



# Aiséirí Cahir Designated Activity Company

Directors' report and  
financial statements

**Year ended 31 December 2018**

***Registered number: 506175***



# Aiséirí Cahir Designated Activity Company

## Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors and other information	1
Directors' report	2
Statement of directors' responsibilities in respect of the directors' report and the financial statements	4
Independent auditor's report to the members of Aiséirí Cahir Designated Activity Company	5
Income and expenditure account and other comprehensive income	8
Balance sheet	9
Statement of changes in equity	10
Cash flow statement	11
Notes forming part of the financial statements	12



# Aiséirí Cahir Designated Activity Company

## Directors and other information

### Directors

Anne Cuffe  
Josephine O'Mara  
Jacqueline Walsh  
John Forde  
David Keane  
Jerome Casey  
Mary White  
Maurice Casey  
Peter Kieran  
Thomas O'Dwyer  
Matthew Breen

### Secretary

Mary Hennessy

### Registered office

Townspark  
Cahir  
Co. Tipperary

### Auditor

KPMG  
Chartered Accountants  
1 Stokes Place  
St. Stephen's Green  
Dublin 2

### Bankers

Bank of Ireland  
Cahir

### CHY (Revenue) number

CHY 20096

### Registered charity number

20079550

### Registered company number

506175



# Aiséirí Cahir Designated Activity Company

## Directors' report

The directors present their annual report together with the audited financial statements of Aiséirí Cahir Designated Activity Company ("Aiséirí") for the year ended 31 December 2018.

### **Principal activities and business review (including principal risks and uncertainties)**

Aiséirí is a service agency that is informed by values and motivated to a mission; it believes in the priceless potential of people, and that recovery from addiction is possible for everyone.

Aiséirí Cahir Designated Activity Company is a wholly owned subsidiary of Aiséirí, ('the Corporation'), and is responsible for the day to day management of the four treatment and support units – Aiséirí Aislínn in Ballyragget, Co. Kilkenny; Aiséirí Cahir in Co. Tipperary; Aiséirí Wexford at Roxborough, Co. Wexford; and Aiséirí Ceim Eile in Waterford City. Aiséirí Cahir assists and supports adults over the age of 21 years who have addictions to alcohol, drugs and gambling to achieve and sustain recovery. The centre in Cahir provides a residential detoxification service to those that need this. In common with Cahir, Aiséirí Wexford provides residential rehabilitation to adults who want to recover from addiction. In Aislínn Ballyragget we provide and deliver detoxification and residential treatment to young people in the age range 15 – 21 years. In Ceim Eile in Waterford we provide Continuing Care, if required, for clients following completion of their residential treatment programme. Continuing Care is a second-level service that focuses on practical vocational and living skills development, and makes supported accommodation available to clients in recovery who need this.

By bringing these four treatment centres together, we are now able to provide comprehensive care for clients and their families who are dealing with addiction.

The challenge during 2018 was to continue to consolidate the four separate units into one cohesive service system, sharing resources and putting Aiséirí on a viable path for the future.

The Chief Executive, with the support of the staff and under the direction of the Board, has the brief for ensuring that the services of Aiséirí evolve in a manner that best meets the changing needs and circumstances of the clients, while ensuring that the service operates in a financially prudent way. Implementing the service's three-year Strategic Plan - *Keeping it Simple* - continued to be the major priority in 2018.

The statement of income and expenditure and balance sheet at 31 December 2018 combine the results of the four treatment centres.

The directors consider any events that could lead to a withdrawal of grant aid and/or contributions and donations as the principal financial risk faced by the Company.

### **Results for the year**

In the year ending 31 December 2018 the Company recorded a deficit of €30,272 whilst in the year ending 31 December 2017 the Company recorded a surplus of €222,172. While it is always disappointing to reach the end of the year with a deficit, the Directors are aware that Board authorised developments were not sufficiently grant-aided by the two major statutory referral and funding agencies and this situation will be vigorously addressed in 2019.

The movements on the Income and Expenditure Statement result from increased resident numbers, along with increased levels of grants received, offset by higher costs resulting from increased numbers of clients using our services.

No dividends or transfers to reserves are recommended by the directors.

# Aiséirí Cahir Designated Activity Company

## Directors' report *(continued)*

### **Directors, secretary and their interests**

The directors and secretary who held office at the date of approval of the financial statements are listed on page 1.

During the year, Thomas O'Dwyer and Matthew Breen were appointed to the board of directors, and Sr. Eileen Fahey and Anne Flavin resigned.

The directors did not have any interest in the shares of the Company at 31 December 2018.

### **Accounting records**

The directors believe that they have complied with the requirement of Section 281 to 285 of the Companies Act 2014 with regard to keeping adequate accounting records by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained at the Company's offices at Townspark, Cahir, Co. Tipperary.

### **Relevant audit information**

The directors believe that they have taken all necessary steps to make themselves aware of any relevant audit information and have established that the Company's statutory auditor is aware of that information. In so far as the directors are aware, there is no relevant audit information of which the Company's statutory auditor is unaware.

### **Post balance sheet events**

There have been no significant events affecting the Company since the balance sheet date that require disclosure in or adjustment to these financial statements.

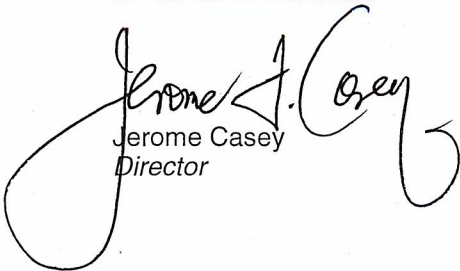
### **Political donations**

The Company has made no disclosable political or charitable donations during the year.

### **Auditor**

In accordance with Section 383(2) of the Companies Act 2014, the auditor, KPMG, Chartered Accountants, will continue in office.

On behalf of the board



Jerome Casey  
Director



Peter Kieran  
Director

30 JULY 2019

## Aiséirí Cahir Designated Activity Company

### Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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 and of its profit or loss for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements comply with the Companies Act 2014. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the board

Jerome Casey  
Director



Peter Kieran  
Director



30 JULY 2019



**KPMG**  
**Audit**  
1 Stokes Place  
St. Stephen's Green  
Dublin 2  
D02 DE03  
Ireland

## Independent auditor's report to the members of Aiséirí Cahir Designated Activity Company

### Report on the audit of the financial statements

#### **Opinion**

We have audited the financial statements of Aiséirí Cahir Designated Activity Company ('the Company') for the year ended 31 December 2018 set out on pages 8 to 22, which comprise the income and expenditure account and other comprehensive income, the balance sheet, the statement of changes in equity, the cash flow statement and related notes, including the 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2018 and of its deficit for the year then ended;
- have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with 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.

#### **We have nothing to report on going concern**

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

#### **Other information**

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.



## Independent auditor's report to the members of Aiséirí Cahir Designated Activity Company *(continued)*

### **Report on the audit of the financial statements *(continued)***

#### ***Other information (continued)***

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information, we report that;

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements;
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

#### ***Opinions on other matters prescribed 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 and the financial statements are in agreement with the accounting records.

#### ***Matters on which we are required to report by exception***

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.

#### **Respective responsibilities and restrictions on use**

##### ***Responsibilities of directors for the financial statements***

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.





Independent auditor's report to the members of Aiséirí Cahir Designated Activity Company (*continued*)

**Respective responsibilities and restrictions on use** (*continued*)

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

A fuller description of our responsibilities is provided on IAASA's website at [https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf)

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

Our 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.

C Byrne

for and on behalf of

**KPMG**

**Chartered Accountants, Statutory Audit Firm**

1 Stokes Place

St. Stephen's Green

Dublin 2

30 July 2019



## Aiséirí Cahir Designated Activity Company

### Income and expenditure account and other comprehensive income for the year ended 31 December 2018

	Note	2018 €	2017 €
<b>Income</b>	3	<b>4,672,751</b>	4,404,977
Expenses		<b>(4,703,023)</b>	(4,209,189)
		<hr/>	<hr/>
<b>Net operating (deficit)/surplus</b>		<b>(30,272)</b>	195,788
		<hr/>	<hr/>
<b>Other income</b>			
Contribution from Aiséirí		-	26,384
		<hr/>	<hr/>
<b>Total other income</b>		-	26,384
		<hr/>	<hr/>
<b>(Deficit)/surplus for the year</b>		<b>(30,272)</b>	222,172
		<hr/> <hr/>	<hr/> <hr/>

There are no recognised gains or losses other than the (deficit)/surplus for the year and accordingly no statement of other comprehensive income is presented. The (deficit)/surplus arises from continuing activities.



## Aiséirí Cahir Designated Activity Company

### Balance sheet

as at 31 December 2018

	Note	2018 €	2017 €
<b>Tangible assets</b>	6	<b>2,578,210</b>	2,534,665
<b>Current assets</b>			
Stocks - consumables	7	18,606	23,198
Debtors	8	1,025,576	891,114
Cash at bank and in hand	9	118,362	116,996
		<b>1,162,544</b>	1,031,308
<b>Creditors: amounts falling due within one year</b>	10	<b>(1,516,135)</b>	(1,238,033)
<b>Net current liabilities</b>		<b>(353,591)</b>	(206,725)
<b>Total assets less current liabilities</b>		<b>2,224,619</b>	2,327,940
<b>Creditors: amounts falling due after one year</b>	11	<b>(691,013)</b>	(764,062)
<b>Net assets</b>		<b>1,533,606</b>	1,563,878
<b>Financed by</b>			
Share capital	14	2	2
Accumulated surplus		270,209	300,481
Capital contribution		1,263,395	1,263,395
<b>Total accumulated funds</b>		<b>1,533,606</b>	1,563,878

On behalf of the board

Jerome Casey  
Director

Peter Kieran  
Director



## Aiséirí Cahir Designated Activity Company

### Statement of changes in equity for the year ended 31 December 2018

	Share capital €	Capital contribution €	Accumulated surplus/ (deficit) €	Total €
<b>At 1 January 2017</b>	<b>2</b>	<b>1,263,395</b>	<b>78,309</b>	<b>1,341,706</b>
Surplus for the year		-	222,172	222,172
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>222,172</b>	<b>222,172</b>
<b>At 31 December 2017</b>	<b>2</b>	<b>1,263,395</b>	<b>300,481</b>	<b>1,563,878</b>
Deficit for the year	-	-	(30,272)	(30,272)
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>-</b>	<b>(30,272)</b>	<b>(30,272)</b>
<b>Balance at 31 December 2018</b>	<b>2</b>	<b>1,263,395</b>	<b>270,209</b>	<b>1,533,606</b>

The accompanying notes form an integral part of the financial statements.



## Aiséirí Cahir Designated Activity Company

### Cash flow statement

for the year ended 31 December 2018

	Note	2018 €	2017 €
<b>Cash flows from operating activities</b>			
(Deficit)/surplus for the year		(30,272)	222,172
<i>Adjustments for:</i>			
Depreciation of tangible fixed assets		91,185	124,183
Contribution received from Aiséirí		-	(26,384)
Decrease in stock		4,592	1,016
(Increase)/decrease in trade and other debtors		(168,385)	78,423
Decrease in trade and other creditors		123,576	(144,243)
		<hr/>	<hr/>
<b>Net cash from operating activities</b>		20,696	255,167
		<hr/>	<hr/>
<b>Cash flows from investing activities</b>			
Acquisition of tangible fixed assets		(134,730)	(84,130)
		<hr/>	<hr/>
<b>Net cash from investing activities</b>		(134,730)	(84,130)
		<hr/>	<hr/>
<b>Cash flows from financing activities</b>			
Contribution received from Aiséirí		-	26,384
Repayment of loan from Aiséirí		(64,000)	-
		<hr/>	<hr/>
<b>Net cash from financing activities</b>		(64,000)	26,384
		<hr/>	<hr/>
<b>Net (decrease)/increase in cash equivalents</b>		(178,034)	197,421
Net cash/(debt) at beginning of year		116,996	(80,425)
		<hr/>	<hr/>
<b>Net (debt)/cash at end of year</b>	9	(61,038)	116,996
		<hr/> <hr/>	<hr/> <hr/>

# Aiséirí Cahir Designated Activity Company

## Notes

*forming part of the financial statements*

### 1 Structure and operations

Aiséirí Cahir Designated Activity Company was incorporated on 17 November 2011. The objectives of the Company are:

- (a) to provide and manage a centre or centres for the treatment, detoxification, care and rehabilitation of persons who are chemically dependent on alcohol and drugs, and to supply services for the treatment, care and rehabilitation of persons who are compulsive gamblers and to provide the appropriate support for such persons and their families based on fostering the dignity, self-worth and spiritual development of each individual;
- (b) to carry on research into all aspects of chemical dependencies and addictions including their treatment and to provide educational services and information relating to such matters;
- (c) to establish, operate and maintain hostels, sheltered accommodation and such other amenities for both men and women as are necessary to offer settlement.

### 2 Accounting policies

Aiséirí Cahir Designated Activity Company (the "Company") is a company limited by shares and incorporated, domiciled and registered in Ireland. The registered number of the company is 506175 and the address of its registered office is Townspark, Cahir, Co. Tipperary.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102"). There have been no material departures from the Standards. The presentation currency of these financial statements is Euro.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are disclosed in note 16.

In these financial statements the Company has not changed its accounting policies.

The financial statements are prepared on the historical cost basis.

#### **Going concern**

The Company's business activities, together with the factors likely to affect its future development, are set out in the directors' report. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

# Aiséirí Cahir Designated Activity Company

## Notes (continued)

### 2 Accounting policies (continued)

#### **Basic financial instruments**

##### *Trade and other debtors/creditors*

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

#### **Tangible fixed assets**

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

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

Leases in which the entity assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases.

The entity assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Depreciation is charged to the income and expenditure account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. The estimated useful lives are as follows:

- |                           |     |
|---------------------------|-----|
| • leasehold improvements  | 2%  |
| • fixtures and fittings   | 10% |
| • machinery and equipment | 10% |
| • motor vehicles          | 20% |
| • technology and software | 20% |

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since the last annual reporting date in the pattern by which the Company expects to consume an asset's future economic benefits.

#### **Government grants**

Government grants are included within accruals and deferred income in the balance sheet and credited to the profit and loss account over the expected useful lives of the assets to which they relate or in periods in which the related costs are incurred.

# Aiséirí Cahir Designated Activity Company

## Notes (continued)

### 2 Accounting policies (continued)

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the stocks.

#### **Impairment excluding stocks**

##### *Non-financial assets*

The carrying amounts of the entity's non-financial assets, other than stocks are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell.

#### **Employee benefits**

##### *Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income and expenditure account in the periods during which services are rendered by employees.

#### **Provisions**

A provision is recognised in the balance sheet when the entity has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

#### **Reserves**

##### *General funds*

General funds represent accumulated surpluses and deficits that are available for use at the discretion of the Company.

Designated funds are those part of the Company's unrestricted funds designated by the directors to be used for a particular purpose in the future. The directors have the power to reallocate such funds.

##### *Restricted funds*

Restricted funds represent donations received which can only be used for particular purposes. Such purposes are within the overall aims of the Company. Such funds are included separately on the face of the income and expenditure account and in reserves.



## Aiséirí Cahir Designated Activity Company

### Notes (continued)

#### 2 Accounting policies (continued)

##### *Income*

The operating income principally comprises maintenance income. Contributions and donations which are received in relation to the maintenance of persons using the Company's services are recorded as operating income. All other contributions and donations are recorded as contributions and donations. Contributions and donations are recorded as income in the year in which they are received. In the case of income received in the form of guaranteed donations, the income is recorded in the year in which all conditions relating to the donation have been met. Income from fees charged for services provided is recorded as operating income in the period in which it is received, except where fees charged are covered under a policy of health insurance when they are accrued as income on provision of the service. No value is attributed to the provision of services free of charge to the Company. Other items of income and expenditure are recorded on an accruals basis.

##### *Expenses*

##### *Operating lease*

Payments (excluding costs for services and insurance) made under operating leases are recognised in the income and expenditure account on a straight-line basis over the term of the lease.

##### *Interest receivable and interest payable*

Interest income and interest payable are recognised in the income or expenditure account as they accrue, using the effective interest rate method.

3 Income	2018 €	2017 €
Grants	2,411,315	2,362,849
Maintenance	1,823,474	1,701,556
Aftercare	251,787	210,504
Fundraising and donations	48,821	47,063
Rental income	131,506	70,679
Other	5,848	12,326
	<hr/>	<hr/>
	<b>4,672,751</b>	<b>4,404,977</b>
	<hr/> <hr/>	<hr/> <hr/>

## Aiséirí Cahir Designated Activity Company

### Notes (continued)

#### 3 Income (continued)

The following amounts were granted to Aiséirí Cahir Designated Activity Company during the year:

	2018 €	2017 €
Probation and Welfare Services (a), (b)	542,000	542,000
HSE & S. ER Drug Task Force (a)	1,817,327	1,768,861
Other grants (c)	51,988	51,988
	<hr/>	<hr/>
	<b>2,411,315</b>	<b>2,362,849</b>
	<hr/> <hr/>	<hr/> <hr/>

- (a) This income is included within operating income as these monies relate to the maintenance of persons treated by the Company.
- (b) The Department of Justice and Equality Reform through the Probation Service and Irish Youth Justice Service provided a grant as set out under Schedule 1 of the annual funding agreement for the purpose of providing detox and residential treatment programmes. The funds are applied to payroll, administration, direct and indirect costs. Funding in the amount of €542,000 in 2018 (2017: €542,000) was granted for a 12 month period and restricted in accordance with the terms and conditions of the funding agreement.
- (c) Other grants relate to funding received from Waterford City Council of €51,988 (2017: €51,988).
- (d) Aiseiri Cahir Designated Activity Company holds a Tax Clearance Certificate at year end.

#### 4 Taxation

In accordance with Section 207 of the Taxes Consolidation Act 1997, the Company is not liable to taxation on income earned provided the income is applied solely for charitable purposes. In accordance with the first schedule of the VAT Act 1972, the Company is engaged in an exempt supply. The Corporation is therefore not entitled to recover VAT on inputs.

## Aiséirí Cahir Designated Activity Company

### Notes (continued)

#### 5 Employees and remuneration

	<b>2018</b>	2017
	<b>Number</b>	Number
The average number of employees during the year was:		
<b>Total employees</b>	<b>95</b>	94
The number of staff comprises of the four treatment centres.		
The staff costs are comprised of:		
	<b>2018</b>	2017
	€	€
Wages and salaries	<b>3,166,099</b>	2,847,721
Social welfare costs	<b>259,444</b>	285,822
Retirement benefits	<b>80,099</b>	54,075
	<b>3,505,642</b>	3,187,618

One employee earned in excess of €66,000 (2017: €66,000) during the year.

## Aiséirí Cahir Designated Activity Company

Notes (continued)

6 Tangible assets	Leasehold improvements €	Fixtures and fittings and equipment €	Machinery and equipment €	Motor vehicles €	Technology and software €	Total €
<b>Cost</b>						
At beginning of year	3,768,191	920,146	225,734	18,800	196,326	5,129,197
Additions	46,676	43,607	8,520	-	35,927	134,730
<b>At 31 December 2018</b>	<b>3,814,867</b>	<b>963,753</b>	<b>234,254</b>	<b>18,800</b>	<b>232,253</b>	<b>5,263,927</b>
<b>Depreciation</b>						
At beginning of year	1,483,114	732,007	207,355	17,814	154,242	2,594,532
Charge for the year	34,542	18,363	532	246	37,502	91,185
<b>At 31 December 2018</b>	<b>1,517,656</b>	<b>750,370</b>	<b>207,887</b>	<b>18,060</b>	<b>191,744</b>	<b>2,685,717</b>
<b>Net book value</b>						
At 31 December 2018	<b>2,297,211</b>	<b>213,383</b>	<b>26,367</b>	<b>740</b>	<b>40,509</b>	<b>2,578,210</b>
At 31 December 2017	2,285,077	188,139	18,379	986	42,084	2,534,665

## Aiséirí Cahir Designated Activity Company

### Notes (continued)

#### 6 Tangible assets (continued)

On 1 January 2013 the treatment centres of Regroup W Limited (formerly Aiséirí Wexford Limited), Regroup C Waterford Company Limited by Guarantee (formerly Céim Eile Company Limited by Guarantee) and Regroup A Kilkenny Company Limited by Guarantee (formerly Aislínn Adolescent Addiction Treatment Centre Company Limited by Guarantee) were amalgamated with the treatment centre in Cahir operated by Aiséirí Cahir Designated Activity Company.

In 1983 Aiséirí entered into a 99 year lease with the Sisters of Mercy.

The premises in Cahir are owned by the Sisters of Mercy and had been leased to Aiséirí Cahir from 1 September 1999 for 99 years. This lease was transferred to Aiséirí Cahir Designated Activity Company on 1 January 2013.

In 1987 Regroup W Limited entered into a 35 year lease agreement with the HSE – South Eastern Area under the terms of which it has obtained use of its premises. The Company is not entitled to compensation for improvements or additions made to the premises during the period of the lease. The premises will revert to the HSE – South Eastern Area if the Company ceases to operate its treatment centre. This lease was transferred to Aiséirí Cahir Designated Activity Company on 1 January 2013.

The lease in Regroup C Waterford Company Limited by Guarantee is with the Good Shepherd Community and is due to expire on 31 July 2021.

The lease in Regroup A Kilkenny Company Limited by Guarantee is also with the Sisters of Mercy was entered into in 1999 for a term of 99 years. This lease was transferred to Aiséirí Cahir Designated Activity Company on 1 January 2013.

7	<b>Stock</b>	<b>2018</b>	2017
		€	€
	Consumables	<b>18,606</b>	23,198
		<u>          </u>	<u>          </u>
8	<b>Debtors</b>	<b>2018</b>	2017
		€	€
	Trade debtors	<b>781,263</b>	796,343
	Accrued income	<b>155,775</b>	68,712
	Prepayments	<b>27,110</b>	24,315
	Other debtors	<b>61,428</b>	1,744
		<u>          </u>	<u>          </u>
		<b>1,025,576</b>	891,114
		<u>          </u>	<u>          </u>

Trade debtors are stated net of a provision for impairment of €265,829 (2017: €206,540).



## Aiséirí Cahir Designated Activity Company

### Notes (continued)

<b>9 Cash and cash equivalents and bank overdrafts</b>	<b>2018</b>	<b>2017</b>
	€	€
Cash at bank and in hand	<b>118,362</b>	116,996
Bank overdrafts	<b>(179,400)</b>	-
	<hr/>	<hr/>
<b>Cash and cash equivalents</b>	<b>(61,038)</b>	116,996
	<hr/> <hr/>	<hr/> <hr/>
<b>10 Creditors: amounts falling due within one year</b>	<b>2018</b>	<b>2017</b>
	€	€
Trade creditors	<b>145,719</b>	108,825
Other creditors and accruals	<b>376,030</b>	266,239
PAYE	<b>168,763</b>	152,746
Due to Aiséirí (a)	<b>646,223</b>	710,223
Bank overdraft (b)	<b>179,400</b>	-
	<hr/>	<hr/>
	<b>1,516,135</b>	1,238,033
	<hr/> <hr/>	<hr/> <hr/>

(a) Amounts due to Aiséirí relates to working capital loan received and is repayable on demand.

(b) The bank overdraft facility is secured over a term deposit account held by Aiséirí in the amount of €200,014.

## Aiséirí Cahir Designated Activity Company

### Notes (continued)

<b>11 Creditors:</b> amounts falling due after more than one year	<b>2018</b>	2017
	€	€
Deferred income government grants (see note 13)	<b>587,265</b>	616,012
Provisions	<b>103,748</b>	148,050
	<hr/>	<hr/>
	<b>691,013</b>	764,062
	<hr/> <hr/>	<hr/> <hr/>

### 12 Operating leases

Non-cancellable operating lease rentals are payable as follows:

	<b>2018</b>	2017
	€	€
Less than one year	<b>19,208</b>	19,208
Between one and five years	<b>25,124</b>	25,124
More than five years	-	-
	<hr/>	<hr/>
	<b>44,332</b>	44,332
	<hr/> <hr/>	<hr/> <hr/>

During the year €19,208 was recognised as an expense in the profit and loss account in respect of operating leases (2017: €19,208).

<b>13 Government grants</b>	<b>2018</b>	2017
	€	€
Transferred from other units	<b>616,011</b>	644,757
Amortised during the year	<b>(28,746)</b>	(28,746)
	<hr/>	<hr/>
<b>At end of year</b>	<b>587,265</b>	616,011
	<hr/> <hr/>	<hr/> <hr/>

Capital grants relate to the following:

- The Aislinn Addiction Treatment Centre received various government grants of €1m which are amortised €24,900 annually. The net book value of these grants at 31 December 2018 was €575,725 (2017: €600,625).
- The Wexford Treatment Centre received a capital grant of €50,000 from the Department of Community, Rural and Gaeltacht Affairs. This grant relates to leasehold improvement in respect of the premises leased by the Wexford treatment centre and is being released to the statement of income and expenditure over the life of the lease (13 years). The net book value of this grant was €11,540 at 31 December 2018 (2017: €15,387).

## Aiséirí Cahir Designated Activity Company

### Notes (continued)

14 Share capital	2018 €	2017 €
<i>Authorised</i>		
500,000 ordinary shares of €1.00 each	<b>500,000</b>	500,000
<hr/>		
<i>Allotted, issued and fully paid</i>		
2 ordinary shares of €1.00 each	<b>2</b>	2
<hr/>		

### 15 Related party transactions

During the year, the company repaid €64,000 of the loan received from the Company Aiséirí.

During the prior year (i.e. 2017), the Company Aiséirí made €26,384 as a contribution towards refurbishment costs in Cahir. During the current year, no similar contributions were made.

### 16 Accounting estimates and judgements

Key sources of estimation and uncertainty and critical accounting judgement in applying the Company's accounting policies

#### *Recoverability of debtors*

The Company made judgements when assessing the impairment of its debtors. Outstanding balances have been grouped on the basis of similar risk characteristics such as past-due status, and impairment has been reviewed with reference to historical loss experience updated for current conditions.

### 17 Post balance sheet events

There were no subsequent events which require disclosure in the financial statements.

### 18 Comparative information

Comparative information has been represented where necessary, to present the financial statements on a consistent basis.

### 19 Approval of financial statements

The board of directors approved these financial statements 30 July 2019.





## **Appendix**

*The following information does not form part of the audited statutory financial statements and is included solely for the information of management.*



## Aiséirí Cahir Designated Activity Company

### Appendix 1: Operating expenses

for the year ended 31 December 2018

	Note	2018 €	2017 €
<b>Operating expenses</b>			
Salaries		3,505,642	3,187,618
Food		215,667	180,029
Household		75,453	58,987
Repairs and maintenance		92,414	84,230
Rent and rates		57,993	41,518
Motor travel		58,038	43,167
Oil, heat and gas		100,861	82,369
Staff training		30,195	23,561
Insurance		74,891	66,126
Telephone		42,726	44,126
Advertising, stationery and printing		46,250	35,871
Other treatment costs		133,863	132,054
Bank fees		9,288	17,466
Sundry expenses		64,866	48,966
Supervisory costs		40,546	32,698
Bad debt provision		66,145	18,000
Amortisation of grant		(28,746)	(28,746)
Depreciation		91,185	124,225
Subscriptions		9,555	4,565
Research		6,076	-
IT Costs		10,115	-
Soberhouse/Crio Nua		-	12,359
		<hr/>	<hr/>
		<b>4,703,023</b>	<b>4,209,189</b>
		<hr/> <hr/>	<hr/> <hr/>