


NORTH AND EAST HOUSING ASSOCIATION LIMITED
(A Company Limited by Guarantee and not having a share capital)

Directors' Report and Financial Statements
For the financial year ended
31 December 2015

Registered number: 197791

DUBLIN • CORK

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Directors: James O'Connor Tony Cooney Colette Nagle Edward Murphy Vincent Teo
Crowleys DFK Unlimited Company trading as Crowleys DFK. Registered Office: 16/17 College Green, Dublin D02 V078. Company No. 393878.
A member firm of  DFK International a worldwide association of independent firms.
Registered to carry on audit work and authorised to carry on investment business by the Institute of Chartered Accountants in Ireland (ICAI).
Chartered Accountants Ireland is the operating name of ICAI.

NORTH AND EAST HOUSING ASSOCIATION LIMITED

REPORTS AND FINANCIAL STATEMENTS

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NORTH AND EAST HOUSING ASSOCIATION LIMITED

COMPANY INFORMATION

Directors	Anthony Gilmore Patrick Lennon Adrienne Smith Barney O'Neill James Byrne (resigned on 31 August 2015) Alan Ring (appointed on 31 August 2015) Barry Magee (appointed on 31 August 2015)
Chairman	Patrick Lennon
Secretary	Barney O'Neill
Company number	Registered in Dublin no. 197791
Registered office and business address	3 Kirkfield Cottages Consilla Dublin 15
Auditors	Crowleys DFK Unlimited Company Chartered Accountants and Statutory Audit Firm 16/17 College Green Dublin 2
Bankers	Allied Irish Banks plc 1 Lower Baggot street Dublin 2 Bank of Ireland Lower Baggot Street Dublin 2 Ulster Bank Main Street Blackrock Co. Dublin
Solicitors	James A. Connolly & Co. 13 St Andrew Street Dublin 2
Charity number	CHY 10970

NORTH AND EAST HOUSING ASSOCIATION LIMITED

DIRECTORS' REPORT

The directors present their report and the audited financial statements of the company for the year ended 31st December 2015.

Legal Status

North and East Housing Association Limited is a company limited by guarantee, not having a share capital, incorporated in Ireland on 14th January 1993 under the Companies Act 2014, registered number 197791.

It has been granted charitable status, for taxation purposes, by the Revenue Commissioners, charity number CHY 10970. All income is applied solely towards the promotion of the charitable objectives of the company.

Principal activities and review of the business

North & East Housing Association (North & East) was established in 1992 by a small number of volunteers who recognised a need for a locally based mainstream housing association in the north east of the country. In the past 23 years, North & East has developed into a well-established social enterprise with a proven track record in the delivery of high-quality homes, comprehensive housing management services and tenant supports. It operates in the East of the country with units in Dublin City, Fingal, South Dublin, Wicklow, Meath, Louth, Cavan & Monaghan. At the end of 2015 its total housing stock was 375.

Mission statement

Mission: To provide quality homes and support communities.

Vision: Everyone is entitled to a quality home within the community. North & East will lead the way in providing quality homes and supporting communities.

NORTH AND EAST HOUSING ASSOCIATION LIMITED

DIRECTORS' REPORT (continued)

Results for the year

The financial results for the year as set out on Page 11 are considered satisfactory by the board.

Corporate governance

North & East is governed by a Board of Directors, whose principal responsibilities include strategic direction, financial and risk management, monitoring performance and good governance. The Board meets regularly and conducts an annual review of the skills required. New trustees are chosen to ensure that the Board has an appropriate balance of experience and skills relevant to the operations of North & East. The Board delegates the day-to-day operation of the organisation to the CEO and a small team of highly skilled staff.

North & East Housing Association believes in strong and transparent Governance. It has, during the year, continued to improve its levels of governance and has introduced and updated policies in relation to governance, accounting and risk. It is compliant with "The Voluntary Regulation Code for Approved Housing Bodies" and has signed up to The Governance Code for the Community, Voluntary and Charitable Sector in Ireland. North & East have also completed all registration and disclosure requirements with the Charities Regulation Authority (CRA 20029074) and have submitted their first annual return (Nov 2015).

The directors have formed the following sub-committees;

a) Finance sub-committee

The purpose of this committee is to monitor significant financial planning, management and reporting matters of North and East Housing Association Limited and make recommendations and deliver reports to the directors. The finance sub-committee met 4 times during the year.

b) The development sub-committee

The purpose of this committee is to consider and evaluate options regarding the purchase, building and management of housing properties and report to the directors with recommendations. The committee keeps itself informed of and evaluates changes in the delivery of social housing. The development sub-committee met 4 times during the year.

c) The Risk, Audit and Governance sub-committee

The purpose of this committee is to monitor all operational risk and performance and internal audit of the association. It meets quarterly and submits a report to the directors' meeting.

d) The HR sub-committee

The purpose of this sub-committee is to manage HR related issues in the Association. It meets on an ad hoc basis as and when required.

Budget control

A detailed budget is prepared each year in line with the strategic plan and it is reviewed by the finance sub-committee and further reviewed and approved by the board. Actual results and

NORTH AND EAST HOUSING ASSOCIATION LIMITED

DIRECTORS' REPORT (continued)

outcomes are compared against the budget to ensure compliance with the plan, tight budgetary control and value for money.

Internal controls

The board acknowledge their overall responsibility for the companies systems of internal financial control and for reviewing its effectiveness. They have delegated the responsibility for the implementation of this system to the Chief Executive Officer.

Strategic Plan 2016 – 2020

A 5 year strategic plan covering the period 2016-2020 has been developed which will provide a strong platform for future growth of the organisation. The strategic plan is available on North & East's website at www.northandeast.ie

Risk management

The directors are aware of the major risks to which the company is exposed, in particular those related to the operations and the finances of the company. In 2015 the company drew up a new Risk Register which will be approved by the board and all staff will be trained in managing risk in the organisation.

Management and staff

We acknowledge with appreciation the committed work of our staff and volunteers. North & East is committed to attracting and building a team of highly skilled and committed professionals. The success and achievements of our work is due to their dedication and tremendous contribution.

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.

Environment

The company has a proactive approach to assisting all personnel to conduct the organisation's business in a manner that protects the environment, its customers and employees. It is compliant with relevant environmental legislation.

Events since the balance sheet date

There have been no material events occurring since the balance sheet date.

Future developments

In 2016 North & East Housing Association Limited plans to continue to increase their housing stock. We have drafted a new 5 year Strategic Plan which sets out the plans and a road map for an ambitious growth in our housing stock. The company is conscious of the continuing need for affordable housing and are fully committed to playing its part in meeting these needs.

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DIRECTORS' REPORT (continued)

Directors of the company

The present membership of the board is listed on the 'Directors and other information' on page 3. The company is limited by guarantee and does not have any share capital. Therefore the directors and secretary who served during the year did not have a beneficial interest in the company.

All directors serve in a voluntary capacity.

Safety, Health and Welfare at Work Act 2005

The well being of the company's employees is safeguarded through the strict adherence to health and safety standards. The Safety, Health and Welfare at Work Act 2005 imposes certain requirements on employers and the company has taken the necessary action to ensure compliance with the Act, including the adoption of a safety statement.

Accounting records

The measures that the directors have taken to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the Registered Office at 3 Kirkfield Cottages, Clonsilla, Dublin 15.

Auditors

The auditors, Crowleys DFK Unlimited Company, Chartered Accountants and Statutory Audit Firm, continue in office in accordance with Section 383(2) of the Companies Act 2014.

This report was approved by the Board on 30 May 2016 and signed on its behalf by

Patrick Lennon

Patrick Lennon (Chairman)
Director

Adrienne Smith

Adrienne Smith
Director

NORTH AND EAST HOUSING ASSOCIATION LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year giving a true and fair view of the state of affairs of the Company for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice in Ireland, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and promulgated by the Institute of Chartered Accountants in Ireland and Irish law.

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company for the financial year end date and of the profit or loss of the company for that financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

On behalf of the board of management

Patrick Lennon
Patrick Lennon (Chairman)
Director

Adrienne Smith
Adrienne Smith
Director

Date: 30 May 2016

NORTH AND EAST HOUSING ASSOCIATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTH AND EAST HOUSING ASSOCIATION LIMITED

We have audited the financial statements of North and East Housing Association Limited for the year ended 31 December 2015 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Reserves, the Balance Sheet, the Statement of Cash Flows and the related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including "APB Ethical Standard – Provisions Available for Small Entities (Revised)", in the circumstances set out in note 22 to the financial statements.

Scope of the Audit of the Financial Statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2015 and of its results for the year ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, the requirements of the Companies Act 2014.

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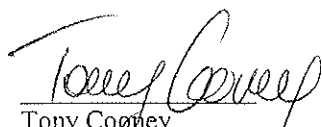
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTH AND EAST HOUSING ASSOCIATION LIMITED (continued)

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of our obligation under the Companies Act 2014 to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act are not made.



Tony Cooney
for and on behalf of
Crowleys DFK Unlimited Company
Chartered Accountants and Statutory Audit Firm
16/17 College Green
Dublin 2

Date: 30 May 2016

NORTH AND EAST HOUSING ASSOCIATION LIMITED

INCOME STATEMENT FOR THE FINANCIAL YEAR ENDED 31 December 2015

	Notes	2015 €	2014 €
Income	3	1,508,797	1,248,019
Administrative expenses		<u>(1,211,760)</u>	<u>(992,431)</u>
Surplus on ordinary activities before interest		297,037	255,588
Other interest receivable and similar income	4	12,227	26,327
Interest payable and similar charges	5	<u>(155,707)</u>	<u>(118,783)</u>
Surplus for the year	6	<u>153,557</u>	<u>163,132</u>

All amounts relate to continuing operations.

The notes on pages 16 to 34 form part of these financial statements.

NORTH AND EAST HOUSING ASSOCIATION LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	2015	2014
	€	€
Surplus for the financial year	153,557	163,132
Other comprehensive income		
Other comprehensive income	-	-
Total other comprehensive income for the year	-	-
Total comprehensive income for the financial year	<u>153,557</u>	<u>163,132</u>

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STATEMENT OF CHANGES IN RESERVES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	Designated reserve	Income and expenditure reserve	Total
	€	€	€
Balance at 1 January 2014 (as previously stated)	897,376	1,052,959	1,950,335
FRS 102 transition adjustment	(897,376)	897,376	-
At 1 January 2014 (as restated)	-	1,950,335	1,950,335
Surplus for the financial year	-	163,132	163,132
Other comprehensive income	-	-	-
Total comprehensive income	-	163,132	163,132
Balance at 31 December 2014	-	2,113,467	2,113,467
Surplus for the financial year	-	153,557	153,557
Other comprehensive income	-	-	-
Total comprehensive income	-	153,557	153,557
Balance at 31 December 2015	-	2,267,024	2,267,024

NORTH AND EAST HOUSING ASSOCIATION LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2015

	Notes	2015 €	2014 €
Fixed assets			
Tangible assets	10	18,097,835	15,919,309
		<u>18,097,835</u>	<u>15,919,309</u>
Current assets			
Debtors: amounts falling due within one year	11	169,639	211,983
Cash at bank and in hand		2,022,602	1,653,781
		<u>2,192,241</u>	<u>1,865,764</u>
Creditors: Amounts falling due within one year	12	<u>(510,585)</u>	<u>(420,026)</u>
Net current assets		<u>1,681,656</u>	<u>1,445,738</u>
Total assets less current liabilities		<u>19,779,491</u>	<u>17,365,047</u>
Creditors: Amounts falling due after more than one year	13	(3,869,516)	(2,688,634)
Deferred income	15	<u>(13,642,951)</u>	<u>(12,562,946)</u>
Net assets		<u>2,267,024</u>	<u>2,113,467</u>
Reserves			
Income and expenditure reserve	19	<u>2,267,024</u>	<u>2,113,467</u>
Total reserves		<u>2,267,024</u>	<u>2,113,467</u>

Approved by the board on 30 May 2016 and signed on its behalf by:

Patrick Lennon (Chairman)
Patrick Lennon (Chairman)
Director

Adrienne Smith
Adrienne Smith
Director

NORTH AND EAST HOUSING ASSOCIATION LIMITED

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	Notes	2015 €	2014 €
Net cash flows from operating activities	23	<u>458,698</u>	<u>98,180</u>
Cash flows from investing activities			
Interest received		24,044	23,310
Payments for tangible fixed assets		(2,606,684)	(2,174,382)
Receipt of government grants		1,419,919	1,109,803
Net cash flows from investing activities		<u>(1,162,721)</u>	<u>(1,041,269)</u>
Cash flows from financing activities			
Bank loans received and repaid		865,520	448,007
CALF loans received		334,468	452,020
Interest paid		(127,144)	(108,519)
Net cash flows from financing activities		<u>1,072,844</u>	<u>791,508</u>
Net increase/(decrease) in cash and cash equivalents		368,821	(151,581)
Cash and cash equivalents at beginning of financial year		1,653,781	1,805,362
Cash and cash equivalents at end of financial year	24	<u><u>2,022,602</u></u>	<u><u>1,653,781</u></u>

NORTH AND EAST HOUSING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

1. General Information

These financial statements comprising the Income Statement, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Reserves, the Statement of Cash Flows and the related notes 1 to 31 constitute the individual financial statements of North and East Housing Association Limited for the financial year ended 31 December 2015.

North and East Housing Association is a company limited by guarantee, incorporated in the Republic of Ireland. The Registered Office is 3 Kirkfield Cottages, Clonsilla, Dublin 15, which is also the principal place of business of the company. The nature of the company's operations and its principal activities are set out in the Directors' Report on pages 4 to 7.

The company transitioned from previously extant Irish GAAP to FRS 102 as at 1 January 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 30. The company is a public benefit entity.

Statement of Compliance

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102). These are the first financial statements that comply with FRS 102.

Currency

The financial statements have been presented in Euro (€) which is also the functional currency of the company.

2. Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

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Tangible fixed assets

All tangible fixed assets are initially recorded at historic cost. This includes legal fees, stamp duty and other non-refundable purchase taxes, and also any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, which can include the costs of site preparation, initial delivery and handling, installation and assembly, and testing of functionality.

Tangible fixed assets are subsequently carried at cost less accumulated depreciation and impairment losses.

Depreciation

Depreciation is provided on a straight line basis to write off the cost of the assets over their estimated useful lives at the following annual rates:

Property	-	2% straight line
Plant & Machinery	-	15% straight line
Office equipment	-	15% straight line
IT equipment	-	25% straight line
Assets under the course of construction	-	Not depreciated

The residual value and useful lives of tangible assets are considered annually for indicators that these may have changed. Where such indicators are present, a review will be carried out of the residual value, depreciation method and useful lives, and these will be amended if necessary. Changes in depreciation rates arising from this review are accounted for prospectively over the remaining useful lives of the assets.

Income

Rental income

Rental income represents rent receivable from tenants during the year.

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Government grants

Grants are recognised using the accruals model when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Grants towards capital expenditure are credited to deferred income and are released to the income statement over the expected useful life of the related assets, by equal annual instalments. Grants towards revenue expenditure are released to the income statement as the related expenditure is incurred.

Grant income is received from the following sources:

Management and maintenance grants are received from Dundalk Town Council, Meath County Council, Louth County Council and South Dublin County Council.

Lease income

Lease income is received as Payment and Availability from Louth and Meath County Council.

Retirement benefit costs

The company operates a defined contribution scheme. Retirement benefit contributions in respect of the scheme for employees are charged to the income statement as they become payable in accordance with the rules of the scheme. The assets are held separately from those of the company in an independently administered fund. Differences between the amounts charged in the income statement and payments made to the retirement benefit scheme are treated as assets or liabilities.

Once-off termination payments that are not required by contract, legislation, or other obligations or commitments, are recognised in the financial year in which they become payable.

NORTH AND EAST HOUSING ASSOCIATION LIMITED

Financial Instruments

Cash and cash equivalents

Cash consists of cash on hand and demand deposits. Cash equivalents consist of short term highly liquid investments that are readily convertible to known amounts of cash that are subject to an insignificant risk of change in value.

Other financial assets

Other financial assets including trade debtors for services provided on short-term credit are initially measured at the undiscounted amount of cash receivable, which is normally the invoice price, and are subsequently measured at amortised cost less impairment, where there is objective evidence of impairment.

Loans and borrowings

All commercial loans and borrowings, both assets and liabilities are initially recorded at the present value of cash payable to the lender in settlement of the liability discounted at the market interest rate. Subsequently loans and borrowings are stated at amortised cost using the effective interest rate method. The computation of amortised cost includes any issue costs, transaction costs and fees, and any discount or premium on settlement, and the effect of this is to amortise these amounts over the expected borrowing period. Loans with no stated interest rate and repayable within one year or on demand are not amortised. Loans and borrowings are classified as current assets or liabilities unless the borrower has an unconditional right to defer settlement of the liability for at least twelve months after the financial year end date.

All concessionary loan arrangements, both assets and liabilities are initially measured at the amount received or paid. Subsequently the carrying amount of concessionary loans are adjusted to reflect any accrued interest payable or receivable.

Other financial liabilities

Trade creditors are measured at invoice price, unless payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate. In this case the arrangement constitutes a financing transaction, and the financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Impairment of financial assets

At the end of each reporting period, the company assesses whether there is objective evidence of impairment of any financial assets that are measured at cost or amortised cost, including unlisted investments, loans, trade debtors and cash. If there is objective evidence of impairment, impairment losses are recognised in the income statement in that financial year.

NORTH AND EAST HOUSING ASSOCIATION LIMITED

Judgments and key sources of estimation uncertainty

The directors consider the accounting estimates and assumptions below to be its critical accounting estimates and judgements:

Going Concern

The directors have prepared budgets and cash flows for a period of at least twelve months from the date of the approval of the financial statements which demonstrate that there is no material uncertainty regarding the company's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

Useful Lives of Tangible Fixed Assets

Long-lived assets comprising primarily of property, plant and machinery represent a significant portion of total assets. The annual depreciation and amortisation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The directors regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation and amortisation charge for the financial year. The net book value of Tangible Fixed Assets subject to depreciation at the financial year end date was €17,859,999 (2014: €13,777,460).

NORTH AND EAST HOUSING ASSOCIATION LIMITED

3. Analysis of income

	2015	2014
	€	€
Rental income from tenants	1,065,638	971,844
Management and maintenance subsidy	124,021	96,654
Payment and availability income	319,138	117,501
Income compensation	-	62,020
Total income	<u>1,508,797</u>	<u>1,248,019</u>

All income arose in Ireland.

4. Investment income, other interest receivable and similar income

	2015	2014
	€	€
Bank interest receivable	<u>12,227</u>	<u>26,327</u>
	<u>12,227</u>	<u>26,327</u>

5. Interest payable and similar charges

	2015	2014
	€	€
On bank loans and overdrafts made to the company	127,144	108,519
On all other loans made to the company		
CALF loans	<u>28,563</u>	<u>10,264</u>
	<u>155,707</u>	<u>118,783</u>

NORTH AND EAST HOUSING ASSOCIATION LIMITED

6. Surplus on ordinary activities

Surplus on ordinary activities is stated after charging/(crediting):

	2015 €	2014 €
<i>Depreciation and amounts written off fixed assets:</i>		
Depreciation of tangible fixed assets owned	428,158	318,059
<i>Total depreciation and impairment in value of fixed assets</i>	428,158	318,059
Government grants amortised	342,074	311,218
Auditors' remuneration	5,000	4,990
Exceptional items	-	138,261
Operating lease rentals	90,384	17,500

Exceptional Items

There were no exceptional items recognised in the year ended 31 December 2015.

Additional costs incurred and borne by the company:	2015 €	2014 €
Architect fees	-	39,155
Quantity surveyor fees	-	21,402
Professional fees	-	55,773
Finance costs	-	21,931
	-	138,261

7. Staff costs

The average monthly number of persons employed by the company during the financial year analysed by category, was as follows:

	2015 Number	2014 Number
Administration staff	4	3
Housing services staff	4	4
Management	3	3
	11	10

NORTH AND EAST HOUSING ASSOCIATION LIMITED

7. Staff costs (continued)

Their aggregate remuneration comprised:

	2015	2014
	€	€
Wages and salaries	405,690	336,418
Social insurance costs	43,239	35,670
Other retirement benefit costs (see note 8)	4,724	816
	<u>453,653</u>	<u>372,904</u>

All the amounts stated above were treated as an expense of the company in both financial years.
No amounts were capitalised into assets during either financial year.

The number of senior post-holders and other staff who received emoluments, including pension contributions and benefits in kind in the following range was:

	2015	2014
	Number	Number
€60,000 - €70,000	<u>2</u>	<u>2</u>
	<u>2</u>	<u>2</u>

The members of the Board received no remuneration in respect of the current or previous financial year.

8. Retirement benefit information

Retirement benefit costs

	2015	2014
	€	€
Retirement benefit charge	<u>4,724</u>	<u>816</u>

Defined contribution scheme

The company operates a defined contribution scheme, 'Pension Scheme Fund', for its employees. The scheme is externally financed in that the assets of the scheme are held separately from those of the company in an independently administered fund. The retirement benefit charge represents contributions payable by the company during the financial year.

9. Tax

The company has been granted charitable tax exemption status (No. 10970) by the Revenue Commissioners and therefore is not liable to corporation tax.

NORTH AND EAST HOUSING ASSOCIATION LIMITED

10. Tangible fixed assets

Current financial year

	Land and buildings freehold €	Plant and machinery €	Office equipment €	IT Equipment €	Assets under the course of construction €	Total €
<i>Cost or valuation:</i>						
At 1 January 2015	16,538,984	68,595	10,573	-	2,141,849	18,760,001
Additions	2,366,857	4,644	-	4,010	231,173	2,606,684
Transfer to Assets	2,135,186	-	-	-	(2,135,186)	-
At 31 December 2015	21,041,027	73,239	10,573	4,010	237,836	21,366,685
<i>Depreciation:</i>						
At 1 January 2015	2,779,656	53,544	7,492	-	-	2,840,692
Charge for year	420,853	5,515	788	1,002	-	428,158
At 31 December 2015	3,200,509	59,059	8,280	1,002	-	3,268,850
<i>Net book value</i>						
At 31 December 2015	17,840,518	14,180	2,293	3,008	237,836	18,097,835
At 1 January 2015	13,759,328	15,051	3,081	-	2,141,849	15,919,309

Prior financial year

	Land and buildings freehold €	Office equipment €	Plant and machinery €	Assets under the course of construction €	Total €
<i>Cost or valuation:</i>					
At 1 January 2014	15,559,279	66,238	9,933	950,169	16,585,619
Additions	979,705	2,357	640	1,191,680	2,174,382
At 31 December 2014	16,538,984	68,595	10,573	2,141,849	18,760,001
<i>Depreciation:</i>					
At 1 January 2014	2,468,438	47,788	6,407	-	2,522,633
Charge for year	311,218	5,756	1,085	-	318,059
At 31 December 2014	2,779,656	53,544	7,492	-	2,840,692
<i>Net book value</i>					
At 31 December 2014	13,759,328	15,051	3,081	2,141,849	15,919,309
At 1 January 2014	13,090,841	18,450	3,526	950,169	14,062,986

NORTH AND EAST HOUSING ASSOCIATION LIMITED

11. Debtors

	2015	2014
	€	€
Rental debtors	42,831	20,567
Management and maintenance income due	30,464	30,464
Other debtors	9,183	80,560
Bank interest receivable	2,950	14,767
Booking deposits	-	12,000
Prepayments and accrued income	80,461	49,875
Deposit on Kirkfield Cottage	3,750	3,750
	<u>169,639</u>	<u>211,983</u>

All debtors are due within one year. Rents and management and maintenance income receivables are shown net of impairment in respect of doubtful debts.

12. Creditors: amounts falling due within one year

	2015	2014
	€	€
Bank loans and overdrafts (note 14)	205,598	157,929
Rents paid in advance	24,950	20,946
Tenant deposits	17,452	12,443
Retention	80,255	11,945
Trade creditors	72,557	71,640
Tax and social insurance:		
VAT	11,623	47,487
PAYE and social insurance	12,918	9,461
RCT	3,622	-
Accruals	77,449	84,534
Other creditors	4,161	3,641
	<u>510,585</u>	<u>420,026</u>

The repayment terms of trade creditors vary between on demand and thirty days. No interest is payable on trade creditors.

Tax and social insurance are subject to the terms of the relevant legislation. Interest accrues on late payment. No interest was due at the financial year end date.

Other amounts included within creditors not covered by specific note disclosures are unsecured, interest free and repayable on demand.

NORTH AND EAST HOUSING ASSOCIATION LIMITED

13. Creditors: amounts falling due after more than one year

	2015	2014
	€	€
Bank borrowings (note 14)	2,340,073	1,522,222
Concessionary loan: CALF (note 14)	1,480,755	1,146,287
Concessionary loan: CALF loan interest accrued (note 14)	48,688	20,125
	<u>3,869,516</u>	<u>2,688,634</u>

14. Details of Borrowings

Bank loans and overdrafts maturity analysis

Current financial year

Maturity analysis

	Within one year	Between one & five years	After five years	Total
	€	€	€	€
<i>Indebtedness repayable other than by instalments:</i>				
Concessionary loan: CALF	-	-	1,529,443	1,529,443
<i>Total indebtedness other than by instalments</i>	-	-	1,529,443	1,529,443
<i>Indebtedness repayable by instalments:</i>				
Bank loans	205,598	822,393	1,517,680	2,545,671
<i>Total indebtedness repayable by instalments</i>	205,598	822,393	1,517,680	2,545,671
Total	<u>205,598</u>	<u>822,393</u>	<u>3,047,123</u>	<u>4,075,114</u>

NORTH AND EAST HOUSING ASSOCIATION LIMITED

14. Details of borrowings (continued)

Bank loans and overdrafts maturity analysis

<i>Prior financial year</i> Maturity analysis	Within one year	Between two & five years	After five years	Total
	€	€	€	€
<i>Indebtedness repayable other than by instalments:</i>				
Concessionary loan: CALF			1,166,412	1,166,412
<i>Total indebtedness other than by instalments</i>	-	-	1,166,412	1,166,412
<i>Indebtedness repayable by instalments:</i>				
Bank loans	157,929	649,076	873,146	1,680,151
<i>Total indebtedness repayable by instalments</i>	157,929	649,076	873,146	1,680,151
Total	157,929	649,076	2,039,558	2,846,563

Terms and conditions relating to borrowings

Ulster Bank Loan No. 1

A loan facility of €500,000 was provided by Ulster Bank on 15th December 2014. The fixed rate loan is payable over 14.8 years.

Ulster Bank Loan No. 2

A loan facility of €830,000 was provided by Ulster Bank on 17th December 2015. The fixed rate loan is payable over 10 years.

Ulster Bank Loan No. 3

A loan facility of €115,500 was provided by Ulster Bank on 22nd December 2015. The variable rate loan is payable over 15 years.

Bank of Ireland Loan

The company took out a commercial loan of €1,274,000 with Bank of Ireland in March 2013. The loan is payable over 15 years.

The applicable interest rates for the above bank loans range between 3.76% and 6.78%. These represent the fixed and variable cost of funds and the banks current margin.

Concessionary CALF Loan

The concessionary CALF loan is for a term of 30 years and is repayable at the end of the term of the loan. The CALF loan is subject to interest at 2% per annum calculated by way of simple interest. Thus the interest is calculated and payable on the CALF loan principal alone. Interest on the CALF loan accrues on an ongoing basis but is only due for payment at the end of the term of the loan

There were no concessionary CALF loans authorised but not contracted for by the company at 31 December 2015.

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14. Details of borrowings (continued)

Security and charges relating to bank borrowings

Ulster Bank Loans

Charges are held by Ulster Bank Ireland Limited in respect of mortgaged property, all that and those the property located at 8 Lismore, Earls Court, Blackrock, Co. Louth, more particularly comprised in folios 33574f.

Charges are held by Ulster Bank Ireland Limited in respect of mortgaged property, all that part of the lands at Moneymore, Drogheda, Co. Louth, being part of the lands comprised in folios 7694 and 5462.

Charges are held by Ulster Bank Ireland Limited in respect of assignment by way of security over letters of appointment of Rainey Associates dated 6th August 2013. This is in relation to the Moneymore residential development assignment by way of security over payment & availability agreement for part of the lands in Moneymore. This is part of the lands comprised in folios 7694 and 5462, assignment by way of security over letter of appointment of Finn Design Partnership dated 20th April 2013 in relation to Moneymore residential development and assignment, by way of security over fixed price contract between North & East Housing Association Limited and Andrews Construction Limited dated 19th August 2013.

Bank of Ireland Loan

A charge on land is held by The Governor and Company of the Bank of Ireland in respect of properties contained in folio number 34686f comprising site numbers 22, 32, 33, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49 Stamanaran.

NORTH AND EAST HOUSING ASSOCIATION LIMITED

15. Deferred Income

	2015 €	2014 €
Government grants: revenue	60,132	57,972
Government grants: capital	<u>13,582,819</u>	<u>12,504,974</u>
	<u>13,642,951</u>	<u>12,562,946</u>

An analysis of the movements on government capital grants is as follows:

	2015 €	2014 €
At 1 January	12,504,974	11,706,389
Grants received during the financial year	1,419,919	1,109,803
Amortisation in the financial year	<u>(342,074)</u>	<u>(311,218)</u>
At 31 December	<u>13,582,819</u>	<u>12,504,974</u>

	2015 €	2014 €
Maturity analysis of all government grants:		
- amounts falling due within one year	402,206	369,190
- amounts falling due after more than one year	<u>13,240,745</u>	<u>12,193,756</u>
	<u>13,642,951</u>	<u>12,562,946</u>

In accordance with the accounting policy, government grants are recognised based on the accrual model. These grants, which are for the purchase of freehold property, are recognised over the useful life of the freehold property, which is fifty years. There are no unfulfilled conditions or contingencies attaching to these grants.

16. Other securities and charges

Loans are advanced by local authorities and the Department of the Environment, Community and Local Government under the Capital Assistance Scheme (CAS) and the Capital Loan and Subsidy Scheme (CLSS). These loans are subject to the terms and conditions of individual mortgage deeds in respect of each property. Loans are advanced for a period of twenty to thirty years. These loans are not repayable provided North and East Housing Association Limited complies with specific terms and conditions set out in the loan agreements with local authorities. 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 the loan agreements have been complied with, the local authority will release the legal charge of the property and the Approved Housing Body (AHB) becomes the legal owner of the property. AHB is then obliged to ensure the property continues to be properly maintained and the property is let to meet social housing needs at reasonable rents. Accordingly, the following charges are registered against the company's properties:

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16. Other securities and charges (continued)

A charge is held by South Dublin County Council in the amount of €436,050 on property comprised in Folio's DN151F and DN17585 and known as Servite Priory, Kiltipper Road, Tallaght, Dublin 24.

A deed of charge is held by Meath County Council in respect of premises in St Ultan's Terrace, Abbey Road, Navan, Co. Meath comprised in folio number mh 13146f.

A charge on land is held by Monaghan County Council in respect of all property comprised and registered in folio 7505f.

A charge on land is held by Dun Laoghaire – Rathdown County Council in respect of 1 Apartment 59 An Grianan Fidh, Aiuens Village, Sandyford, Dublin 18, comprised in folio dn1053091, 2 Apartment 144 The Oval, Tullyvale, Druid Valley, Cabinteely, Dublin 18 comprised in folio dn1117781, 3 34 Drummartin Terrace, Goatstown, Dublin 14 being part of the property comprised in folio dn35644f.

A charge on land is held by South Dublin County Council in respect of all property comprised and registered in folio 130282f.

A deed of charge is held by Meath County Council in the amount of €697,063 in respect of premises at Ratoath, Co. Meath being part of the lands comprised in folio number 11101f.

Charges held by Meath County Council in the amount of €4,559,822 in respect of lands in Kells, Co. Meath, being part of the properties comprised in folio number 22222f, 11784 and 11785.

A charge on land is held by Meath County Council in the amount of €482,913 in respect of premises in Beaufort Place, Navan, Co. Meath, being part of properties contained in folio number mh 34343f.

A charge on land is held by Drogheda Borough Council in the amount of €275,546 in respect of premises in Woodford Wheaton Hall, Drogheda, Co. Louth, being all property comprised in folio number 49551 and 49191.

A charge on land is held by Meath County Council in respect of properties in Athlumney Wood, Navan, Co. Meath, being part of the lands comprised in folio number mh 32323f.

A charge on land is held by Dublin City Council in the amount of €171,390 in respect of property at Malton House, Custom House Square, Mayor Street Lower, IFSC, Dublin 1, being all the property comprised in folio 1021331.

17. Lease agreements

In September 2014, North and East Housing Association Limited entered into a lease agreement of 20 years and 9 months with NARPS in respect of 11 units in Ardmore, Bettystown, Co. Meath at an annual rent of €77,964.

North and East are also leasing property at 3 Kirkfield Cottages, Clonsilla Road, Dublin 15 at an annual rent of €17,500.

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18. Members

The following changes in membership numbers occurred during year ended 31 December 2015 and year ended 31 December 2014:

	2015 Number	2014 Number
Opening members	6	8
New members in the year	2	0
Member cessations in the year	(1)	(2)
Closing members	<u>7</u>	<u>6</u>

19. Reserves

The income and expenditure reserve represents cumulative surpluses and deficits recognised in the income statement. All Approved Housing Bodies are required to have a sinking fund for the long term systematic repair and refurbishment of housing stock. During 2015 North & East Housing Association conducted a full stock condition survey. North & East currently maintains a designated reserve for repair and refurbishment of €1,056,396 which forms part of the income and expenditure reserve.

20. Legal status of the company

The company is limited by guarantee and has no share capital. Every member of the company undertakes to contribute to the assets of the company in the event of it being wound up while they are members or within one year thereafter for the payment of the debts and liabilities of the company contracted before they ceased to be members and the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors among themselves such amount as may be required, not exceeding €1.

21. Comparatives

Comparative information has been reclassified where necessary to conform to current year presentation.

22. APB Ethical Standard- Provisions Available for Small Entities

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

23. Net cash flows from operating activities

	2015 €	2014 €
Surplus for the financial year	153,557	163,132
Adjustments for:		
Depreciation of tangible fixed assets	428,158	318,059
Deferred government grants released	(342,074)	(311,218)
Interest payable	127,144	108,519
Interest received	(24,044)	(23,310)
Decrease/(increase) in debtors	42,344	(84,350)
Increase/(decrease) in creditors	73,163	(72,652)
Net cash flows from operating activities	<u>458,698</u>	<u>98,180</u>

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24. Components of cash and cash equivalents

	2015 €	2014 €
Cash at bank and in hand	<u>2,022,602</u>	<u>1,653,781</u>
	<u>2,022,602</u>	<u>1,653,781</u>

25. Events after the end of the financial year

There were no significant events affecting the company after the end of the financial year that require disclosure in the financial statements.

26. Capital commitments

At the financial year end date the company had entered into contracts for future capital expenditure amounting to:

	2015 €
Contracted but not provided for	-
Authorised but not contracted	<u>2,306,000</u>
	<u>2,306,000</u>
Government grants claimable in respect of the above future capital expenditure are estimated at:	<u>330,000</u>

27. Other financial commitments

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2015 Rental Property €	2014 Rental Property €
Due:		
Within one year	77,964	77,964
Between one and five years	311,856	311,856
After five years	<u>1,130,478</u>	<u>1,208,442</u>
	<u>1,520,298</u>	<u>1,598,262</u>

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28. Related party transactions

Key management personnel compensation

Included in staff costs disclosed in note 7 is €112,250 which represents the total compensation paid to key management personnel.

There are no other related party transactions in the year.

29. Financial instruments

The analysis of the carrying amounts of the financial instruments of the company required under section 11 of FRS 102 is as follows:

	2015 €	2014 €
<i>Financial assets that are debt instruments measured at amortised cost</i>		
Trade debtors	42,831	20,567
Other debtors	46,347	141,541
Cash at bank and in hand	2,022,602	1,653,781
<i>Financial liabilities measured at amortised cost</i>		
Bank and other loans	4,075,114	2,846,563
Trade creditors	72,557	71,640

30. Transition to FRS 102

Designated reserves

Prior to FRS 102, the company set aside a designated reserve to meet future major repairs to properties, which was presented separately on the face of the balance sheet. Under FRS 102 designated reserves are not permitted to be presented separately on the face of the balance sheet. Consequently amounts held in the designated reserve at 1 January 2014 (€897,376) and amounts transferred to the designated reserve during financial year ended 31 December 2014 (€103,020) have been released back to the income and expenditure reserve as presented on the face of the balance sheet. This reanalysis of reserves has had a nil net impact on total reserves held by the company at 1 January 2014 and 31 December 2014. This movement is shown in the Statement of Changes in Reserves.

In all other respects the policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on reserves or income and expenditure and therefore no other adjustments were necessary on transition to FRS 102.

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31. Approval of financial statements

The board of directors approved these financial statements and authorised them for issue on 30 May 2016.