

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

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

31 December 2017

Society of St. Vincent de Paul (Ireland)

**Report and Consolidated Financial Statements
For the year ended 31 December 2017**

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Society of St. Vincent de Paul (Ireland)

Legal and Administrative Information For the year ended 31 December 2017

STATUS	The Society of St. Vincent de Paul is registered in Ireland as a charity.	
GOVERNING DOCUMENT	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.	
CHARITY REGULATOR NUMBER	20013806	
CHARITY NUMBER	CHY 6892	
NATIONAL OFFICE	SVP House 91/92 Sean MacDermott Street Dublin 1, Ireland	
NATIONAL MANAGEMENT COUNCIL TRUSTEES	Kieran Stafford Rose McGowan Ciara Reynolds Peter Fitzpatrick Larry Butler William Casey Bernadette Doyle Rosa Glacken John Lupton Christy Lynch Michael McCann Brendan O'Neill	National President National Vice President National Vice President National Treasurer
	Fr. Paschal Scallon	Spiritual Advisor
NATIONAL SECRETARY	Andy Heffernan	
PRINCIPAL BANKERS	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 2017

AUDITORS

Deloitte Ireland LLP
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 2017

The National Management Council (NMC) presents its annual report and the audited consolidated financial statements, for the Society in respect of the island of Ireland, for the year ended 31 December 2017.

The legal and administrative information is set out on pages 2 and 3. The financial statements follow 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 fostering self-respect. We assure confidentiality at all times and endeavour to establish relationships based on trust and friendship.

Promoting self-sufficiency: It is not enough to provide short term material support. Those we assist are also helped to achieve self-sufficiency in the longer term and the sense of self-worth this provides. When problems are beyond our competence, we build bridges of support with others who can provide more specialised support.

Working for social justice: We are committed to identifying the root causes of poverty and social exclusion in Ireland and, in solidarity with those in need, 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 1,208 Conferences (2016: 1,210) which are grouped into 114 Area Councils (2016: 109). The Areas, in turn, are grouped into 8 Regional Councils (2016: 8). Each Conference, Area Council and Regional Council has an elected President who appoints the Vice President, Treasurer and Secretary.

The National Council is comprised of Presidents of the Area Councils and the members of 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 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 confers any ability to exercise any control over the activities of the Society. All transactions are within the ordinary course of business.

VOLUNTARY MEMBERS

The National Management Council recognises and appreciates the commitment of the Society’s 11,000 voluntary members in the island of Ireland 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 2017. Total income for the year was €82.2 million compared with €79.3 million in 2016.

Our aim is to bring friendship and support to people in need and suffering marginalisation; this is at the heart of what we do and continues to be a priority for the Society. During 2017 our members' visits with people and families challenged by poverty and inequality did make a difference in the lives of many people. This visitation work is only possible due to the passion and commitment of the SVP 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 invite people in our communities to be members of SVP and to enable SVP to reach more of the people who need our help.

I want to thank our Members for their volunteer work during the year as it is only through the work of our members that we can reach those in need. Our members are in a unique and privileged position of being invited into people's homes, which enables us to better understand their real needs, thus enabling the Society, in many instances, to provide long-term solutions and assist people towards self-sufficiency. Visitation is non-judgemental and underpinned by compassion, dignity and a generosity of time for those we serve. In doing this, our members work closely with other relevant organisations and bodies, and we appreciate their ongoing support and advice. During this year we continued to reach out to those in need including those who may not previously have sought the support of the SVP.

During the year we continued our programmes for the development of our members, members in officer roles and our Young SVP. Our youth programme takes our Vincentian values of social justice and building good communities to primary and secondary schools, and third level colleges. The awareness of social justice issues is an important component of the Young SVP programme as today's young people will be the decision makers and leaders of the future and we would like to think that an awareness of Social Justice will inform those decisions.

Social justice and advocacy is a key activity for the Society. SVP aims to make Ireland a fairer and better place to live in, challenging social injustices such as poverty, access to education, homelessness of families and individuals, the working poor, isolation, access to health services, and access to social housing.

Looking to the future, SVP always endeavours to improve what we do and be ready to adapt and respond to changing circumstances in our communities. Our members' visitations really mean 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 and supporting our members in our crucial visitation work.

SVP is led by its members. I thank all Members for their work in SVP. Being part of SVP can be one of the most rewarding parts of our involvement in our communities. We continue to have the on-going development and support of our volunteer members and the dedicated people who are willing to serve as Conference Officers, Area Presidents, Regional Presidents, Trustees and other member officer roles. 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.

NATIONAL PRESIDENT'S REVIEW (continued)

SVP aims to be alert to the ever-changing needs in our communities in which we serve and respond accordingly to alleviate, as well as we can, poverty in all its forms. SVP 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. SVP 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 home visitation, the delivery of various services and the provision of practical assistance to those in need.

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

We strive 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. 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.

Our mission statement sets out the three core principles of what we hope to achieve, namely:

Support and friendship: Through a person to person contact, we are committed to respecting the dignity of those we assist and fostering self-respect. We assure confidentiality at all times and endeavour to establish relationships based on trust and friendship.

Promoting self-sufficiency: It is not enough to provide short-term material support. Those we assist are also helped to achieve self-sufficiency in the longer term and the sense of self-worth this provides. When problems are beyond our competence, we build bridges of support with others who can provide more specialised support.

Working for social justice: We are committed to identifying the root causes of poverty and social exclusion in Ireland and, in solidarity with those in need, to advocate and work for the changes required to create a more just and caring society.

TRUSTEES REPORT (continued)

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 statutory bodies fund many of those services, there are associated obligations regarding employment, quality standards and adherence to funding 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. National committees were established to give effect to the strategic direction of such activities. Throughout 2017, we have developed our National committees by inviting competent external volunteers with appropriate skillsets who have contributed significantly to the capacity and competency of the committees.

In 2017, the Society further developed the Retail and Social Housing structures with an emphasis on robust regional frameworks to maintain a volunteer-led approach whilst enhancing the professional resources both regionally and nationally. 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 and donors. Following the strategic conversation commenced in 2016 concerning Homeless Services, a formal due diligence process with a third party started in 2017 and continues, to ascertain the feasibility of transfer of services. The process requires significant resource allocation given the scale of the project and the historical localised structures whilst the day to day operational management obligations continues.

Other Special Works such as Holiday Homes and Resource Centres do not have centralised dedicated resources which will have to be reviewed in time.

The creation of separate structures for Special Works, whilst still in development has been successful and has created capacity, competence and a degree of self-sufficiency, therefore addressing some of the underlying reasons for the restructuring in 2014.

TRUSTEES REPORT (continued)

Home Visitation & Core Activities

The core activity of the Society remains home visitation for the majority of the 11,000 members. 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. 2017 saw some exciting new developments in SVP membership support, amongst them a new programme of 'Area Gatherings' which had commenced in 2016 as well as new publications for people in need.

1,200 members participated in 30 area gathering events throughout the Society. The Area Gatherings are facilitated events designed to develop the quality of members' visitation and give an opportunity for Conferences to come together and affirm the work being done.

60,000 copies of a new leaflet 'Getting Help from the SVP' were distributed on a regional basis for Conferences to distribute within their Communities. 'Getting Help' is written in plain English and explains the process of receiving assistance from SVP. A new edition of the SVP Best Practice and Guidance Notes was also circulated to all Conferences in the Republic of Ireland with helpful advice and guidance for common issues and notes on emerging and persistent problems encountered by SVP members. These have been made available for all SVP members on the Society's Conference Portal.

A previous challenge for SVP has been to ensure that the vital volunteer role of Area President is sustained and supported. By the end of 2017, less than 10% of Area Presidents posts were vacant, thus maintaining an important link to our Conferences and providing an increasing level of support, training, information and guidance. By focussing on the role of Area Presidents, Conference Presidents, in turn, have also been supported in their Conference work including quality visitation, governance and compliance issues. Area Presidents are directly supported by 12 Membership Support Officers (MSOs) in their role of supporting both Council and Conference activity.

A National Committee for Membership Development, Training and Recruitment has also been established and have commenced a significant process of renewing training, including content and delivery as well as efficient recruitment and retention approaches.

A national education bursary was established with funding from one of the main banks, and this has proved successful in providing educational opportunities for young adults throughout the country. Education will be a key priority for the Society in the coming years as it provides a pathway to self-sufficiency. In terms of home visitation, whilst the overall spend on direct assistance has reduced, the number of visits conducted remains high, and it has been another extremely busy year with the Society becoming increasingly involved in the provision of food. The general narrative of the end of austerity is not being experienced by those supported by the Society whilst we have seen an increase in those in precarious employment and affected by the housing crisis seeking our support.

TRUSTEES REPORT (continued)

Young SVP

The 2016/17 academic year saw the launch and roll out of our full Young SVP programme nationally. 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 was extended to all eight SVP regions through the 2017 academic year, with new Youth Development Officers coming on board in three regions. This helped to ensure that the Young SVP programme is delivered in a consistent and comprehensive manner across the country. This expanded and enhanced programme engages young people in Schools and Colleges in a manner that provides them with opportunities for personal and social development.

In 2017, our Youth Development Officers (YDOs) delivered a total of 804 school visits across more than 227 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. A total of 8,717 young people attended guest speaker talks from our YDO team and of these 6,297 continued their engagement with the programme. A total of 268 Young SVP social action projects were completed by these students this year. The work completed by these students was marked and celebrated across six different Regional Youth Days and Exhibitions, with an average of 300 participants attending each of these days.

In 2017, a College Support Officer was employed, and the fruits of this investment were significant towards the end of 2017 with 11 College Conferences and their members supported in the projects and activities they run. This area of the programme will continue to grow with this dedicated resource in place.

Social Justice

Social Justice Advocacy continued to be a key activity for the Society throughout 2017. In accordance with the mission statement of the SVP, our social justice work seeks to achieve policy change, to address the root causes of poverty and to challenge the notion that poverty and inequality are inevitable. Key areas of focus in the last year were housing and homelessness, education, income adequacy, child poverty and fuel/energy poverty.

The housing and homelessness crises have continued to grow, with the burden of housing costs resulting in more and more families struggling to afford their rents, increasing the risk of homelessness and leaving less money available to meet food, energy and education costs. SVP highlighted our concerns and issues in a submission to the review of 'Rebuilding Ireland', the Government's housing strategy, noting that the strategy lacks ambition and has failed to deliver even on the wholly inadequate commitments which it contains. SVP continues to strongly advocate for an increase in social housing supply, reform of the rental sector and a move away from an overreliance on the private rented sector to meet social housing need.

Having achieved notable success as a result of our advocacy in the area of Early Years Education and Care in 2016 with the introduction of the Affordable Childcare Scheme, 2017 saw a refocusing of our education priorities to reflect SVP member concerns about the high cost of education at primary and second level, and the barriers to progressing to third and further level education and training experienced by students from low-income households. Our submission to the Oireachtas Committee on Education and Skills on the funding of higher education contained recommendations which would increase the participation of students from disadvantaged and non-traditional backgrounds in further and higher education, and a range of proposals to support children, young people and adult learners at all levels of the education system were contained in our Pre Budget Submission for 2018.

TRUSTEES REPORT (continued)

Social Justice (continued)

Our 2017 work on energy poverty emphasised the need to improve energy efficiency in the private rented sector and to ensure that the fuel allowance payment is responsive to increases in energy costs. The disproportionate impact of the Public Service Obligation on low-income households was again highlighted to the Commission for the Regulation of Utilities. Engagement with the Commission for the Regulation of Utilities, energy providers, and the Department of Communications, Climate Action and Environment continued throughout 2017, with a submission on Energy Poverty and Climate Change made to the Citizens Assembly in August.

SVP remains concerned about the unacceptably high number of children who continue to live in poverty, with poverty among one parent families being most starkly manifested in the increasing number of one parent families becoming homeless. SVP has stressed the need for an ambitious target to end child poverty to be retained by Government and for the necessary investment in public services and income supports to be made so that the target can be achieved. Despite the emphasis on employment as a route out of poverty for individuals and families, an emerging issue for SVP members is the number of families with jobs who now are living in poverty. This area of work will be developed in 2018.

In 2017 the SVP Social Justice team:

- Attended the National Economic Dialogue and made our proposals to tackle homelessness, social housing waiting lists, energy and fuel poverty, an educational disadvantage at pre-school, primary, secondary and third level, and income inadequacy in households with children;
- Met with Government Ministers, TDs and Senators and senior civil servants and policy-makers to advocate for more socially just policies;
- Engaged in joint work with other organisations, including Barnardo's, Children's Rights Alliance, Focus Ireland, One Family and the Simon Community to achieve shared policy objectives; and
- Utilised the media to highlight issues affecting people experiencing poverty and social exclusion and to propose solutions.

Special Works Activities

2017 saw continued development across Special Works with the national structures being replicated at the 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 2017.

Retail Services: By the end of 2017 there were 224 shops and 5 order fulfilment centres (OFCs) across the country. A warehouse was also secured for a 6th OFC in Tralee to serve the network of shops in Kerry and West Cork. This is an increase of 4 shops in the previous year. New locations include Roxboro Shopping Centre in Limerick and Dairy Farm Shopping Centre in West Belfast. The Society is committed to opening a percentage of new shops to service areas of social deprivation across Ireland.

The OFCs are designed to collect, sort and redistribute unsold stock between existing SVP charity shops on a Region by Region basis. The introduction of OFCs facilitates the use of supply chain management techniques within the SVP retail network. Electronic Point of Sale technology (EPOS) has been introduced into 10 shops and one OFC in 2017 to introduce further transparency, efficiency and effectiveness to the process of anticipating and meeting customer demand. It is estimated that the Society processes 11,220 tonnes of textiles annually, which equates to 1.1 million bags of clothes.

TRUSTEES REPORT (continued)

Retail Services (continued):

In September 2017, the Society launched a "Donate with Style - Volunteer with Passion" campaign with the dual objectives of recruiting and retaining more volunteers and generating additional donations. The campaign was launched, with celebrity endorsements at the National Retail Conference. To coincide with the campaign, a new four-step volunteer recruitment campaign was launched to include an optional one-off shop trial, a 12-week probationary period and a volunteer agreement. Shop volunteers were also provided with membership pins to mark the commencement of this new, more structured relationship.

In 2017 practical support was provided to all shops in the network with the distribution of a Shop Manager Key Performance Indicator (KPI) Wall planner, a National Weekly Report Sheet, branded work aprons, a CD of unlicensed music/social justice messages for in-store use and an infographic "Toolbox" describing the various stages of the retail life cycle and identifying over 50 tactics to be used to prolong the life of the shop. The Weekly Report sheet must be completed daily and requires the declaration of cash on hand, all non-cash entries, the reporting of the end of day till read, any differences and an explanation of same. Bank lodgement details must also be recorded.

In late 2017, three new shop policies on health and safety, customer care and shop security were submitted to NMC for approval prior to general circulation in early 2018. An implementation plan including the distribution of health and safety packs for all shops and training for senior managers was developed.

Sales figures for 2017 were €26.4 million (2016: €26.0 million) which represents an increase of €0.4 million.

Homeless Services: Homelessness continued to be at crisis levels in Ireland in 2017 and the Society has been responding 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 in 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, a drop-in centre is operated in Limerick.

In 2017, a Mayo based domestic violence refuge and outreach service, funded by TUSLA, the Child and Family Agency, was transferred to the management of Safe Ireland – a national organisation with dedicated expertise in that area. This was a good outcome as it was the sole domestic violence service operated by the Society and the supports offered can be enhanced through the expertise and capacity of the national provider. The transfer was led by the National Manager supported by National Office functions and provided insight and experience in to the processes required to give effect to service divestment. This experience informed the approach to the due diligence process for the potential transfer of hostel services and considerable work was completed in 2017 in this regard.

Homeless Services also established a Quality Standards Implementation Team (Q-SIT), which includes our frontline staff in services. This is tasked with overseeing our preparation for the quality standards, and support and training for all services have been initiated to assist them in preparing for what will be the minimum service delivery standards. Much of the work has focused on supporting services to engender a culture of Service User involvement, and to engage with them in the planning and delivery of services. In 2017 the proposed National Quality Standards for Homeless Services were circulated for testing across the sector. These will apply to all homeless services funded by the state when implemented 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.

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. We worked with our regional funders on the development of additional low threshold units in Waterford and Limerick city and opening extra beds in all services for vulnerable individuals during Storm "Ophelia".

TRUSTEES REPORT (continued)

Social Housing: The Society of St. Vincent De Paul/Frederic Ozanam Trust, as a registered Approved Housing Body (AHB) provided 857 units in 2017 of social housing across the country, delivered and managed by 65 Conferences. This involves some 740 members supported by employees across various schemes. In total 893 tenants avail of the Society's Social Housing.

The operating environment for the Society's housing operations has changed significantly in recent years, with new challenges arising from the introduction of housing regulation and the residential tenancies legislation. Validation of property has been achieved through Local Property Tax (LPT) return and Residential Tenancy Board (RTB) processes which have been completed and from a governance perspective, additional capacity has been created at national committee level with external expertise which has been invaluable in delivering our regulatory obligations under governance, performance and asset management.

Regional committees have also been developed with professional and volunteer Housing Officers being appointed. This has contributed to a more systematic interaction with conferences facilitating two-way communication and collation of data. In terms of asset management, a programme of stock condition surveys was rolled out which will inform future financial liabilities for major works.

A range of policies and protocols were developed and circulated to all conferences providing ready-made templates and procedures for all performance matters. Additionally, a national conference was held which provided education and training but also facilitated workshops as part of a consultation process towards a new strategy for the Society Social Housing which will be completed in early 2018.

Resource Centres: The Society operates seven resource centres in the following locations: Dublin, Ballina, Castleisland, Cavan, Carrigtwohill, 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. Funding security for resource centres continues to be challenging and in 2017 two Resource Centres in Cork and Galway commenced a process to access Tusla funding. Specific activity funding streams continue to be accessed and local Conferences continue to subsidise centres given the very real value provided to local communities.

Holiday Homes: The Society operates five holiday homes in Wexford, 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. The Kerdiffstown holiday centre in Kildare ceased residential activities in 2017 following a review of the activity.

Prison Visitor Centres: Prison Visitor Centres are operated in Cloverhill, Wheatfield and Mountjoy in Dublin and also in the Midland's Regional Prison in Portlaoise. The centres provide a welcoming and friendly reception for the families of prisoners which is particularly important for children. The centres are funded through the Irish Prison Centre and the Society.

Children/Young Adult Services: Early childhood services are delivered in Dublin, Waterford, Lurgan, Belfast, Carrigtwohill and Castleisland whilst residential breaks are provided in Knockadoon in Cork and Sunshine House in Dublin. There are also six 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 in our communities the need for significant support to individuals and families through Visitation Work and the Society's Special Works.

The financial statements for 2017 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 asset.

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 the provision of services to recipients.

The financial outcomes for the year ended 2017 show a net income of €5.7 million compared to the net expenditure of €0.5 million in 2016. The 2016 outcome was adversely affected by two material items. Firstly, the 2016 outcomes include foreign exchange translation losses of €2.2 million in 2016, compared to €0.5 million in 2017, arising from Euro/Sterling exchange rate fluctuations which were very significant in 2016. Secondly, in 2016 the Society transferred a property to another registered housing association charity giving rise to a transfer of €2.4 million

Analysis of Income

The Society's total income, which arises from a number of income streams discussed below, increased to €82.2 million from €79.3 million in 2016.

The income from church collections decreased to €9.6 million (2016: €10.2 million). The income from donations decreased to €15.2 million (2016: €16.3 million). The income from collections and donations will vary year-on-year due to its intermittent nature and the occurrence of exceptional once off collections or donations.

The income from legacies increased significantly to €9 million (2016: €5.1 million). The receipts from legacies are irregular, with dependency on an individual's preferences when finalising their Will, and the interim time between death and notification of the legacy.

The community charity shops turnover increased to €26.4 million (2016: €26.0 million) due to the continuous development of the existing charity shops and the opening of new charity shops.

The Society received government funding for the provision of services to recipients and other government grants of €12.5 million (2016: €12.2 million), which includes €1.5 million (2016: €1.5 million) from the Department of Housing, Planning, Community and Local Government.

Analysis of Expenditure

The expenditure of the Society is analysed in Note 6 to the Accounts. There was a decrease in total expenditure to €76.5 million, compared to €79.8 million in 2016. As explained above, foreign exchange loss of €0.5 million (2016: €2.2 million loss) arose on the translation of sterling balances. Adjusting for this currency translation, the total expenditure decreased to €76 million, compared to €77.6 million in 2016.

The SVP members' visitation work, which includes assistance to individual and families, was €28.4 million (2016: €30.1 million).

The decrease in direct assistance is, in part, due to changes in the type of support and assistance provided, changing winter weather conditions and changing needs of those whom we serve.

FINANCIAL REVIEW (continued)

Analysis of Expenditure (continued)

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

The provision of services to recipients, excluding shops, represents 24% of the Society expenditure and principally relates to Homeless Hostels and Social Housing. The services expenditure decreased to €18.4 million from €20.7 million in 2016. As noted above, 2016 expenditure includes the transfer of a €2.4 million property to another charity, which did not recur in 2017.

The community charity shops expenditure represents 26.3% of the Society's total expenditure. The community charity shops expenditure increased to €20.1 million from €19.4 million in 2016.

The property of the Society includes social housing, hostels, holiday homes, resource centres, and retail units. Due to planned maintenance and stock condition assessments, the maintenance cost for the properties is expected to increase in future years and the Society is currently assessing the quantum of reserves which will be required to be dedicated for such expenditure.

Balance Sheet

At the 31 December 2017, the Society has a strong balance sheet, created over the 170 years of its existence and arising from a prudent approach to 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 €116.3 million, with additions during the year of €2.7 million. As stated in Note 10, the carrying cost of properties for accounting purposes is based upon the deemed valuation of these assets completed in 2012. In the course of 2017, the Society reassessed the carrying value of its assets as required by FRS102, resulting in an impairment charge of €2.2 million. As noted below the Society had €84.9 million of Property Valuation Reserves at 31 December 2017 (Note 18). In addition, the National Management Council reviewed the depreciation rate for owned properties considering the impact of stock condition surveys carried out in Social Housing and findings from property valuation reviews.

The cash at bank and in hand at 31st December 2017 was €81.5 million, compared to €73.6 million in 2016 which is further considered in Note 13. The Society has a pension surplus of €174k (2016: €160k).

Creditors falling due within one year were €6.4 million (2016: €5.8 million) and creditors after one year were €33 million (2016: €33.1 million). Included in the creditors are capital grants net of amortisation at €34.3 million (2016: €33.9 million).

The Society's reserves were €162.1 million (2016: €158.6 million). As explained in Notes 17 & 18, Total Reserves can be analysed as €5.8 million (2016: €6.1 million) of restricted funds, €15.3 million (2016: €1.0 million) of designated funds, €84.9 million (2016: €87.1 million) being property valuation reserves and €56.1 million (2016: €64.5 million) of general reserves. The designation of reserves aims to be forward looking with the purpose of making resources specific to special works and other activities.

Future Financial Plans

A key objective for the Society is to support individuals and families through members' visitations, befriending, and short-term financial support to those subjected to poverty or social inequality, and the support of the SVP 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 management, and the available financial resources to provide direct assistance to families and individuals during the next year.

FINANCIAL REVIEW (continued)

Cash Flow

The Society's consolidated net cash flows from operating activities was €8.6 million (2016: €4.2 million).

Capital expenditure in the year was €2.7 million (2016: €3.4 million) on the development of the community charity shops, social housing, resource and services centres. The proceeds on the disposal of fixed assets were €51k (2016: €729k). The cash outflows used in investing activities was €2.6 million (2016: €2.7 million).

Capital Grants support received in the year was €1.8 million (2016: €0.6 million). Proceeds from investment income and disposal on investments amounted to €98k (2016: €184k). The cash inflows provided by financing activities was €1.9 million (2016: €0.8 million).

The consolidated liquid resources movement for the year was an increase of €7.8 million (2016: €2.4 million). A significant portion of this increase has arisen from the exceptional increase in legacies which occurred in the latter part of the year. The Society is well developed in its plans as to how such additional funds will be expended and a number of these are outlined in the following section and Note 18 to these accounts.

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 maintained 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 unrestricted funds with other Conferences within the Society, to address the needs of 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 principle also applies to certain funds which have been restricted in their use under the terms of their donation. The balances of such designations and restrictions, together with the categories to which they relate, are explained in Note 18 to the Accounts. The society expects that, in the course of 2018, further designate funds will be created to cover new initiatives and to further enhance existing commitments in furtherance of the Society's charitable objectives.

PRINCIPAL RISKS AND UNCERTAINTIES

Overview

The National Management Council (NMC) is the directive, coordinating 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 a responsibility to manage and mitigate risks.

Structures are in place within the Society to regularly assess risks and internal 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 internal 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 most 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). For some emergency accommodation services, the Society is dependent on the ongoing support of the HSE for funding to deliver these emergency accommodation services. Ongoing funding at an appropriate level is fundamental to the Society's ability to continue these activities.

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. 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. The National Council is the body responsible for adopting and amending the Mission and Values Statements, advising on opinion(s) for a policy when requested by the National Management Council and to amend the Rule as permitted by its terms, subject to the approval of the International Council-General.

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.

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Operational Risks (continued)

Risks are mitigated by training, monitoring, the use of appropriately trained members and staff, having appropriate procedures and practices to reduce risks. The incident reporting system is used to record incidents. We have adequate cover in place for public liability.

Market risk

Currency Risks

As the Society in Ireland is an island of Ireland 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 rate risks 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.

Credit Risks

The Society manages its financial assets and liabilities to ensure it will continue as a going concern.

The principal financial assets of the Society are bank and cash balances, and receivables. The principal financial liabilities of the Society are payables and capital grants.

The credit risk on liquid funds is mitigated by the spreading of funds over a number of financial institutions.

Health, Safety and Environmental Risks

The well-being of the Society's members, volunteers, employees, beneficiaries, services recipients and the public are safeguarded through adherence 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 imposes certain requirements on the Society as a member-based organisation and as an employer. The Society continually acts 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.

General Data Protection (GDPR) and Information Security

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

The Society has been implementing the GDPR since 2017 and an action plan to address the gap analysis was put in place. Update reports are submitted to the National Management Council for review.

EVENTS AFTER THE BALANCE SHEET DATE

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

INVESTMENT POLICY AND PERFORMANCE

The investments are from legacies 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 has elected to prepare the financial statements in accordance with the Statement of Recommended Practice (SORP FRS 102) and FRS 102 The Financial Reporting Framework applicable in the UK and Republic of Ireland (relevant financial reporting framework). 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 of its incoming resources and application of resources, including its 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 2017

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.

Trustee	Office Held	Date of Appointment to NMC	Date of Resignation from NMC
Kieran Stafford	National President	August 2007	
Rose McGowan	National Vice President for Members	June 2017	
Ciara Reynolds	National Vice President for Governance and the Rule	July 2017	
Peter Fitzpatrick	National Treasurer	June 2017	
William Casey	Regional President East	July 2015	
Bernadette Doyle	Regional President South East	February 2017	
Rosa Glacken	Regional President North West	December 2017	
John Lupton	Regional President Mid-West	June 2015	
Christy Lynch	Regional President South West	March 2015	
Michael McCann	Regional President West	October 2015	
Brendan O'Neill	Regional President North	September 2017	
Fr Paschal Scallon	Spiritual Advisor	May 2018	
Grainne Lee	Attendee only - Chair of National Youth Committee	March 2015	
Liam Reilly	Attendee only – National Chair of Special Works	June 2017	
Margaret Conway	Regional President South East	January 2017	
Aidan Crawford	Regional President North	September 2017	
Fr. Eamon Devlin	Spiritual Advisor	March 2018	
Frank Gernon	National Treasurer	May 2017	
Máire McMahon	National Vice President – Governance	May 2017	
Geoff Meagher	National President	May 2017	
Liam Reilly	Regional President North East & Midlands	May 2018	
Michael Murphy	Attendee only - Special Works	May 2017	

The President of the National Council, elected in accordance with the Rule, is Kieran Stafford (May 2017). The members of the National Council elect the National President. The National Council comprises the Regional Council Presidents (No. 8), the Area Council Presidents (No. 114), the National President, the members nominated by the National President (No. 3) and the spiritual advisor. The National President shall hold office for 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 NATIONAL MANAGEMENT COUNCIL (continued)

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.

TRUSTEES' STATEMENT OF RELEVANT AUDIT INFORMATION

So far as each of the trustees in office at the date of approval of the financial statements is aware:

- There is no relevant audit information of which the Society's auditors are unaware; and
- The trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the Society's auditors are aware of that information.

AUDITORS

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

Signed on Behalf of the National Management Council on the 25th September 2018 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)

Report on the audit of the financial statements

Opinion on the financial statements of Society of St. Vincent de Paul (Ireland) (the 'Society')

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 2017 and of its incoming resources and application of resources, including its income and expenditure for the financial year then ended: and
- have been properly prepared in accordance with the relevant financial reporting framework.

The financial statements we have audited comprise:

- the Consolidated Statement of Financial Activities;
- the Consolidated Balance Sheet;
- the Consolidated Statement of Cash Flows; and
- the related notes 1 to 25, including a summary of significant accounting policies as set out in note 1.

The relevant financial reporting framework that has been applied in the preparation of the consolidated financial statements is FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council ("the relevant financial reporting framework").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The National Management Council of the Society is responsible for the other information. The other information comprises the information included in the Reports and Consolidated Financial Statements for the year ended 31 December 2017, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are expected to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are expected to report that fact.

We have nothing to report in this regard.

Continued on next page/

Independent auditor's report to the National Management Council of the Society of St. Vincent de Paul (Ireland)

Responsibilities of the National Management Council

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 consolidated financial statements that give a true and fair view, and for such internal control as the National Management Council of the Society determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the National Management Council of the Society.
- Conclude on the appropriateness of the National Management Council of the Society's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity (or where relevant, the group) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the group to express an opinion on the (consolidated) financial statements. The group auditor is responsible for the direction, supervision and performance of the group audit. The group auditor remains solely responsible for the audit opinion.

***Independent auditor's report to the National Management Council of the
Society of St. Vincent de Paul (Ireland)***

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

This report is made solely to the National Management Council of the Society of St. Vincent de Paul (Ireland), as a body, in accordance with our engagement letter. Our audit work has been undertaken so that we might state to the National Management Council of the Society those matters we are expected to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

Kevin Sheehan
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Dublin

09 October 2018

Society of St. Vincent de Paul (Ireland)

**Consolidated Statement of Financial Activities
(Includes Income and Expenditure Account)
For the year ended 31 December 2017**

	Notes	Restricted €'000	Unrestricted €'000	2017 Total €'000	Restricted €'000	Unrestricted €'000	2016 Total €'000
Income from:							
Donations and legacies	3	2,495	33,210	35,705	2,504	31,035	33,539
Charitable activities	5	460	42,399	42,859	-	42,211	42,211
Investments		-	98	98	-	110	110
Fundraising		-	3,288	3,288	8	3,245	3,253
Other		-	213	213	28	168	196
Total income		2,955	79,208	82,163	2,540	76,769	79,309
Expenditure on:							
Raising funds		-	846	846	-	744	744
Charitable activities		3,404	72,228	75,632	3,273	75,812	79,085
Total expenditure	6	3,404	73,074	76,478	3,273	76,556	79,829
Net income/(expenditure)	7	(449)	6,134	5,685	(733)	213	(520)
Impairment of tangible assets	10/18	-	(2,156)	(2,156)	-	(6,563)	(6,563)
Gains/(losses) on revaluation of investments	11/18	-	4	4	-	(31)	(31)
(Losses) on disposal of assets	18	-	(23)	(23)	-	(93)	(93)
Net movement in funds		(449)	3,959	3,510	(733)	(6,474)	(7,207)
Total funds brought forward	18	6,107	152,513	158,620	6,764	159,063	165,827
Transfer between funds	18	131	(131)	-	76	(76)	-
Total funds carried forward	17/18	5,789	156,341	162,130	6,107	152,513	158,620

Society of St. Vincent de Paul (Ireland)

**Consolidated Balance Sheet
As at 31 December 2017**

	Note	2017 €'000	2016 €'000
FIXED ASSETS			
Tangible Assets	10	116,318	121,097
Investments	11	<u>140</u>	<u>136</u>
		116,458	121,233
CURRENT ASSETS			
Stocks		37	43
Debtors	12	3,527	2,678
Cash at bank and in hand	13	<u>81,487</u>	<u>73,592</u>
		85,051	76,313
LIABILITIES			
Creditors: Amounts falling due within one year	14	<u>(6,424)</u>	<u>(5,825)</u>
NET CURRENT ASSETS		<u>78,627</u>	<u>70,488</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		195,085	191,721
Creditors: Amounts falling due after one year	15	<u>(32,955)</u>	<u>(33,101)</u>
NET ASSETS	17	<u>162,130</u>	<u>158,620</u>
The funds of the charity:			
Restricted funds	17/18	5,789	6,107
Unrestricted funds:			
Property Valuation	17/18	84,902	87,058
Designated Funds	17/18	15,308	959
General Funds	17/18	<u>56,131</u>	<u>64,496</u>
TOTAL FUNDS		<u>162,130</u>	<u>158,620</u>

The consolidated financial statements were approved and authorised for issue by the National Management Council on the 25th September 2018 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 2017**

Reconciliation of Net Income/(Expenditure) to Net Cash Flows from Operating Activities	Notes	2017 €'000	2016 €'000
Net income/(expenditure)		5,685	(520)
Adjustment for:			
Investment income		(98)	(110)
Donated property additions		-	(80)
Depreciation		5,008	3,259
Transfer of property to another charity		-	2,501
Adjustment to amortisation of capital grants		7	-
Amortisation of capital grants		(1,374)	(824)
Operating cash flows before movement in working capital		9,228	4,226
(Decrease)/increase in creditors		(3)	285
Increase in debtors		(849)	(1,149)
Decrease/(increase) in stocks		6	(10)
Fixed asset translation adjustment		206	853
Net cash flows from charitable operating activities		8,588	4,205
Cash flows used in investing activities			
Purchase of tangible fixed assets (excluding donated properties)	10	(2,665)	(3,394)
Proceeds from disposal of fixed assets		51	729
Net cash flows used in investing activities		(2,614)	(2,665)
Cash flows provided by financing activities			
Government capital grants received	4/16	1,771	639
Investment income		98	110
Proceeds from disposal of investments	11	-	74
Net cash flows provided by financing activities		1,869	823
Net increase in cash and cash equivalents in the reporting period		7,843	2,363
Cash and cash equivalents at the beginning of the reporting period		73,569	71,206
Total cash and cash equivalents at the end of the reporting period (Note 13)		81,412	73,569

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 the Society's Councils and Conferences situated in the Republic of Ireland and Northern Ireland. The financial year for all reporting entities is 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 donor's conditions are met. Where income has not yet been received, but all criteria for recognition have 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 3.2% per annum (2016: 2%), 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.

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.

1. **ACCOUNTING POLICIES (continued)**

Expenditure (continued)

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 the 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.

Taxation

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

Fixed Assets and Impairment

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 the 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.

1. ACCOUNTING POLICIES (continued)

Fixed Assets and Impairment (continued)

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	3.2% (2016: 2%)
Leasehold improvements	33%
Office equipment	33%
Motor vehicles	20%

Residual value represents the estimated amount which would currently be obtained from the 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.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

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 is expensed to the Statement of Financial Activities accordingly.

Investments

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

Stocks

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

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. Remeasurement 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 the statement of financial activities.

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 3.2% (2016: 2%) per annum. Unamortised balances are recognised under creditors in the Society's balance sheet.

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

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.

The financial instruments are recognised and measured in accordance with Section 11 and Section 12 of FRS 102.

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 derecognised 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 derecognised 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 is 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 has 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.

The annual depreciation of tangible assets is sensitive to change in the estimated useful lives of the assets. The useful economic lives are reviewed annually. They are amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of the assets.

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 19 to the financial statements.

3. DONATIONS AND LEGACIES

	2017	2016
	€'000	€'000
Church collections	9,589	10,176
Legacies	9,048	5,137
Donations	15,167	16,277
Members' contributions	171	189
Special Government Grant (Note 4)	1,451	1,451
Other Government Funding (Note 4)	279	309
	<u>35,705</u>	<u>33,539</u>

4. GOVERNMENT GRANTS

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

	2017	2016
	€'000	€'000
REVENUE SERVICES FUNDING GRANTS (Note 3/5)		
Included under:		
Special Government Grant*	1,451	1,451
Other Government Grant/Funding	279	309
Income from Donations and Legacies (Note 3)	<u>1,730</u>	<u>1,760</u>
Shops	2,427	2,272
Holiday homes	327	366
Housing	257	230
Hostels	4,949	5,132
Youth clubs	40	12
Resource centres and crèches	2,797	2,416
Income from Charitable Activities (Note 5)	<u>10,797</u>	<u>10,428</u>
Total Revenue Grants	<u>12,527</u>	<u>12,188</u>
	2017	2016
	€'000	€'000
CAPITAL GRANTS (Note 16)		
Housing	1,676	578
Hostels	95	61
Total Capital Grants	<u>1,771</u>	<u>639</u>

* Department of Housing, Planning, Community and Local Government

Society of St. Vincent de Paul (Ireland)

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2017

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	2017 Total €'000	2016 Total €'000
Shop sales	26,449	-	-	-	-	-	-	26,449	25,990
Holiday Home fees	-	441	-	-	-	-	-	441	618
Charges to residents	-	-	2,521	1,073	-	195	-	3,789	3,728
Fees for services	-	-	-	-	16	1,365	2	1,383	1,447
Government revenue funding/grants (Note 4)	2,427	327	257	4,949	40	2,797	-	10,797	10,428
Total by Activity - 2017	28,876	768	2,778	6,022	56	4,357	2	42,859	
Total by Activity - 2016	28,262	984	2,630	6,220	30	4,084	1		42,211

Society of St. Vincent de Paul (Ireland)

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2017

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 raising funds €'000	Management, Support costs and Administration €'000	2017 Total €'000	2016 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)	-	11,376	805	672	4,285	3,361	-	-	20,499	-	-	4,510	25,009	24,189
Cash assistance	5,082	54	-	15	31	112	-	(5)	207	-	-	-	5,289	5,692
Transfer to other organisation* (See below)	-	-	-	-	350	-	-	-	350	-	-	-	350	2,436
Vouchers	10,344	-	-	3	8	39	-	-	50	-	-	-	10,394	10,599
Food/Hampers	1,770	46	-	-	-	12	-	-	58	-	-	-	1,828	2,128
Clothing/Furniture	921	-	-	-	-	9	-	-	9	-	-	-	930	1,010
Fuel/Electricity	4,095	-	-	-	-	25	-	-	25	-	-	-	4,120	4,378
Holidays/Outings	709	-	-	-	-	4	-	-	4	-	-	-	713	676
Twinning/Overseas support	-	-	-	-	-	-	-	-	-	408	-	-	408	514
Job/Employment training	56	-	-	-	-	-	-	-	-	-	-	-	56	109
Education	3,635	-	-	-	-	7	-	-	7	-	-	-	3,642	3,730
Overheads	126	2,431	190	308	539	259	12	10	3,749	-	-	836	4,711	4,391
Supplies	30	453	463	79	564	391	17	2	1,969	-	-	-	1,999	2,070
Programme costs	52	58	38	45	391	360	75	1	968	-	-	-	1,020	1,432
Personal development	184	-	-	-	-	-	-	-	-	-	-	-	184	234
Administration	523	775	41	62	152	80	5	15	1,130	-	-	1,141	2,794	2,703
Professional fees	66	83	5	30	90	84	-	-	292	-	-	706	1,064	1,003
Premises costs	131	3,519	207	828	375	322	9	2	5,262	-	-	236	5,629	5,924
Publication costs	-	55	-	-	-	1	-	-	56	-	-	157	213	180
Audit fees	46	91	11	19	42	34	-	-	197	-	-	246	489	467
Advertising/fundraising	378	30	9	1	1	28	-	-	69	-	846	-	1,293	1,120
Training and development	-	39	4	13	52	20	-	-	128	-	-	88	216	179
Depreciation** (See below)	81	1,015	343	2,311	464	369	35	21	4,558	-	-	369	5,008	3,259
Capital grants amortised	(18)	(16)	(3)	(926)	(235)	(115)	(2)	-	(1,297)	-	-	(59)	(1,374)	(824)
Sub Total	28,211	20,009	2,113	3,460	7,109	5,402	151	46	38,290	408	846	8,230	75,985	77,599
Loss arising on translation of sterling balances	160	128	41	4	5	23	-	-	201	-	-	132	493	2,230
Total by activity – 2017	28,371	20,137	2,154	3,464	7,114	5,425	151	46	38,491	408	846	8,362	76,478	
Total by activity – 2016	30,142	19,403	2,937	5,288	6,746	5,573	143	37	40,127	514	744	8,302		79,829

* Transfer to other organisations in the current year of a Service and in the prior year of a Social Housing Property to an Approved Housing Body (AHB)
** Refer to Note 1 Accounting Policies for Fixed Assets

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2017

7. NET INCOME/(EXPENDITURE) FOR YEAR

This is stated after charging/(crediting):

	2017	2016
	€'000	€'000
Depreciation	5,008	3,259
Capital grants amortisation	(1,374)	(824)
National Management Council members:		
• Indemnity insurance	44	44
• Remuneration	-	-
• Reimbursed expenses	17	13
Auditor's remuneration:		
• National audit	115	115
• Local Audits and Accounting Services	374	352

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:

	2017	2016
	€'000	€'000
Wages, salaries and social welfare costs	24,236	23,467
Pension and related costs (Note 19)	773	722
	25,009	24,189

A total of 10 employees (2016: 10) earned remuneration in excess of €70,000 per annum (excluding employer PRSI and pension contribution), as follows:

	2017	2016
	No.	No.
€70,001 to €80,000	7	7
€80,001 to €90,000	2	2
€90,001 to €100,000	-	-
€100,001 to €110,000	1	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 basis 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.

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2017

8. STAFF COSTS AND NUMBERS (continued)

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 2017 was €986k (2016: €963k), comprising 13 full-time equivalent employees (2016: 13).

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

	2017	2016
	No	No
Shops	448	415
Holiday homes	31	42
Housing	24	22
Hostels	126	132
Resource centres and crèches	154	164
Support staff	89	84
	<u>872</u>	<u>859</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

	Properties	Leasehold Improvements/ Office Equipment	Motor Vehicles	Totals
	€'000	€'000	€'000	2017 €'000
Deemed cost				
At beginning of year	137,089	8,596	843	146,528
Additions/donated in year	2,166	400	99	2,665
Disposals in year	(40)	(47)	(45)	(132)
Translation adjustment	(278)	(14)	(8)	(300)
At end of year	<u>138,937</u>	<u>8,935</u>	<u>889</u>	<u>148,761</u>
Depreciation				
At beginning of year	17,074	7,876	481	25,431
Charge for year	4,446	439	123	5,008
On disposals	(3)	(47)	(8)	(58)
Impairment	2,156	-	-	2,156
Translation adjustment	(81)	(10)	(3)	(94)
At end of year	<u>23,592</u>	<u>8,258</u>	<u>593</u>	<u>32,443</u>
Net book value				
At end of year	<u>115,345</u>	<u>677</u>	<u>296</u>	<u>116,318</u>
At beginning of year	<u>120,015</u>	<u>720</u>	<u>362</u>	<u>121,097</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 historical 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

	2017	2016
	€'000	€'000
Market value at the beginning of the year	136	241
Disposals at market value	-	(74)
Movement in market value	4	(31)
Market value at the end of year	140	136

All shares in investments are held in publicly quoted companies. No current or deferred tax liability would arise on the disposal of these investments, due to the Society's tax-exempt status. The Society also has a wholly owned subsidiary, St Vincent de Paul Community Employment Scheme, a company limited by guarantee by virtue of the fact that all members and directors of the company are required to be members of the National Management Council of the Society of St. Vincent de Paul according to the Company's constitution.

12. DEBTORS (Amounts falling due within one year)

	2017	2016
	€'000	€'000
Debtors	2,533	1,858
Pension scheme surplus (Note 19)	174	160
Prepayments	820	660
	3,527	2,678

Pension scheme surplus (Note 19) 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 2017**

13. CASH AT BANK AND IN HAND

	2017	2016
	€'000	€'000
Cash at Bank and in Hand	81,487	73,592
Bank Overdrafts (Note 14)	(75)	(23)
Net Bank Funds	81,412	73,569

The net bank funds represent cash held across 1,208 (2016: 1,210) Conferences and Councils. It includes funds restricted for specific areas or projects of €5.8 million (2016: €6.1 million) and designated funds of €15.3 million (2016: €1.0 million), leaving available Funds of €60.3 million (2016: €66.5 million). Further detail on restricted and designated funds are set out in Note 18 Movement in Funds.

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

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

	2017	2016
	€'000	€'000
Bank overdrafts (unsecured) (Note 13)	75	23
Other creditors and accruals	3,563	3,535
Deferred Income	763	784
PAYE & PRSI	649	659
Capital Grants (Note 15)	1,374	824
	6,424	5,825
Deferred income at the beginning of the year	784	711
Deferred during year	596	577
Released during year	(617)	(504)
Deferred income at the end of year	763	784

Society of St. Vincent de Paul (Ireland)

**Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2017**

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

	2017	2016
	€'000	€'000
Capital Grants (Note 16)	34,329	33,925
Less: Amounts falling due within one year (Note 14)	(1,374)	(824)
Capital Grants: (Amounts falling due after one year)	<u>32,955</u>	<u>33,101</u>

16. CAPITAL GRANTS

	2017	2016
	€'000	€'000
Capital Grants		
At the beginning of year	41,271	40,632
Additions in year	<u>1,771</u>	<u>639</u>
At the end of year	<u>43,042</u>	<u>41,271</u>
Amortisation		
At the start of year	7,346	6,522
Credit for year	1,374	824
Adjustment	(7)	-
At the end of year	<u>8,713</u>	<u>7,346</u>
Net book value		
At the end of year (Note 15)	<u>34,329</u>	<u>33,925</u>
At the start of year	<u>33,925</u>	<u>34,110</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 Funds General €'000	2017 Total €'000	2016 Total €'000
Tangible assets	32,955	-	83,363	116,318	121,097
Investments	-	-	140	140	136
Net current assets	5,789	15,308	57,530	78,627	70,488
Creditors: Amounts falling due after one year	(32,955)	-	-	(32,955)	(33,101)
Net assets at end of year	5,789	15,308	141,033	162,130	158,620

Society of St. Vincent de Paul (Ireland)

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2017

18. MOVEMENT IN FUNDS

MOVEMENT IN FUNDS 2017

	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	6,107	2,955	(3,404)	-	-	-	131	5,789
Unrestricted Funds:								
Property Valuation	87,058	-	-	-	-	(2,156)	-	84,902
Designated Funds	959	450	(735)	-	-	-	14,634	15,308
General Funds	64,496	78,758	(72,339)	4	(23)	-	(14,765)	56,131
	<u>158,620</u>	<u>82,163</u>	<u>(76,478)</u>	<u>4</u>	<u>(23)</u>	<u>(2,156)</u>	<u>-</u>	<u>162,130</u>

The Society has made a transfer of €131k to restricted funds where it has identified funds that are restricted. The Designated Funds increase during the year mainly due to funds (€14.6 million) specific to the special work services and distinct activities within the Society. The restricted and designated funds are detailed further on page 45.

Society of St. Vincent de Paul (Ireland)

Notes to the Consolidated Financial Statements (Continued)
For the year ended 31 December 2017

18. MOVEMENT IN FUNDS (continued)

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	6,107
Unrestricted Funds:								
Property Valuation	93,621	-	-	-	-	(6,563)	-	87,058
Designated Funds	2,185	697	(563)	-	-	-	(1,360)	959
General Funds	63,257	76,072	(75,993)	(31)	(93)	-	1,284	64,496
	<u>165,827</u>	<u>79,309</u>	<u>(79,829)</u>	<u>(31)</u>	<u>(93)</u>	<u>(6,563)</u>	<u>-</u>	<u>158,620</u>

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.

18. MOVEMENT IN FUNDS (continued)

	2017 €'000	2016 €'000
Restricted Funds		
McGwire Trust Fund	408	425
22 Separate Funds Restricted to Local Area Use (2016: 19)	4,378	4,280
O'Connell Bequest Restricted to Co. Galway	1,003	1,402
	<u>5,789</u>	<u>6,107</u>
	2017 €'000	2016 €'000
Designated Funds		
Social Housing	6,584	142
Emergency Hostels	2,116	310
Holiday Homes	938	-
Schools & Universities	215	-
Twinning	387	367
Education	3,000	51
Property Sinking Fund	2,068	89
	<u>15,308</u>	<u>959</u>

The Society's financial reserves are €162.1 million, divided between property valuation reserves of €84.9 million, restricted reserves of €5.8 million, designated reserves of €15.3 million and general reserves of €56.1 million.

The designated reserves are specific to special work services and distinct activities within the Society. The designation of the reserves aims to make the resources available within special works and other activities for these particular purposes and to use resources over a period of time.

The general reserves reflect the aim of the Society to maintain resources to facilitate the funding of the Society's visitation work as we reach out in service to the poor, continuing the support and assistance to families and individuals, to make sure that the Society has the required funds to function on a day to day basis, and to enable the Society's work and services to continue during a period of unforeseen challenges.

19. PENSION SCHEMES

Amounts charged to staff costs were as follows:

	2017 €'000	2016 €'000
Current service costs	773	722
Total charge (Note 8)	<u>773</u>	<u>722</u>

19. PENSION SCHEMES (continued)

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 contributions 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 planned 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.

Defined Benefit Scheme

Details of the most recent actuarial valuation of the scheme, which was conducted as at 31 December 2017, using the projected unit basis, are as follows:

Principal actuarial assumptions (% per annum)

	At 31/12/17	At 31/12/16
Rate of increase in salaries	-	-
Rate of increase in pensions payment	-	-
Discount rate	1.70	1.70
Inflation assumption	1.50	1.50

19. PENSION SCHEMES (continued)

Analysis of the amount charged through the Statement of Financial Activities

	2017 €'000	2016 €'000
Charge/(Credit) to staff costs for Defined Benefit Scheme:		
Pension finance costs		
Expected return on pension scheme assets	(24)	(33)
Interest on pension scheme liabilities	<u>21</u>	<u>29</u>
	<u>(3)</u>	<u>(4)</u>

Actuarial (Gains)/losses on Defined Benefit Scheme

	2017 €'000	2016 €'000
Actual return less expected return on Pension Scheme Assets	(11)	(101)
Experience gains arising on the Pension Scheme Liabilities	(7)	21
Changes in assumptions underlying the present value of Pension Scheme Liabilities	5	87
Exchange rate movements	<u>2</u>	<u>5</u>
	<u>(11)</u>	<u>12</u>
(Credit)/Charge for year	<u>(14)</u>	<u>8</u>

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

	Ratio 31/12/17 %	Value at 31/12/17 €'000	Ratio 31/12/16 %	Value at 31/12/16 €'000
Equities	16.2	212	15.5	208
Bonds	80.6	1,057	82.0	1,098
Property	1.3	17	1.1	15
Cash	1.9	25	1.4	19
Secured Performance (declared in advance)	-	-	-	-
	<u>100</u>	<u>1,311</u>	<u>100</u>	<u>1,340</u>
Present value of Scheme liabilities		<u>(1,137)</u>		<u>(1,180)</u>
Net Pension Surplus (Note 12)		<u>174</u>		<u>160</u>

19. PENSION SCHEMES (continued)

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.

	2017	2016
	€'000	€'000
Opening value of Scheme's Assets	1,340	1,310
Expected Return	24	33
Actuarial gains	11	101
Employer Contributions	-	3
Exchange rate movements	(12)	(56)
Benefits Paid	(52)	(51)
	1,311	1,340

Reconciliation of the value of the Scheme's Liabilities

	2017	2016
	€'000	€'000
Opening value of Scheme's Liabilities	1,180	1,145
Service cost	-	-
Interest on Scheme's Liabilities	21	29
Actuarial (losses)/gains	(2)	108
Benefits Paid	(52)	(51)
Exchange rate movements	(10)	(51)
	1,137	1,180

Return on Scheme's Assets

	2017	2016
	€'000	€'000
Actual return on Scheme's Assets	35	134

19. PENSION SCHEMES (continued)

Analysis of the amount credited to financing of provisions

	2017 €'000	2016 €'000
Expected return on Scheme Assets	(24)	(33)
Interest on Scheme Liabilities	21	29
Total	<u>(3)</u>	<u>(4)</u>

Amount recognised in the Statement of Financial Activities

	2017 €'000	2016 €'000
Actual Expected Return on Pension Scheme Assets	(11)	(101)
Experience gains and losses on the Liabilities	(7)	21
Changes in assumptions underlying the present value of liabilities	5	87
Exchange rate movements	2	5
Actuarial (gain)/loss recognised in the Statement of Financial Activities	<u>(11)</u>	<u>12</u>

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

	2017 €'000	2016 €'000
Scheme's Liabilities	(1,137)	(1,180)
Scheme's Assets	1,311	1,340
Surplus (Note 12)	<u>174</u>	<u>160</u>
Actuarial gain on liabilities	5	87
Experience adjustment on Asset	<u>(11)</u>	<u>(101)</u>

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.

19. PENSION SCHEMES (continued)

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.

20. POST BALANCE SHEET EVENTS

No significant events have occurred since the balance sheet date.

21. CAPITAL COMMITMENTS

The Society has no capital commitments contracted or otherwise not provided for at the balance sheet date (2016: nil).

22. LEASE COMMITMENTS

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

	Buildings	Buildings
	2017	2016
	€'000	€'000
Less than 1 year	1,763	1,745
Between 1 and 5 years	3,793	3,421
Over 5 years	2,362	2,656
	<u>7,918</u>	<u>7,822</u>

23. FINANCIAL INSTRUMENTS

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

	2017	2016
	€'000	€'000
Financial Assets		
<i>Measured at undiscounted amount receivable</i>		
Debtors	<u>2,533</u>	<u>1,858</u>
Financial Liabilities		
<i>Measured at undiscounted amount payable</i>		
Trade creditors	<u>1,276</u>	<u>1,128</u>

24. COMPARATIVE AMOUNTS

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

25. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved by the National Management Council on the 25th September 2018.