

**Society of St. Vincent De Paul  
(Ireland)**

**Reports and Consolidated Financial  
Statements for the year ended**

**31 December 2016**

**Society of St. Vincent de Paul (Ireland)**

**Report and Consolidated Financial Statements  
For the year ended 31 December 2016**

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## Society of St. Vincent de Paul (Ireland)

### Legal and Administrative Information For the year ended 31 December 2016

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<b>STATUS</b>	The Society of St. Vincent de Paul is registered in Ireland as a charity.	
<b>GOVERNING DOCUMENT</b>	The Society of St. Vincent de Paul was established in Ireland in 1844 and is governed under "The Rule", which derives from the International Rule of the worldwide Society of St. Vincent de Paul.	
<b>CHARITY REGULATOR NUMBER</b>	20013806	
<b>CHARITY NUMBER</b>	CHY 6892	
<b>NATIONAL OFFICE</b>	SVP House 91/92 Sean MacDermott Street Dublin 1, Ireland	
<b>NATIONAL MANAGEMENT COUNCIL TRUSTEES</b>	Kieran Stafford Rose McGowan Ciara Reynolds Peter Fitzpatrick Brendan O'Neill John Lupton William Casey Liam Reilly Michael McCann Bernadette Doyle Christy Lynch Fr. Eamon Devlin	National President National Vice President National Vice President National Treasurer
<b>NATIONAL SECRETARY</b>	Andy Heffernan	
<b>PRINCIPAL BANKERS</b>	Bank of Ireland Lower Baggot Street Dublin 2, Ireland  Allied Irish Bank plc Bankcentre Ballsbridge Dublin 4, Ireland	

**Society of St. Vincent de Paul (Ireland)**

**Legal and Administrative Information (Continued)**  
**For the year ended 31 December 2016**

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**AUDITORS**

Deloitte  
Chartered Accountants and Statutory Audit Firm  
29 Earlsfort Terrace  
Dublin 2, Ireland

**SOLICITORS**

Kilcullen & Associates  
30 Ardagh Grove  
Blackrock  
Co. Dublin, Ireland

McCann Fitzgerald  
Riverside One  
Sir John Rogerson Quay  
Dublin 2, Ireland

## **Society of St. Vincent de Paul (Ireland)**

### **National Management Council Report For the year ended 31 December 2016**

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The National Management Council (NMC) presents its annual report and the audited consolidated financial statements for the year ended 31 December 2016.

The legal and administrative information is set out on pages 2 and 3. The financial statements comply with the current requirements of the Statement of Recommended Practice, Accounting and Reporting (SORP) by Charities (2015) and the Financial Reporting Standard applicable in the UK and Republic of Ireland FRS 102. In the Republic of Ireland, charities are governed by the Charities Acts 2009 (only partially enacted), 1961 and 1973. In Northern Ireland, charities are governed by the Charities Act (Northern Ireland) 2008, Charities Act (Northern Ireland) 1964 and the Charities (Northern Ireland) Order 1987.

#### **BACKGROUND**

The Society of St. Vincent de Paul is an International Christian organisation of lay people, Catholic from its origins, formed in Paris in 1833, by Frederic Ozanam and his companions. Placed under the patronage of St. Vincent de Paul, it is inspired by his thinking and works. It seeks, in the spirit of justice and charity, to help those who are suffering poverty in any form. It does this mainly through the person to person involvement of its members.

#### **OBJECTIVES OF THE CHARITY**

The relief of poverty, both material and emotional, in Ireland and abroad, without differentiation on the grounds of race, colour, creed, ideology or gender.

#### **ACHIEVING THE SOCIETY'S OBJECTIVES**

**Support and Friendship:** Through person to person contact, we are committed to respecting the dignity of those we assist and thus to foster their self-respect. In the provision of material and other support, we assure confidentiality at all times and endeavour to establish relationships based on trust and friendship.

**Promoting Self-Sufficiency:** We believe it is not enough to provide short-term material support. Those we serve must also be helped to achieve self-sufficiency in the long term and the sense of self-worth this provides. When the problems we encounter are beyond our competence, we build bridges of support with others more specialised.

**Working for Social Justice:** We are committed to identifying the root causes of poverty and social injustice in Ireland and in solidarity with the poor and disadvantaged, to advocate and work for the changes required to create a more just and caring society.

## **ORGANISATIONAL STRUCTURE**

Individual members join a local group or “Conference”. In Ireland, there are 1,210 (2015: 1,203) Conferences which are grouped into 109 (2015: 107) Area Councils. The Areas, in turn, are grouped into 8 (2015: 8) Regional Councils. Each Conference, Area Council and Regional Council has an elected President who appoints the Vice President, Treasurer and Secretary.

The National Council is made up of the Regional Presidents, the Area Council Presidents and the National Management Council. The National Council elects a National President. The National Management Council consists of the National President, 8 Regional Presidents, 2 National Vice Presidents, a National Treasurer and a Spiritual Advisor. These NMC Members are also the Trustees of the Society. In addition, there are a number of attendees at the NMC who are not Trustees, nor have they a vote. They include the Chair of the Special Works Committee and the Chair of the National Youth Committee.

The National President of Ireland is a member of the International Council General which coordinates the Society in almost 150 countries.

## **MANAGEMENT AND DECISION MAKING**

The National Management Council manages the affairs of the Society and reports to the National Council. All decisions proposed by the National Management Council, and not covered by the Rule of the Society, must be ratified by the National Council before they become Society policy. The National Management Council normally meets monthly. The National Council normally meets once per year. The National Management Council is assisted in the discharge of its duties by a number of Committees, including the National Audit Committee, whose membership comprises volunteers.

The Society employs a National Secretary whose role is to oversee the national operations and administration of the Society and who reports directly to the National President. The National Secretary is accountable to the National Management Council and the National Council.

## **RELATED PARTIES AND CONNECTED ORGANISATIONS**

The nature of the Society's work means that it has connections to a number of organisations. None of these relationships confer any ability to exercise any control over the activities of the Society.

## **VOLUNTARY MEMBERS**

The National Management Council recognises and appreciates the commitment of the Society's 11,000 Voluntary Members in the thirty-two counties and the many supporters of the work of the Society. It is not possible to place a monetary value on this voluntary effort but this is essential to enable the Society to achieve its core objective of relieving poverty.

## **NATIONAL PRESIDENT'S REVIEW**

I am pleased to present our consolidated financial statements for 2016. Total income for the year was €79.3 million compared with €78.8 million in 2015.

Bringing friendship and support to people in need is at the heart of what we do and it is the Society's priority. During the year our members' visitations with people confronted by poverty and inequality did make a difference in the lives of many people. This visitation work is only possible due to the passion of the Society's members, volunteers and staff, and through the ongoing generosity of the people of the island of Ireland which has remained as strong as ever. We continue the work on growing our membership and to enable us to reach more of the people who need our help.

Our Members are in a unique position of visiting families in their home environment, which enables us to better understand their real needs, thus enabling the Society, in many instances, to provide long term solutions and give people back the dignity of self-sufficiency. We aim to show compassion, dignity and be generous with our time in a way which is non-judgemental towards those with whom we work. In doing this, our members work closely with other relevant organisations and advisors, and we appreciate their ongoing support and advice. During the year we continued the work on improving the accessibility of our services so that we can make a difference to the lives of many.

Looking to the future, we always endeavour to improve what we do and be ready to adapt to changing circumstances in our communities. Our visitation work really means understanding the needs of those we visit, which takes time and patience. During the year the Area and Conference Presidents pursued ongoing ways of helping our members in our crucial visitation work.

The Society is led by its Members. It is essential that we have on-going development of our Members, and the dedicated people who are willing to serve as Conference Officers, Area Presidents, Regional Presidents, Trustees and other Member officer roles. During the year we continued our programmes for the development of our Members and Members in officer roles. Our youth programme takes our Vincentian values of social justice and building good communities into primary schools, secondary schools and third level colleges. I thank all those involved in such roles, which are not easy, but are essential if we are to maintain a vibrant Society.

The Society's ethos is based on our founder Blessed Frederic Ozanam's motivation from his strong Christian faith, spirituality, humanity and a strong desire for social justice. During the year we continued the work of building the capacity of the organisation of the Society, within visitations and special works, to be effective and efficient in helping those in need.

We aim to be alert to the ever-changing needs in the communities in which we work and respond accordingly to alleviate, as well as we can, poverty in all its forms. The Society has been a strong advocate of Social Justice over the years and has spoken out on a variety of Social Justice issues within our challenging world. Unfortunately, we live in a world and a country where inequality is widening. The Society continues to be active in its advocacy for Social Justice on behalf of those struggling in our communities.

A sincere thanks to all Members, Volunteers, Staff, Donors, the many people and organisations who make possible the support that we are privileged to provide to those in our communities who are in need.

**Kieran Stafford**

**National President**

## **TRUSTEES REPORT**

### **Background**

The aim of the Society of St. Vincent de Paul is to tackle poverty in all its forms through its membership work, Society services and the provision of practical assistance to those in need.

The Society derives its inspiration from St. Vincent de Paul and Blessed Frederic Ozanam, to do something practical about poverty and social exclusion whilst ensuring that the structures which have caused disadvantage are removed.

We try in a spirit of justice, charity and respect through the personal involvement of our members and employees, to enable those experiencing exclusion to take control of their own lives. We do not seek to impose our beliefs on the people we work with, rather we use them as the guiding inspiration for our work.

We are a Society open to all who wish to live their faith by loving and serving their neighbours. In Ireland, we welcome all people who accept the principles under which we work. No work of charity is foreign to the Society. We serve everyone in need, regardless of creed, race, colour, ideology or gender.

The concept of need is broader than financial hardship, so, visiting the sick, the lonely and the imprisoned form a large proportion of the Society's work.

In terms of our mission statement, there are three core principles in what we hope to achieve, namely:

- Support and friendship
- Promoting self-sufficiency
- Working for social justice



## **Society of St. Vincent de Paul (Ireland)**

### **National Management Council Report (Continued) For the year ended 31 December 2016**

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#### **TRUSTEES REPORT (continued)**

The Society is a member led organisation and is made up of Conferences, Area, Regional and National Councils and a National Management Council. We have over 11,000 Members who are supported by employees across 8 regions. The structure of a Conference / Council is:

- Each Conference is made up of a Conference President, a Vice President, Secretary, Treasurer and a number of Conference Members. Each Conference is responsible to the relevant Area Council. [1,210 Conferences]
- Each Area Council has an Area President, Vice President, Secretary, Treasurer and a number of Area Council Members comprised of Conference Presidents within that area. Each Area Council is responsible to the relevant Regional Council. [109 Areas]
- Each Regional Council has a Regional President, Regional Treasurer, a number of Regional Council Members and a Regional Coordinator. The Regional Coordinators are employees of the Society whose role is to support the Regional Council. Each Regional President is a member of the National Management Council. [8 Regions]

The National Council is comprised of Presidents of the Area Councils and the Trustees of the Society (National Management Council).

The National Management Council is comprised of the National President, three Appointees, the Spiritual Advisor and the eight Regional Presidents.

#### **Activities of the Society**

The Society is organised in small groups, called "Conferences", often based in local parishes, which meet regularly, and their work is usually concentrated on local home visitation. Home visitation continues to be the primary activity within the Society and one in which the majority of Members are engaged in on a weekly basis.

Over the years, the Society has responded to social changes, often responding to local unmet needs and has developed a range of additional services. Such services and activities are known as "Special Works". They comprise a significant proportion of the activities of the Society, however as many of those services are funded by statutory bodies, there are associated obligations in terms of employment, quality standards and adherence to service arrangements, all within an increasingly regulated environment. Those obligations and responsibilities have contributed to an increased complexity in the Special Works activities.

The changing environment prompted the restructuring of the Society in 2014 and National Special Works structures were introduced providing for national operational line management structures in both Homeless Services and Retail. Social Housing and other specialist services continued to be supported on a coordinating and consultancy basis, however National committees were established to give effect to the strategic direction of such activities.

2016 saw further development of the operational implementation of the Special Work structures and in April 2016, the National Management Council approved a number of recommendations setting out medium term strategies and objectives for each activity. Those measures also provided for the establishment of regional structures and specified requirements to be delivered through associated committees and specific roles.

The National and Regional committees, together with the operational structures, are ensuring more standardisation and quality in the services we provide and more accountability to our funders.

## **TRUSTEES REPORT (continued)**

### **Home Visitation & Core Activities**

The core activity of the Society remains home visitation and for the majority of the 11,000 Members, this is their primary involvement with the Society. The strategy for the Society is to provide a more coherent focus on visitation and ensure that Conferences are fully supported to provide quality support for individuals and families. Our visitation work includes bringing friendship and support to the many adults and children affected by homelessness, and those individuals and families now living in emergency temporary accommodation. The work, which commenced in 2015 by the Membership Support Officers (MSOs), became embedded in the Society during 2016, and this together with the supports for Area Presidents ensured new and existing Area Presidents became more active in 2016 and provided an increasing level of support, training, information and guidance to Conferences. By focussing on the role of Area Presidents and the Area Councils, Conference Presidents have been supported in their Conference work. This progress has seen a revitalisation of Area and Conference structures.

With the active support of the volunteers of the National Social Justice and Visitation Committee, a number of best practice and guidance notes on emerging and persistent problems encountered by SVP members have been published. These have been made available for all SVP members on the Society's Conference Portal.

Another important initiative in 2016 was the emergence of 'Member Area Gatherings', a pilot initiative which provides opportunities for networking, reflective practice, sharing of experiences, learning and self-care for volunteers. This area of work is proving very popular amongst SVP volunteers, with many more gatherings planned for 2017.

In terms of home visitation, whilst the overall spend on direct assistance has reduced, the number of visits conducted remain high and it has been another extremely busy year. The general narrative of the end of austerity is not being experienced by those supported by the Society.

### **Young SVP**

The 2015/2016 academic year was the third and final year of our Young SVP Pilot Programme. This three-year pilot was supported by a corporate partner and allowed the Society to explore and develop the ways in which we, as an organisation, work with and support students at second and third levels to engage in SVP activities. The programme moved from a pilot phase to a national programme in September 2016, with continued support from our sponsor secured until 2019.

Through our Young SVP Programme, the work, values, and institutional knowledge of SVP, is passed on to the next generation through the delivery of a positively supported package that students and their teachers engage in. The overall aims of this programme are to support young people to become better informed, more engaged, conscientious and socially active citizens who will continue to work towards promoting a fair and just society for all in Ireland (and beyond) long after their engagement with the Young SVP programme.

The Young SVP Programme incorporated 5 Regions at the start of 2016, with additional Regions coming on board through the year, ensuring that the Young SVP programme is now operating in each of the 8 SVP Regions nationally. This expanded and enhanced programme seeks to engage young people in Schools and Colleges in a manner that provides them with opportunities for personal and social development.

In the 2015-16 academic year, our Youth Development Officers (YDOs) delivered a total of 551 school visits across more than 150 different schools, where they informed students about the work of SVP, explored issues of social justice and supported them in designing and delivering activities to address needs in their own communities. There were 148 schools registered with the Young SVP Programme, with more than 3,700 second level students engaging in social action projects and activities under the name of Young SVP. There were regional youth days and exhibitions held in five Regions in April / May 2016, with a total of 1,700 students attending these celebrations.

## **TRUSTEES REPORT (continued)**

Additionally, in the third level sector there was considerable activity, with 15 colleges involved in delivering SVP activities, and upwards of 3,000 third level students being engaged, of whom more than 1,000 are recorded as active SVP Members. Between the various college SVP Conferences more than 50 weekly activities were coordinated, having a direct impact on hundreds of young people and adults in need across the country. The students involved are energetic, dedicated and proactive young people who are genuinely interested in seeing social change in Irish society and we are very lucky to call them Young SVP Members. The impact of so many young people being exposed to the concepts of Social Justice and making a difference in their communities is very powerful and provides the foundation for a very different Ireland in the future.

### **Social Justice**

Social Justice and Advocacy continued to be a key activity for the Society throughout 2016. In addition to supporting people experiencing poverty, the Social Justice activity of the Society advocates for policy change to address the contributing factors to poverty. Key areas of focus in the last year were housing and homelessness, early years care, education and income adequacy including lone parent supports.

In the area of housing and homelessness, which has developed into a national emergency, SVP liaised with statutory agencies to raise the concerns and issues that Members were encountering, advocating to address the challenges for families in emergency accommodation, including travel costs to schools, food and nutrition issues, as well as resettlement into long term housing. SVP has continually advocated for the urgent need to increase the supply of social housing, moving away from an overreliance on the private rented sector, and reforming the rented sector. This work contributed in part to the Government's 'Rebuilding Ireland' Housing Strategy published in July 2016. SVP's 'Hidden Homeless' campaign in October called on the government to ensure that enough social housing is built, or bought, to meet current and future need and improve security, affordability and quality in the private rented sector.

On Early Years Education and Care, SVP has maintained its focus on advocating for developments to ensure that children get the best possible start in life through the provision of good quality, affordable early years care and education. In early 2016, SVP developed two Policy Links reports on the early years sector. In advance of Budget 2017, SVP worked with other organisations calling on the Government for greater investment in the early years' sector. A key success of this advocacy work was the introduction of a new Affordable Childcare Scheme under Budget 2017 whereby low-income parents can access generous subsidies to help with the cost of childcare.

An ongoing concern for SVP is the unacceptably high level of child poverty in Ireland. In 2016, we worked with other organisations and Government departments to develop a comprehensive, integrated plan to decisively reduce the consistent poverty among children. We have continued to highlight the negative impacts of One Parent Family Payment reforms. Our 2016 Pre-Budget Submission made recommendations to address current barriers to employment, education and training for lone parents. These recommendations were presented at the Joint Oireachtas Committee on Social Protection in September 2016.

Other key advocacy agendas pursued in 2016 included energy poverty; rolling out the Credit Union Personal Micro Credit "It Makes Sense" loan; and joint working with other NGOs on promoting the Sustainable Development Goals. In 2016, the SVP Social Justice team:

- Met with Ministers and/or representatives from the Departments of Social Protection, Housing, Energy, Public Expenditure and Reform, Finance and Environment Communities and Local Government.
- Presented to Oireachtas Committees on Rural Affairs, Social Protection, Housing and Homelessness.
- Contributed to consultations on the Residential Rental Sector, Electricity and Gas Supplier's Handbook, Single Affordable Childcare Scheme, Energy Efficiency Obligation Scheme, Department of Social Protection Statement of Strategy, CER - Supplier Handbook Consultation, National Reform Programme, Commissioning, Fair Deal Nursing Home Scheme, and National Smart Metering Programme.

**TRUSTEES REPORT (continued)**

**Special Works Activities 2016**

2016 saw significant activity across Special Works with the national structures being replicated at regional level, providing a framework for more formalised reporting structures and standardised approaches to operational matters and practices. The following provides an overview in terms of the activity levels across the various Special Works in 2016.

**Retail Services:** By the end of 2016 there were 220 shops and 5 order fulfilment centres across the country. This is an increase of 21 shops on the previous year.

The order fulfilment centres (OFCs) are designed to collect, sort and redistribute unsold stock between existing SVP charity shops. The introduction of OFCs heralds the expansion of the use of supply chain management techniques within the SVP retail network. Electronic Point of Sale technology (EPOS) has been introduced in several trial locations to introduce further transparency, efficiency and effectiveness to the process of meeting customer demand.

In 2016, a review was completed of significant population centres across Ireland without SVP charity shops and this list was then cross referenced with areas of significant SVP home visitation activity. A number of key locations have now been identified as being suitable for the opening of new, or additional, Vincent's charity shops. This approach presupposes that SVP charity shops are seen as service providers within the local community as well as fundraisers for SVP.

The National Retail Strategy as recommended by the National Retail Committee, was promoted at a series of local SVP Roadshows across Ireland throughout 2016. The National Retail management team met with local staff, volunteers and members across the country to invite discussion on various aspects of the strategy including operational standards, the establishments of OFCs, the use of EPOS technology and the development of an online presence for SVP retail.

In recognition of approximately 4,500 Volunteers working in Vincent's retail across Ireland, a National Volunteer Coordinator was recruited in 2016 to work on streamlining the volunteer recruitment process and volunteer training. By the end of 2016, a four-step process was launched across Ireland, including a once off shop trial, a twelve-week probation, and a volunteer agreement.

In November 2016, SVP launched an online sales platform for higher value goods and collectibles.

Sales figures for 2016 were €26 million which represents an increase of €1 million on 2015. Operational developments in 2016 included the launch of a national Weekly Report Sheet, Shop Manager Business Plan and the widespread adoption of the Vincent's name and associated branding.

**Homeless Services:** The homelessness situation has been to the fore in Ireland in 2016 and SVP has been active in a number of ways, not least through the provision of emergency accommodation with 10 hostels situated throughout the country in Longford (2), Carlow, Limerick, Wexford, Waterford, Ennis, Cork (2), and Letterkenny. There are 300 beds across these hostels, supported by approximately 147 employees across the various centres. There are approximately 46 members in Conferences attached to the hostels. In addition to the emergency accommodation services, there is also a domestic violence service in Castlebar and a drop-in centre in Limerick.

The homeless crisis has led to an increased demand for additional spaces and new services, while Service Users are presenting with more complex support needs. To address increased demand, city-based services in Cork, Limerick and Waterford expanded capacity in 2016 to include 'Cold Weather Initiative' beds and rough sleeper units.

**TRUSTEES REPORT (continued)**

Homeless services continue to progress under the national line management structure and 2016 also saw major developments in the homeless sector nationally, with the publication of the proposed National Quality Standards for Homeless Services. These will apply to all homeless services funded by the state when finalised in 2017, and SVP was invited to participate in the piloting of the quality standards and to contribute to their development through Bethany House, SVP's homeless service for women and children in Longford.

Homeless services also established a Quality Standards Implementation Team (Q-SIT), which includes membership of frontline staff in services. This is tasked with overseeing our preparation for the quality standards, and support and training for all services has been initiated to assist them to prepare for what will be mandatory service delivery standards. Much of the work has focused on supporting services to engender a culture of Service User involvement, and to engage them in the planning and delivery of services.

**Social Housing:** The Society of St. Vincent De Paul/Frederic Ozanam Trust, as a registered Approved Housing Body (AHB) has approximately 960 units of social housing across the country, delivered and managed by 63 Conferences. This involves some 740 members supported by employees across various schemes. The operating environment for the Society's housing operations has changed significantly in recent years, with new challenges arising with the introduction of housing regulation and the residential tenancies legislation. The Society in 2017 began the process of registering all tenancies under the Residential Tenancies Board (RTB). The Society also worked closely with Conferences in 2016 through the new governance structures at National and Regional level to ensure progress on regulatory compliance requirements from housing viability, asset and tenant management perspectives. The Society seeks continuous improvement in the management of its housing stock to ensure the delivery of the highest quality services to our tenants.

**Resource Centres:** The Society operates 7 resource centres in the following locations: Dublin, Ballina, Castleisland, Cavan, Carrigtowhill, Tuam and Galway. Resource Centres have been developed over the years to provide a focal point and resource for local communities and families and provide a base for many activities which contribute to social cohesion in the local area. Such activities include day care facilities, training and meeting rooms, meals on wheels' facilities etc.

**Holiday Homes:** The Society operates 6 holiday homes in Wexford, Kildare, Meath, Donegal, Kerry and Down. The holiday homes provide holidays and breaks to those families supported by the Society and other groups who might not be in a position to enjoy such breaks.

**Prison Visitor Centres:** Prison Visitor Centres are operated in Cloverhill and Mountjoy in Dublin and also in the Midland's Regional Prison in Portlaoise. An additional centre in Wheatfield Prison adjacent to Cloverhill, was opened in 2016. The centres provide a welcoming and friendly reception for the families of prisoners which is particularly important for children.

**Children's / Young Adult Services:** Early childhood services are delivered in Dublin, Waterford, Lurgan, Belfast, Carrigtowhill and Castleisland whilst residential breaks are provided in Knockadoon in Cork and Sunshine House in Dublin. There are also 6 youth clubs in the Dublin area providing activities and events for those young people who may not have access to the opportunity and resources available to others.

Additional Services include Day Care centres for the elderly, various meals on wheels' services and a Seafarer's Club in Dublin.

## **FINANCIAL REVIEW**

The Society continues to see the need for significant support to individuals and families through Visitation Work and the Society's Special Works.

The financial statements for 2016 are in line with FRS102 and the Charities SORP 2015. The Society depreciates property assets and capital grants are amortised over the life of the grant terms.

The Society continues to aim for a balance of our income with expenditure over multiple year periods. The income sources and levels are the key factors in creating the Society's capacity for the provision of direct financial assistance to individuals, families and services recipients.

The financial results for the year had a net expenditure of €0.5m, compared to net income in the previous year of €1.5 million.

### **Analysis of Income**

The Society's total income increased to €79.3 million from €78.8 million. The Society has a range of income streams.

The income from church collections was similar to last year at €10.2 million (2015: €10.3 million). The income from donations increased by 8.7% to €16.3 million (2015: €15.0 million). The income from donations will vary year-on-year due to its intermittent nature and the occurrence of exceptional once off donations.

The income from legacies decreased by 13.6% to €5.1 million (2015: €5.9 million). The receipts from legacies is irregular, with dependency on individual's preferences when finalising their Will and the interim time between death and receipt of the legacy.

The community charity shops turnover increased by 4.0% to €26.0 million (2015: €25.0 million) due to the continuous development of the existing community charity shops and the opening of new community charity shops.

The Society received government funding / grants of €12.2 million (2015: €12.4 million) which includes €1.5 million (2015: €1.5 million) from the Department of Environment, Community and Local Government.

### **Analysis of Expenditure**

The expenditure of the Society is analysed in Note 6 to the Accounts which shows an increase of 3.2% in total expenditure to €79.8 million compared to €77.3 million for prior year. A loss of €2.2 million (2015 gain of €0.8 million) arose on the translation of sterling balance as a result of currency fluctuations. Prior to currency fluctuations, total expenditure disclosed a small reduction of 0.6% to €77.6 million from €78.1 million in 2015.

The Society's visitation work expenditure, which includes assistance to individual and families, decreased by 7.1% to €30.1 million (2015: €32.4 million).

The decrease in financial assistance level is in part due to seasonal fluctuations in the level of demand on a year to year basis reflecting the changing winter weather conditions and changing needs of those whom we serve.

The member's visitation work includes non-financial support, advisory assistance, befriending and supporting access to social services.

The provision of services to recipients, excluding shops, represents 25.9% of the Society expenditure. The services expenditure increased by 19.7% to €20.7 million from €17.3 million, which included a transfer of property to another charity of €2.4 million.

## **Society of St. Vincent de Paul (Ireland)**

### **National Management Council Report (Continued) For the year ended 31 December 2016**

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#### **FINANCIAL REVIEW (continued)**

The community charity shops expenditure represents 24.3% of the Society's total expenditure. The community charity shops expenditure increased by 6.6% to €19.4 million from €18.2 million in 2015.

The property of the Society includes social housing, hostels, holiday homes, resource centres and retail units. The expected maintenance of the Society properties is expected to increase for planned maintenance in future years and from stock condition assessments.

#### **Balance Sheet**

The Society has a strong balance sheet at the 31 December 2016 created over the 170 years of its existence, and a prudent approach in its activities and risks. This facilitates the Society in its wide range of visitation work and provision of services.

The Society's tangible assets are analysed in Note 10 which shows a net book value was €121.1 million, with additions during the year of €3.5 million. As stated in Note 10, the carrying cost of properties for accounting purposes is based upon a valuation of these assets completed in 2012. In the course of 2016, the Society reassessed the carrying value of its assets as required by FRS102, resulting in an impairment charge of €6.6m. As noted below the Society had €87.1 million of Property Revaluation Reserves at 31 December 2016 (Note 18).

The cash at bank and in hand increased by 3.3% to €73.6 million from €71.2 million in 2015. The Society has a pension surplus of €160k (2015: €165k).

Creditors falling due within one year were €5.8 million (2015: €5.5 million) and creditors after one year were €33.1 million (2015: €33.3 million). Included in the creditors are capital grants net of amortisation at €33.9 million (2015: €34.1 million).

The Society's reserves were €158.6 million (2015: €165.8 million); €6.1 million (2015: €6.8 million) are restricted funds, €1.0 million (2015: €2.2 million) are designated funds, €87.1 million (2015: €93.6 million) are property valuation reserve and €64.5 million (2015: €63.3 million) are general reserves. Expenditure of the designated funds is expected to occur within 2 years.

#### **Future Financial Plans**

A key objective for the Society is to support individuals and families through member's visitations, befriending, and short term financial support to those subjected to poverty or social inequality, and the support of the Society's services to recipients. This will be achieved through quality visitation work, services to recipients, careful management of the Society's resources and continuing to achieve a balance of the Society's income with expenditure.

#### **Cash Flow**

The Society's consolidated net cash flows from operating activities is €4.2 million (2015: €3.6 million).

Capital expenditure in the year was €3.4 million (2015: €4.9 million) on development of the community charity shops, social housing, resource and services centres. The proceeds on the disposal of fixed assets was €0.7 million (2015: €0.5 million). The cash outflows used in investing activities was €2.7 million (2015: €4.5 million).

Capital Grants received in the year was €0.6 million (2015: €0.7 million). Investment Income and Investments Proceeds was €0.2 million (2015: €0.4 million). The cash inflows provided by financing activities was €0.8 million (2015: €1.0 million).

The consolidated liquid resources movement for the year was an increase of €2.4 million (2015: increase of €0.1 million).

## **RESERVES POLICY**

The Society's Total Reserves (represented by Restricted, Designated and Unrestricted Funds) are an amalgamation of assets employed in Special Works owned directly by the Society, and assets (principally tangible fixed assets and cash) held at National, Regional, Area and Conference levels.

The overall policy of the Society is to maintain liquid resources to facilitate the funding of the Society's work in the service of the poor, on whose behalf the funds are held. The reserves and liquid resources are held at a level which ensures that the Society Visitations Work and Special Works can continue during a period of unforeseen challenges. The reserve level takes account of the risks associated with each stream of income and expenditure, social housing stock condition and planned activities.

This policy is driven by the need to provide for future expenditure on a planned basis and at the same time be in a position to respond to urgent deserving causes at short notice. The reserves of the Society are held for its charitable purpose and aims, working with poor and disadvantaged people, bringing support and friendship. Local Conferences and Councils are encouraged to share surplus unrestricted funds with other Conferences within the Society, to facilitate needs within the wider community.

Where appropriate, funds are designated for use within the Society, for particular purposes and the related expenditure may be made over a number of accounting periods. This principal also applies to certain funds which have been restricted in their use under the terms of their donation.

## **PRINCIPLE RISKS AND UNCERTAINTIES**

### **Overview**

The National Management Council (NMC) is the directive, co-ordinating and management body of the Society in Ireland, who establish continually evolving systems, policies and procedures to help mitigate the major risks to which the Society is exposed. These policies and procedures are monitored and updated in light of legislative and other relevant factors. The Society's systems, policies and procedures seek to ensure members and staff can identify risks and in turn have responsibility to manage and mitigate risks.

Structures are in place within the Society to regularly assess risks and improve on controls. The structure of the Society is based on Conferences (primary membership unit of the Society) with Area and Regional Councils being bodies who have oversight and accountabilities to their Region and the National Management Council for the work and risks within their geographical area.

Conferences and Councils appoint officers who manage the day-to-day activities of the Conferences and Councils in accordance with laws, the Society Rule and the policies set by the National Management Council. The risk management for the Society is achieved through Conference and Council controls, by the work of the Trustees, governance officers, Treasurers and the functions of National Office, Regional Offices, Special Works Operations, Finance, HR and Internal Audit.

### **Income Risks**

Each Conference and Council within the Society manage their income and expenditure through continuous monitoring, Conference reviews and plans. Income and cash positions are key drivers for the level of charitable acts the Society can perform. Conferences and Councils work on a conservative and risk management approach. The aims are to minimise the risk of financial and reputational loss, while reducing liquidity risks due to mismatch of income to expenditure.

The Society is reliant on the donations from the public for the majority of its income. The development of a broad range of sources of income is necessary to reduce the risk of significant income fluctuations (e.g. donations, church gate collections, bequests, fundraising, funders of services and activities, and community charity shops).



### **Governance Risks**

The geographical distribution of the Society across the island of Ireland coupled with the diversity of activities the Society is engaged in, creates inherent governance and management risks. The primary structure of the Society is based on local Conferences (the membership unit of the Society who perform the charitable visitations acts of the Society or establish services), which are part of an Area (geographical area), who in turn are part of a Region and then the National Management Council (NMC).

Conferences, Area Councils, Regional Councils, National Council and National Management Council are the primary governance bodies within the Society, with the National Management Council (NMC) being the directive, co-ordinating and management body of the Society in Ireland. Conferences and Councils appoint officers who manage the activities of the Conference or Council in accordance with laws, the Society Rule and the policies set by the NMC. In addition, Conferences, Councils and Management have direct responsibility for ensuring that the members and staff are addressing the risks within their remit.

### **Operational Risks**

The Society places a priority on the safety and security of its members, volunteers, employees, beneficiaries, services recipients and general members of the public. The Society Rule, policies, procedures and practices aim to ensure risks are appropriately managed to protect any individual the Society comes in contact with, including vulnerable adults and children.

### **Currency Risks**

As the Society in Ireland is a 32-county organisation, it operates in both Euro and Sterling. The currency risk within the Society is managed through minimisation of cross region cash flow dependencies. The reporting currency of the Society is Euro; therefore, the Financial Statements include translation of our Sterling income and expenditure at the average exchange rate for the year and related balance sheet items at the exchange rate on the balance sheet date. The effect resulting from the restatement of the opening net assets at closing rates is recorded in the statement of financial activities.

### **Interest Rate Risks**

There are minimal interest rates risk due to the Society's rule that any loans are to be approved by the National Management Council. There are no loan covenant compliance risks as there are no financial debt instruments.

### **Health, Safety and Environmental Risks**

The well-being of the Society's members, volunteers, employees, beneficiaries, services recipients and the general public are safeguarded through adherences to health and safety standards, policies and good practices with the aim to minimise any negative impact on any individual, or the Society's activities and reputation. Health and safety legislation impose certain requirements on the Society as members based organisation and as an employer. The Society continually takes action to create a healthy and safe environment, provide policies and expect good practices from members and staff, including the implementation of new quality visitation programs and operational structures. The Society will seek to minimise adverse impact on the environment from its activities, while continuing to address health, safety and environmental risks.

### **Information Security**

The Society's transactions processing, recording and storing of data are particularly sensitive. The Society data protection policies, procedures and systems aim to mitigate risks related to information security.

**Events since the end of the year**

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

**INVESTMENT POLICY AND PERFORMANCE**

The investments are from Legacy's received by the Society. These investments are regularly reviewed by the Society, with the aim to realise funds for use by the Society to achieve its purpose and aims.

**NATIONAL MANAGEMENT COUNCIL'S RESPONSIBILITIES STATEMENT**

The National Management Council prepares consolidated financial statements for each financial year, which give a true and fair view of the state of affairs of the Society and the incoming/outgoing resources and application of resources, including the net income and expenditure of the Society for the year. In preparing those financial statements the National Management Council is required to:

- select suitable accounting policies for the Society's Financial Statements and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in operation.

The National Management Council is responsible for keeping proper accounting records which disclose with reasonable certainty the financial position of the Society and which enable it to ensure that the financial statements comply with relevant legislation. The National Management Council is also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The National Management Council is also responsible for the maintenance and integrity of the corporate and financial information included on the Society's website.

## Society of St. Vincent de Paul (Ireland)

### National Management Council Report (Continued) For the year ended 31 December 2016

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#### THE NATIONAL MANAGEMENT COUNCIL

The National Management Council is comprised of the National President, eight Regional Presidents, three Members appointed at the sole discretion of the National President and the Spiritual Advisor. The National President may exercise, in accordance with the Rule of the Society and after consultation with the Members of the National Management Council, to appoint any other Member to the National Management Council as a National Officer.

		<b>Date of Appointment to NMC</b>
Kieran Stafford	National President	August 2007
Rose McGowan	National Vice President	June 2017
Ciara Reynolds	National Vice President	July 2017
Peter Fitzpatrick	National Treasurer	June 2017
William Casey		July 2015
Liam Reilly		June 2013
John Lupton		June 2015
Michael McCann		October 2015
Fr. Eamon Devlin		February 2012
Bernadette Doyle		February 2017
Brendan O'Neill		September 2017
Christy Lynch		March 2015
Michael Murphy	Member only	April 2010 – May 2017
Gráinne Lee	Member only	March 2015

		<b>Date of Resignation</b>
Rory McCauley		February 2016
Geraldine Kelly		August 2016
Margaret Conway		February 2017
Geoffrey Meagher	National President	May 2017
Frank Gernon	National Treasurer	May 2017
Máire McMahon	National Vice President	May 2017
Aidan Crawford		September 2017

The new President of the National Council, elected in accordance with the Rule, is Kieran Stafford (May 2017). The National President is elected by the members of the National Council. The National Council comprises the Regional Council Presidents (No. 8), the Area Council Presidents (No. 109), the National President, the Members nominated by the National President (No. 3) and the spiritual advisor. The National President shall hold office for a period of three years and is eligible for re-election for one further term of two years. The National President is then ineligible for re-election until the expiration of a further five years. A person shall be ineligible to serve, or continue to serve, as National President if he or she becomes ineligible to be a charity trustee.

The Regional President is selected by the members of the Regional Council, comprising the Area Council Presidents, together with all the Presidents of the Conferences in the Region. The Regional President shall hold office for a period of three years and is eligible for re-election for one further term of two years. The Regional President is then ineligible for re-election until the expiration of a further five years. A Regional President can cease to hold office if asked to do so by the National Management Committee or if he or she becomes ineligible to serve.

The persons appointed members of the National Management Committee, by the National President, cease to be members when a new National President takes office.

**Society of St. Vincent de Paul (Ireland)**

**National Management Council Report (Continued)**  
**For the year ended 31 December 2016**

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**AUDITORS**

Deloitte Chartered Accountants and Statutory Audit Firm, continue as Auditors of the Society.

Signed on Behalf of the National Management Council on the 20<sup>th</sup> October 2017 by:

Kieran Stafford  
**National President**

Peter Fitzpatrick  
**National Treasurer**

## **INDEPENDENT AUDITOR'S REPORT TO THE NATIONAL MANAGEMENT COUNCIL OF THE SOCIETY OF ST. VINCENT DE PAUL (IRELAND) ON THE CONSOLIDATED FINANCIAL STATEMENTS**

We have audited the non-statutory consolidated financial statements of Society of St. Vincent de Paul (Ireland) for the year ended 31 December 2016 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement and the related notes 1 to 27. The relevant financial reporting framework that has been applied in their preparation is 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 National Management Council of the Society of St. Vincent de Paul (Ireland), as a body. Our audit work has been undertaken so that we might state to the National Management Council of the Society those matters we state to them in our 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 Society and the National Management Council of the Society as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of the National Management Council and auditors**

As explained more fully in the National Management Council's Responsibilities Statement, the National Management Council of the Society is responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the consolidated financial statements in accordance with 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 consolidated financial statements sufficient to give reasonable assurance that the consolidated 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 Society's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the National Management Council of the Society; and the overall presentation of the consolidated financial statements. In addition, we read all the financial and non-financial information in the Reports and Consolidated Financial Statements for the 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 non-statutory consolidated financial statements:

- give a true and fair view of the state of the affairs of the Society 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 prepared in accordance with the relevant financial reporting framework.

Deloitte  
Chartered Accountants and Statutory Audit Firm  
Dublin

26 October 2017

Society of St. Vincent de Paul (Ireland)

Consolidated Statement of Financial Activities  
(Includes Income and Expenditure Account)  
For the year ended 31 December 2016

	Note	Restricted €'000	Unrestricted €'000	2016 Total €'000	Restricted €'000	Unrestricted €'000	2015 Total €'000
<b>Income from:</b>							
Donations and legacies	3	2,504	31,035	33,539	3,752	29,770	33,522
Charitable activities	5	-	42,211	42,211	-	40,981	40,981
Investments		-	110	110	25	262	287
Fundraising		8	3,245	3,253	-	3,847	3,847
Other		28	168	196	2	148	150
<b>Total income</b>		<b>2,540</b>	<b>76,769</b>	<b>79,309</b>	<b>3,779</b>	<b>75,008</b>	<b>78,787</b>
<b>Expenditure on:</b>							
Raising funds		-	744	744	-	941	941
Charitable activities		3,273	75,812	79,085	4,442	71,950	76,392
<b>Total expenditure</b>	6	<b>3,273</b>	<b>76,556</b>	<b>79,829</b>	<b>4,442</b>	<b>72,891</b>	<b>77,333</b>
<b>Net (expenditure)/income</b>	7	<b>(733)</b>	<b>213</b>	<b>(520)</b>	<b>(663)</b>	<b>2,117</b>	<b>1,454</b>
<b>Impairment of tangible assets</b>	18	-	<b>(6,563)</b>	<b>(6,563)</b>	-	-	-
<b>Gains/(losses) on revaluation of investments and state capital grants</b>	18	-	<b>(31)</b>	<b>(31)</b>	-	25	25
<b>Gains/(losses) on disposal of assets</b>	18	-	<b>(93)</b>	<b>(93)</b>	-	<b>(266)</b>	<b>(266)</b>
<b>Net movement in funds</b>		<b>(733)</b>	<b>(6,474)</b>	<b>(7,207)</b>	<b>(663)</b>	<b>1,876</b>	<b>1,213</b>
<b>Total funds brought forward</b>	17/18	<b>6,764</b>	<b>159,063</b>	<b>165,827</b>	<b>7,418</b>	<b>157,196</b>	<b>164,614</b>
<b>Transfer between funds</b>	18	<b>76</b>	<b>(76)</b>	<b>-</b>	<b>9</b>	<b>(9)</b>	<b>-</b>
<b>Total funds carried forward</b>	17/18	<b>6,107</b>	<b>152,513</b>	<b>158,620</b>	<b>6,764</b>	<b>159,063</b>	<b>165,827</b>

**Society of St. Vincent de Paul (Ireland)**

**Consolidated Balance Sheet  
As at 31 December 2016**

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	<b>Note</b>	<b>2016 €'000</b>	<b>2015 €'000</b>
<b>FIXED ASSETS</b>			
Tangible Assets	10	<b>121,097</b>	131,621
Investments	11	<b>136</b>	241
		<b>121,233</b>	131,862
<b>CURRENT ASSETS</b>			
Stocks		<b>43</b>	33
Debtors	12	<b>2,678</b>	1,529
Cash at bank and in hand	13	<b>73,592</b>	71,219
		<b>76,313</b>	72,781
<b>LIABILITIES</b>			
Creditors: Amounts falling due within one year	14	<b>(5,825)</b>	(5,519)
<b>NET CURRENT ASSETS</b>			
		<b>70,488</b>	67,262
Creditors: Amounts falling due after one year	15	<b>(33,101)</b>	(33,297)
<b>NET ASSETS</b>			
	17	<b>158,620</b>	165,827
<b>The funds of the charity:</b>			
<b>Restricted funds</b>	17/18	<b>6,107</b>	6,764
<b>Unrestricted funds:</b>			
Property Valuation	17/18	<b>87,058</b>	93,621
Designated Funds	17/18	<b>959</b>	2,185
General Funds	17/18	<b>64,496</b>	63,257
<b>TOTAL FUNDS</b>		<b>158,620</b>	165,827

The consolidated financial statements were approved and authorised for issue by the National Management Council on the 20<sup>th</sup> October 2017 and signed on its behalf by:

Kieran Stafford  
**National President**

Peter Fitzpatrick  
**National Treasurer**

**Society of St. Vincent de Paul (Ireland)**

**Consolidated Statement of Cash Flows  
For the year ended 31 December 2016**

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	Note	2016 €'000	2015 €'000
<b>Net cash flows from charitable operating activities</b>	19	<b>4,205</b>	3,563
<b>Cash flows used in investing activities</b>			
Purchase of tangible fixed assets (excluding donated properties)		<b>(3,394)</b>	(4,925)
Proceeds on disposal of fixed assets		<b>729</b>	466
<b>Net cash flows used in investing activities</b>		<b>(2,665)</b>	(4,459)
<b>Cash flows provided by financing activities</b>			
Government capital grants received		<b>639</b>	664
Investment income		<b>110</b>	287
Investments proceeds		<b>74</b>	81
<b>Net cash flows provided by financing activities</b>		<b>823</b>	1,032
<b>Change in cash and cash equivalents in the reporting period</b>		<b><u>2,363</u></b>	<u>136</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b><u>71,206</u></b>	<u>71,070</u>
<b>Total cash and cash equivalents at the end of the reporting period (Note 13)</b>		<b><u><u>73,569</u></u></b>	<u><u>71,206</u></u>



1. **ACCOUNTING POLICIES**

***Basis of preparation***

The accounts 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) *Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)* and FRS 102.

The consolidated financial statements have been prepared on a going concern basis. The National Management Council has reviewed the Society's financial position and consequently believes there are sufficient resources to manage any operational or financial risks. The National Management Council therefore considers there is a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. There is no material uncertainty about the ability to continue as a going concern.

Society of St. Vincent de Paul (Ireland) is a public benefit entity as defined by FRS 102.

***Basis of consolidation***

The Consolidated Financial Statements include the results of all of the Society's Councils and Conferences situated in the Republic of Ireland and Northern Ireland. The financial year of all reporting entities are coterminous.

***Income***

Income included in the financial statements represents income from the public (i.e. donations and legacies), grants, services funding, fundraising and deposit and investment income received during the year.

Income is accounted for when the Society becomes entitled to the funds, the income can be measured reliably and it is probable the funds will be received. Where income has been received in advance, it is deferred until the conditions are met. Where income has not yet been received, but all criteria for recognition has been satisfied, the income is accrued as a debtor in the balance sheet.

In the case of voluntary donations, income is recognised when received. Proceeds from the sale of donated goods are recognised in the financial statements in the period in which they are realised. The value of donations-in-kind are not included in the statement of financial activities as due to their nature, the cost of recognition and measurement of individual donations-in-kind would outweigh its benefit.

Revenue grants are recognised in full in the year in which they are receivable. Deferred capital grants, including Capital Assistance Schemes, are included in creditors and are amortised to the statement of financial activities, at a rate of 2% per annum, in line with the estimated useful life of the related assets. A summary of all revenue funding and capital grants from government bodies is included in Note 4.

Income from legacies is accounted for on a receivable basis, and is recognised in full in the financial statements in the period in which probate is granted, where the amount can be reliably ascertained.

1. **ACCOUNTING POLICIES (continued)**

***Expenditure***

Resources expended are recognised on an accruals basis and include attributable VAT which cannot be recovered.

Raising funds expenditure relates to the fundraising costs incurred by the Society in generating funds for its charitable work.

Charitable activities expenditure is allocated to the particular activity, where the cost relates directly to that activity.

Management, support and administration comprise both National and Regional Councils support services. These comprise members support services, beneficiaries' services, Regional and National Council services for core visitations work. Included in this expenditure are costs for governance and statutory compliance.

***Gift in Kind***

Items donated for resale are included in shop income when sold and no value is placed on stock at year end.

***Funds***

The Society's total reserves (represented by Restricted, Designated and Unrestricted Funds) are an amalgamation of assets employed in Special Works owned directly by the Society and assets (principally tangible fixed assets and cash) held nationally and at Conference level.

The overall policy of the Society is to maintain a balance of long term assets and liquid resources to facilitate the funding of the Society's work in the service of the poor, on whose behalf the funds are held. This policy is driven by the need to provide for future expenditure on a planned basis and at the same time be in a position to respond to urgent deserving causes at short notice. Reserves held at Conference level are for direct relief of poverty in local areas and for that reason mainly consist of liquid funds. Local Conferences and Councils are encouraged to share surplus unrestricted funds with other Conferences within the Society, to facilitate needs within the wider community.

Restricted Funds represent donations, bequests and grants which have been received and recognised in the financial statements and are subject to specific conditions imposed by the donors or grant making bodies.

Unrestricted Funds are funds which are expendable at the discretion of the Society in furtherance of the objectives of the Society and include a property reserve which represents valuation movements since inception of the assets in 2005.

Designated Funds are those which have been set aside for particular purposes by the Society itself in the furtherance of the Society's charitable objectives.

1. ACCOUNTING POLICIES (continued)

**Fixed Assets**

Tangible fixed assets are stated at cost less accumulated depreciation and any allowance for impairment. The Society has decided to take the 2012 valuation of properties as their deemed cost as at 1 January 2014, as allowed on transition to FRS 102. At each reporting date, under FRS 102, the assets will be assessed as to whether there are any indicators that would result in a reduction to the carrying value of the asset. If any such indication exists, the recoverable amount of the asset will be estimated. If the recoverable amount is less than its carrying value, the carrying value of the asset will be reduced to the recoverable amount. Gifts of property are valued on open market value for existing use basis.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value, over its expected useful life, on a straight-line basis. The depreciation rates in use are as follows:

Properties	2%
Office equipment	33%
Motor vehicles	20%

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Property Capital Expenditure in excess of €10,000 and Office Equipment and Motor Vehicles expenditure in excess of €5,000 is taken to the balance sheet in the year it is incurred and depreciated over its useful life. Expenditure less than this amount are expensed to the Statement of Financial Activities accordingly.

**Investments**

Investments are carried at market value at the balance sheet date.

**Pension Schemes**

The Society operates defined contribution pension schemes and a defined benefit pension scheme (closed to new members). The assets of the schemes are held separately from those of the Society in independently administered funds. The pension cost charge in the statement of financial activities represents contributions payable by the Society under the defined contribution schemes together with any charges related to the defined benefit scheme. Contributions are paid to the scheme in accordance with the recommendations of independent actuaries to enable the Trustees to meet from the scheme the benefits accruing in respect of current and future service. The Society has no liability under the defined contribution schemes other than for the payment of contributions due.

For defined benefit schemes the amounts charged to the statement of financial activities are the costs arising from employee services rendered during the financial year and the cost of plan introductions, benefit changes, settlements and curtailments. They are included as part of staff costs. The net interest cost on the net defined benefit liability is charged to the statement of financial activities. Re-measurement comprising actuarial gains and losses and the return on scheme assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in other comprehensive income.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the charity, in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

1. **ACCOUNTING POLICIES (continued)**

***Capital Grants and Capital Assistance Schemes***

Capital Grants and Capital Assistance Scheme amounts received since 1 January 2004 are initially deferred and are subsequently amortised to the statement of financial activities at a rate of 2% per annum. Unamortised balances are recognised under creditors in the Society's balance sheet.

***Stocks***

Stocks are valued at the lower of cost and net realisable value.

***Foreign Currencies***

Translation of sterling income and expenditure is at the average exchange rate for the year and related balance sheet items at the exchange rate on the balance sheet date. The effect resulting from the restatement of the opening net assets at closing rates is recorded in the statement of financial activities.

***Taxation***

No charge to current or deferred taxation arises as the Society has been granted charitable status.

***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.

***Operating Leases***

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities.

**2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION  
UNCERTAINTY**

In the application of the Society's accounting policies, which are described in Note 1, the National Management Council 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 Society's accounting policies**

The following are the critical judgements and estimations that the National Management Council have made in the process of applying accounting policies that have the most significant effect on the amounts recognised in the financial statements:

***Valuation of Properties***

Tangible fixed assets are stated at cost less accumulated depreciation and any allowance for impairment.

***Defined benefit pension scheme***

The Society had a defined benefit pension scheme in operation for certain employees. There are estimates with respect to certain key assumptions made in calculating the actuarial liability relating to the scheme including the discount rate, inflation and mortality rates, as disclosed in Note 20 to the financial statements.

**3. DONATIONS AND LEGACIES**

	<b>2016</b>	2015
	<b>€'000</b>	€'000
Church collections	<b>10,176</b>	10,262
Legacies	<b>5,137</b>	5,921
Donations	<b>16,277</b>	15,018
Members' contributions	<b>189</b>	209
Special Government Grant (Note 4)	<b>1,451</b>	1,451
Other Government Funding (Note 4)	<b>309</b>	661
	<b><u>33,539</u></b>	<u>33,522</u>

4. GOVERNMENT GRANTS

A summary of all Revenue and Capital Grants from Government bodies is included below:

	2016 €'000	2015 €'000
<b>REVENUE GRANTS (Note 3/5)</b>		
Included under:		
Special Government Grant/Funder *	1,451	1,451
Other Government Grant/Funder	309	661
<b>Incoming Resources - Donations, Legacies and similar Incoming Resources (Note 3)</b>	<u>1,760</u>	<u>2,112</u>
Shops	2,272	2,352
Holiday homes	366	397
Housing	230	342
Hostels	5,132	4,979
Youth clubs	12	13
Resource centres and crèches	2,416	2,220
<b>Incoming Resources - Activities in furtherance of charity's objectives (Note 5)</b>	<u>10,428</u>	<u>10,303</u>
	<u>12,188</u>	<u>12,415</u>
<b>CAPITAL GRANTS (Note 16)</b>	2016 €'000	2015 €'000
Included under:		
Special Government Grant/Funding	-	-
Other Government Grant/Funding	-	-
<b>Incoming Resources - Donations, Legacies and similar Incoming Resources</b>	<u>-</u>	<u>-</u>
Shops	-	110
Holiday homes	-	-
Housing	578	554
Hostels	61	-
Youth clubs	-	-
Resource centres and crèches	-	-
<b>Incoming Resources - Activities in furtherance of charity's objectives</b>	<u>639</u>	<u>664</u>
	<u>639</u>	<u>664</u>

\* Department of Environment, Community and Local Government

Society of St. Vincent de Paul (Ireland)

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5. INCOME FROM: CHARITABLE ACTIVITIES

	Shops €'000	Holiday homes €'000	Housing €'000	Hostels €'000	Youth clubs €'000	Resource centres and crèches €'000	Seafarers shelter €'000	2016 Total €'000	2015 Total €'000
Shop sales	25,990	-	-	-	-	-	-	25,990	25,010
Holiday home fees	-	618	-	-	-	-	-	618	542
Charges to residents	-	-	2,400	1,088	-	240	-	3,728	3,617
Fees for services	-	-	-	-	18	1,428	1	1,447	1,509
Government revenue funding / grants (Note 4)	2,272	366	230	5,132	12	2,416	-	10,428	10,303
<b>Total by Activity - 2016</b>	<b>28,262</b>	<b>984</b>	<b>2,630</b>	<b>6,220</b>	<b>30</b>	<b>4,084</b>	<b>1</b>	<b>42,211</b>	
Total by Activity - 2015	27,362	939	2,647	6,003	27	4,003	-		40,981

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6. TOTAL EXPENDITURE

	Assistance to individuals and families €'000	Activities in furtherance of charity's objectives							Total: Activities in furtherance of the charity's objectives €'000	Twinning €'000	Costs of generating funds €'000	Management, Support costs and Administration €'000	2016 Total €'000	2015 Total €'000
		Shops €'000	Holiday homes €'000	Housing €'000	Hostels €'000	Resource centres and crèches €'000	Youth clubs €'000	Seafarers shelter €'000						
Staff costs (Note 8)	-	10,409	1,081	613	4,498	3,352	-	-	19,953	-	-	4,236	24,189	24,397
Cash assistance	5,185	104	-	102	20	281	-	-	507	-	-	-	5,692	6,417
Transfer to other organisation	-	-	-	2,436	-	-	-	-	2,436	-	-	-	2,436	-
Vouchers	10,531	-	-	3	10	55	-	-	68	-	-	-	10,599	11,138
Food/Hampers	2,064	-	-	-	-	64	-	-	64	-	-	-	2,128	2,343
Clothing/Furniture	1,009	-	-	-	-	1	-	-	1	-	-	-	1,010	1,115
Fuel/Electricity	4,358	-	-	-	-	20	-	-	20	-	-	-	4,378	5,087
Holidays/Hospitals/Outings	671	-	-	-	-	5	-	-	5	-	-	-	676	805
Twinning/Overseas support	-	-	-	-	-	-	-	-	-	514	-	-	514	384
Job/Employment training	109	-	-	-	-	-	-	-	-	-	-	-	109	96
Education	3,669	-	-	-	-	61	-	-	61	-	-	-	3,730	4,371
Overheads	119	2,334	278	286	399	270	10	7	3,584	-	-	688	4,391	4,059
Supplies	27	581	407	106	516	422	9	2	2,043	-	-	-	2,070	2,041
Programme costs	274	41	229	52	369	371	77	7	1,146	-	-	12	1,432	1,220
Personal development	230	-	-	-	-	4	-	-	4	-	-	-	234	449
Administration	494	734	22	48	154	92	4	3	1,057	-	-	1,152	2,703	2,833
Professional fees	52	89	27	4	39	30	-	-	189	-	-	762	1,003	1,299
Premises costs	176	3,743	289	758	505	239	22	5	5,561	-	-	187	5,924	5,197
Publication costs	-	39	-	-	-	-	-	-	39	-	-	141	180	257
Audit fees	46	80	12	23	38	33	-	-	186	-	-	235	467	445
Advertising / fundraising	309	32	5	-	1	29	-	-	67	-	744	-	1,120	1,391
Training and development	-	54	6	-	26	10	-	-	96	-	-	83	179	313
Depreciation	64	708	217	1,402	308	248	22	13	2,918	-	-	277	3,259	3,273
Capital grants amortised	(18)	(10)	(2)	(546)	(145)	(72)	(1)	-	(776)	-	-	(30)	(824)	(813)
<b>Sub Total</b>	<b>29,369</b>	<b>18,938</b>	<b>2,571</b>	<b>5,287</b>	<b>6,738</b>	<b>5,515</b>	<b>143</b>	<b>37</b>	<b>39,229</b>	<b>514</b>	<b>744</b>	<b>7,743</b>	<b>77,599</b>	<b>78,117</b>
<b>Loss/(Profit) arising on translation of sterling balances</b>	<b>773</b>	<b>465</b>	<b>366</b>	<b>1</b>	<b>8</b>	<b>58</b>	<b>-</b>	<b>-</b>	<b>898</b>	<b>-</b>	<b>-</b>	<b>559</b>	<b>2,230</b>	<b>(784)</b>
<b>Total by activity – 2016</b>	<b>30,142</b>	<b>19,403</b>	<b>2,937</b>	<b>5,288</b>	<b>6,746</b>	<b>5,573</b>	<b>143</b>	<b>37</b>	<b>40,127</b>	<b>514</b>	<b>744</b>	<b>8,302</b>	<b>79,829</b>	
Total by activity – 2015	32,409	18,215	2,330	2,874	6,581	5,432	128	31	35,591	384	941	8,008		77,333



Notes to the Consolidated Financial Statements (Continued)  
For the year ended 31 December 2016

**7. NET INCOME/(EXPENDITURE) FOR YEAR**

This is stated after charging / (crediting):

	<b>2016</b>	<b>2015</b>
	<b>€'000</b>	<b>€'000</b>
Depreciation	<b>3,259</b>	3,273
Capital grants amortisation	<b>(824)</b>	(813)
National Management Council members:		
• Indemnity insurance	<b>44</b>	38
• Remuneration	-	-
• Reimbursed expenses	<b>13</b>	24
Auditors' remuneration:		
• National audit	<b>115</b>	116
• Local Audits and Accounting Services	<b>352</b>	329

During the year National Management Council Members were reimbursed expenses, related to travel and accommodation, subsistence, telephone, postage and stationery.

**8. STAFF COSTS AND NUMBERS**

Staff costs were as follows:

	<b>2016</b>	<b>2015</b>
	<b>€'000</b>	<b>€'000</b>
Wages, salaries and social welfare costs	<b>23,467</b>	23,732
Pension and related costs (Note 20)	<b>722</b>	665
	<b>24,189</b>	24,397

A total of 10 employees (2015: 12) earned remuneration in excess of €70,000 per annum, as follows:

	<b>2016</b>	<b>2015</b>
	<b>No.</b>	<b>No.</b>
€70,001 to €80,000	<b>7</b>	8
€80,001 to €90,000	<b>2</b>	3
€90,001 to €100,000	-	-
€100,001 to €110,000	<b>1</b>	1

The Society is a volunteer-led organisation. All of the Society's work is carried out by its' 11,000 members and volunteers supported by a staff of full time, part-time and seasonal employees. The Home Visitations are entirely carried out by members and volunteers. The National Management Council consists solely of members/volunteers and they receive no remuneration other than reimbursed expenses included in Note 7. The National Secretary supports the National Management Council and is the most senior employee role.

The total remuneration (inclusive of employer PRSI and pension contribution) of the key management personnel of the Society for the financial year ended 31 December 2016 was €963k (2015: €993k), comprising 13 full time equivalent employees (2015: 13).

**8. STAFF COSTS AND NUMBERS (continued)**

The average weekly number of employees (full-time equivalents) during the year was as follows:

	<b>2016 No</b>	<b>2015 No</b>
Shops	415	407
Holiday homes	42	45
Housing	22	22
Hostels	132	136
Resource centres and crèches	164	141
Visitation case workers	-	17
Support staff	<u>84</u>	<u>83</u>
	<u><b>859</b></u>	<u><b>851</b></u>

The Society relies substantially on voluntary services provided by its members and volunteers across the country. It is not possible to quantify the value of these services carried out by the Society's members and volunteers.

**9. TAXATION**

The Society is exempt from income tax as all its income is applied for charitable purposes.

**10. TANGIBLE ASSETS**

	<b>Properties €'000</b>	<b>Office Equipment €'000</b>	<b>Motor Vehicles €'000</b>	<b>Totals 2016 €'000</b>
<b>Valuation/Cost</b>				
At beginning of year	138,593	8,326	666	147,585
Additions/donated in year	2,894	335	245	3,474
Disposals in year	(3,530)	(12)	(40)	(3,582)
Translation adjustment	(868)	(53)	(28)	(949)
<b>At end of year</b>	<u><b>137,089</b></u>	<u><b>8,596</b></u>	<u><b>843</b></u>	<u><b>146,528</b></u>
<b>Depreciation</b>				
At beginning of year	8,020	7,536	408	15,964
Charge for year	2,742	395	122	3,259
On disposals	(207)	(12)	(40)	(259)
Impairment	6,563	-	-	6,563
Translation adjustment	(44)	(43)	(9)	(96)
<b>At end of year</b>	<u><b>17,074</b></u>	<u><b>7,876</b></u>	<u><b>481</b></u>	<u><b>25,431</b></u>
<b>Carrying Amount</b>				
<b>At end of year</b>	<u><b>120,015</b></u>	<u><b>720</b></u>	<u><b>362</b></u>	<u><b>121,097</b></u>
At beginning of year	<u>130,573</u>	<u>790</u>	<u>258</u>	<u>131,621</u>

**10. TANGIBLE ASSETS (continued)**

The Society's properties were valued at €123.0 million, on an existing use basis, as at 31 December 2012 by independent chartered surveyors. The Society has decided to use this valuation as the properties' deemed cost upon transition to FRS 102 as at 1 January 2014 (date of transition), and depreciate these assets in line with the current accounting policy. Additions since that date are included at their historic cost. Impairment is applied if a periodic assessment results in an estimated recoverable value being less than its carrying value.

The Society's properties include Charity Shops, Hostels for the Homeless, Day Care and Community Resource Centres, Sheltered Housing, Holiday Centres, Youth Clubs, National and Regional offices.

**11. INVESTMENTS**

	<b>2016</b>	<b>2015</b>
	<b>€'000</b>	<b>€'000</b>
Market value at beginning of year	241	295
Additions	-	-
Disposals at market value	(74)	(81)
Movement in market value	<u>(31)</u>	<u>27</u>
Market value at end of year	<u>136</u>	<u>241</u>

All shares investments are held in publicly quoted companies. No current or deferred taxation liability would arise on the disposal of these investments, due to the Society's tax-exempt status.

**12. DEBTORS (Amounts falling due within one year)**

	<b>2016</b>	<b>2015</b>
	<b>€'000</b>	<b>€'000</b>
Debtors: (Amounts falling due within one year)	1,858	669
Pension scheme surplus (Note 20)	160	165
Prepayments	<u>660</u>	<u>695</u>
	<u>2,678</u>	<u>1,529</u>

Pension scheme surplus (Note 20) is the net of the total schemes' assets less the scheme liabilities.

**Society of St. Vincent de Paul (Ireland)**

**Notes to the Consolidated Financial Statements (Continued)**  
**For the year ended 31 December 2016**

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**13. CASH AT BANK AND IN HAND**

	<b>2016</b> <b>€'000</b>	<b>2015</b> <b>€'000</b>
Cash at Bank and in Hand	73,592	71,219
Bank Overdrafts (Note 14)	<u>(23)</u>	<u>(13)</u>
Net Bank Funds	<u><b>73,569</b></u>	<u><b>71,206</b></u>

The net bank funds represent cash held across 1,210 (2015: 1,203) Conferences and Councils. It includes funds restricted for specific areas or projects of €6.1 million (2015: €6.8 million) and designated funds of €1.0 million (2015: €2.2 million), leaving available Funds of €66.5 million (2015: €62.2 million). Balances at the end of the financial year are higher than other months as a significant amount of the Society's funds are donated in December.

**14. CREDITORS:** (Amounts falling due within one year)

Deferred income arises under the terms of a bequest and in connection with period specific Hostel grants, received in advance.

	<b>2016</b> <b>€'000</b>	<b>2015</b> <b>€'000</b>
Bank overdrafts (unsecured) (Note 13)	23	13
Other creditors, accruals and deferred income	4,319	4,047
PAYE & PRSI	659	646
Capital grants (Note 15)	<u>824</u>	<u>813</u>
	<u><b>5,825</b></u>	<u><b>5,519</b></u>
Deferred income at beginning of year	365	541
Deferred during year	19	29
Released during year	<u>(48)</u>	<u>(205)</u>
Deferred income at end of year	<u><b>336</b></u>	<u><b>365</b></u>

Society of St. Vincent de Paul (Ireland)

Notes to the Consolidated Financial Statements (Continued)  
For the year ended 31 December 2016

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15. **CREDITORS:** (Amounts falling due after one year)

	2016 €'000	2015 €'000
Capital Grants (Note 16)	33,925	34,110
Less: Amounts falling due within one year (Note 14)	<u>(824)</u>	<u>(813)</u>
Capital Grants: (Amounts falling due after one year)	<u><u>33,101</u></u>	<u><u>33,297</u></u>

16. **CAPITAL GRANTS**

	2016 €'000	2015 €'000
<b>Capital Grants</b>		
At beginning of year	40,632	39,968
Additions in year	<u>639</u>	<u>664</u>
At end of year	<u><u>41,271</u></u>	<u><u>40,632</u></u>
<b>Amortisation</b>		
At start of year	6,522	5,709
Credit for year	<u>824</u>	<u>813</u>
At end of year	<u><u>7,346</u></u>	<u><u>6,522</u></u>
<b>Net book value</b>		
At end of year (Note 15)	<u><u>33,925</u></u>	<u><u>34,110</u></u>
At start of year	<u><u>34,110</u></u>	<u><u>34,259</u></u>

Deeds of Charge have been registered by Local Authorities and other grantors in respect of grants in relation to Special Works. These grants may become repayable in the event that the conditions of the related agreements are not adhered to.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted €'000	Designated €'000	Unrestricted €'000	2016 Total €'000	2015 Total €'000
Tangible assets	33,101	-	87,996	<b>121,097</b>	131,621
Investments	-	-	136	<b>136</b>	241
Net current assets	6,107	959	63,422	<b>70,488</b>	67,262
Creditors: Amounts falling due after one year	<u>(33,101)</u>	<u>-</u>	<u>-</u>	<b><u>(33,101)</u></b>	<u>(33,297)</u>
Net assets at end of year	<u>6,107</u>	<u>959</u>	<u>151,554</u>	<b><u>158,620</u></b>	<u>165,827</u>

Society of St. Vincent de Paul (Ireland)

Notes to the Consolidated Financial Statements (Continued)  
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18. MOVEMENTS IN FUNDS

MOVEMENT IN FUNDS 2016

	At Start of Year €'000	Income €'000	Expenditure €'000	Revaluation Movement on Investments €'000	Loss on Disposal of Assets €'000	Impairment of Tangible Assets €'000	Transfers Between Funds €'000	At end of Year €'000
Restricted Funds	6,764	2,540	(3,273)	-	-	-	76	<b>6,107</b>
Unrestricted Funds:								
Property Valuation	93,621	-	-	-	-	(6,563)	-	<b>87,058</b>
Designated Funds	2,185	697	(563)	-	-	-	(1,360)	<b>959</b>
General Funds	<u>63,257</u>	<u>76,072</u>	<u>(75,993)</u>	<u>(31)</u>	<u>(93)</u>	<u>-</u>	<u>1,284</u>	<b><u>64,496</u></b>
	<u>165,827</u>	<u>79,309</u>	<u>(79,829)</u>	<u>(31)</u>	<u>(93)</u>	<u>(6,563)</u>	<u>-</u>	<b><u>158,620</u></b>

The Society has made a transfer of €0.1 million to restricted funds where it has identified funds that are restricted. The Designated Funds reduction during the year is mainly due to funds (€1.0 million) set aside for a social housing project which is no longer progressing as the development has transferred to another Approved Housing Body in 2016. The balance of €0.4 million relates to capital project funds in Northern Ireland which are no longer required as the project is now completed.

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Notes to the Consolidated Financial Statements (Continued)  
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18. MOVEMENT IN FUNDS (continued)

MOVEMENT IN FUNDS 2015

	At Start of Year €'000	Income €'000	Expenditure €'000	Revaluation Movement on Investments €'000	Capital Grant Adjustment €'000	Loss on Disposal of Assets €'000	Transfers Between Funds €'000	At end of Year €'000
Restricted Funds	7,418	3,779	(4,442)	-	-	-	9	6,764
Unrestricted Funds:								
Property Valuation	93,621	-	-	-	-	-	-	93,621
Designated Funds	2,834	1,011	(1,875)	-	-	-	215	2,185
General Funds	60,741	73,997	(71,016)	25	-	(266)	(224)	63,257
	<u>164,614</u>	<u>78,787</u>	<u>(77,333)</u>	<u>25</u>	<u>-</u>	<u>(266)</u>	<u>-</u>	<u>165,827</u>

The Society has made a transfer between funds where it has identified funds that are restricted/designated.



18. MOVEMENT IN FUNDS (continued)

	2016 €'000	2015 €'000
<b>Restricted Funds</b>		
McGwire Trust Fund	425	443
19 (2015: 22) Funds Restricted to Local Area Use	4,280	4,352
O'Connell Bequest Restricted to Co. Galway	1,402	1,903
Funds raised for emergency response overseas	-	66
	<u>6,107</u>	<u>6,764</u>

**Designated Funds**

Designated Funds are those which have been set for designated purposes by the Society itself in the furtherance of the Society's charitable objectives.

19. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES

	2016 €'000	2015 €'000
Net (expenditure)/income before revaluation and disposal of investment assets	(520)	1,454
Investment income	(110)	(287)
Donated property additions	(80)	-
Depreciation	3,259	3,273
Transfer of property to another charity	2,501	-
Amortisation of capital grants	(824)	(813)
Increase in creditors	285	206
Increase in debtors	(1,149)	(133)
(Increase)/decrease in stocks	(10)	5
Fixed asset translation adjustment	853	(142)
<b>Net cash flows from operating activities</b>	<u>4,205</u>	<u>3,563</u>

**20. PENSION SCHEMES**

Amounts charged to staff costs were as follows:

	<b>2016</b>	<b>2015</b>
	<b>€'000</b>	<b>€'000</b>
Current service costs	<u>722</u>	<u>665</u>
<b>Total charge (Note 8)</b>	<u><u>722</u></u>	<u><u>665</u></u>

The Society operates a Defined Contribution Scheme.

The Society also operates a Defined Benefit Scheme, which is now closed to new members. Under the scheme, the employees are entitled to retirement benefits calculated based on salary and service. No other post-retirement benefits are provided. The scheme is a funded scheme with contribution from the employees.

The Defined Benefit Scheme exposes the Society to risks such as investment risk, interest risk, longevity risk and salary risk.

**Investment Risk**

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to high quality corporate bond yields; if the return on plan assets is below this rate, it will create a plan deficit.

**Interest Rate Risk**

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to high quality corporate bond yields at the measurement date. A decrease in corporate bond yields will increase the scheme's liabilities.

**Longevity Risk**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**Salary Risk**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The Assets of the Schemes are held in independently managed funds.

**20. PENSION SCHEMES (continued)**

**Defined Benefit Scheme**

Details of the most recent actuarial valuation of the scheme, which was conducted as at 31 December 2016, using the projected unit basis, are as follows:

Principal actuarial assumptions (% per annum)

	<b>At 31/12/16</b>	<b>At 31/12/15</b>
Rate of increase in salaries	-	-
Rate of increase in pensions payment	-	-
Discount rate	<b>1.70</b>	2.30
Inflation assumption	<b>1.50</b>	1.75

**Analysis of the amount charged through the Statement of Financial Activities**

	<b>2016 €'000</b>	<b>2015 €'000</b>
<b>Charge/(Credit) to staff costs for Defined Benefit Scheme:</b>		
Pension finance costs		
Expected return on pension scheme assets	<b>33</b>	28
Interest on pension scheme liabilities	<b>(29)</b>	(26)
	<u><b>4</b></u>	<u>2</u>

**Actuarial (Gains)/ losses on Defined Benefit Scheme**

	<b>2016 €'000</b>	<b>2015 €'000</b>
Actual return less expected return on Pension Scheme Assets	<b>(101)</b>	10
Experience gains arising on the Pension Scheme Liabilities	<b>21</b>	3
Changes in assumptions underlying present value of Pension Scheme Liabilities	<b>87</b>	(51)
Exchange rate movements	<b>5</b>	(1)
	<u><b>12</b></u>	<u>(39)</u>
	<u><b>12</b></u>	<u>(39)</u>
Charge/(Credit) for year	<u><b>16</b></u>	<u>(37)</u>

**20. PENSION SCHEMES (continued)**

The Assets of the Scheme and the expected rate of return were:

	Ratio 31/12/16 %	Value at 31/12/16 €'000	Ratio 31/12/15 %	Value at 31/12/15 €'000
Equities	15.5	208	15.0	196
Bonds	82.0	1,098	82.5	1,081
Property	1.1	15	1.1	15
Cash	1.4	19	1.4	18
Secured Performance (declared in advance)	-	-	-	-
	<u>100</u>	<u>1,340</u>	<u>100</u>	<u>1,310</u>
Present value of Scheme liabilities		<u>(1,180)</u>		<u>(1,145)</u>
<b>Net Pension Surplus</b>		<u>160</u>		<u>165</u>

**Reconciliation of the value of the Scheme's Assets**

The overall expected return on the Scheme's Assets has been derived as the weighted average of the expected returns on the categories of assets held by the Scheme, at the opening Balance Sheet date.

	2016 €'000	2015 €'000
Opening value of Scheme's Assets	1,310	1,327
Expected Return	33	28
Actuarial gains/(losses)	101	(10)
Employer Contributions	3	-
Exchange rate movements	(56)	19
Benefits Paid	(51)	(54)
	<u>1,340</u>	<u>1,310</u>

20. PENSION SCHEMES (continued)

Reconciliation of the value of the Scheme's Liabilities

	2016 €'000	2015 €'000
Opening value of Scheme's Liabilities	1,145	1,203
Service cost	-	-
Interest on Scheme's Liabilities	29	26
Actuarial gains/(losses)	108	(48)
Benefits Paid	(51)	(54)
Exchange rate movements	(51)	18
	<u>1,180</u>	<u>1,145</u>

Return on Scheme's Assets

	2016 €'000	2015 €'000
Actual return on Scheme's Assets	<u>134</u>	<u>18</u>

Analysis of the amount credited to financing of provisions

	2016 €'000	2015 €'000
Expected return on Scheme Assets	33	28
Interest on Scheme Liabilities	(29)	(26)
Total	<u>4</u>	<u>2</u>

Amount recognised in the Statement of Financial Activities

	2016 €'000	2015 €'000
Actual Expected Return on Pension Scheme Assets	(101)	10
Experience gains and losses on the Liabilities	21	3
Changes in assumptions underlying the present value of liabilities	87	(51)
Exchange rate movements	5	(1)
Actuarial gain/(loss) recognised in the Statement of Financial Activities	<u>12</u>	<u>(39)</u>

20. PENSION SCHEMES (continued)

**Cumulative actuarial gain or loss recognised in the Statement of Financial Activities**

Over the coming year, the Society expects a nil contribution.

**Amounts for the current and previous period**

	<b>2016</b>	<b>2015</b>
	<b>€'000</b>	<b>€'000</b>
Scheme's Liabilities	<b>(1,180)</b>	(1,145)
Scheme's Assets	<b>1,340</b>	1,310
Surplus (Note 12)	<b>160</b>	165
Actuarial gain/(loss) on liabilities	<b>87</b>	(51)
Experience adjustment on Asset	<b>(101)</b>	10

**Balance sheet amounts**

Under FRS102 the scheme surplus is recognised as an asset as the trust deed for the scheme allows any monies remaining in the scheme after all the benefits have been paid to be refunded to the Council of Ireland.

**Company contribution**

The recent actuarial valuations of scheme assets and the present value of the defined benefit obligation were carried out at 1 January 2016 by a Fellow of the Society of Actuaries in Ireland, PwC.

Given the surplus on an on-going basis, the recommended contributions rate is €Nil in respect of retirement benefits.

The next formal triennial actuarial valuation of the plan is due to take place at 1 January 2019.

**21. POST BALANCE SHEET EVENTS**

No significant events have occurred since the balance sheet date.

**22. CAPITAL COMMITMENTS**

Certain Conferences had commitments of €0.0 million (2015: €0.1 million) in respect of capital items at the balance sheet date.

**23. LEASE COMMITMENTS**

The Society's lease commitments are broken down as follows:

	<b>2016</b>	<b>2015</b>
	<b>€'000</b>	<b>€'000</b>
Less than 1 year	1,745	1,744
Between 1 and 5 years	3,421	4,309
Over 5 years	2,656	3,271
	<u>7,822</u>	<u>9,324</u>

**24. FINANCIAL INSTRUMENTS**

The carrying value of the Society's financial assets and liabilities are summarised by category below:

	<b>2016</b>	<b>2015</b>
	<b>€'000</b>	<b>€'000</b>
<b>Financial Assets</b>		
<i>Measured at undiscounted amount receivable</i>		
Debtors	1,858	669
	<u>          </u>	<u>          </u>
<b>Financial Liabilities</b>		
<i>Measured at undiscounted amount payable</i>		
Trade creditors	1,128	634
	<u>          </u>	<u>          </u>

**25. FINANCIAL RISK MANAGEMENT**

***Currency risk:***

The Society's costs are denominated in euro and sterling. The majority of income and expenditure is matched within each of the currencies flows. These currency risks are monitored on an ongoing basis.

***Cash flow risk***

The Society holds a number of bank accounts in a number of different financial institutions ensuring the security of our funds. Conferences and Councils work on a conservative cash flow approach. The purpose and aims are to minimise liquidity risks due to mismatch of income to expenditure.

***Credit risk***

The Society's principal financial assets are bank balances and cash. The Society has no significant concentration of credit risk due to the nature of its activities.

**26. COMPARATIVE AMOUNTS**

Certain comparative amounts have been reclassified, where necessary, to ensure comparability with current year disclosure.

Prison Visitor Centres have been reclassified from Assistance to individuals and families, to Resource Centres and Crèches.

Certain staff costs have been reclassified under Management, Support costs and Administration.

**27. APPROVAL OF THE FINANCIAL STATEMENTS**

These financial statements were approved by the National Management Council on the 20<sup>th</sup> October 2017.