20,796	121,114

Simon Community (South East) Limited

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CASH FLOW STATEMENT

for the year ended 31 December 2015

	Notes	2015 €	2014 €
Cash flows from operating activities			
for the year		(40,058)	(72,185)
Adjustments for:			
Interest receivable and similar income		(23)	(305)
Interest payable and similar charges		2,336	2,146
Depreciation		125,302	122,037
Release of loan funding		(113,191)	(105,328)
Amortisation of government grants		(1,350)	(540)
		<u>(26,984)</u>	<u>(54,175)</u>
Movements in working capital:			
Movement in debtors		5,994	(4,620)
Movement in creditors		(107,244)	34,788
		<u>(128,144)</u>	<u>(24,007)</u>
Cash generated from operations		(128,144)	(24,007)
Interest paid		(2,336)	(2,146)
		<u>(130,480)</u>	<u>(26,153)</u>
Cash flows from investing activities			
Interest received		23	305
Payments to acquire tangible fixed assets		(25,880)	(152,930)
Release of loan funding		113,191	105,328
		<u>87,334</u>	<u>(47,297)</u>
Cash flows from financing activities			
Movement in Restricted Reserves		(15,434)	(49,125)
		<u>(58,580)</u>	<u>(122,575)</u>
Net cash generated from financing activities		(58,580)	(122,575)
		<u>(58,580)</u>	<u>(122,575)</u>
Net increase in cash and cash equivalents		(58,580)	(122,575)
Cash and cash equivalents at 1 January 2015		161,340	283,915
Cash and cash equivalents at 31 December 2015	17	102,760	161,340

Simon Community (South East) Limited
(A company limited by guarantee, without a share capital)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2015

1. GENERAL INFORMATION

Simon Community (South East) Limited is a company limited by guarantee incorporated in the Republic of Ireland.

2. ACCOUNTING POLICIES

Statement of compliance

The financial statements of the company for the year ended 31 December 2015 have been prepared on the going concern basis and in accordance with generally accepted accounting principles in Ireland and Irish statute comprising the Companies Act 2014 and in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) issued by the Financial Reporting Council.

Basis of preparation

The financial statements have been prepared under the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Accounting Convention

The financial statements are prepared under the historical cost convention.

Income

Donations and Other Fundraising Income

In common with many similar charitable organisations, the company derives a proportion of its income from voluntary donations and fund raising activities held by individuals or parties outside the control of the company. Accordingly, incoming resources, including incoming resources received in kind, are recognised only when realised in the form of cash or other assets, the ultimate cash realisation of which can be reliably measured and assessed with reasonable certainty. In the case of voluntary income receivable by way of donations, gifts and bequests, income is recognised when the donation is entered into the company's bank accounts or entered into the company's accounting records. Fund raising is shown gross without deduction of any overhead costs involved in raising such funds.

Revenue Grants

Revenue grants relating to charitable activities are recognised when receivable and are reflected in the statement of financial activities on this basis.

Rental Income

The company has a number of properties which it manages and lets to its clients. Rental income is recognised on a cash receipts basis.

Capital Assistance Scheme Loans

Loans under Capital Assistance Schemes, receivable from local authorities for the purposes of acquiring and developing specified housing properties and advanced to the company under the terms of a mortgage agreement, are recognised in the financial statements as creditors repayable over fixed terms ranging from 20 to 30 years. Under the terms of the mortgage agreement the company is relieved of monthly capital and interest repayments by the relevant local authority provided the company is in compliance with certain specific conditions. The repayments so relieved are recognised in the Income and Expenditure Account as they are waived or relieved.

The amounts repayable to the local authorities under the terms of the Capital Assistance Scheme, representing advances received as reduced by repayments relieved, are disclosed as creditors classified as amounts repayable within one year and amounts repayable after more than one year.

Restricted funds

Restricted funds represent grants, donations and sponsorships received which can only be used for particular purposes specified by the donors or sponsorship programmes binding on directors. Such purposes are within the overall objectives of the company.

Simon Community (South East) Limited

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NOTES TO THE FINANCIAL STATEMENTS

continued

for the year ended 31 December 2015

Unrestricted funds

Unrestricted funds are income received or generated for the charitable purposes which can be used at the discretion of South East Simon Community to deliver its charitable objectives.

Designated building fund

Designated building fund represents funds allocated for the future maintenance and development of the Community's housing properties.

Capital funds

Grants and loan funding towards capital expenditure are released to the income and expenditure account over the expected useful life of the assets. Grants towards revenue expenditure are released to the income and expenditure account as the related expenditure is incurred.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Land and buildings freehold	- 3.33% Straight line
Office equipment	- 12.5%/20% Straight line
Fixtures, fittings and equipment	- 12.5%/20% Straight Line
Shop equipment	- 12.5%/20% Straight line

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

It is a requirement, under FRS 102 - Impairment of Fixed Assets and Goodwill, that the carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable. As our Fixed Assets are not held for the purpose of generating cashflows, but were acquired for the purpose of carrying out charitable activities, the value cannot be meaningfully measured in terms of cashflow as the benefits that derive from their use are not financial. Accordingly, an impairment of Fixed Assets will only arise where the asset suffers impairment in a physical sense resulting in physical damage and the use of the asset has reduced significantly or is no longer in use or where the quality of service it provides has deteriorated. As long as such assets continue to provide the anticipated benefits to the company, the consumption of such benefits will be reflected in regular depreciation charges.

Trade and other debtors

Debtors are stated in the balance sheet at net realisable value.

Borrowing costs

Borrowing costs are recognised in income and expenditure in the period in which they are incurred.

Taxation

No charge to current or deferred taxation arises as the charity has been granted charitable status under Sections 207 and 208 of the Taxes Consolidation Act, 1997 (Charity No. CHY 15749). The charity is eligible under the Scheme of Tax Relief for Donations to Eligible Charities and Approved Bodies under Section 848A of the Taxes Consolidation Act, 1997. Irrecoverable VAT is expended as incurred.

Simon Community (South East) Limited
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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2015

continued

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. These estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

a) Establishing useful economic lives for depreciation purposes of property, plant and equipment

Long-lived assets, consisting primarily of property, plant and equipment, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated useful economic lives and estimates of residual values. The directors regularly review these asset useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have significant impact on depreciation and amortisation charges for the period. Detail of the useful economic lives is included in the accounting policies.

4. PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature, we use our auditors to assist with the preparation of the financial statements.

5. INCOME

The income for the year has been derived from:-

Restricted income received in 2015

South Tipperary CC	(a)	37,146	37,146
HSE Wexford	(b)	27,507	105,756
HSE Waterford	(c)	20,000	-
Waterford CCCC	(d)	10,000	-
Other grant income		55,110	108,177
		149,763	251,079

Other income

Rent and contributions received		82,674	83,976
Fundraised income		210,657	179,074
Bequests		1,233	15,000
Shop		66,865	71,719
Other operating income		1,350	540
		<u>512,542</u>	<u>601,388</u>

(a) South Tipperary County Council grant towards tenancy sustainment and resettlement services based in Clonmel

(b) Health Service Executive, TUSLA, Wexford, grant towards Aftercare services in Wexford.

(c) Health Service Executive, Waterford, grant towards Housing First service in Waterford.

(d) Waterford City and County Council, grant towards Housing First service in Waterford.

Simon Community (South East) Limited
(A company limited by guarantee, without a share capital)
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6. OPERATING DEFICIT	2015	2014
	€	€
Operating deficit is stated after charging/(crediting):		
Depreciation of tangible fixed assets	125,302	122,037
Release of loan funding	(113,191)	(105,328)
Amortisation of Government grants	(1,350)	(540)
	<u> </u>	<u> </u>
7. INTEREST RECEIVABLE AND SIMILAR INCOME	2015	2014
	€	€
Bank interest	23	305
	<u> </u>	<u> </u>
8. INTEREST PAYABLE AND SIMILAR CHARGES	2015	2014
	€	€
Bank charges	2,336	2,146
	<u> </u>	<u> </u>

9. EMPLOYEES AND REMUNERATION

Number of employees

The average number of persons employed (including executive directors) during the year was as follows:

	2015	2014
	Number	Number
Service	13	15
Shop	1	1
	<u> </u>	<u> </u>
	14	16
	<u> </u>	<u> </u>

The staff costs comprise:

	2015	2014
	€	€
Wages and salaries	309,995	387,110
Staff re-organisation costs	33,089	-
Social welfare costs	33,361	41,338
	<u> </u>	<u> </u>
	376,445	428,448
	<u> </u>	<u> </u>

At the end of 2015, 10 individual people were employed. Of these 6 people were employed full time and 4 people were part time.

Key management personnel: The Chief Executive Officer left the company in July 2015. The day to day management of the Community is delegated to Dermot Kavanagh, the Director of Cork Simon Community. No remuneration or employee benefits are paid by South East Simon Community to the Director.

The board of directors are not in receipt of any remuneration during the year.

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10. TANGIBLE FIXED ASSETS

	Land and buildings freehold €	Office equipment €	Fixtures, fittings and equipment €	Shop equipment €	Total €
Cost or Valuation					
At 1 January 2015	2,910,587	48,787	7,923	4,807	2,972,104
Additions	11,630	-	14,250	-	25,880
At 31 December 2015	<u>2,922,217</u>	<u>48,787</u>	<u>22,173</u>	<u>4,807</u>	<u>2,997,984</u>
Depreciation					
At 1 January 2015	249,883	33,802	3,205	3,217	290,107
Charge for the year	117,224	3,550	3,927	601	125,302
At 31 December 2015	<u>367,107</u>	<u>37,352</u>	<u>7,132</u>	<u>3,818</u>	<u>415,409</u>
Net book value					
At 31 December 2015	<u>2,555,110</u>	<u>11,435</u>	<u>15,041</u>	<u>989</u>	<u>2,582,575</u>
At 31 December 2014	<u>2,660,704</u>	<u>14,985</u>	<u>4,718</u>	<u>1,590</u>	<u>2,681,997</u>

10.1. TANGIBLE FIXED ASSETS PRIOR YEAR

	Land and buildings freehold €	Office equipment €	Fixtures, fittings and equipment €	Shop equipment €	Total €
Cost or Valuation					
At 1 January 2014	2,770,355	37,249	6,763	4,807	2,819,174
Additions	140,232	11,538	1,160	-	152,930
At 31 December 2014	<u>2,910,587</u>	<u>48,787</u>	<u>7,923</u>	<u>4,807</u>	<u>2,972,104</u>
Depreciation					
At 1 January 2014	133,406	30,252	1,796	2,616	168,070
Charge for the year	116,477	3,550	1,409	601	122,037
At 31 December 2014	<u>249,883</u>	<u>33,802</u>	<u>3,205</u>	<u>3,217</u>	<u>290,107</u>
Net book value					
At 31 December 2014	<u>2,660,704</u>	<u>14,985</u>	<u>4,718</u>	<u>1,590</u>	<u>2,681,997</u>
At 31 December 2013	<u>2,636,949</u>	<u>6,997</u>	<u>4,967</u>	<u>2,191</u>	<u>2,651,104</u>

11. DEBTORS

	2015 €	2014 €
Trade debtors	33,702	34,053
Other debtors	3,000	-
Prepayments and accrued income	11,862	20,505
	<u>48,564</u>	<u>54,558</u>

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12. CREDITORS	2015	2014
Amounts falling due within one year	€	€
Bank overdrafts	19	61
Capital Assistance Scheme Loans	114,092	115,165
Trade creditors	8,896	33,333
Accruals	19,557	12,980
	<u>142,564</u>	<u>161,539</u>
13. CREDITORS	2015	2014
Amounts falling due after more than one year	€	€
Capital assistance scheme loans	2,357,365	2,495,586
Simon Communities of Ireland	112,875	62,875
	<u>2,470,240</u>	<u>2,558,461</u>
Loans		
Repayable in one year or less, or on demand (Note 12)	114,092	115,226
Repayable between one and two years	114,092	115,165
Repayable between two and five years	342,276	345,495
Repayable in five years or more	1,900,997	2,034,926
	<u>2,471,457</u>	<u>2,610,812</u>

Loans under Capital Assistance Schemes are received by the company from local authorities, by way of mortgage, and are repayable over the repayment periods for each funding agreement ranging from 20 to 30 years.

The local authorities have charges over the company's properties as security for the finance received. Under the terms of the mortgage, the company is relieved of monthly capital and interest repayments so long as the company is in compliance with the specific conditions set out in the relevant mortgage agreement, primarily with respect to the use and upkeep of the related properties.

14. STATUS

The liability of the members is limited.

The company is limited by guarantee, not having a share capital and consequently the liability of the members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding €1.27.

15. CAPITAL COMMITMENTS

There were no capital commitments at the year ended.

16. POST-BALANCE SHEET EVENTS

No events of note have occurred since the year ended.

17. CASH AND CASH EQUIVALENTS	2015	2014
	€	€
Cash and bank balances	102,779	161,401
Bank overdrafts	(19)	(61)
	<u>102,760</u>	<u>161,340</u>

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for the year ended 31 December 2015

18. Related party transactions

During the year, Mary Ryan, a company director, invoiced the company for consultancy services to the value of €4,400.

19. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 26 June 2016.