

**AGE ACTION IRELAND COMPANY  
LIMITED BY GUARANTEE  
Report and Financial Statements  
for the year ended  
31 December 2018**

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# AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

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## REPORT AND FINANCIAL STATEMENTS 2018

CONTENTS	Page
DIRECTORS AND OTHER INFORMATION	2
DIRECTORS' REPORT	3 - 6
DIRECTORS' RESPONSIBILITIES STATEMENT	7
INDEPENDENT AUDITORS' REPORT	8 - 10
STATEMENT OF FINANCIAL ACTIVITIES	11 - 12
STATEMENT OF FINANCIAL POSITION	13
STATEMENT OF CASH FLOWS	14
NOTES TO THE FINANCIAL STATEMENTS	15 - 26

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# AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

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## DIRECTORS AND OTHER INFORMATION

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### BOARD OF DIRECTORS

Anna McCabe (Chairperson)  
Anne Donnellan  
David Healy  
Patrick McCormack  
Lisa McKenna  
Justin Moran  
Colm Nagle  
Michelle O'Keefe  
Séan William Oliver  
Robin Webster

### SECRETARY AND REGISTERED OFFICE

Lisa McKenna  
10 Grattan Crescent  
Inchicore  
Dublin 8

### CHARITY NUMBER

CHY 10583  
CRA 20027254

### COMPANY NUMBER

198571

### AUDITORS

Mazars  
Chartered Accountants & Statutory Audit Firm  
Harcourt Centre  
Block 3  
Harcourt Road  
Dublin 2

### SOLICITORS

Ken Kennedy Solicitors (incorporating P.J. Walsh & Co.)  
12 Upper Fitzwilliam Street  
Dublin 2

### BANKERS

Permanent TSB  
70 Grafton Street  
Dublin 2

Bank of Ireland  
1 Rathfarnham Road  
Terenure, Dublin 6

AIB  
100/101 Grafton Street  
Dublin 2

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# AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

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## DIRECTORS' REPORT

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The directors submit their report together with the audited financial statements for the year ended 31 December 2018.

### 1. OBJECTIVES AND ACTIVITIES

We aim to achieve fundamental change in the lives of all older people by empowering them to live full lives as actively engaged citizens and to secure their rights to comprehensive high-quality services according to their changing needs.

The principal activities of the organisation consist of supporting a network of organisations and individuals, concerned with ageing and older people and promoting better policies and services for older people and the carers of older people.

The main areas of attention are the development of the company's existing activities, securing adequate financial and human resources to make these sustainable, and achieving the highest standards of corporate governance.

Under the strategic plan 2016-2018 agreed by the Board our aims included:

- the establishment of structures and programmes across more regions, so that our programmes can benefit older people throughout the country, and our policies are representative of the views of older people across Ireland;
- improve the scale and quality of our work within the next three years to meet the expected increase in demand for our services;
- increase our income generation activities to reduce our dependence on statutory funding and ensure our work is sustainable.

### 2. FINANCIAL REVIEW, ACHIEVEMENTS AND PERFORMANCE

The financial results for the year are set out in the Statement of Financial Activities on pages 11-12 of the financial statements.

Our work in advocacy, programmes and services continued to expand during the year, reaching more people, across the country. Our advocacy work delivered real wins for older people in the budget while also putting the Government under pressure on nursing home fees, pension reform and homecare. Our Care & Repair programme carried out an increased number of DIY jobs in 2018 and we continue to expand the number of community partners through whom we can expand our geographic base to reach more older people. In 2018, Getting Started, which is funded through the Government's Digital Skills for Citizens Programme, performed well. It is a concern to Age Action that the programme restricts older people to one 10-hour training programme and we will endeavour to find new ways to increase the number of older people we reach. Our telephone information service remains in high demand and, like all of our programmes, will be subject to ongoing review and evaluation to ensure we maximise our value to older people.

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# AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

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## DIRECTORS' REPORT

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### 2. FINANCIAL REVIEW, ACHIEVEMENTS AND PERFORMANCE *(continued)*

Income generation is an important feature of Age Action's work as we significantly depend on individual and corporate support to sustain our programmes. In particular, we aim to ensure our advocacy and campaigns work is funded independent of Government so that we can ensure we remain the independent voice of older people in Ireland. We opened our seventh retail store in Cherry Orchard and will consider further developments on a case by case basis ensuring our stores not only contribute to our income needs but also make a contribution to the local area in which they are based. Our fundraising team continues to focus on fundraising events, appeals, and corporate support. A breakdown of income and expenses for each program with a 2017 comparison will be included in the Annual Report. We will review our fundraising programme in 2019.

In common with not for profit organisations, the organisation must maintain and grow its income sources to ensure the sustainability and continuation of its work in advocacy and services. In order to sustain and grow the organisation, the directors review the sources of income on an ongoing basis and monitor the reserve levels to ensure that they are maintained at a reasonable level in the context of planned expenditure and future commitments.

The board has implemented a reserves policy which is reviewed on an annual basis. Currently that policy is to maintain reserves equivalent to a minimum of six months of operating costs.

In 2018, the Board approved an additional investment in retail and transformational changes which contributed to the overall deficit in 2018.

Volunteers continue to play a key role in the organisation's work. These volunteers provided a range of help, including:

- tutoring computer classes;
- care and repair work for older people;
- advocating and campaigning through our Glór groups;
- assisting bucket collections;
- helping out working in our charity stores.

### 3. STRUCTURE, GOVERNANCE AND MANAGEMENT

The organisation is a company limited by guarantee and does not have any share capital. Therefore, the directors who served during the year did not have a beneficial interest in the company. All directors serve in a voluntary capacity. The CEO John Church resigned in 2018 to take up other employment. Anna Mc Cabe acted as Interim CEO for a period of four months which required her to resign from the Board and step down as Chair. Pat McCormack was appointed Chair for this period. A new CEO, Paddy Connolly, joined Age Action in late October. Anna McCabe re-joined the Board and resumed the role as Chair on the appointment of Paddy Connolly.

Decisions regarding the pay and remuneration of key management personnel and the senior management team are made by the Board.

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# AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

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## DIRECTORS' REPORT

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### 3. STRUCTURE, GOVERNANCE AND MANAGEMENT (*continued*)

The Board met 11 times during the year. It continued to give priority to achieving the highest standards of corporate governance, including strategic planning, financial management and fundraising.

The Finance Committee comprises the Honorary Treasurer (Chair), two other persons nominated by the Board, CEO, and Head of Finance, subject to an annual review. During the year, it met regularly to oversee the financial management of the organisation and to monitor its progress through detailed quarterly reports. It also met as the Audit Committee with the auditors, Mazars, without staff present to consider the audit results report.

Under the organisation's induction and training policy for directors, an induction meeting is held with new directors and new directors are invited to attend a Boardmatch directors' workshop.

### 4. EVENTS SUBSEQUENT TO THE YEAR END

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

### 5. DIRECTORS AND SECRETARY

The names of the individuals who were directors at any time during the year ended 31 December 2018 are set out below. All directors served for the entire year unless otherwise stated.

Anne Donnellan

David Healy

Anna McCabe (stepped down 29 June 2018 and re-appointed 3 November 2018)

Patrick McCormack

Lisa McKenna (appointed 29 June 2018)

Justin Moran (appointed 14 June 2018)

Colm Nagle (appointed 25 April 2018)

Michelle O'Keefe

Séan William Oliver

Robin Webster

Owen O'Sullivan (resigned 29 June 2018)

David Henshaw (resigned 25 April 2018)

John Quinn (resigned 29 June 2018)

#### **Company Secretary**

Robin Webster (term ended 17 January 2018)

Owen O'Sullivan (appointed 17 January 2018 and resigned 29 June 2018)

Lisa McKenna (appointed 29 June 2018)

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# AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

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## DIRECTORS' REPORT

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### 6. FUTURE DEVELOPMENTS

The board looks forward to a renewed focus on the advocacy role of the organisation with the appointment of Paddy Connolly as CEO. There will also be a particular emphasis at Board level in 2019 on strengthening the organisation's Governance and Risk processes. Compliance with the Charity Regulator's emerging Code of Governance is a priority for Age Action. Board induction and evaluation will be a key element of this.

The Board also look forward to engaging fully in the development of a values-based approach to Age Action's work.

### 7. ACCOUNTING RECORDS

The measures that the directors have taken to secure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of the accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at 10 Grattan Crescent, Inchicore, Dublin 8.

### 8. STATEMENT ON RELEVANT AUDIT INFORMATION

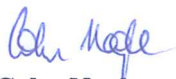
In the case of each of the persons who are directors at the time this report is approved in accordance with Section 332 of the Companies Act 2014:

- (a) so far as each director is aware, there is no relevant audit information of which the company's statutory auditors are unaware, and
- (b) each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

### 9. AUDITORS


Mazars, Chartered Accountants and Statutory Audit Firm, have expressed their willingness to be re-appointed in accordance with Section 383(2) of the Companies Act 2014.

#### On behalf of the Board



**Colm Nagle**  
Director

**Anna McCabe**  
Director



8 August 2019

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# AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

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## DIRECTORS' RESPONSIBILITIES STATEMENT

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

Irish company law requires the directors to prepare 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. Under the law, the directors must not approve the financial statements unless they are satisfied they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end and of the profit or loss of the company for the 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 judgements 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 reason 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.

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

**On behalf of the Board**

  
**Colm Nagle**  
Director

**Anna McCabe**  
Director



**8 August 2019**



## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF

### AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

#### Report on the audit of the financial statements

##### *Opinion*

We have audited the financial statements of Age Action Ireland Company Limited by Guarantee ('the company') for the year ended 31 December 2018, which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including the summary of significant accounting policies set out in note 3. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2018 and of its net expenditure 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 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.

##### *Conclusions relating to going concern*

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

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

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**INDEPENDENT AUDITORS' REPORT****TO THE MEMBERS OF****AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE*****Other information***

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

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

We have nothing to report in this regard.

***Opinions on other matters prescribed by the Companies Act 2014***

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

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

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

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

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report. The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made.

We have nothing to report in this regard.

**Respective responsibilities*****Responsibilities of directors for the financial statements***

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for 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.

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## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF

### AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

In preparing the financial statements, the directors are 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 management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

#### *Auditor's responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the 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 further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: [http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description of auditors responsibilities for audit.pdf](http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf). This description forms part of our auditor's report.

#### **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.



**Mairéad Divilly**  
**For and on behalf of Mazars**  
**Chartered Accountants & Statutory Audit Firm**  
**Harcourt Centre**  
**Block 3**  
**Harcourt Road**  
**Dublin 2**

**8 August 2019**

**AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES**

	Notes	Designated Funds €	2018	Restricted Funds €	2018	Unrestricted Funds €	2018	Year ended 31 December €	2018	Designated Funds €	2017	Restricted Funds €	2017	Unrestricted Funds €	2017	Year ended 31 December €	2017
<b>Income</b>																	
<b>Charitable activities</b>																	
Grants		-		582,274		411,807		994,081		-		636,042		411,807		1,047,849	
Community employment programme		-		-		465,555		465,555		-		-		499,131		499,131	
<b>Donations and legacies</b>																	
Donations and gifts		-		40,225		275,139		315,364		166,903		101,441		103,629		371,973	
Legacies		-		-		26,445		26,445		-		-		-		-	
Membership subscriptions		-		-		44,233		44,233		-		-		35,302		35,302	
<b>Other trading activities</b>																	
Charity stores	6	-		-		992,470		992,470		-		-		867,442		867,442	
Fundraising events		-		890		175,285		179,175		-		608		174,551		175,159	
<b>Other income</b>																	
Other income		-		-		36,348		36,348		-		-		1,729		1,729	
Interest income		-		-		1,385		1,385		-		-		2,540		2,540	
<b>Total income</b>	18	-		<u>623,389</u>		<u>2,428,667</u>		<u>3,052,056</u>		<u>166,903</u>		<u>738,091</u>		<u>2,096,131</u>		<u>3,001,125</u>	

## AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

### STATEMENT OF FINANCIAL ACTIVITIES

	Notes	2018		2018		2017		2017	
		Designated Funds €	Restricted Funds €	Unrestricted Funds €	Year ended 31 December €	Designated Funds €	Restricted Funds €	Unrestricted Funds €	Year ended 31 December €
<b>Expenditure</b>									
<b>On charitable activities</b>									
Project expenses		-	840,807	786,501	1,627,308	-	974,066	541,922	1,515,988
Community employment programme		-	-	465,555	465,555	-	-	499,131	499,131
<b>On raising funds</b>									
Expenditure on raising funds		-	890	213,762	214,652	-	-	246,397	246,397
Trading costs – store expenditure	6	-	-	896,127	896,127	-	-	663,178	663,178
<b>Total expenditure</b>		-	841,697	2,361,945	3,203,642	-	974,066	1,950,628	2,924,694
<b>Net (expenditure)/income</b>	7	-	(218,308)	66,722	(151,586)	166,903	(235,975)	145,503	76,431
<b>Total funds brought forward</b>		166,903	28,500	814,417	1,009,820	141,319	-	792,070	933,389
<b>Transfer of funds</b>		(166,903)	189,808	(22,905)	-	(141,319)	264,475	(123,156)	-
<b>Total funds carried forward</b>		-	-	858,234	858,234	166,903	28,500	814,417	1,009,820

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# AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

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## STATEMENT OF FINANCIAL POSITION

	Notes	31 December 2018 €	31 December 2017 €
<b>FIXED ASSETS</b>			
Tangible assets	12	<u>153,733</u>	<u>149,496</u>
<b>CURRENT ASSETS</b>			
Debtors	13	150,335	84,082
Cash and cash equivalents	14	<u>942,674</u>	<u>1,048,097</u>
		1,093,009	1,132,179
<b>CREDITORS</b>			
Amounts falling due within one year	15	<u>(388,508)</u>	<u>(271,855)</u>
<b>NET CURRENT ASSETS</b>			
		<u>704,501</u>	<u>860,324</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		858,234	1,009,820
		<u>858,234</u>	<u>1,009,820</u>
<b>FUNDS OF THE CHARITY</b>			
Restricted funds	17	-	28,500
Designated funds	17	-	166,903
Unrestricted funds	17	<u>858,234</u>	<u>814,417</u>
<b>TOTAL CHARITY FUNDS</b>			
	18	<u>858,234</u>	<u>1,009,820</u>

On behalf of the Board

  
Colm Nagle  
Director

Anna McCabe  
Director



8 August 2019

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## AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

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### STATEMENT OF CASH FLOWS

	Year ended 31 December 2018 €	Year ended 31 December 2017 €
<b>Cashflows from operating activities</b>		
Net (expenditure)/income for the year	(151,586)	76,431
<b>Adjustments for:</b>		
Depreciation	60,729	28,795
Movement in debtors	(66,253)	(13,081)
Movement in creditors	<u>116,653</u>	<u>(65,870)</u>
<b>Net cash (used in)/generated from operating activities</b>	<u>(40,457)</u>	<u>26,275</u>
<b>Cashflows from investing activities</b>		
Purchase of tangible fixed assets	<u>(64,966)</u>	<u>(144,171)</u>
<b>Net cash outflow from investing activities</b>	<u>(64,966)</u>	<u>(144,171)</u>
<b>Net decrease in cash and cash equivalents</b>	(105,423)	(117,896)
<b>Cash and cash equivalents at the beginning of the year</b>	<u>1,048,097</u>	<u>1,165,993</u>
<b>Cash and cash equivalents at the end of the year</b>	<u>942,674</u>	<u>1,048,097</u>

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# AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

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## NOTES TO THE FINANCIAL STATEMENTS

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### 1. GENERAL INFORMATION

Age Action Ireland Company Limited by Guarantee is a company limited by guarantee and has no share capital. The registered office and principal place of business is 10 Grattan Crescent, Inchicore, Dublin 8. The nature of the company's operations and its principal activities are set out in the directors' report.

### 2. STATEMENT OF COMPLIANCE

Age Action Ireland Company Limited by Guarantee is constituted under Irish company law as a company limited by guarantee and is a registered charity.

The financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" ("FRS 102") and the Companies Act 2014. The financial statements have also been prepared in accordance with Statement of Recommended Practice (SORP) (Revised 2015) "Accounting and Reporting by Charities".

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### a) *Basis of preparation*

The financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" ("FRS 102") and the Companies Act 2014. The financial statements have also been prepared in accordance with Statement of Recommended Practice (SORP) (Revised 2015) "Accounting and Reporting by Charities" as published by the Charity Commission for England and Wales, who are recognised by the UK Financial Reporting Council (FRC) as the appropriate body to issue SORP's for the charity sector in the UK. Financial reporting in line with SORP is considered best practice for charities in Ireland. The directors consider that the adoption of the SORP requirements is the most appropriate accounting to properly reflect and disclose the activities of the organisation. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

#### b) *Functional currency and presentation currency*

The financial statements are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements are presented in Euro ("€") which is also the functional currency of the company.



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## AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

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### NOTES TO THE FINANCIAL STATEMENTS

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#### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

##### *c) Income*

All income is recognised in the Statement of Financial Activities (“SOFA”) when the company is entitled to the income, any performance related conditions have been met, receipt is probable and the amount can be quantified with reasonable accuracy. Income comprises grants for charitable activities, donations and legacies, and other trading activities.

Monies received in respect of expenditure that must take place in a future accounting period is accounted for as deferred income and recognised as a liability up until the accounting period allowed by the condition to expend the resource.

Donated goods are recognised as income when sold. The value is derived from the resale value after deducting the cost to sell the goods. Donated services are measured and included in the financial statements on the basis of the value of the gift to the charity, a corresponding amount is then recognised in expenditure in the period of receipt.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity.

Income is analysed as Restricted or Unrestricted. Restricted funds represent income recognised in the financial statements, which is subject to specific conditions imposed by the donors or grant making institutions. Unrestricted funds represent amounts which are expendable at the discretion of the company, in furtherance of the objectives of the charity. Such funds may be held in order to finance working capital or capital investment.

##### *d) Expenditure*

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related thereto. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

##### *e) Employee benefits*

The charity provides a range of benefits to employees, including paid holiday pay arrangements and defined contribution pension plans.

##### *Short term benefits*

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the financial year.

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# AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

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## NOTES TO THE FINANCIAL STATEMENTS

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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### e) *Employee benefits (continued)*

##### *Pensions*

The charity operates a defined contribution pension scheme. This scheme is administered by independent investment managers. Pension costs are expensed to the statement of financial activities as incurred.

#### f) *Operating leases*

Operating lease payments are charged to the statement of financial activities in the period to which they relate.

#### g) *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

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

Office Equipment	–	2 - 7 years
Leasehold Premises	–	2 - 23 years
Motor Vehicles	–	3 - 5 years

#### h) *Cash and cash equivalents*

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

#### i) *Financial instruments*

##### *Financial assets*

Basic financial assets, including other receivables, and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. The impairment loss is recognised in the statement of financial activities.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or are settled; or substantially all the risks and rewards of the ownership of the asset are transferred to another party; or control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions on transfer.

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# AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

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## NOTES TO THE FINANCIAL STATEMENTS

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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### *i) Financial instruments (continued)*

##### *Financial liabilities*

Basic financial liabilities, including trade and other payables are initially recognised at transaction price.

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. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

##### *Offsetting*

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle to liability simultaneously.

#### *j) Provisions and contingencies*

##### *Provisions*

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

##### *Contingencies*

Contingent liabilities, arising as a result of past events, are recognised when it is probable that there will be an outflow of resources and the amount can be reliably measured at the reporting date. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

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# AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

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## NOTES TO THE FINANCIAL STATEMENTS

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### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The company makes judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of the company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be reasonable under the circumstances. Actual results may differ from the estimates.

#### a) *Critical judgements made in applying the company's accounting policies*

Management is of the opinion that there are no critical judgements (other than those involving estimates) that have a significant effect on the amounts recognised in the financial statements.

#### b) *Key sources of estimation uncertainty*

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 are discussed below:

##### *Useful Lives of Tangible Fixed Assets*

Tangible fixed assets comprise office equipment, motor vehicles, leasehold premises and fittings. The annual depreciation charge depends primarily on the estimated lives of each type of asset. The directors regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation charge for the financial year. The carrying amount of the tangible fixed assets of the company at 31 December 2018 was €153,733 (2017: €149,496).

### 5. INCOME

All income derives from activities in the Republic of Ireland. Income comprises grants, donations and legacies and other trading activities.

Trading activities comprise income from the six charity stores and fundraising events including raffles, a national bucket collection and corporate partnerships.

6. CHARITY STORES	2018	2017
	€	€
Unrestricted funds		
Store income	992,470	867,442
Unrestricted expenditure		
Store expenses	(896,127)	(663,178)
Net surplus from charity stores	<u>96,343</u>	<u>204,264</u>

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## AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

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### NOTES TO THE FINANCIAL STATEMENTS

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7.	<b>NET (EXPENDITURE) / INCOME</b>	<b>2018</b>	<b>2017</b>
		€	€
	Net (expenditure) income is stated after charging:		
	Depreciation of tangible assets	60,729	28,795
	Auditors' remuneration:		
	– In respect of audit services	11,760	8,500
	– In respect of other assurance services	-	925
	– In respect of tax advisory services	-	1,250
	Operating leases – motor vehicles	28,725	26,395
	Operating leases – office	90,000	69,583
	Operating leases – charity stores	<u>303,925</u>	<u>252,331</u>

8.	<b>STAFF COSTS</b>	<b>2018</b>	<b>2017</b>
		€	€
	Wages and salaries	1,767,591	1,682,602
	Social welfare costs	145,456	137,750
	Pension costs	<u>28,610</u>	<u>24,412</u>
		<u>1,941,657</u>	<u>1,844,764</u>

#### Number of employees

The average monthly number of employees during the year was as follows:

	2018	2017
	No.	No.
Charity stores	17	21
Development projects and services	<u>55</u>	<u>44</u>
	<u>72</u>	<u>65</u>

The number of employees whose emoluments for the year (including salaries and taxable benefits in kind but excluding employer pension costs) fall within the following bands are as follows:

	2018	2017
	No.	No.
€70,000 – €80,000	1	1
€80,000 – €90,000	-	-
€90,000 – €100,000	-	-
€100,000 – €110,000	-	-
€110,000 – €120,000	<u>1</u>	<u>1</u>

Age Action's Chief Executive is the highest paid employee with a basic salary of €110,000.

Contributions between 5% to 10% of salary were made by the company to the defined contribution pension scheme for the two senior management team members who fall within the bands above.

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## AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

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### NOTES TO THE FINANCIAL STATEMENTS

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#### 9. PENSION

The company operates a defined contribution pension scheme and the assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to this scheme and amounts to €28,610 (2017: €24,412). An amount due of €2,305 (2017: €2,908) is included in creditors at year end date.

#### 10. DIRECTORS' EMOLUMENTS

One of the non-Dublin based directors received travel expenses of €391 (2017: €432) and the Chair received travel expenses of €198 relating to visits to regional offices and associated incidental expenses, e.g. parking (2017: €nil).

None of the directors received remuneration or benefits for their services during 2018 or 2017. The Chair stepped down and took on the role as Interim CEO effective for the period 16 July 2018 to 2 November 2018 with a total remuneration of €19,433.

#### 11. TAXATION

The company is a registered charity and is not liable to income tax or corporation tax.

#### 12. TANGIBLE FIXED ASSETS

	Office Equipment €	Leasehold Premises & Fittings €	Motor Vehicles €	IT Hardware/ Software €	Total €
<b>Cost</b>					
At 31 December 2017	134,250	248,327	-	70,910	453,487
Additions	<u>1,909</u>	<u>33,828</u>	<u>-</u>	<u>29,229</u>	<u>64,966</u>
At 31 December 2018	<u>136,159</u>	<u>282,155</u>	<u>-</u>	<u>100,139</u>	<u>518,453</u>
<b>Depreciation</b>					
At 31 December 2017	132,480	140,649	-	30,862	303,991
Charge for the year	<u>1,155</u>	<u>38,838</u>	<u>-</u>	<u>20,736</u>	<u>60,729</u>
At 31 December 2018	<u>133,635</u>	<u>179,487</u>	<u>-</u>	<u>51,598</u>	<u>364,720</u>
<b>Net Book Amount</b>					
At 31 December 2017	<u>1,770</u>	<u>107,678</u>	<u>-</u>	<u>40,048</u>	<u>149,496</u>
At 31 December 2018	<u>2,524</u>	<u>102,668</u>	<u>-</u>	<u>48,541</u>	<u>153,733</u>

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## AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

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### NOTES TO THE FINANCIAL STATEMENTS

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<b>13. DEBTORS</b>	<b>2018</b>	<b>2017</b>
Amounts falling due within one year	€	€
Prepayments and accrued income	121,321	84,082
Other debtors	<u>29,014</u>	-
	<u>150,335</u>	<u>84,082</u>
<b>14. CASH AND CASH EQUIVALENTS</b>	<b>2018</b>	<b>2017</b>
	€	€
Cash at bank	<u>942,674</u>	<u>1,048,097</u>
Unrestricted income	942,674	830,681
Designated income	-	166,903
Restricted income	<u>-</u>	<u>50,513</u>
	<u>942,674</u>	<u>1,048,097</u>

Unrestricted cash is held in order to meet the reserves policy which is to maintain unrestricted reserved equivalent to a minimum of six months of operating costs.

<b>15. CREDITORS</b>	<b>2018</b>	<b>2017</b>
Amounts falling due within one year	€	€
Trade creditors	45,390	94,988
Project expenses accrued	-	8,798
Other creditors	11,150	5,970
Paye/prsi	39,618	40,605
Accruals	28,713	31,166
Deferred income (Note 16)	<u>263,637</u>	<u>90,328</u>
	<u>388,508</u>	<u>271,855</u>

#### *Trade creditors*

The repayment terms of trade creditors vary between on demand and 30 days. No interest is payable on trade creditors.

#### *Taxes and social security costs*

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

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## AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

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### NOTES TO THE FINANCIAL STATEMENTS

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#### 16. DEFERRED INCOME

	Opening Deferred Income 1 January 2018 €	Amounts received during the year €	Amounts released during the year €	Closing deferred income 31 December 2018 €
Bon Secours	-	26,250	15,312	10,938
Department of Communications	-	320,940	190,440	130,500
Erasmus	-	27,211	15,336	11,875
Help Age International	25,163	94,980	76,663	43,480
Ageing Well Network	500	-	500	-
Pobal	19,769	76,756	85,886	10,639
Dublin City Council	20,833	31,250	31,250	20,833
Gordon Snell	5,000	-	5,000	-
Community Foundation of Ireland	1,765	7,484	5,243	4,006
Membership	17,298	20,000	35,932	1,366
Electric Ireland	-	5,000	-	5,000
Bank of Ireland	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
	<u>90,328</u>	<u>634,871</u>	<u>461,562</u>	<u>263,637</u>



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## AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

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### NOTES TO THE FINANCIAL STATEMENTS

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#### 17. MOVEMENT OF FUNDS

	Designated Funds €	Restricted funds €	Unrestricted funds €	Total 2018 €
Opening balance	166,903	28,500	814,417	1,009,820
Net (expenditure) / income	-	(218,308)	66,722	(151,586)
Transfer of funds	<u>(166,903)</u>	<u>189,808</u>	<u>(22,905)</u>	-
Closing balance	<u>          -</u>	<u>          -</u>	<u>858,234</u>	<u>858,234</u>
<b>Represented by:</b>				
Fixed assets	-	-	153,733	153,733
Current assets	-	-	1,093,009	1,093,009
Current liabilities	<u>          -</u>	<u>          -</u>	<u>(388,508)</u>	<u>(388,508)</u>
	<u>          -</u>	<u>          -</u>	<u>858,234</u>	<u>858,234</u>

#### In respect of the prior year

	Designated Funds €	Restricted funds €	Unrestricted funds €	Total 2017 €
Opening balance	141,319	-	792,070	933,389
Net movement	<u>25,584</u>	<u>28,500</u>	<u>22,347</u>	<u>76,431</u>
Closing balance	<u>166,903</u>	<u>28,500</u>	<u>814,417</u>	<u>1,009,820</u>
<b>Represented by:</b>				
Fixed assets	-	-	149,496	149,496
Current assets	166,903	79,013	886,263	1,132,179
Current liabilities	<u>          -</u>	<u>(50,513)</u>	<u>(221,342)</u>	<u>(271,855)</u>
	<u>166,903</u>	<u>28,500</u>	<u>814,417</u>	<u>1,009,820</u>

An amount of €166,903 was received during the year and has been designated by the directors for the transformation project.

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## AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

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### NOTES TO THE FINANCIAL STATEMENTS

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#### 18. STATEMENT OF FUNDS

	Opening balance 31 December 2017 €	Incoming resources €	Resources expended €	Cross subsidisation from Department of Social Protection funds €	Cross subsidisation to / from unrestricted funds €	Closing balance 31 December 2018 €
<b>Restricted funds</b>						
1 Age Action West	-	-	(41,728)	-	41,728	-
2 Ageing & Development	-	76,663	(76,663)	-	-	-
3 Care & Repair *	-	44,009	(145,066)	30,755	70,302	-
4 Getting Started*	28,500	288,146	(346,682)	30,036	-	-
5 Lifelong Learning	-	82,646	(82,646)	-	-	-
6 Social Partnership/Policy	-	121,925	(121,925)	-	-	-
7 Age Action South	-	<u>10,000</u>	<u>(26,987)</u>	-	<u>16,987</u>	-
	28,500	623,389	(841,697)	60,791	129,017	-
<b>Unrestricted funds</b>	<u>814,417</u>	<u>2,428,667</u>	<u>(2,361,945)</u>	<u>(60,791)</u>	<u>37,886</u>	<u>858,234</u>
<b>Designated funds</b>	<u>166,903</u>	-	-	-	<u>(166,903)</u>	-
<b>Total funds</b>	<u>1,009,820</u>	<u>3,052,056</u>	<u>(3,203,642)</u>	-	-	<u>858,234</u>

\* The cross subsidisation amounts funded by the Department of Employment Affairs and Social Protection relate to staff participating in the Community Employment Scheme. The amounts for the Care & Repair Programme 2018 is €30,755 and Getting Started Programme 2018 is €30,036.

Designated funds held at 31 December 2017 were funds held by Age Action to support the transformation costs in 2018. As these costs did not occur in 2018 the Board decided to re-assign these funds to unrestricted.

The above projects were chiefly funded by the following donors:

1. Ageing & Development - Help Age International
2. Care & Repair - Cork City Council, Gordon Snell
3. Getting Started - The Department of Communications, Climate & Environment, Dublin City Council, Irish on Line Giving
4. Lifelong Learning - Solas, CT Westfalische Wilhelms
5. Social Partnership / Policy - The Department of Housing, Pobal, Community Foundation of Ireland
6. Age Action South- HSE Cork, Bon Secours

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# AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

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## NOTES TO THE FINANCIAL STATEMENTS

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### 19. FINANCIAL INSTRUMENTS

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

	2018	2017
	€	€
<b>Financial assets at amortised cost</b>		
Other debtors	29,014	-
Cash and cash equivalents	<u>942,674</u>	<u>1,048,097</u>
<b>Financial liabilities at amortised cost</b>		
Accruals	28,713	31,166
Trade creditors	<u>45,390</u>	<u>94,988</u>

### 20. FINANCIAL COMMITMENTS

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

	2018	2017
	€	€
Due within one year	405,808	370,620
Due between two and five years	911,772	1,057,529
After five years	<u>440,000</u>	<u>550,000</u>
	<u>1,757,580</u>	<u>1,978,149</u>

### 21. RELATED PARTY TRANSACTIONS

#### *Key management personnel*

Total remuneration including employer's social insurance and pension in respect of senior employees who have authority and responsibility for planning, directing and controlling the activities of the charity amounted to €369,143 (2017: €429,321).

Directors received no expenses/reimbursements during the year, except as noted in Note 10.

Membership fees received from directors amounted to €340 (2017: €320).

### 22. EVENTS SUBSEQUENT TO THE YEAR END

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

### 23. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the directors on 8 August 2019.

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## AGE ACTION IRELAND COMPANY LIMITED BY GUARANTEE

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### Appendix 1

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#### Income & Expenditure Account – Pobal

	SSNO 2016-2019 31.12.18 €	SSNO 2016-2019 31.12.17 €
Grant received	<u>76,756</u>	<u>67,520</u>
Salaries & wages	85,886	47,702
Training and development	-	-
Staff recruitment	-	-
Glór group costs	<u>-</u>	<u>49</u>
Total costs	<u>85,886</u>	<u>47,751</u>
Deficit / Surplus for the year	(9,130)	19,769
Carried forward to next year	10,639	-

Name of Programme	Scheme to Support National Organisations (SSNO) 2016 – 2019
Purpose of Grant	To fund a Social Policy Officer and a Health Policy Officer
Name of Grantor	Dept. of Environment Community & Local Government
Capital Grant disclosure	No Capital Grant received
Restrictions Disclosure	Restricted to the purpose for which the Grant was awarded
Tax Clearance Disclosure	Age Action Ireland CLG (Tax No: 6606029F) is tax compliant