



DIRECTORS' REPORT & FINANCIAL STATEMENTS

for the financial year ended 31 December 2020



HAIL

Housing Association for Integrated Living



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Directors and other information

Directors

Keith Blizzard
Ned Brennan (Appointed 19th Oct 2020)
Kieran Gallagher
Michael Hoey (Chairman)
Rose Marie Kennedy
Jack Lee
Michael Morris (Vice Chairman/Finance Director)
Áine Myler (Appointed 19th Oct 2020)
Kevin O'Sullivan
Josephine Ryan
Kenneth Carroll (Resigned 6th Jan 2020)
Con Buckley (Resigned 13th Feb 2020)
Eanna McHugh (Resigned 30th June 2020)
Heather Musgrave (Resigned 6th Aug 2020)

Chief Executive Officer

Martina Smith

Company Secretary

Clíodhna O'Leary

Registered Office and Business Address

2nd Floor
Central Hotel Chambers
7-9 Dame Court
Dublin 2

Independent Auditors

Grant Thornton
13-18 City Quay
Dublin 2

Bankers

Bank of Ireland
St. Stephens Green
Dublin 2

AIB Bank
Dame Street
Dublin 2

KBC Bank
Sandwith Street Upper
Dublin 2

Solicitors

Ryans Solicitors
46 Harrington Square
Dublin 8

Company Number 109465

Registered Charity Number CRA 20013394

Charity Number CHY 6796

Directors' Report

incorporating the Trustees' Report

The Directors, who are also the trustees for the purposes of charity law, present their annual report and the audited financial statements for the financial year ended 31 December 2020. This report presents the information and disclosures required by a Directors' Report under the Companies Act 2014, together with the information required by the Charities Statement of Recommended Practice, effective from 1 January 2019. The financial statements are prepared in accordance with "FRS 102 The Financial Reporting Standard" applicable in the United Kingdom and Republic of Ireland, issued by the Financial Reporting Council.

The Directors have prepared a separate Annual Report for 2020. The Annual Report deals separately with performance, outcomes and impact of our work during 2020. A copy of the Annual Report is available on our web site www.hail.ie or you can contact the Registered Office for a copy.

About Us

HAIL is a registered trade name of Housing Association for Integrated Living, (the Company or HAIL) a company limited by guarantee and not having a share capital. The Company is a not-for-profit organisation.

HAIL is a charity registered with the Charities Regulatory registered No. 20013394, and has been granted Charitable Tax Exemption by the Revenue Commissions in Ireland with registered charity number: CHY 6796. The Registered Office of the Company is Second Floor, Central Hotel Chambers, 7-9 Dame Court, Dublin 2, D02 X452

Our Mission

HAIL's mission is to provide housing and individually tailored support services to support tenants and clients, primarily those with mental health difficulties, to integrate and live independent lives in the community.

Our Vision

HAIL's vision is to be the provider of choice for housing and support for people with mental health difficulties, enabling them to achieve and sustain independent living in the community by having secure, quality, affordable accommodation with appropriate support services tailored to their needs.

Our Values

- **Equality of access** to good quality housing
- **Empowerment of people** with mental health difficulties to achieve independence and integrated living
- **Relationships built on respect and trust** with our tenants, clients, partners and staff
- **Outstanding service** with innovation, passion and integrity
- **Highest standards** of organisational governance

Principal activities and objectives

HAIL's principal activity is to provide housing and support to people with mental health difficulties.

HAIL is an Approved Housing Body with the Department of Housing, Local Government and Heritage and has attained certified body status with the Housing Finance Agency. HAIL provides accommodation and services in Dublin, Kildare, Wicklow, Louth, Laois, Offaly, Limerick and Longford. HAIL is a member of the Irish Council for Social Housing. HAIL has signed up to the Voluntary Regulation Code and confirms that it complies with the requirements set out in the Voluntary Regulation code.

Key Governance and Management Personnel

Organisational Structure

The Company is managed by a voluntary Board of Directors.

Composition of the Board

The Directors who served during the year were: Keith Blizzard, Kieran Gallagher, Michael Hoey, Rose Marie Kennedy, Jack Lee, Michael Morris, Kevin O'Sullivan and Josephine Ryan. In addition, Ned Brennan and Áine Myler were appointed on 19th October 2020. In line with good governance and succession planning Kenneth Carroll resigned from the Board on 6th January 2020, Con Buckley resigned from the Board on 13th February, Eanna McHugh resigned from the Board on 30th June 2020 and Heather Musgrave resigned from the Board on 6th August 2020. During the year, Michael Hoey served as Chairperson and Michael Morris as Vice Chair and Finance Director. A brief profile of the Directors is available in our Annual Report and on our web site www.hail.ie. The Board met five times during 2020.

Clíodhna O'Leary is the Company Secretary.

Key Management Personnel

Martina Smith is the CEO and, as CEO, does not serve as a director. During 2020, the Management Team consisted of the CEO, Sandra Fox (Head of Services), Eiméar O'Hagan (Head of Housing and Property) and Clíodhna O'Leary (Head of Finance).

The Board acknowledges with appreciation the committed work of our management team and staff. The staffing level at the end of December was 34 including three part-time – the gender split of the staff is twentythree female and eleven male.

Our continuing success and our achievements are due to the staff's professionalism, dedication and commitment to our mission. The Board has delegated the responsibility of the day-to-day

operational management and decision making of the Company to the CEO and the management team.

Board Appointments

In line with good governance guidelines, HAIL has in place policies to ensure that the organisation is effectively governed. This range of policies and the terms of reference directs the conduct of the directors and sets out standards, processes and the values of HAIL in dealing with all stakeholders.

Appointments to the Board are for a term of five years with an option of serving a second term of five years, for a maximum period of ten years. New Directors receive a comprehensive, formal and tailored induction complemented by a training and development programme on an ongoing basis for all Directors.

HAIL has in place a recruitment policy to ensure that the Board is refreshed regularly, taking into consideration the skills and diversity of those already on the Board.

Code of Conduct and conflicts of interest

The Board has in place a number of key governance policy documents, all of which are reviewed on a regular basis. These include:

- Delegated authority and matters reserved for the Board;
- Terms of Reference for each of the Board's Committees;
- A code of conduct and ethics for company directors and members of Committees;
- A conflicts of interest policy for Board Directors and senior staff, including a conflicts of interest register.

Board Committees

There are five Committees of the Board:

Properties Committee

The primary function of this committee is to support the Board in all matters relating to the Company's property portfolio and the acquisition of properties. The committee also considers the suitability and sustainability of properties to be acquired as well as the cost and cash flow implications of proposed acquisitions of properties. The committee advises the Board on appropriate levels of planned maintenance to adequately maintain properties. During 2020 the committee met five times.

Services Committee

This committee has particular responsibility for the review, development and implementation of quality standards and best practice in the ongoing work of tenancy sustainment support to the Company's tenants and clients. This committee has responsibility for monitoring the health and safety elements of support operations and evaluating the capacity of the service to take on increased roles.

It considers strategic changes and new support delivery arrangements and makes recommendations to the Board. The committee ensures the Company remains up to date with and in a position to help shape housing with support policies into the future. During 2020 the committee met four times.

Finance, Audit & Risk Committee (separated into Audit & Risk Committee and Finance Committee in May 2020)

This committee reviews and monitors all aspects of the Company's financial performance. The committee identifies, evaluates and monitors the risks identified. It provides an independent review of annual budgets, management accounts, annual financial statements, the risk register and reports and liaises with the Company's auditors. It makes recommendations to the Board as appropriate. The

Finance Audit & Risk Committee met four times up to Q2 2020. This committee was charged with reviewing the impact of COVID 19 on the organisation on behalf of the Board and met twice in Q2 to focus on this matter.

On 25th of May 2020, the Board agreed to separate the Finance, Audit and Risk Committee into a separate Finance Committee and Audit & Risk Committee in line with good practice within the sector.

Audit & Risk Committee

Audit & Risk Committee identifies, evaluates and monitors the risks identified. It provides an independent oversight of the annual financial statements, risk register and internal controls and liaises with the Company's auditors. It makes recommendations to the Board as appropriate. The Audit & Risk Committee met three times after Q2 2020.

Finance Committee

This committee reviews and monitors all aspects of the Company's financial performance. It provides an independent review of annual budgets, management accounts, annual financial statements and reports. It makes recommendations to the Board as appropriate. The Finance Committee met three times after Q2 2020.

The Nominations Committee

This committee assists the Board in ensuring that the composition of the Board and its Committees have the appropriate skills, knowledge and experience. It supports the Chairman in monitoring the performance of the Board as a whole and that of individual directors. It recommends the appointment of new directors and assists directors to understand their responsibilities and the expectations of them. The committee met twice during 2020.

Review of Business and future developments

In 2020 HAIL owned and managed 403 homes for social housing tenants, mainly in the greater Dublin area and also in the surrounding counties including Kildare, Laois, Longford and Offaly. In 2020, the Company spent €270K on day-to-day repairs, cyclical and void maintenance and commenced a planned maintenance programme spending a further €157K on the upgrade of tenants' homes. Following a joint procurement exercise in partnership with two other AHBs, HAIL commenced working with two new contractors for the delivery of the ongoing maintenance function.

HAIL has annual service level agreements with the HSE and the Dublin Regional Homeless Executive to provide tenancy sustainment support to people with enduring mental health issues. This support is provided to the Company's own tenants and those of local authorities, other AHBs and private tenancies. HAIL received €1,188k in 2020 (2019: €999K) under these service level agreements. This funding commitment ensured that in 2020 HAIL supported 527 tenants and clients to live independently in their homes and integrate into the community. This service benefits tenants and clients by helping them remain in their own homes, understand their tenancy requirements, look after the everyday bills and get involved in their community. Many of HAILs tenants and clients have lived in congregated settings or have experienced homelessness and this service is invaluable in helping them to stay in their homes. In addition, that security of tenure can provide the additional benefits of improved wellbeing and mental health.

Of the 23 new homes that were delivered in 2020 and the further two contracted and delivered in early 2021, 19 were allocated to tenants with enduring mental health issues who are supported by HAIL.

HAIL is actively seeking new opportunities for the provision of social housing by working in partnership with the HSE, Local Authorities and other AHBs to purchase off-the-shelf properties or new build

properties. HAIL continues to pursue opportunities for partnership and collaboration with other organisations in order to deliver services to those that need them. HAIL is actively working with the HSE to expand the tenancy sustainment services, both within and outside the Company's current area of operation. Directors therefore anticipate that that the number of homes in management and the tenancy sustainment provision will increase over the forthcoming years, in a wider area of operation.

Reserves have been built over the years to meet the expenditure required under the planned maintenance programmes and to support the purchase of properties, our accumulated funds are adequate for the proposed maintenance programmes, property purchase financing and future repayment of CALF funding. A 30-year Long Term Financial plan is calculated each year to ensure the accumulated reserves are adequate to cover these commitments. Our total capital and reserves at the end of 2020 are €12,715K (2019: €12,050K).

Impact of COVID-19

On the 11th March 2020, the World Health Organisation officially declared COVID-19, the disease caused by novel coronavirus, a pandemic. The Senior Management Team closely followed the evolution of the pandemic and continued to assess the effect it could have on the Company. The Finance Committee and the Audit and Risk Committee, met regularly in 2020 to review the operational and financial effect on HAIL and reported to the Board.

There were a number of immediate changes in the organisation, including the manner in which we interacted with our tenants and clients and also the fact that the majority of staff were moved to working from home. An updated business continuity plan was put in place, with the aim of reducing as much as possible the impact of the Government's COVID-19 restrictions on the health, safety and wellbeing of our tenants and clients and that of our staff.

We closely monitored the financial impact and we are continuing to do so in 2021. Monthly accounts and forecasts are still being produced, based on the latest information available.

We have assessed and continue to assess the risks to the income stream and to the delivery of our services. Depending on the level of restrictions, the majority of our support and housing services remain in place, albeit to a more limited extent.

The direct impact on the existing units has been assessed as low due to the nature of the business. The day-to-day and the planned maintenance programmes are reduced to essential or emergency works only under higher level restrictions.

Income has proved resilient to this point. The business will strive to continue to operate normally, and it is envisaged that some revenues and expenditure may be delayed but will not be materially impacted. Through on-going monitoring, the Directors are confident that the liquidity of HAIL is robust and will support the operations of the company into the future.

Public health crises caused by the COVID-19 outbreak may exacerbate other pre-existing political, social and economic risks in Ireland which could impact on HAIL's ability to deliver on its Strategic Plan in the future. The duration of the COVID-19 outbreak and its overall effects cannot be determined with certainty. The Directors will continue to assess and monitor the risks and impact of COVID-19 on HAIL.

Financial Review

Results

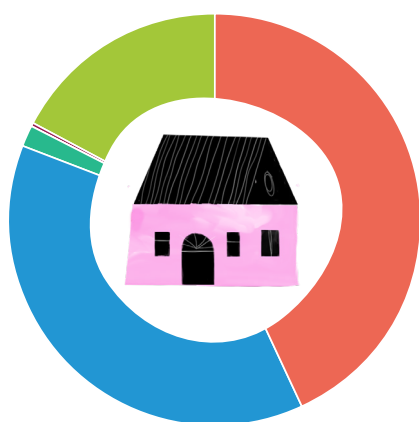
There was a net income for the financial year of €666K (2019 €508K). The incoming resources includes the amortisation of local authority mortgages of €1,656K (2019 €1,544K) and the expenditure includes depreciation on properties of €1,116K (2019 €999K). Both the amortisation of mortgages income and the depreciation of properties charge are non-cash items. These two non-cash items account for €540K (2019 €545K) of the net income for the financial year.

Excluding these non-cash items, the operating surplus for 2020 was €126K (2019 deficit €37K).

The surplus can be split between our restricted funds activities, mainly our support services, of €12K and our housing section of €114K. The Directors expect that the level of activity will increase in future years to meet the demands of both the individuals and families we support and those of our future tenants.

Income

HAIL's total income for the year is €4.8M which, if non-cash amortisation is excluded, equals €3.1M (2019 €2.9M). Our income of €3.1M is made up as follows:

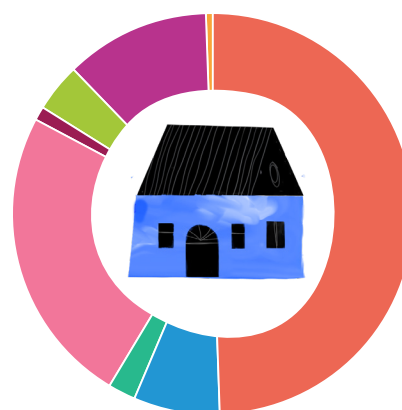


● Rental income	€1,352,870
● Revenue base grants	€1,187,980
● Management and maintenance allowance	€59,187
● Other income	€5,902
● Bank interest	€36
● Payment and availability income	€536,349

Expenditure

HAIL has a total expenditure of €4.1M which, if depreciation is excluded, equals net expenditure of €3M, of that, €1.5M relates to payroll costs representing 50% of our costs, excluding depreciation. We benchmark our staff payroll and remuneration against sector payroll reports – National Guide to Pay and Benefits in Community, Voluntary and Charitable Organisations.

A breakdown of our expenditure is as follows:



● Payroll costs	€1,497,102
● Office costs	€209,132
● Insurance	€66,717
● Repairs and maintenance of properties inc. service charge	€727,849
● Other costs	€30,771
● Property finance costs	€123,482
● Property finance costs	€348,029
● Property finance costs	€13,650

Funding

During 2020, HAIL continued to work in partnership with the Department of Housing, Local Government and Heritage, local authorities, Housing Finance Agency and the HSE. We also worked with Bank of Ireland and Allied Irish Banks to access private finance to continue to increase our housing stock as part of the Rebuilding Ireland Action Plan for Housing and Homelessness.

Capital and Reserves

At the 31st December 2020, the Company held capital and reserves totalling €12.7M (2019 €12.1M). This reflects the Company's continuing growth:

	2020	2019
Development, Building Maintenance Reserves and Accumulated Funds	€12,716K	€12,050K

Cash Balances

At the 31st December 2020, the Company held cash balances of €3.8M (2019 €3.7M). The main reasons for holding these cash balances is to meet future cash requirements to implement the Company's programme of planned maintenance, to ensure the properties are maintained in a suitable condition, and to meet the requirement to repay Capital Advance Leasing Facility (CALF) loans, including the interest, in a bullet payment at the end of the term of the loans.

Internal Controls

The Directors acknowledge their overall responsibility for the Company's systems of internal control and for reviewing its effectiveness. The Board approves all internal control policies. The Directors have delegated responsibility for the implementation and monitoring of the agreed policies to the CEO.

The internal control policies include financial controls, which enable the Board to meet its responsibilities for the integrity and accuracy of the Company's accounting records.

The Board has established a process of compliance that addresses the Board's wider responsibility to maintain, review and report on operational and financial internal controls.

Risk Register and Review

The Audit & Risk Committee and the Board review the Risk Register on a quarterly basis. The process of identification and assessment of our risks and our Risk Management Strategy is reviewed on an annual basis. In line with our Strategic Plan objectives, the Risk Register is divided into four categories – Customers, Growth, Profile and Organisation.

The identification and management of risk is an integral part of our business. Consequently, the Risk Register is presented and reviewed at management and staff meetings for discussion and to gain input from staff. The Audit and Risk Committee oversees the Risk Register, seeking assurance that all mitigating actions are identified and are in operation and that any further actions are completed. Performance in the Approved Housing Body sector is generally affected by government policies, changing legislation, the impact of the new regulatory regime and changes in the political or economic conditions.

The main risks identified by HAIL and managed in 2020 were:

- The immediate and longer term financial impact of COVID 19 on the organisation
- The performance of the organisation while working in a more restricted environment
- The mental health and wellbeing of our staff and tenants/ clients
- The sustainability of the support services function
- Insufficient capacity and resources to deliver on the Strategic Plan
- Expansion of the organisation is not properly managed or controlled, either strategically or operationally

- Non-compliance with relevant laws, regulations or health and safety regulations

Measures are in place to manage, control and mitigate these risks where possible. The implementation of controls and further mitigating actions is regularly monitored by the Board and the Audit and Risk Committee.

A 30 Year Financial Plan is prepared and reviewed by the Board and its Committees. Several scenarios were created to stress-test future plans, culminating in a 'Perfect Storm' scenario. A plan was then put in place, aligned to the risk register, to ensure that there are mitigating actions and key indicators to monitor any risks to the organisation.

Budget control

Each year, we prepare a three-year forecast and a detailed annual budget. The actual results are compared to budget on a monthly basis and any material variances explained to the Finance Committee on a quarterly basis. A detailed, revised outcome for the year is prepared a minimum of twice yearly, based on the actual results to date. The actual results are also compared against the current year budget during the year to ensure alignment with the Strategic Plan, tight budgetary control and value for money. Quarterly Key Performance Indicators (KPIs) are reviewed by the Finance Committee and reported to the Board. KPIs are monitored against benchmarks set by the Housing Regulator and against sector averages. Detailed management accounts, with commentary, are presented to the Board Directors at each Board meeting. A 30-year financial plan is reviewed and approved each year by the Board to ensure the continuing financial sustainability of the Company.

Future Plans

HAIL's Strategic Plan 2020–2022 is available on our website www.hail.ie. This sets out our key strategic objectives for the three years until 2022.

The strategic priorities for the next three years are as follows:

1. Customers

- Continue to provide high quality homes for all our tenants
- Continue to provide specialist tenancy sustainment service to our tenants and clients with mental health issues, enabling mental health recovery and integration into the community

2. Growth

- Expand our model of housing and mental health tenancy sustainment services

3. Profile

- Be the recognised leading expert provider of housing with mental health tenancy sustainment services in Ireland

4. Organisation

- Continue to be an exceptionally well governed and managed organisation.

Upkeep of housing properties

The Company's policy is to maintain its housing properties to a very high standard. Between 2017 and 2019 we completed stock condition surveys on 95% of our properties and this information now underpins our Asset Management Strategy 2020-2024. In accordance with FRS102, the actual expenditure on maintaining our properties is recorded in the Statement of Financial Activities rather than against reserves. The expenditure on the planned maintenance program is incorporated in the 30 Year Financial Plan to ensure we have sufficient funds to meet this expenditure.

Compliance and legislation

The Board acknowledges its responsibility to ensure that the Company complies with all its statutory and relevant Government and regulatory requirements. The Board has procedures in place to meet its legal and regulatory requirements and with respect to each of the following two items, we confirm:

- appropriate arrangements or structures are in place to secure material compliance with the Company's relevant obligations;
- a review of such arrangements and structures has taken place during the year.

Pensions

The Company operates a defined contribution pension scheme, which employees are eligible to join. The Company matches staff contribution up to a maximum of 5% of salary (the level of contribution matched by the Company will increase to 6% in 2021). The pension scheme is managed by BHP Insurances and is invested with Zurich Life.

Environment

The Company has a proactive approach to assisting all personnel to conduct business in a manner that protects the environment for tenants, staff and the community. The Company is compliant with relevant environmental legislation.

Health & Safety at Work

It is the policy of the Company to ensure the health and welfare of employees by maintaining a safe place and system of work. This policy is based on the requirements of employment legislation, including the Safety, Health and Welfare at Work Act 2005 and a comprehensive Health and Safety Statement is in place. This strategy has been updated in line with COVID 19 guidance in 2020. A Health and Safety Risk Register has been drawn up and is reviewed quarterly.

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.

Accounting records

The Directors acknowledge their responsibilities under Section 281 to 285 of the Companies Act 2014 to keep adequate accounting records for the Company. In order to comply with the requirements of the Act, a qualified accountant is employed. The accounting records of the Company are maintained at Second Floor, Central Hotel Chambers, 7-9 Dame Court, Dublin 2.

Going Concern

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 in preparing the annual financial statements. Further details concerning the adoption of the going concern basis can be found in accounting policies to the financial statements.

Post Balance Sheet events

There were no other significant events affecting the Company since the year-end apart from the impact of the coronavirus as outlined above.

Research and development

No research and development was undertaken by the Company in 2020 and 2019.

Political donations

No political donations were made by the Company in 2020 and 2019.

Transactions with Directors

There were no contracts or transactions entered into by the Company in which any director had an interest, as defined in the Companies Act 2014, at any time during the year ended 31 December 2020 (2019: None).

Statement of disclosure of information to the Independent Auditors

Each of the persons who is a director at the date of the approval of these financial statements confirms that:

- So far as the director is aware, there is no relevant audit information of which the auditors are unaware, and
- The director has taken all steps that they ought to have taken as a director, in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 330 of the Companies Act 2014.

Independent Auditors:

The independent auditors, Grant Thornton, continue in office in accordance with section 383(2) of the Companies Act 2014.



Michael Hoey
Director



Michael Morris
Director

Date: 14 June 2021

Directors' responsibilities statement

For the financial year ended 31 December 2020

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 the financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and Financial Reporting Standard 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 as at the financial year end date, of the profit or loss 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



Michael Hoey
Director



Michael Morris
Director

Date: 14 June 2021



Independent auditor's report to the members of Housing Association for Integrated Living

Opinion

We have audited the financial statements of Housing Association for Integrated Living ("the Company"), which comprise the Statement of financial activities, the Statement of financial position, the Statement of changes in equity and the Statement of cash flows for the financial year ended 31 December 2020, and the related notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (Generally Accepted Accounting Practice in Ireland).

In our opinion, Housing Association for Integrated Living's financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the assets, liabilities and financial position of the Company as at 31 December 2020 and of its financial performance for the financial year then ended; 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 'responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, namely the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard concerning the integrity, objectivity and independence of the auditor, and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We

have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

Other information comprises information included in the Annual report, other than the financial statements and our auditor's report including the Directors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a

material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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. Based solely on the work undertaken in the course of our audit, in our opinion, the Directors' report has been prepared in accordance with the requirements of the Companies Act 2014.

Matters on which we are required to report by exception

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

Under the Companies Act 2014, we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act have not been made. We have no exceptions to report arising from this responsibility.

Responsibilities of the management and those charged with governance for the financial statements

As explained more fully in the Directors' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, including FRS102, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Responsibilities of the auditor for the audit of the financial statements

The auditor's 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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including

the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

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

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

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.



John Duffy
for and on behalf of
Grant Thornton
Chartered Accountants & Statutory Audit Firm
Dublin

Date: 27 July 2021

Housing Association for Integrated Living

STATEMENT OF FINANCIAL ACTIVITIES, INCORPORATING THE INCOME & EXPENDITURE ACCOUNT

For the financial year ended 31 December 2020

	Note	€ Restricted Funds	€ Unrestricted Funds	2020 € Total	2019 € Total
Income					
Rental income		–	1,352,870	1,352,870	1,357,711
Amortisation of local authority mortgage loans		–	1,656,282	1,656,282	1,544,066
Rental payments from Local Authorities Management & maintenance allowance	5	–	536,349	536,349	476,878
Revenue based grants	6	1,187,980	–	1,187,980	999,945
Bank interest		–	36	36	1,556
Other income		–	5,902	5,902	2,617
Total income		1,187,980	3,610,626	4,798,606	4,441,960
Expenditure					
Housing management services	8	50,239	2,897,876	2,948,115	2,946,446
Support services	9	1,170,837	–	1,170,837	974,162
Governance	10	6,920	6,731	13,651	13,608
Total expenditure		1,227,996	2,904,607	4,132,603	3,934,216
Surplus/(deficit)		(40,016)	706,019	666,003	507,744
Accumulated funds at beginning of year		–	7,977,906	7,977,906	7,470,162
Funds Transfer		40,016	(40,016)	–	–
Accumulated funds at end of year		–	8,643,910	8,643,910	7,977,906

All accounts relate to continuing operations.

There was no other comprehensive income for 2020 (2019: €NIL).

The notes on pages 20 to 32 forms part of these financial statements.

Housing Association for Integrated Living

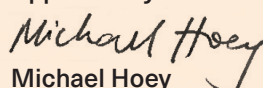
STATEMENT OF FINANCIAL POSITION

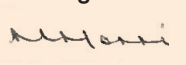
As at 31 December 2020

	Note	2020 €	2019 €
Fixed Assets			
Tangible Assets	13	44,245,399	40,819,122
		44,245,399	40,819,122
Current Assets			
Debtors	14	449,446	644,565
Cash at bank		3,843,703	3,718,305
Financial – Prize Bonds		20,000	20,000
		4,313,149	4,382,870
Current Liabilities			
Creditors	15	618,222	485,810
Capital assistance mortgage loans	16	939,673	827,536
Capital loan & subsidy mortgage loans	17	716,561	716,530
Bank loans	19	160,263	138,727
Housing Finance Agency loans	20	73,572	47,755
		2,508,291	2,216,358
Net Current Assets		1,804,858	2,166,512
Total Assets Less Current Liabilities		46,050,257	42,985,634
Long Term Liabilities			
Capital assistance mortgage loans	16	20,480,764	18,183,109
Capital loan & subsidy mortgage loans	17	9,176,786	9,893,426
Capital advance leasing facility	18	1,230,672	1,118,613
Bank loans	19	1,331,839	1,071,819
Housing Finance Agency loans	20	1,114,720	669,194
		33,334,781	30,936,161
Net Assets		12,715,476	12,049,473
Reserves			
Reserves and Accumulated funds	21	12,715,476	12,049,473
Total Reserves		12,715,476	12,049,473

The accompanying notes are an integral part of these financial statements.

Approved by the board on: 14 June 2021 and signed on behalf of the board by:


Michael Hoey
Director


Michael Morris
Director

Housing Association for Integrated Living

STATEMENT OF CHANGES IN RESERVES

For the financial year ended 31 December 2020

	Development, Building Maintenance Reserve €	Accumulated Funds €	Total €
As 1 January 2020	4,071,567	7,977,906	12,049,473
Surplus from Statement of Financial Activities	–	666,003	666,003
Transfer from Development, Building reserve to general reserve	(4,071,567)	4,071,567	–
As 31 December 2020	–	12,715,476	12,715,476

	Development, Building Maintenance Reserve €	Accumulated Funds €	Total €
As 1 January 2019	4,071,567	7,470,162	11,541,729
Surplus from Statement of Financial Activities	–	507,744	507,744
As 31 December 2019	4,071,567	7,977,906	12,049,473

Housing Association for Integrated Living

STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2020

Reconciliation of Net Outgoing Resources to Net Bank Position

	Note	2020 €	2019 €
Net cash generated from/(used in) operating activities	21	619,186	(260,933)
Cash flows from investing activities			
Purchase of tangible fixed assets	11	(4,585,310)	(3,232,051)
Interests received		36	1,556
Net cash outflow from investing activities		(4,585,274)	(3,230,495)
Cash flows from financing activities			
Bank loans received		862,948	129,500
Interest paid		(101,865)	(81,086)
Repayment of bank loans	17	(86,995)	(72,198)
Repayment of Housing Finance Agency loans	18	(23,112)	(22,383)
CAS & CLSS Local Authority loans received	14 & 15	3,349,466	3,015,284
CALF Local Authority capital advance loan received	16	91,045	191,379
Net cash inflow from financing activities		4,091,487	3,160,497
Net increase/(decrease) in cash and cash equivalents		125,398	(330,931)
Cash equivalents at the beginning of the year		3,718,305	4,049,236
Cash at bank at 31 December		3,843,703	3,718,305

Housing Association for Integrated Living

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

1 General Information

Housing Association for Integrated Living is a Company limited by guarantee incorporated in Republic of Ireland and is a registered charity. The registered office, which is also the principal place of business of the Company, is 2nd Floor, Central Hotel Chambers, 7 – 9 Dame Court, Dublin 2. The nature of the Company's operations and its principal activities are set out in the Directors' report. The financial statements have been presented in Euro (€) which is also the functional currency of the Company.

2 Accounting Policies

2.1 Accounting convention:

The financial statements are prepared in accordance with the financial reporting standards issued by the Financial Reporting Council, including FRS 102 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland'.

The Company meets the definition of a public benefit entity as defined by S34 of FRS102.

Compliance with the Accounting and Reporting by Charities – Statement of Recommended Practice (SORP 2019) is not mandatory for Irish Charities. However, the Company has adopted all relevant best practice of its disclosure requirements from this and from the United Kingdom SORP Accounting by registered social housing providers.

The financial statements are prepared on a going concern basis, under the historical cost convention and comply with accounting and disclosure requirements of Irish Company law and in accordance with the Financial Reporting Standards (FRSs) published by the Financial Reporting Council (FRC) in the United Kingdom and the Republic of Ireland.

2.2 Foreign currencies

The financial statements are presented in Euro, which is the charity's functional and presentation currency, and is denoted by the symbol "€".

Revenues and costs arising from transactions denominated in foreign currencies are translated into Euro at the rates of exchange ruling at the date on which the transaction occurred.

Assets and liabilities denominated in foreign currencies are translated into Euro at the rates of exchange ruling on the Statement of financial position date. The resulting gain or loss is dealt with in the Statement of financial activities.

2.3 Income:

Income consists of rental income from tenants, payments from Local Authorities, under Payment and Availability agreements, based on market rent, revenue-based grants, allowances, donations and bank interest. These are included in the financial statements on the basis of amounts received or receivable.

Mortgage loans received under the Capital Assistance Scheme (CAS) and the Capital Loan & Subsidy Scheme (CLS) are amortised over the term of the life of the mortgages.

2.4 Governance costs:

Governance costs represent direct expenditure and overhead costs on the strategic as opposed to the day to day management of the Company and on compliance with constitutional and statutory requirements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020 (continued)

2.5 Operating leases: lessee

Rentals paid under operating leases are charged to the Statement of financial activities over the period of the lease.

2.6 Employee benefits:

Pension benefits for employees are met by payments to a defined contribution pension fund. Contributions are charged to the statement of financial activities in the year which they fall due.

2.7 Tangible fixed assets and depreciation:

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is 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.

All properties are held primarily for social benefit and are consequently classified as Property.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Properties	-	2%	Straight Line
Furniture & fittings	-	20%	Straight Line
Computer Equip	-	33 $\frac{1}{3}$ %	Straight Line
Motor vehicles	-	20%	Straight Line

The Company does not apply component accounting to its fixed assets as the nature of their assets would not make a material difference in their disclosed values or depreciation.

2.8 Finance leases:

Assets obtained under finance leases are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.9 Financial instruments:

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial liabilities, including trade and other payables, bank loans are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020 (continued)

drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

2.10 Mortgage loans from local authorities:

Mortgage loans are received from local authorities under Capital Assistance Scheme (CAS) and under Capital Loan & Subsidy Scheme (CLS). These mortgage loans are treated as deferred credits and are amortised to income over the term of the mortgage agreement which can vary from twenty to thirty years.

2.11 Accumulated funds:

The Company maintains and splits the funds it receives into the designated categories to which the funds have been assigned. The split is divided into Restricted Funds and Unrestricted Funds.

2.12 Restricted funds:

Income received, restricted to a specific purpose by the donor, is treated as restricted funds. Any unspent income is treated as restricted assets. The specific purpose must be within the objects of the Constitution of the Company.

2.13 Unrestricted Funds:

These funds consist of all income, other than restricted income, received to advance the Company's work and objectives. Such income may be used to finance administrative expenses or may be used at the discretion of the Company for any purpose that is within the objects of the Constitution of the Company.

3. Significant Accounting Judgments and Key Sources of Estimation Uncertainty:

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, include expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year such as establishing useful economies lives for depreciation purposes of fixed assets. At 31 December 2020, depreciation charges amounted to €1,159,034 (2019: €1,041,734).

Disclosure of information about assumptions and other major sources of estimation uncertainty at the end of the reporting period enhances the relevance, liability and understandability of the information reported in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020 (continued)

4. Statement of Financial Activities for the financial year ended 31 December 2019

	Restricted Funds €	Unrestricted Funds €	2019 Total €
Income			
Rental income	–	1,357,711	1,357,711
Amortisation of local authority mortgage loans	–	1,544,066	1,544,066
Rental payments from Local Authorities	–	476,878	476,878
Management & maintenance allowance	–	59,187	59,187
Revenue based grants	999,945	–	999,945
Bank interest	–	1,556	1,556
Other income	–	2,617	2,617
Total income	999,945	3,442,015	4,441,960
Expenditure			
Housing management services	56,136	2,890,310	2,946,446
Support services	974,162	–	974,162
Governance	6,858	6,755	13,608
Total expenditure	1,037,151	2,897,065	3,934,216
Net income surplus (deficit)	(37,206)	544,950	507,744
Accumulated funds at beginning of year	4,849	7,465,313	7,470,162
Funds Transfer	32,357	(32,357)	–
Accumulated funds at end of year	–	7,977,906	7,977,906

5. Rental Payments from Local Authorities

Rental payments from Local Authorities are received under Payment and Availability Agreements between the Company and the Local Authorities. For these rental payment the Company undertakes to make the properties 'available' to people from local authority housing waiting lists. This payment is utilised to fund the repayment of the debt finance taken out on the properties being made available and to maintain the property to a very high standard.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020 (continued)

6. Revenue based grants

	Restricted Funds €	Unrestricted Funds €	2020 €	2019 €
HSE: – CHO Area 7 – Mental Health Tenancy Sustainment and Homeless Prevention	171,238	–	171,238	171,238
– CHO Area 6 – Forensic Projects	174,135	–	174,135	120,000
– CHO Area 8 – Portlaoise/Midlands Project	60,000	–	60,000	47,940
– CHO Area 3 – Limerick Project	60,000	–	60,000	60,000
– CHO Area 9 – Slan Abhaile Project Sustainment and Homeless Prevention	115,992	–	115,992	115,992
– CHO Area 7 Project with Simon	210,460	–	210,460	210,460
– CHO Area 7 HSE Transfer project	20,597	–	20,597	17,400
Dublin Regional Homeless Executive	60,000	–	60,000	–
Louth County Council	230,908	–	230,908	230,915
Dublin Bus	25,000	–	25,000	25,000
Wicklow CC / HSE – HAIL Tenancy	–	–	–	1,000
Sláintecare / Pobal	30,000	–	30,000	–
Other Support Projects	20,594	–	20,594	–
	9,056	–	9,056	–
	1,187,980	–	1,187,980	999,945

7. Pension commitments

The Company operates a defined contribution pension scheme for all employees. Contributions to the scheme are charged to the Statement of financial activities in the year which they fall due. The charge for the period is shown in Note 11 of the financial statements and at the period end there were unpaid contributions amounting to €Nil (2019: €Nil).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020 (continued)

8. Housing management services costs

	Restricted Funds €	Unrestricted Funds €	2020 Total €	2019 Total €
Payroll costs	50,239	452,153	502,392	561,360
Depreciation	–	1,159,034	1,159,034	1,041,734
Housing management related costs	–	165,944	165,944	126,234
Service charges	–	300,880	300,880	295,824
Insurance	–	66,717	66,717	65,700
Repairs and maintenance of property	–	426,969	426,969	539,626
Legal & professional fees	–	10,286	10,286	14,306
Loan interest	–	122,879	122,879	104,381
Leasing costs	–	191,659	191,659	191,658
Sundry	–	1,355	1,355	5,622
	50,239	2,897,876	2,948,115	2,946,446

9. Support services costs

	Restricted Funds €	Unrestricted Funds €	2020 Total €	2019 Total €
Payroll costs	994,709	–	994,709	823,955
Support related costs	169,053	–	169,053	147,984
Sundry	7,075	–	7,075	2,224
	1,170,837	–	1,170,837	974,163

10. Governance costs

	Restricted Funds €	Unrestricted Funds €	2020 Total €	2019 Total €
Audit fee*	5,630	3,722	9,352	9,225
Other board costs	1,290	3,009	4,299	4,383
	6,920	6,731	13,651	13,608

*All fees paid to Grant Thornton relate to audit services and no fees are paid for any other services.

The Directors received no remuneration or reimbursements for their services as Directors of the Company during 2020 (2019: €Nil).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020 (continued)

11. Particulars of employees

	2020 €	2019 €
Salaries	1,287,140	1,186,869
Social welfare costs	140,978	128,239
Pensions	68,983	70,207
	1,497,102	1,385,315

The number of employees with remuneration for the year falling within the rate bands:

	2020	2019
€70,001 – €80,000	1	2
€80,001 – €90,000	–	–
€90,001 – €100,000	1	1

Remuneration includes salary, pension and other benefits but excludes employer PRSI contributions. The remuneration of the CEO is noted in the €90,001 – €100,000 band.

12. Taxation

The Company has been granted charitable status by the Revenue Commissioners (CHY 6796).

13. Tangible assets

	Property €	Fixtures & Fittings €	Leased assets €	Computer equipment €	Motor vehicles €	Total €
Cost						
At 1 January 2020	51,208,239	168,932	23,600	17,139	25,425	51,443,335
Additions	4,585,310	–	–	–	–	4,585,310
At 31 December 2020	55,793,549	168,932	23,600	17,139	25,425	56,028,645
Accumulated depreciation						
At 1 January 2020	10,471,699	122,557	4,244	2,829	22,883	10,624,212
Depreciations for year	1,115,869	33,786	1,181	5,656	2,542	1,159,034
At 31 December 2020	11,587,568	156,343	5,425	8,485	25,425	11,783,246
Net book value						
At 31 December 2020	44,205,981	12,589	18,175	8,654	–	44,245,399
At 31 December 2019	40,736,540	46,375	19,356	14,310	2,542	40,819,122

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020 (continued)

14. Debtors / (Amounts falling due within one year)

	2020 €	2019 €
Deposits / costs incurred on properties	149,524	406,702
Prepayments	88,296	85,815
Rent arrears	35,972	62,848
Sundry debtors	19,489	89,200
Trade Debtors	156,165	–
Total debtors and prepayments	449,446	644,565

15. Creditors and accruals / (Amounts falling due within one year)

	2020 €	2019 €
Social welfare costs	38,906	33,475
Sundry accruals	367,998	383,791
Deferred income	56,911	39,405
VAT	15,185	9,476
Creditors	139,221	19,663
Total creditors and accruals	618,222	485,810

16. Capital assistance mortgage loans

Local authorities provide mortgage loans to the Company under the Capital Assistance Scheme (CAS). The capital repayments and interest payable on these mortgage loans are fully waived, provided the Company complies with the terms of the Scheme and the mortgage deed agreement with the local authority.

There is a contingent liability to repay these mortgage loans in the event of the terms of the Scheme or the mortgage deed agreement not being complied with.

Loans advanced by local authorities to the Company have a twenty-year repayment period for those loans advanced prior to 2002, and a thirty-year repayment period for those loans advanced post 2002.

In compliance with FRS 102 and the best practice under the UK housing SORP, the CLS mortgages are amortised over the life of the mortgage.

The Local Authority has legal charges registered against the mortgaged properties.

No mortgage loans were redeemed in 2020 or in 2019. Some loans have been redeemed because the period of the loan has expired and the terms of the scheme and mortgage deed have been fully complied with the Local Authority legal charge against these loans.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020 (continued)

Details of mortgage loans repayable by the Company under CAS are:

	2020 €	2019 €
Gross		
At 1 January	25,803,740	22,788,456
Additional loans	3,349,465	3,015,284
At 31 December	29,153,205	25,803,740
Amortisation		
At 1 January	6,793,095	5,965,559
Credited to Statement of financial activities	939,673	827,536
At 31 December	7,732,768	6,793,095
Net book value		
Within 1 year	939,673	827,536
After 1 year	20,480,764	18,183,109
At 31 December	21,420,437	19,010,645

17. Capital Loan & Subsidy Scheme Loans

Local authorities provide mortgage loans to the Company under the Capital Loan and Subsidy Scheme (CLS). The capital repayments and interest payable on these mortgage loans are fully subsidised by the Department of Housing, Planning and Local Government, provided the Company complies with the terms of the Scheme and the mortgage loan agreement.

There is a contingent liability to repay these mortgage loans in full in the event of the terms of the Scheme or the mortgage loan agreement not being complied with.

In compliance with FRS 102 and the best practice under the UK housing SORP the CLS mortgages are amortised over the life of the mortgage.

The Local Authority has legal charges registered against the mortgaged properties.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020 (continued)

Details of mortgage loans repayable by the Company under CLS are:

	2020 €	2019 €
Gross		
At 1 January	19,387,164	19,387,164
Additions	–	–
At 31 December	19,387,164	19,387,164
Amortisation		
At 1 January	8,777,208	8,060,678
Credited to Statement of financial activities	716,609	716,530
At 31 December	9,493,817	8,777,208
Net book value		
Within 1 year	716,561	716,530
After 1 year	9,176,786	9,893,426
At 31 December	9,893,347	10,609,956

18. Capital Advance Leasing Facility

Capital advance payments of up to 30% of the acquisition of properties are available from the Department of Housing, Planning and Local Government under the Capital Advance Leasing Facility (CALF). The capital advance is repayable, as a 'bullet' repayment, at the end of the approved period of the advance usually a twenty-five-year period. Interest is payable on the principal amount only at 2% per annum. This interest is accrued for the duration of the CALF and payable at the end of the twenty-five-year period.

Details of mortgage loans received by the Company under CALF are:

	2020 €	2019 €
Gross		
At 1 January	1,043,127	851,748
Additions	91,045	191,379
At 31 December	1,134,172	1,043,127
Interest Accrued		
At 1 January	75,486	52,191
Interest accrued during the year	21,014	23,295
At 31 December	96,500	75,486
Total CALF liability		
At 31 December	1,230,672	1,118,613

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020 (continued)

19. Bank loans

The Company's bank loans are secured by fixed charges on 27 specific housing properties. Interest and capital repayments are required to be made in respect of these loans in accordance with the mortgage agreements.

	2020 €	2019 €
Balance at 1 January	1,210,546	1,153,244
Loans received during the year	368,493	129,500
Repayments during the year	(86,937)	(72,198)
Balance at 31 December	1,492,102	1,210,546
Repayable within 1 year	160,263	138,727
Repayable after 1 year	1,331,839	1,071,819
Balance at 31 December	1,492,102	1,210,546

20. Housing Finance Agency loans

The Company has Approved Housing Body status with the Housing Finance Agency (HFA). The loans are secured by fixed charges on specific housing properties.

	2020 €	2019 €
Balance at 1 January	716,949	739,332
Loans received during the year	494,455	–
Repayments during the year	(23,112)	(22,383)
Balance at 31 December	1,188,292	716,949
Repayable within 1 year	73,572	47,755
Repayable after 1 year	1,114,720	669,194
Balance at 31 December	1,188,292	716,949

21. Development, building maintenance reserve and accumulated funds

The Board reviewed and changed its policy on Reserves following the implementation of FRS102 and in 2020 the Company amalgamated the Development, building maintenance reserves and accumulated funds. The reserve is a sinking fund for the planned maintenance programme to maintain properties to a very high standard and meet the long-term refurbishment of the properties. The reserve and accumulated funds will also be used to support the purchase of properties.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020 (continued)

	2020 €	2019 €
Balance at 1 January	12,049,473	11,541,729
Surplus from Statement of financial activities	666,003	507,744
Amortisation adjustment	–	–
Balance at 31 December	12,715,476	12,049,473
Restricted reserve	3,999,194	4,039,210
Unrestricted reserve	8,716,282	8,010,263
Balance at 31 December	12,715,476	12,049,473

22. Leases

The Company leases 19 apartments under three operating leases from National Asset Residential Property Services Limited (NARPS) which is a non-related party. The lease contracts are for twenty years and six-month periods. The operating leases payable are as follows:

	2020 €	2019 €
Repayable in one year	191,658	191,664
Repayable between two and five years	766,656	766,656
Repayable in five years or more	2,231,889	2,423,547
	3,190,203	3,381,847

23. Net cash generated from operating activities

	2020 €	2019 €
Cash flows from operating activities		
Surplus for the financial year	666,005	507,744
Adjustments for:		
Depreciation of tangible assets	11	1,159,034
Amortisation of Local Authorities mortgage loans		(1,656,276)
Increase in CALF interest accrued	16	21,014
(Increase)/decrease in debtors		195,119
Interest paid		101,865
Interest received		(36)
Increase in creditors		132,461
Net cash generated from/(used in) operating activities	619,186	(260,933)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2020

(continued)

24. Analysis of changes in net debt

	At 1 Jan 2020 €	Cashflows €	At 31 Dec 2020 €
Analysis of changes in net debt			
Cash at bank and in hand	3,718,305	125,398	3,843,703
Debt falling due within one year	(1,730,548)	(142,826)	(1,873,374)
Debt falling due after more than one year	(30,936,161)	(2,415,316)	(33,351,477)
	(28,948,404)	(2,432,744)	(31,381,148)

25. Capital commitments and contingent liabilities

There were capital commitments at 31 December 2020 of €675,100 regarding Property Deposits (2019: €232,000).

There were capital commitments committed to but not contracted or provided for at 31 December 2020 €1,040,000 (2019: €1,577,000).

There were no contingent liabilities outstanding at 31 December 2020 (2019: €Nil) other than the contingent liabilities outstanding on the CAS and CLS loans (See notes 16&17).

26. Company status

The Company is limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding €1 towards the assets of the Company in the event of liquidation.

27. Related party transactions

There were no related party transactions during the year or in the previous year.

28. Impact of COVID-19

Public health crises caused by the continuing COVID-19 outbreak may exacerbate other pre-existing political, social and economic risks in Ireland which could impact on HAIL's ability to deliver on its Strategic Plan. The duration of the COVID-19 outbreak and its overall effects cannot be determined with certainty. The Directors will continue to assess and monitor the risks and impact of COVID-19 on HAIL.

29. Post balance sheet events

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

30. Approval of financial statements

The financial statements were approved by the Board of Directors.

A company limited by guarantee
and not having a share capital

Registered in Ireland No. 109465

Registered Charity No. 20013394

CHY No. 6796





HAIL

Housing Association for Integrated Living

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