Daughters of Charity Disability Support Services CLG

Annual Report

Financial Year Ended 31 December 2017

CONTENTS

DIRECTORS AND OTHER INFORMATION

Directors

Sr Goretti Butler
Sr Justine O'Brien
Sr Sheila Ryan
Sr Bernadette MacMahon
Sally Byrne
Noel Kidney
Daniel O'Hare
Michael Doyle
John O'Quigley
Rory Staines (appointed 24 April 2018)

Bankers

AIB Bank
7/12 Dame street
Dublin 2

Secretary and registered office

Sr Justine O'Brien
St. Catherine's Provincial House,
Dunardagh,
Temple Hill,
Blackrock,
Co. Dublin

Auditors

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

Solicitors

Byrne Wallace
88 Harcourt Street
Dublin 2

Hammond and Associates
23 Albert Road Upper
Glenageary
Co. Dublin

Company registered number: 527694

CHY (Revenue) Number: 21097

Registered Charity Number: 20084035

DIRECTORS' REPORT

The directors present their report and the audited financial statements of the company for the year ended 31 December 2017.

Statement of directors' responsibilities
The directors are responsible for preparing the directors' report and the financial statements in accordance with Irish law.

Irish law requires the directors to prepare financial statements for each financial year that give a true and fair view of the company's assets, liabilities and financial position as at the end of the financial year and of the profit or loss of the company for the financial year. Under that law the directors have prepared the financial statements in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland and promulgated by the Institute of Chartered Accountants in Ireland and Irish law).

Under Irish law, the directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the company's assets, liabilities and financial position as at the end of the financial year and the profit or loss of the company for the financial year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; 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 keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the company;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy; and
- enable the directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

The directors 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.

Accounting records
The measures taken by the directors to secure compliance with the company's obligation to keep adequate accounting records are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at St. Vincent's Centre, Navan Road, Dublin 7, St. Vincent's Centre, Lisnagry, Co. Limerick and St. Anne's Centre, Sean Ross Abbey, Roscrea, Co. Tipperary,

Principal activities and review of the business
The principal activity of the company is the provision of supports to persons with an intellectual disability across Dublin, Limerick and North Tipperary/Offaly areas. The company's main source of income comes from an annual HSE revenue grant which is used for the day to day running costs of the disability service. In 2017 the company experienced a deficit of €388,700 (2016: deficit €1,304,906).

The Daughters of Charity of St Vincent de Paul commenced providing specialised services to persons with intellectual disability on 1 January 1926. For many years the disability support services were managed by a Board of Management comprising of members of the Daughters of Charity of St Vincent de Paul and lay people. In 2014 it was agreed to establish a separate company to manage the Disability Services. These services were transferred to the Daughters of Charity Disability Support Services CLG on 1 January 2015. The company continues to use, free of charge, many properties belonging to the Daughters of Charity of St Vincent de Paul.

DIRECTORS' REPORT - continued

Principal activities and review of the business – continued

The directors are currently reviewing the overall corporate structure of the organization and will, in due course, transfer certain properties to the company. The services currently provided by the company had previously been provided by three unincorporated entities, namely:

- Daughters of Charity Service for Persons with Intellectual Disability Dublin
- Daughters of Charity Service for Persons with Intellectual Disability Limerick
- Daughters of Charity Service for Persons with Intellectual Disability North Tipperary/Offaly

Directors and secretary's interests in shares

The names of the persons who were directors at any time during the year ended 31 December 2017 are set out below. Unless indicated otherwise they served as directors for the entire year.

Sr Goretti Butler
Sr Justine O'Brien
Sr Sheila Ryan
Sr Bernadette MacMahon
Sally Byrne
Noel Kidney
Daniel O'Hare
Michael Doyle
John O'Quigley
Rory Staines (appointed 24 April 2017)

In accordance with the Articles of Association one third of the directors, or if their number is not a multiple of three then the nearest number to one-third, shall retire from office. At the Annual General Meeting to be held in 2017 the following directors shall retire and being eligible, offer themselves for re-election:

Sr Goretti Butler
Sr Justine O'Brien
Sr Sheila Ryan
Sally Byrne

The directors and secretary had no interest in the shares of the company or any group company at 31 December 2017, as defined in paragraph 329 of the Companies Act 2014.

Results and dividends

The deficit for the year ended 31 December 2017 amounted to €388,700 (2016: €1,304,906).

The company is precluded by its Memorandum and Articles of Association from paying a dividend either as part of its normal operations or on distribution of the company's assets in the event of it being wound up. All income must be applied solely towards the charitable objectives of the company.

Charitable and political donations

During the period, the company made no charitable or political donations.

Events since the end of the financial year

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

DIRECTORS' REPORT - continued

Principle risks and uncertainties

The directors have identified five areas where major risks may occur:

- Governance
  The directors have established four sub-committees to provide governance and oversight of what they consider the main areas affecting governance namely:
  - Quality and risk
  - Finance and audit
  - Remuneration
  - Nominations
  - Service ethics
- Operational
  Regular meetings take place with the Health Service Executive to ensure all services are being carried out in accordance the Service Level Arrangement.
- Financial
  Regular reviews by the Board of Directors of monthly financial reports which clearly indicate financial performance.

The directors have reviewed the measures in place to address these risks. Of key importance underlying each of these risks is the directors' awareness of the risk associated with the care of children and adults with disabilities. The purpose of the fore mentioned sub-committees is to ensure the systems, procedures and services delivered are adequate to ensure the care and safety of service users and staff at all times.

Disclosure of information to auditors

The directors in office at the date of this report have each confirmed that:

- as far as he/she is aware, there is no relevant audit information of which the company's statutory auditors are unaware; and
- he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

Auditors

The Auditor, PricewaterhouseCoopers, have indicated their willingness to continue in office, and a resolution that they be re-appointed will be proposed at the Annual General Meeting.

Directors

Sr G Butler Giovetti Butler

Sr J O'Brien Justine O'Brien

27 June 2018

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Independent auditors' report to the members of Daughters of Charity Disability Support Services Company Limited By Guarantee

Report on the audit of the financial statements

Opinion

In our opinion, Daughters of Charity Disability Support Services Company Limited By Guarantee's financial statements:

- give a true and fair view of the company's assets, liabilities and financial position as at 31 December 2017 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and promulgated by the Institute of Chartered Accountants in Ireland and Irish law); and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

We have audited the financial statements, included within the Annual Report, which comprise:

- the balance sheet as at 31 December 2017;
- the statement of comprehensive income for the year then ended;
- the statement of cash flows for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf

This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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Other required reporting

Companies Act 2014 opinions on other matters

- 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.

Companies Act 2014 exception reporting

Directors' remuneration and transactions

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

Nadine Watters

Nadine Watters
For and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin
28 June 2018

STATEMENT OF COMPREHENSIVE INCOME
Financial Year Ended 31 December 2017

	Notes	2017 €	2016 €
State funding		118,576,793	111,983,771
Other income		5,518,153	5,117,003
Total income	7	124,094,946	117,100,774
Administrative expenses	8	(124,483,646)	(118,405,680)
Loss for the year before taxation		(388,700)	(1,304,906)
Taxation	10	-	-
Total comprehensive deficit – loss for the year	3	(388,700)	(1,304,906)

BALANCE SHEET
As at 31 December 2017

	Notes	2017 €	2016 €
Fixed assets	11	168,738	-
Current assets			
Debtors	12	8,436,161	7,666,829
Cash at bank and in hand		22,009	-
		8,458,170	7,666,829
Creditors: amounts falling due within one year	13	(10,915,827)	(9,567,048)
Net current liabilities		(2,457,657)	(1,900,219)
Net liabilities		(2,288,919)	(1,900,219)
Capital and reserves			
Profit and loss account	16	(2,288,919)	(1,900,219)
Total equity		(2,288,919)	(1,900,219)

The financial statements were approved and authorised for issue by the board on ___________.

On behalf of the board

Sr G Butler Gionetti Butler

Sr J O'Brien Justice O'Brien

27 June 2018

STATEMENT OF CHANGES IN EQUITY
Financial Year Ended 31 December 2017

	Profit and loss account €
Balance at 1 January 2016	(595,313)
Total comprehensive deficit for the year	(1,304,906)
At 31 December 2016	(1,900,219)
Balance at 1 January 2017	(1,900,219)
Total comprehensive deficit for the year	(388,700)
At 31 December 2017	(2,288,919)

STATEMENT OF CASH FLOWS
Financial Year Ended 31 December 2017

	Notes	2017 €	2016 €
Cash from operations	19	(346,515)	(1,304,906)
Working capital movements			
(Increase)/decrease in debtors	12	(769,332)	2,937,174
Increase/(decrease) in creditors	13	1,335,914	(542,121)
Net cash generated from operating activities		220,067	1,090,147
Cash flows from investing activities			
Payments to acquire tangible fixed assets		(210,923)	-
Net cash flow from investing activities		(210,923)	-
Net increase in cash and cash equivalents		9,144	1,090,147
Cash and cash equivalents at 1 January		(1,302,178)	(2,392,325)
Cash and cash equivalents at 31 December		(1,293,034)	(1,302,178)
Cash and cash equivalents consists of:			
Cash at bank and in hand		22,009	-
Bank overdraft	13	(1,315,043)	(1,302,178)
Cash and cash equivalents		(1,293,034)	(1,302,178)

NOTES TO THE FINANCIAL STATEMENTS

1 General information

The principal activity of the company is providing support to persons with an intellectual disability in the Dublin, Limerick and North Tipperary/Offaly areas.

2 Statement of compliance

The entity financial statements have been prepared on a going concern basis and in accordance with Irish GAAP (accounting standards issued by the Financial Reporting Council of the UK and promulgated by the Institute of Chartered Accountants in Ireland and the Companies Act 2014). The entity financial statements comply with Financial Reporting Standard 102, *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (FRS 102) and the Companies Act 2014.

3 Summary of significant accounting policies

The significant accounting policies used in the preparation of the entity financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated.

(a) Basis of preparation

The entity financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation or uncertainty at the end of the financial year. It also requires the directors to exercise their judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in note 4.

(b) Foreign currency

The company's functional and presentation currency is the euro, denominated by the symbol "€".

(c) Income

State funding represents amounts received from state agencies (primarily the HSE) to enable the company to provide services. Such revenue grants are recognised once the granting agency has indicated the allocation of grant assistance to the company.

State funding includes amounts deducted from employee payroll in respect of pension as the HSE has indicated that such amounts should be recognised as income of the company. Such income is recognised as it is deducted.

Income in respect of residential support maintenance and accommodation contributions\long stay charges represents contributions payable by patients and it is recognised as it is arises.

Other income is recognised when the company has entitlement to the funds, any performance conditions attached to the items of income have been met and it is probable that the income will be received and the amount can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(d) Employee benefits

The company provides a range of benefits to employees, including short term employee benefits such as paid holiday arrangements and post-employment benefits (in the form of defined benefit or defined contribution pension plans).

(i) Short term employee benefits

Short term employee benefits, including wages and salaries, paid holiday arrangements and other similar non-monetary benefits, are recognised as an expense in the financial year in which employees render the related service. An expense is recognised in the profit and loss account when the company has a present legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

(ii) Post-employment benefits

Superannuation benefits for the employees are governed by the Nominated Health Agencies Superannuation Scheme (NHASS) or the Single Public Service Pension Scheme (SPSPS). The NHASS and SPSPS are State plans for the purposes of FRS 102.

The NHASS is administered, funded and underwritten by the Department of Health. The company operates as an agent in the operation of the scheme and does not contribute financially to the scheme.

The directors believe that the liability in respect of pension benefits payable to employees who are members of the NHASS will be met in full by the Department of Health, the company is not exposed to the actuarial risk arising from the NHASS and from the company's perspective the NHASS is, in substance, a defined contribution scheme.

Contributions from employees who are members of the scheme are credited to the Income and Expenditure account when received. Payments in respect of pensions and lump sum payments are charged to the Income and Expenditure account as amounts become payable.

With effect from 1 January 2013 the Single Public Service Pension Scheme (SPSPS) commenced. Most new employees will be members of the Single Public Service Pension Scheme (SPSPS). Pension contributions are remitted to the Department of Public Expenditure and Reform. The administration of the scheme is operated by the Department of Public Expenditure and Reform. The Department of Public Expenditure and Reform is responsible for the payment of lump sums and pensions on behalf of the SPSPS without recourse to the company.

(e) Operating leases

Operating leases do not transfer substantially all the risks and rewards of ownership to the lessor. Payments under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(f) Tangible fixed assets

Tangible fixed assets are carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, cost directly attributable to bringing the asset to the location and condition necessary for its intended use, removal and restoration costs.

(i) Deprecation and residual values

Deprecation on assets is calculated using the straight line method over their estimated useful lives, as follows:

Motor vehicles	20%

The assets residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each financial year. The effect of any charge in either the residual value or the useful life is accounted for prospectively.

(ii) Subsequent additions

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the company and the cost can be measured reliably.

Repairs and maintenance costs are expensed as incurred.

(iii) Derecognition

Tangible fixed assets are derecognised on disposal or when no economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit and loss.

(g) Financial instruments

The company has chosen to apply the provisions of Sections 11 and 12 of FRS 102 to account for all of its financial instruments.

(i) Financial assets

Basic financial assets, including trade and other debtors, cash and cash equivalents, short-term deposits and investments in corporate bonds, are initially recognised at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial asset is initially measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Trade and other debtors, cash and cash equivalents, investments in corporate bonds and financial assets from arrangements which constitute financing transactions are subsequently measured at amortised cost using the effective interest method.

At the end of each financial year financial assets measured at amortised cost are assessed for objective evidence of impairment. If there is objective evidence that a financial asset measured at amortised cost is impaired an impairment loss is recognised in profit or loss. The impairment loss is the difference between the financial asset's carrying amount and the present value of the financial asset's estimated cash inflows discounted at the asset's original effective interest rate.

If, in a subsequent financial year, the amount of an impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised the previously recognised impairment loss is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment loss not previously been recognised. The impairment reversal is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(g) Financial instruments - continued

(i) Financial assets - continued

Such financial assets are subsequently measured at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are subsequently measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the financial asset are transferred to another party or (c) control of the financial asset has been transferred to another party who has the practical ability to unilaterally sell the financial asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial liability is initially measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Trade and other creditors, bank loans, loans from fellow group companies, preference shares and financial liabilities from arrangements which constitute financing transactions are subsequently carried at amortised cost, using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is treated as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as due within one year if payment is due within one year or less. If not, they are presented as falling due after more than one year. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

4 Judgements in applying accounting policies and key sources of estimation uncertainty

There are no significant judgements in applying the accounting policies or significant areas of estimation.

NOTES TO THE FINANCIAL STATEMENTS - continued

5 Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from use by the charity of the item is probable and that the economic benefit can be measured reliably.

On receipt donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

The company uses properties belonging to the Daughters of Charity of St Vincent de Paul free of charge. The directors consider that given the nature of most of the properties in question it is not possible to estimate the fair value of renting equivalent properties on the open market and as result no value for rent has been included in the financial statements.

However, it is possible to estimate the fair renting value of St Vincent's Centre, Navan Road, Dublin. This particular property was extensively refurbished at the expense of the Daughters of Charity of St Vincent de Paul recently and we have estimated the fair value of renting an equivalent property at €932,857 per annum. This amount has been included as an expense and a corresponding amount is included in income representing the donated value of this particular property.

6 Going concern

The company incurred a deficit of €388,700 for the year and at the balance sheet date had net current liabilities of €2,457,657.

The Daughters of Charity Disability Support Services Limited is primarily dependent on funding from the HSE to enable it to continue as a going concern. The company hopes to address the operational deficit through a combination of the additional recurring funding granted by the HSE in 2018, the conversion of agency staff to employees and further funding to be agreed with the HSE. If the additional funding is not granted by the HSE then the company will consider reducing services to service users and their families. These measures should generate sufficient resources to enable the company to continue as a going concern. Furthermore, the HSE has not given any indication that it will withdraw its financial support from the company in the foreseeable future.

On this basis the financial statements have been prepared under the going concern basis. The Board of Directors are of the opinion that there is a reasonable expectation that the company will continue to trade.

7 Total income

	2017	2016
	€	€
Total income for the year is made up as follows:		
State funding		
HSE - Dublin Allocation for service provision (S38 Health Act funding) Dublin Service	64,558,649	61,276,009
HSE - Mid West Allocation for service provision (S38 Health Act funding) Limerick Service	26,449,067	26,104,617
HSE - Mid West Allocation for service provision (S38 Health Act funding) North Tipperary Service	13,812,396	11,860,437
HSE - Naas Allocation for service provision (S38 Health Act funding) North Tipperary Service	495,337	313,208
HSE - Mid Leinster Allocation for service provision (S38 Health Act funding) North Tipperary Service	1,857,022	1,886,000
	107,172,471	101,440,271

NOTES TO THE FINANCIAL STATEMENTS - continued

7 Total income - continued

	2017 €	2016 €
HSE - Mid West Allocation for service provision (S38 Health Act funding) ELCS Limerick Service	1,599,608	1,538,681
HSE - Mid West (S38 Health Act funding) Miscellaneous funding - Limerick Service	2,373,868	664,554
HSE - Mid West (S38 Health Act funding) Miscellaneous funding - North Tipperary Service	303,426	1,817,024
HSE - Naas (S38 Health Act Funding) Miscellaneous funding - Roscrea Service	-	142,527
HSE - Dublin - invoiced services (S38 Health Act funding) Dublin Service	825,326	117,921
HSE - Dublin - Pathways (S38 Health Act funding) Dublin Service	33,526	39,845
HSE - Dublin - Minor Capital	229,000	71,000
Department of Education & Skills - Development and Education Centre	183,960	150,000
Department of Education & Skills - Development Education Centre - ASD	155,093	-
Department of Education & Skills - VEC	36,387	37,946
Superannuation contributions - NHASS	2,809,755	32,873,977
Pension Related Deduction	2,854,373	3,090,025
Sub total	11,404,322	10,543,500
	124,094,946	117,100,774
Other income		
RSSMAC's Long stay charges	3,696,413	4,162,633
Social welfare refunds	440,406	413,666
Canteen	119,761	127,769
Enterprise and employment	102,905	123,386
Sundry income	225,811	289,549
Donated services	932,857	-
	5,518,153	5,117,003
Total income	124,094,946	117,100,774

8 Expenditure

	2017 €	2016 €
Expenditure is made up as follows:		
Staff costs	108,624,927	104,076,148
Other administration expenses	15,858,719	14,329,532
Total expenditure	124,483,646	118,405,680

Auditors remuneration

Remuneration (including expenses) for the statutory audit and other services carried out for the company by the company's auditors is as follows:

Audit of entity financial statements	41,200	50,000
	41,200	50,000

Expenditure for the year includes:

- Operating lease rentals	367,025	307,975

NOTES TO THE FINANCIAL STATEMENTS - continued

9 Employee information

(i) Employees

The average number in whole-time equivalents of persons employed by the company during the year, analysed by category is as follows

	2017 Number	2016 Number
Management and administration	94	91
Medical	5	5
Nursing	519	527
Health and social care professionals	307	287
General support services	147	152
Other	745	673
	1,817	1,735

(ii) Staff costs

Staff costs comprise:

	2017 €	2016 €
Wages and salaries	92,072,019	89,394,530
Social insurance costs	9,017,615	8,322,136
Other retirement benefit costs	7,535,293	6,359,482
	108,624,927	104,076,148

(iii) Directors

	2017	2016
Emoluments:	-	-
Benefits under long term incentive schemes	-	-
Contributions to retirement benefit schemes:		
- Defined benefit scheme	-	-
- Defined contribution scheme	-	-
	-	-

None of the directors are in receipt of any remuneration or benefits of any kind from the company.

(iv) Key management compensation

Key management includes the members of senior management. The compensation paid or payable to key management for employee services is shown below:

	2017 €	2016 €
Salaries and other short term benefits	830,569	802,587
Social insurance costs	82,120	79,407
Total key management compensation	912,689	881,994

The CEO received remuneration of €138,701 (2016: €136,282).

NOTES TO THE FINANCIAL STATEMENTS - continued

9 Employee information - continued

(v) The number of higher paid employees was:

	2017 Number	2016 Number
In the band €60,001 to €70,000	160	149
In the band €70,001 to €80,000	48	41
In the band €80,001 to €90,000	11	6
In the band €90,001 to €100,000	6	5
In the band €100,001 to €110,000	2	1
In the band €120,001 to €130,000	1	-
In the band €130,001 to €140,000	1	1
In the band €170,000 to €180,000	1	1
In the band €220,001 to €230,000	1	1
	231	205

10 Taxation

The company has been granted charitable tax exemption by the Revenue Commissioners.

11 Fixed assets

	Vehicles
	€
Cost	
At 31 December 2016	-
Additions	210,923
At 31 December 2017	210,923
Deprecations	
At 31 December 2016	-
Charge for the year	42,182
At 31 December 2017	42,185
Net book value	
At 31 December 2016	-
At 31 December 2017	168,738

NOTES TO THE FINANCIAL STATEMENTS - continued

12 Debtors

	2017	2016
	€	€
Amounts falling due within one year:		
Debtors and prepayments	2,289,514	552,656
Amounts due from the HSE	5,725,604	6,332,163
Amounts due from related parties	421,043	782,010
	8,436,161	7,666,829

13 Creditors

	2017	2016
	€	€
Amounts falling due within one year:		
Bank overdraft	1,315,043	1,302,178
Trade creditors	1,210,025	1,635,517
Other creditors and accruals	5,993,933	4,435,501
PAYE/PRSI	2,396,826	2,193,852
	10,915,827	9,567,048

Trade and other creditors are payable at various dates in the three months after the end of the financial year in accordance with the creditors usual and customary credit terms.

Creditors for tax and social insurance are payable in the timeframe set down in the relevant legislation.

Amounts due to related parties are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

14 Post-employment benefits

All staff employed by the company are members of either Nominated Health Agencies Superannuation Scheme (NHASS) or the Single Public Service Pension Scheme (SPSPS).

Nominated Health Agencies Superannuation Scheme (NHASS)
The NHASS is a 'pay as you go' state plan administered, funded and underwritten by the Department of Health. It is the Directors' understanding that the funds required in the future to pay pension benefits under the NHASS, as they arise will be reimbursed to the company in full by the Department of Health or the HSE.

Therefore, the Directors' have concluded that from the entity's perspective the NHASS is, in substance, a defined contribution scheme and that it is not necessary for the financial statements of the company to include any liability at the balance sheet date in respect of pension entitlements accrued to that date by employees of the company, nor the disclosure requirements of FRS 102 in respect of defined benefit schemes. The above issue is similar to that applying in the majority of publicly funded organisations.

In the year ending 31 December 2017 the company received €2,809,755 (2016: €2,873,977) in contributions from members of the NHASS. The company also received €4,646,624 (2016: €2,744,455) from the HSE in respect of the NHASS costs, this amount is included with the main revenue grant received from the HSE during the year. €7,535,293 (2016: €6,359,482) was paid out in lump sums and pensions during the year. All these amounts are included in the Statement of Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS - continued

14 Post-employment benefits - continued

With effect from 31 December 2012 the Nominated Health Agencies Superannuation Scheme (NHASS) was closed to new members.

Single Public Service Pension Scheme (SPSPS)
With effect from 1 January 2013 the Single Public Service Pension Scheme (SPSPS) commenced. Most new employees will be members of the SPSPS which will provide Consumer Price Index linked defined benefit pensions based on career average pay. The company's obligation under the SPSPS is to deduct pension contributions from employees who are members of the SPSPS and remit those pension contributions to the Department of Public Expenditure and Reform. The Department of Public Expenditure and Reform are responsible for payments under the SPSPS.

15 Financial instruments

	Notes	2017 €	2016 €
The company has the following financial instruments:			
Financial assets that are debt instruments measured at amortised cost			
- Amounts due from related parties	12	421,043	782,010
- Other debtors prepayments	12	2,289,514	633,988
- Amounts due from the HSE	12	5,275,604	6,332,163
- Cash at bank and in hand		22,009	-
Financial liabilities measured at amortised cost			
- Bank overdrafts	13	1,315,043	1,302,178
- Trade creditors	13	1,210,025	1,635,517
- Other creditors and accruals	13	8,390,759	6,629,353

16 Profit and loss account

	2017 €	2016 €
Profit and loss account	(2,288,919)	(1,900,219)

Profit and loss account
Profit and loss account represents accumulated comprehensive income for the financial year and prior financial years.

17 Related party transactions

The Daughters of Charity of St Vincent de Paul commenced providing specialised services to person with intellectual disability on 1 January 1926. These services were eventually transferred to the Daughters of Charity Disability Support Services on 1 January 2015. The company continues to use, free of charge, many properties belonging to the Daughters of Charity of St Vincent de Paul.

All the members of the company are also members of the congregation of the Daughters of Charity of St Vincent de Paul.

NOTES TO THE FINANCIAL STATEMENTS - continued

18 Commitments

Future minimum lease payments under non-cancellable operating leases at the end of the financial year were:

	2017	2016
	€	€
Payments due		
Not later than one year	236,250	171,796
Later than one year and not later than five years	396,377	399,821
	632,627	571,617

19 Cash generated from operations

Reconciliation of operating profit to net cash inflow from operating activities:

	2017	2016
	€	€
Profit before income tax	388,700	1,304,906
Adjustment for:		
Depreciation	(42,185)	-
Cash generated from operations	346,515	1,304,906

20 Events since the end of the financial year

No subsequent events have occurred since the end of the financial period.

21 Ultimate controlling party

The ultimate controlling party of the Daughters of Charity Disability Support Services Limited is the congregation of the Daughters of Charity of St Vincent de Paul in Ireland.

22 Approval of financial statements

The financial statements were approved by the board on 27 June 2018.

UNAUDITED SCHEDULES – INCOME AND EXPENDITURE
SCHEDULE 1 - DUBLIN SERVICE
Financial Year Ended 31 December 2017

	2017	2016
	€	€
Schedule 1 - Pay expenditure		
Administration	3,254,141	3,006,115
Medical and dental	1,040,671	1,052,330
Nursing and allied	44,503,355	42,384,565
Paramedical	3,235,205	2,979,272
Catering, housekeeping and other	4,480,569	4,694,743
Maintenance	688,781	733,593
Superannuation	4,940,212	4,559,972
	62,142,934	59,410,590
Schedule 2 - Non pay expenditure		
Drugs and medicines	377,333	426,754
Medical and surgical appliances	721,676	588,372
Catering	1,042,304	1,045,750
Power, heat and light	875,114	936,269
Cleaning and washing	642,186	569,574
Hardware and crockery	90,103	124,819
Bedding and clothing	19,124	14,657
Maintenance	1,476,206	1,088,345
Farm and grounds	187,417	95,090
Transport and travel	819,190	680,288
Bank interest and charges	15,901	16,630
Insurance	142,477	336,869
Audit	43,592	43,592
Office expenses	921,739	886,749
Rent and water charges	1,225,959	289,754
Security	259,616	321,370
Professional fees	178,227	212,484
Trainee allowances	65,545	74,729
Training courses	168,234	181,277
Client activities	194,068	189,615
Membership subscriptions	183,765	181,478
Capitation payments	139,487	32,536
Sundries	181,729	145,770
Deprecation	17,900	-
	9,988,892	8,482,771
Schedule 3 – Income		
Superannuation	1,560,318	1,618,208
Pension levy	1,595,628	1,714,143
Long stay charges	2,362,980	2,474,318
Payroll refunds	198,789	181,052
Canteen	96,165	107,879
Donated services	932,857	-
Sundry income	1,662,771	706,601
	8,409,508	6,802,201
Schedule 4 - Health Service Executive		
Revenue grant	64,558,650	61,276,009
Surplus for the year	836,332	184,849

UNAUDITED SCHEDULES – INCOME AND EXPENDITURE
SCHEDULE 2 - LIMERICK SERVICE
Financial Year Ended 31 December 2017

	2017	2016
	€	€
Schedule 1 - Pay expenditure		
Administration	1,289,682	1,301,559
Medical and dental	148,335	185,275
Nursing and allied	21,641,051	20,597,338
Para medical	2,045,487	1,907,637
Catering, housekeeping and other	3,342,392	3,064,711
Maintenance	312,597	278,895
Pensions and gratuities	1,981,739	1,164,372
	30,761,283	28,499,787
Schedule 2 - Non pay expenditure		
Drugs and medicines	151,218	165,131
Medical and surgical appliances	198,256	156,722
Catering	465,226	481,491
Power, heat and light	422,009	399,274
Cleaning and washing	282,504	257,437
Hardware and crockery	40,821	47,324
Maintenance	641,200	456,365
Transport and travel	501,047	344,726
Bank interest and charges	9,273	4,204
Insurance	60,813	180,010
Audit	16,468	12,700
Office expenses	483,406	416,451
Professional fees	77,990	74,256
Training courses	40,185	48,894
Sundries	47,155	35,030
Client activities	85,649	104,105
Membership subscriptions	41,857	36,751
Depreciation	8,770	-
	3,573,847	3,220,871
Schedule 3 - Income		
Superannuation	865,871	874,183
Pension levy	918,332	980,322
HSE - East Limerick Children's Services	1,599,612	1,538,681
HSE - miscellaneous funding	2,051,011	664,554
Long stay charges	758,799	928,988
Payroll refunds	150,193	154,166
Board and lodgings	-	2,130
Canteen	3,253	3,550
Sundry	127,864	90,106
	6,474,935	5,236,680
Schedule 4 - Health Service Executive		
Revenue grant	26,747,618	26,104,617
(Deficit) for the year	(1,112,577)	(379,361)

UNAUDITED SCHEDULES – INCOME AND EXPENDITURE
SCHEDULE 3 - NORTH TIPPERARY SERVICE
Financial Year Ended 31 December 2017

	2017	2016
	€	€
Schedule 1 - Pay expenditure		
Nursing and allied	14,058,885	14,534,706
Catering and housekeeping	107,714	103,436
Administration	494,968	511,476
Para medical	286,141	221,972
Maintenance	159,658	159,043
Superannuation	613,343	635,138
	15,720,709	16,165,771
Schedule 2 - Non pay expenditure		
Drugs and medicines	63,792	75,290
Medical and surgical appliances	77,312	97,838
Catering	407,553	403,565
Power, heat and light	359,250	347,044
Cleaning and washing	19,549	27,666
Maintenance	393,453	480,438
Transport and travel	436,949	423,537
Bank interest and charges	1,374	2,155
Recruitment	28,175	95,696
Insurance	38,783	102,833
Audit	13,768	16,000
Office expenses	254,546	315,824
Rent and water charges	98,308	102,179
Professional fees	40,287	20,645
Training courses	22,086	89,198
Sundries	25,280	25,982
Deprecation	15,515	-
	2,295,980	2,625,890
Schedule 3 - Income		
Superannuation	383,566	381,586
Pension levy	340,413	395,560
Long stay charges	303,426	759,327
Payroll refunds	574,634	78,448
Canteen	91,428	16,340
HSE miscellaneous income	20,343	1,959,551
Sundry income	25,669	30,810
	1,739,479	3,621,622
Schedule 4 - Health Service Executive		
Revenue grant	16,164,755	14,059,645
(Deficit) for the year	(112,455)	(1,110,394)