

Charity number: CHY 8471

THE PADDY MCGRATH HOUSING PROJECT

(A company limited by guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

THE PADDY MCGRATH HOUSING PROJECT (A COMPANY LIMITED BY GUARANTEE)

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THE PADDY MCGRATH HOUSING PROJECT (A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS DIRECTORS AND ADVISERS

FOR THE YEAR ENDED 31 DECEMBER 2020

Directors Mr. Philip Brown, Chairman
Ms. Marianne Byrne
Mr. Michael McCarthy
Mr. Colm Bannon
Ms. Kelly Fogarty
Mr. Barre Fitzpatrick
Mr. Patrick Kelly
Fr. Ronan Connolly OP
Mr. Tom Finlay (appointed 25 November 2020)

**Company registered
number** 123923

Charity registered number CHY 8471

Registered office Talbot House
Granby Lane
Dublin 1

Company secretary Mr. Don O'Higgins

**Registered Charity
Number** 20020842

Independent auditors Ormsby & Rhodes
Chartered Accountants and Statutory Audit Firm
9 Clare Street
Dublin 2

Bankers Allied Irish Bank
1 Lower Baggot Street
Dublin 4

Solicitors John O'Connor
168 Pembroke Road
Ballsbridge
Dublin 4

Fagan Bergin
57 Parnell Square
Rotunda
Dublin 1

THE PADDY MCGRATH HOUSING PROJECT (A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors present their report together with audited financial statements for the year ended 31 December 2020. This report incorporates statutory requirements as outlined in the Companies Act 2014 and that contained in the Statement of Recommended Practice for Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the Republic of Ireland (FRS102) (effective 1 January 2015). The Charity SORP (FRS 102) is not yet mandatory in the Republic of Ireland and the Irish Charity Regulator has not yet prescribed accounting regulations for Irish Charities.

Objectives and activities

a. Mission Statement

'Our Mission is to provide housing and care for people living with HIV/Aids, where they can live with hope and dignity in a non judgmental and non discriminatory environment.'

b. Objectives and activities

The Aids Fund was established in 1987. It changed its name to the Paddy McGrath Housing Project in 2017. Its core objective is the provision of housing accommodation and support for homeless persons living with HIV/ Aids. It currently provides 24 one bedroom apartments in Granby Lane, Dublin 1. The company has been granted charitable status, for taxation purposes, by the Revenue Commissioners, charity number CHY 8471 and is registered with The Charities Regulatory Authority under the registration number 20020842. All income is applied solely towards the promotion of the charitable objectives of the company.

It is an approved housing body and complies with all statutory and governance requirements. It makes annual returns to the Housing Agency Regulation office, the Charity Regulator, and the Companies Registration Office and all these returns are up to date. The Paddy McGrath Housing Project is a member of the Irish Council for Social Housing.

c. Principal Activities

The Charity provides housing accommodation and supervised day care and on call night care seven days a week, for homeless persons in the later stages of AIDS related illness.

The Board has taken the decision to rename the organisation to ensure that it is fully compliant with The General Data Protection Regulations and decided unanimously to rename the organisation in memory of its late founder Fr Paddy McGrath OP.

d. Legal Status

The Paddy McGrath Housing Project is a company limited by guarantee, not having a share capital incorporated in Ireland in 1987 under the Companies Act 2014, and company registered number 123923. The liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding one Euro (€1).

THE PADDY MCGRATH HOUSING PROJECT (A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Financial review

a. Financial review and results

Grant Aid received for 2020 was allocated through the Health Service Executive and The Dublin Region Homeless Executive and we wish to acknowledge the receipt of these funds with sincere gratitude. The charity, with the aid of sound financial management and the support of both its staff and volunteers generated a positive financial outcome for the period with a surplus for the year of €86,251 (2019: surplus of €14,826).

Within reserves there was a transfer from the building maintenance reserve of €29,195 in the year which resulted in an after transfer surplus for the year of €57,056 (2019: after transfer deficit €11,408) and this deficit was transferred to restricted funds at the year end.

At the end of the year the company has Assets of €6,469,247 and Liabilities of €5,218,089 and Reserves of €1,251,158 the net assets of the company have increased by €86,251 (2019: €14,826) and the directors are satisfied with the level of retained reserves at the year end

b. Budget Control

A detailed budget is prepared annually and approved by the board. On a monthly basis actual results and outcomes are compared against the budget to ensure, alignment with plan; tight budgetary control and value for money.

c. Political donations

The Company did not make any political donations during the financial period.

d. Dividends and retention

The Company is precluded by its Memorandum of Association from paying dividends either as part of normal operations or on a distribution of its assets in the event of a winding up.

e. Accounting records

The measures taken by the Directors to secure compliance with the Company's obligation to keep adequate accounting records are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at the registered office Talbot House, Granby Lane, Dublin 1.

THE PADDY MCGRATH HOUSING PROJECT (A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, governance and management

a. Corporate governance

The Directors are committed to maintaining the highest standard of Corporate Governance and they believe that this is a key element in ensuring the proper operation of the Company's activities. They believe that the Company should comply with the basic principles of Corporate Governance as outlined in the voluntary Code for the Charity sector as well as the relevant sections of the Charities Act 2009. As part of this policy an effective Board and competent CEO head the Company.

The Board is responsible for providing leadership, setting strategy, and ensuring control. It comprises of eight Non Executive Directors. The Board's Non Executive Directors are drawn from diverse backgrounds and bring to the Board deliberations, their significant expertise and decision making skills achieved in their respective fields.

There is a clear division of responsibility at the company with the Board retaining control of major decisions under a formal schedule of matters reserved to the Board for decision, with the CEO responsible for devising and implementing strategy and policy decisions within the authorities delegated by the Board.

The Board is provided with regular information for all aspects of the organisation. They meet regularly as required and met five times (By Zoom) during 2020 in accordance with Covid-19 restrictions (five times in 2019).

On appointment, Directors receive briefing and comprehensive documents designed to familiarise them with the Company's operations, management, and governance

b. Internal controls

The Directors acknowledge their overall responsibility for the Company's systems of internal control and for reviewing its effectiveness. The Board have approved a set of Policies and Procedures for Internal Control and Governance practices in the organisation. They have delegated responsibility for the implementation of these procedures to the CEO.

c. Management and staff

We acknowledge with appreciation the committed work of our staff and volunteers. Our continuing success and achievement are due to their professionalism, dedication, and contribution. We acknowledge with appreciation the committed work of our staff and volunteers. Our continuing success and achievement are due to their professionalism, dedication, and contribution.

d. Environment

The company has a proactive approach to assisting all personnel to conduct our business in a manner that protects the environment of our tenants, staff, and the community. The company also recycle carefully were possible.

THE PADDY MCGRATH HOUSING PROJECT (A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, governance and management (CONTINUED)

e. Risk management

The Directors have identified that the key risks and uncertainties the Charity face relate to the risk of a decrease in the level of Government Support in compliance requirements in accordance with company, health and safety, taxation and other legislation.

The charity mitigates these risks as follows:

- The charity continually monitors the level of activity, prepares and monitors its budgets targets and projections.
 - The charity has a policy of maintaining significant cash reserves and it has also developed an outline strategic plan which will allow for the diversification of funding and activities;
 - The charity closely monitors emerging changes to regulations and legislation on an on going basis.
 - Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.
- Procedures are in place to ensure compliance with health and safety of staff and volunteers.

f. Tenancy support

Each resident is supplied with a tenancy agreement and a tenant's handbook. They are allocated a key worker to manage their care needs. Regular feedback is obtained from tenants and suggestions are acted on where appropriate.

g. Upkeep of housing properties

The company is an Approved Housing Body by the Department of Housing. It is compliant with the requirements of an AHB in upkeep of its properties. It maintains its housing properties to a high standard. Following a review conducted on its properties, a planned maintenance programme was put in place. To provide for this expenditure, which is not grant assisted, we have set up a sinking fund for the long-term refurbishment of our properties. At the end of 2020 this fund was €177,492 (2019 €148,297).

Plans for future periods

Future developments

The Project has just completed the construction of nine one-bed room apartments and the units. The Project was approved for a Capital Advance Leasing Facility (CALF) in the amount of €680,627 by the Department of Housing, Planning, Community and Local Government. The company has secured loan approval from the Housing Finance Agency of €1.48m which will be repaid by a Pay and Availability Agreement agreed with Dublin City Council. The balance of the cost of the project will be financed by self equity and a bequest of €80,000 which was designated to the Development fund.

Events since the end of the financial year

The Contractor has continued to carry out remedial works to the units to comply with regulations. These works are now virtually completed, and the Board expects the units to be occupied by the end of April.

THE PADDY MCGRATH HOUSING PROJECT (A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Pensions

The company operates a defined contribution pension scheme which employees are eligible to join. The company matches staff contribution up to a maximum of 6% of salary. The assets of the scheme are managed by Aviva and held separately from the company. The company is compliant with all requirements under pension legislation. An AVC (Additional Voluntary Contributions) option is also available to staff.

Payment of creditors

The Directors acknowledge their responsibility for ensuring compliance with the provisions of the EC (Late Payment in Commercial Transactions) Regulations 2012. It is the company's policy to agree payment terms with all suppliers and to adhere to those payment terms.

Health and Safety at work

It is the policy of the company to ensure the health and welfare of employees by maintaining a safe place and system of work. This policy is based on the requirements of employment legislation, including the Safety, Health and Welfare at Work Act 2005. In 2020 the Health & Safety policy was reviewed, and new Health & Safety statements were issued.

Statement of Directors' responsibilities

The Directors (who are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Directors to prepare financial statements for each financial year. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE PADDY MCGRATH HOUSING PROJECT (A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Ormsby & Rhodes, have indicated their willingness to continue in office. The designated Directors will propose a motion reappointing the auditors at a meeting of the Directors.

Approved by order of the members of the board of Directors on 18 June 2021 and signed on their behalf by:

DocuSigned by:

Philip Brown.....

Mr Philip Brown
Director

DocuSigned by:

Barre Fitzpatrick.....

Mr Barre Fitzpatrick
Director

THE PADDY MCGRATH HOUSING PROJECT (A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PADDY MCGRATH HOUSING PROJECT

Opinion

We have audited the financial statements of The Paddy McGrath Housing Project Company Limited by Guarantee (the 'Charitable Company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish law and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) issued by the Financial Reporting Council and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Charitable Company's affairs as at 31 December 2020 and of its Statement of Financial Activities including income and expenditure;
- have been properly prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

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 further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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 the ISAs (Ireland) require us to report to you where:

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

THE PADDY MCGRATH HOUSING PROJECT (A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PADDY MCGRATH HOUSING PROJECT (CONTINUED)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, 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 required 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 required to report that fact.

We have nothing to report in this regard.

Opinion on other matters

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the Directors' Report is consistent with the financial statements; and
- in our opinion, the Directors' Report has been prepared in accordance with the Companies Act 2014.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Charitable Company were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

THE PADDY MCGRATH HOUSING PROJECT (A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PADDY MCGRATH HOUSING PROJECT (CONTINUED)

Respective responsibilities

Responsibilities of Directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement on page 2, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Charitable Company's Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error

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

Auditors' responsibilities for the audit of the financial statements

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

.A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: [https://www.iaasa.ie/Publications/ISA 700 \(Ireland\)](https://www.iaasa.ie/Publications/ISA_700_(Ireland)). The description forms part of our Auditors' Report.

The purpose of our audit and to whom we owe our responsibilities

.This report is made solely to the Charitable Company's Members as a body. Our audit has been undertaken so that we might state to the Charitable Company's Members as a body those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company's Members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Kate Mullahy

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Kate Mullahy

for and on behalf of

Ormsby & Rhodes

Chartered Accountants and Statutory Audit Firm

9 Clare Street

Dublin 2

Date: 18 June 2021

**THE PADDY MCGRATH HOUSING PROJECT
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)**

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Restricted funds 2020 €	Total funds 2020 €	Total funds 2019 €
INCOME FROM:				
Charitable activities	3	603,909	603,909	607,670
		<u>603,909</u>	<u>603,909</u>	<u>607,670</u>
TOTAL INCOME				
EXPENDITURE ON:				
Charitable activities	4	744,381	744,381	745,841
		<u>744,381</u>	<u>744,381</u>	<u>745,841</u>
TOTAL EXPENDITURE				
Amortisation of capital grants		226,723	226,723	152,997
		<u>86,251</u>	<u>86,251</u>	<u>14,826</u>
NET MOVEMENT IN FUNDS				
RECONCILIATION OF FUNDS:				
Total funds brought forward		1,164,907	1,164,907	1,150,081
Net movement in funds		86,251	86,251	14,826
		<u>1,251,158</u>	<u>1,251,158</u>	<u>1,164,907</u>
TOTAL FUNDS CARRIED FORWARD				

The notes on pages 14 to 28 form part of these financial statements.

The net movement in funds in the financial year of €86,251 (2019:€14,826) represents the net movement before a transfer to the Building Maintenance Fund of €29,195 (2019: €26,232).

The net movement in funds for the year after transfer to the Building Maintenance Fund is a surplus of €57,056 (2019: deficit of €11,408).

THE PADDY MCGRATH HOUSING PROJECT
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 123923

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Note	2020 €	2020 €	2019 €	2019 €
FIXED ASSETS					
Tangible assets	10		6,009,116		4,531,666
			<u>6,009,116</u>		<u>4,531,666</u>
CURRENT ASSETS					
Debtors	11	9,875		5,291	
Cash at bank and in hand		450,256		826,555	
		<u>460,131</u>		<u>831,846</u>	
Creditors: amounts falling due within one year	12	(193,147)		(416,221)	
			<u>266,984</u>		415,625
NET CURRENT ASSETS					
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>6,276,100</u>		<u>4,947,291</u>
Creditors: amounts falling due after more than one year	13		(5,024,942)		(3,782,384)
			<u>1,251,158</u>		<u>1,164,907</u>
TOTAL NET ASSETS			<u>1,251,158</u>		<u>1,164,907</u>
CHARITY FUNDS					
Restricted funds	14		1,251,158		1,164,907
			<u>1,251,158</u>		<u>1,164,907</u>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Directors on and signed on their behalf by:

DocuSigned by:

Philip Brown
 Mr Philip Brown, Chairman

DocuSigned by:

Barre Fitzpatrick
 Mr Barre Fitzpatrick

**THE PADDY MCGRATH HOUSING PROJECT
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	€	€
CASH FLOWS FROM OPERATING ACTIVITIES		
Net cash used in operating activities	1,459,109	1,167,825
	<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES		
Amortisation reductions	(226,723)	(152,997)
Housing in course of construction and Fixture & Fittings	(1,608,685)	(908,590)
	<hr/>	<hr/>
NET CASH USED IN INVESTING ACTIVITIES	(1,835,408)	(1,061,587)
	<hr/>	<hr/>
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR	(376,299)	106,238
Cash and cash equivalents at the beginning of the year	826,555	720,317
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	450,256	826,555
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 14 to 28 form part of these financial statements

THE PADDY MCGRATH HOUSING PROJECT (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. GENERAL INFORMATION

The Paddy McGrath Housing Project is a company limited by guarantee incorporated in the Republic of Ireland. The company operates out of its registered address at Talbot House, Granby Lane, Dublin 1. The principal activity is to provide housing accommodation, supervised day care and on call night care seven days a week, for homeless persons in the later stages of AIDS related illness.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and Companies Act 2014.

The functional and presentational currency is Euro.

The financial statements fully comply with FRS 102 and SORP (FRS 102).

The Paddy McGrath Housing Project meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Company Status

The company is a company limited by guarantee. The members of the company are the Directors named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to €1 per member of the company.

2.3 Income

All income is recognised once the Charitable Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

THE PADDY MCGRATH HOUSING PROJECT

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES (CONTINUED)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Governance costs are those costs incurred in connection with administration of the Charitable Company and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

2.5 Tangible fixed assets and depreciation

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 2.5% Straight Line
Fixtures and fittings	- Not depreciated
Housing in course of construction	- Not depreciated

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

THE PADDY MCGRATH HOUSING PROJECT (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES (CONTINUED)

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charitable Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.10 Financial instruments

The Charitable Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Pensions

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the Charitable Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charitable Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

THE PADDY MCGRATH HOUSING PROJECT (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

3. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2020 €	Total funds 2020 €	Total funds 2019 €
Housing Management	145,988	145,988	131,205
Care and Support Services	457,921	457,921	476,465
TOTAL 2020	603,909	603,909	607,670

	2020 €	2019 €
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Included in Housing Management income is the following:

Tenants Rent		76,721	63,002
Rent Allowances		69,253	68,159
Sundry Income		14	44
		145,988	131,205
		2020 €	2019 €

Included in Care and Support Services Income is the following:

Section 65 Funding - HSE		363,785	363,845
Section 10 Funding - DCC		92,736	111,414
Sundry Income		1,400	1,206
		457,921	476,465

THE PADDY MCGRATH HOUSING PROJECT (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

4. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Restricted funds 2020 €	Total funds 2020 €	Total funds 2019 €
Housing Management	259,558	259,558	248,713
Care and Support Services	484,823	484,823	497,128
	744,381	744,381	745,841
	744,381	744,381	745,841

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2020 €	Total funds 2020 €	Total funds 2019 €
Housing Management	259,558	259,558	248,713
Care and Support Services	484,823	484,823	497,128
TOTAL 2020	744,381	744,381	745,841
	744,381	744,381	745,841

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

5. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of direct costs

	Housing Management 2020 €	Care and Support Services 2020 €	Total funds 2020 €	Total funds 2019 €
Wages & Salaries incl. Employer's PRSI & Pension costs	39,126	355,281	394,407	421,386
Depreciation	131,237	-	131,237	131,237
Staff Costs	511	4,604	5,115	1,311
Repairs & Maintenance	54,424	6,047	60,471	58,254
Energy	1,221	33,662	34,883	32,860
Professional costs	7,027	16,777	23,804	18,922
Travel	63	568	631	3,585
Insurance	9,232	6,155	15,387	13,730
Household	-	10,793	10,793	8,427
Miscellaneous Expenses	-	2,095	2,095	1,195
Cleaning & Waste removal	-	24,554	24,554	22,030
Telephone & Cablelink UPC	418	10,697	11,115	11,970
Bank Interest	14,789	-	14,789	6,868
Office Management & Financial costs incl. Postage, Stationery & I.T.	895	8,055	8,950	9,223
Governance costs	615	5,535	6,150	4,843
	<u>259,558</u>	<u>484,823</u>	<u>744,381</u>	<u>745,841</u>
TOTAL 2019	<u>248,713</u>	<u>497,128</u>	<u>745,841</u>	

6. TAXATION

The company is exempt from taxation under Section 11 (6) of the Taxes Consolidation Act 1997, as a charity.

7. AUDITORS' REMUNERATION

The auditors' remuneration amounts to an auditor fee of €6,150 (2019 - €4,843).

THE PADDY MCGRATH HOUSING PROJECT (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

8. DIRECTORS' REMUNERATION AND EXPENSES

During the year, no Directors received any remuneration (2019 - €NIL).

During the year no Directors received any benefits in kind (2019 - €NIL).

During the year ended 31 December 2020, no Director received any reimbursements of expenses (2019 - €NIL).

9. STAFF COSTS

	2020 €	2019 €
Wages and salaries	345,670	368,372
Employers' PRSI	37,689	36,629
Other pension costs	11,048	16,385
	<u>394,407</u>	<u>421,386</u>

The average number of persons employed by the Charitable Company during the year was as follows:

	2020 No.	2019 No.
Chief Executive Officer	1	1
Housing management and care provision	5	5
	<u>6</u>	<u>6</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded €60,000 was:

	2020 No.	2019 No.
In the band €60,001 - €70,000	-	1
In the band €70,001 - €80,000	-	1
In the band €80,001 - €90,000	1	-

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

10. TANGIBLE FIXED ASSETS

	Freehold property €	Fixtures and fittings €	Housing in course of construction €	Total €
COST OR VALUATION				
At 1 January 2020	5,391,910	-	929,802	6,321,712
Additions	-	29,728	1,578,959	1,608,687
At 31 December 2020	<u>5,391,910</u>	<u>29,728</u>	<u>2,508,761</u>	<u>7,930,399</u>
DEPRECIATION				
At 1 January 2020	1,790,046	-	-	1,790,046
Charge for the year	131,237	-	-	131,237
At 31 December 2020	<u>1,921,283</u>	<u>-</u>	<u>-</u>	<u>1,921,283</u>
NET BOOK VALUE				
At 31 December 2020	<u>3,470,627</u>	<u>29,728</u>	<u>2,508,761</u>	<u>6,009,116</u>
At 31 December 2019	<u>3,601,864</u>	<u>-</u>	<u>929,802</u>	<u>4,531,666</u>

The cost of the land and building figure had been reduced by Capital Reserves brought forward €1,203,847 - after deducting accumulated depreciation of €1,921,283 as at 31.12.20 the net book value reduced to €5,979,388. The carrying value may still be in excess of the current market value of the company's properties but as these properties are not held as an investment, the functions of the Company as a Charity permit the use of the carrying value.

There were no assets held under finance lease included in tangible fixed assets.

11. DEBTORS

	2020 €	2019 €
Trade debtors	4,712	-
Prepayments and accrued income	5,163	5,291
	<u>9,875</u>	<u>5,291</u>

**THE PADDY MCGRATH HOUSING PROJECT
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	€	€
Bank loans and overdrafts	-	367,281
Other loans	60,024	-
Other taxation and social security (see below)	19,665	13,239
Other creditors	898	2,385
Accruals and deferred income	112,560	33,316
	<u>193,147</u>	<u>416,221</u>
	<u>193,147</u>	<u>416,221</u>
	2020	2019
	€	€
Other taxation and social security		
PAYE/PRSI control	19,665	13,239
	<u>19,665</u>	<u>13,239</u>
	<u>19,665</u>	<u>13,239</u>

THE PADDY MCGRATH HOUSING PROJECT

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	€	€
Other Loans	2,120,464	651,183
Grants and Deferred Capital Assistance Scheme Grants	2,904,478	3,131,201
	<u>5,024,942</u>	<u>3,782,384</u>

Other Loans:

1. Capital Advance Leasing Facility ("C.A.L.F.") Loan & Interest:

Included in other loans is the C.A.L.F. Loan & interest amounts drawn down under the Capital Advance Leasing Facility agreement and are repayable at the end of 25 years, subject to the Charity complying with the terms and conditions. Interest accrues at a rate of 2% per annum from the date the loan is received and this has been charged to the Income & Expenditure account. At the end of 2020 the charity had drawn down €680,627 of financing and the interest charged for 2020 was €17,731. Total owing at end of 2020 was €698,358 (2019: €651,183).

2. Housing and Finance Agency ("H.F.A") Mortgage

Included in other loans is a H.F.A. Mortgage amount drawn down under the Housing Financing Agency agreement. The total owing at the end of 2020 was €1,422,106 (2019: €NIL). This loan is repayable over 20 years. Repayments are made bi-annually.

Grants and Deferred Capital Assistance Scheme Grants:

Loans are advanced by local authorities and the Department of Housing and Local Government under the Capital Assistance Scheme (CAS) for a period of twenty to thirty years. These loans are not repayable and do not incur any interest charge provided the charity complies with the specific terms and conditions set out in the loan agreements with the local authority. The local authorities have legal charges registered against the properties financed by these loans.

When the twenty or thirty year period of the loan expires and the terms of loan agreements have been complied with the local authority will release the legal charge of the property and The Paddy McGrath Housing Project becomes the legal owner of the property.

The Department of Environment Grants towards the site purchases and construction costs of the company's residential units were as follows:

Dominic Place	€218,395
Granby Lane	€4,988,040

These Grants are administered by Dublin City Council who have advanced the monies in the form of a loan under (Miscellaneous Provisions) Act 1992 and have affected a mortgage on these premises.

However, the monthly repayment instalments of principal and interest shall be waived for as long as the company complies with the following conditions:

- a) To provide accommodation within the premises for occupation by eligible persons paying rent
- b) To continue to keep the premises properly maintained

Under the terms of these loans, the liability reduces each year by the notional capital repayments for as long as the company complies with these conditions.

The notional capital repayments total is credited in the Company's Income and Expenditure Account and described as Amortisation of Mortgage Loans and the loan balances total written down accordingly.

THE PADDY MCGRATH HOUSING PROJECT (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

Creditors include amounts not wholly repayable within 5 years as follows:

	2020	2019
	€	€
Repayable by instalments	4,073,227	3,782,384
	4,073,227	3,782,384

Long term loans and grants advanced to the company are broken down further as follows:

	As at 31.12.19	Notional Capital Repayments	Advancement	As at 31.12.20
	€	€	€	€
Department of the Environment - Granby Lane	3,131,201	(226,723)	-	2,904,478
Capital Advance Leasing Facility (CALF) - 20A Dominic Place	651,183	-	47,175	698,358
HFA Loan	-	-	1,482,130	1,482,130
Total	3,782,384	(226,723)	1,529,305	5,084,966

**THE PADDY MCGRATH HOUSING PROJECT
(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

14. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2020 €	Income €	Expenditure €	Transfers in/out €	Gains/ (Losses) €	Balance at 31 December 2020 €
RESTRICTED FUNDS						
Restricted Funds - all funds	936,610	603,909	(744,381)	(29,195)	226,723	993,666
Building Maintenance Reserve Fund	148,297	-	-	29,195	-	177,492
Development Fund Reserve	80,000	-	-	-	-	80,000
	<u>1,164,907</u>	<u>603,909</u>	<u>(744,381)</u>	<u>-</u>	<u>226,723</u>	<u>1,251,158</u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 January 2019 €	Income €	Expenditure €	Transfers in/out €	Gains/ (Losses) €	Balance at 31 December 2019 €
RESTRICTED FUNDS						
Restricted Funds	948,016	607,670	(745,841)	(26,232)	152,997	936,610
Building Maintenance Reserve Fund	122,065	-	-	26,232	-	148,297
Development Fund Reserve	80,000	-	-	-	-	80,000
	<u>1,150,081</u>	<u>607,670</u>	<u>(745,841)</u>	<u>-</u>	<u>152,997</u>	<u>1,164,907</u>

**THE PADDY MCGRATH HOUSING PROJECT
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

15. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 January 2020	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 31 December 2020
	€	€	€	€	€	€
Restricted funds	1,164,907	603,909	(744,381)	-	226,723	1,251,158

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 January 2019	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 31 December 2019
	€	€	€	€	€	€
Restricted funds	1,150,081	607,670	(745,841)	-	152,997	1,164,907

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Restricted funds 2020	Total funds 2020
	€	€
Tangible fixed assets	6,009,116	6,009,116
Current assets	460,131	460,131
Creditors due within one year	(193,147)	(193,147)
Creditors due in more than one year	(5,024,942)	(5,024,942)
TOTAL	1,251,158	1,251,158

THE PADDY MCGRATH HOUSING PROJECT (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Restricted funds 2019 €	Total funds 2019 €
Tangible fixed assets	4,531,666	4,531,666
Current assets	831,844	831,844
Creditors due within one year	(416,220)	(416,220)
Creditors due in more than one year	(3,782,384)	(3,782,384)
TOTAL	1,164,906	1,164,906

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 €	2019 €
Net income for the period (as per Statement of Financial Activities)	86,251	14,826
ADJUSTMENTS FOR:		
Depreciation charges	131,237	131,237
Decrease in debtors	-	390
Increase in creditors	1,246,208	1,021,372
Increase In Debtors	(4,587)	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	1,459,109	1,167,825

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 €	2019 €
Cash in hand	450,256	826,555
TOTAL CASH AND CASH EQUIVALENTS	450,256	826,555

THE PADDY MCGRATH HOUSING PROJECT (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

19. ANALYSIS OF NET DEBT

	At 1 January 2020 €	Cash flows €	At 31 December 2020 €
Cash at bank and in hand	826,555	(376,299)	450,256
Debt due after 1 year	(651,183)	(1,469,281)	(2,120,464)
Debt due within 1 year	(367,281)	307,257	(60,024)
	<u>(191,909)</u>	<u>(1,538,323)</u>	<u>(1,730,232)</u>

20. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to €11,048 (2019 - €16,385). Contributions totalling €899 (2019 - €2,386) were payable/(refundable) to the fund at the balance sheet date and are included in creditors.

21. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the board on 18 June 2021