

**ALCOHOL ACTION IRELAND**  
**Report and Financial Statements**  
**for the year ended**  
**31 December 2016**  
**(A company limited by guarantee and**  
**not having a share capital)**

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# ALCOHOL ACTION IRELAND

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## REPORT AND FINANCIAL STATEMENTS 2016

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## ALCOHOL ACTION IRELAND

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### DIRECTORS AND OTHER INFORMATION

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#### DIRECTORS

Carol Fawsitt (Chairperson)  
Joseph Barry  
Declan Bedford  
Catherine Brogan  
Pat Cahill

John McCormack  
Frank Murray  
Bobby Smyth  
Tadhg Young

#### SECRETARY AND REGISTERED OFFICE

Suzanne Costello  
Coleraine House  
Coleraine Street  
Dublin 7

#### COMPANY NUMBER

378738

#### CHARITY NUMBER

20052713

#### AUDITORS

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

#### SOLICITORS

Hayes Solicitors  
Lavery House  
Earlsfort Terrace  
Dublin 2

#### BANKERS

Bank of Ireland  
College Green  
Dublin 2

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# ALCOHOL ACTION IRELAND

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## DIRECTORS' REPORT

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The directors present their report and the audited financial statements for the year ended 31 December 2016.

### 1. COMPANIES ACT 2014

The Companies Act 2014 became effective on 1 June 2015. The company automatically converted to a private company limited by guarantee ("CLG") as set out by the Companies Act 2014.

### 2. OBJECTIVES AND ACTIVITIES

The principal activity of the company is to increase understanding of the impact of inappropriate alcohol use on the health and well-being of Irish society and of the public policies necessary to reduce the problems associated with such use, and the impact of high risk alcohol use and alcohol related harm on the lives of individuals, the healthcare services and the health and wellbeing of Irish society. AAI (Alcohol Action Ireland) continues to campaign for the prevention and reduction of alcohol related harm in Ireland by engaging in public debate regarding risk, harm and, providing information on evidence based policy responses. The publication of the Public Health (Alcohol) Bill in December 2015 was an encouraging step towards implementing public health measures to reduce alcohol harm in Ireland. The very slow progress of the legislation has been disappointing but in the context of the intense opposition to the Bill from the alcohol industry, it is encouraging that it remains part of this government's legislative agenda.

### 3. REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS

The importance of the Public Health (Alcohol) Bill means that campaigning for its implementation remains a key focus. A consequence of the welcome economic recovery is increased alcohol consumption and the harms that go with that. As consumption remains considerably above the Healthy Ireland low risk target, and is likely to increase, this is a timely moment for implementing regulatory measures to minimise the impact of increasing consumption.

As support for the legislation has grown so too has our role and involvement with the Alcohol Health Alliance; with our partners in the RCPI, AAI continues to work closely with the many stakeholders and partners for whom a reduction in alcohol harm is an objective. The progress of the legislation has also increased media interest in alcohol policy and AAI works with expert spokespersons on media briefings on specific topics from a public health perspective.

In July of this year, with a new Government in place, the second Oireachtas cross party group on alcohol harm was formed with Senator Frances Black elected as Chair. Formed in 2014, AAI has provided the secretariat to the group which offers representatives of all parties and independents to gain a public health perspective on alcohol harm in Ireland.

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# ALCOHOL ACTION IRELAND

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## DIRECTORS' REPORT

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### 3. REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS (CONTINUED)

The expiration of the EU Alcohol Strategy in 2012 was not immediately followed by a replacement strategy. Despite the calls for a new strategy from Health Ministers from Member States – it now appears that the EU favours an approach whereby MS (Member State) activity is to be prioritised with support from DG Sante, rather than having an over-arching EU wide strategy as in previous years.

This means closer working with colleagues in other Member States in Europe to progress work in reducing alcohol harm at EU level is essential. This approach is supported by the Department of Health, and we have received a grant from the Department of Health National Lottery Fund to support this work in 2016/17. Many Member States are proceeding with legislative measures to reduce alcohol related harm. Most importantly in 2016 the opinion of the European Court of Justice on the Alcohol (Minimum Pricing), (Scotland), which was sought by the Scottish courts, does not preclude legislation providing for a minimum unit price for alcohol.

The Public Health (Alcohol) Bill remains a key priority for AAI as it represents the most effective policy instrument to address alcohol harm. The Bill which is currently stalled at Committee Stage in the Seanad is the subject of intense debate within the Oireachtas.

AAI has undertaken another strong programme of work in 2016 including the following:

- Submission to the Steering Group on a new National Drugs Strategy.
- Submission to the review of the General Communications Code of the Broadcasting Association of Ireland.
- Response to the EU Audio-Visual Services Directive.
- Led a delegation to meet with representatives of Commissioner Hogan DG Agri.
- Joined a Eurocare delegation to meet with Commissioner Andriukaitis DG Sante.
- AAI Pre-budget Submission 2017.
- Secretariat to the Oireachtas Cross Party Group on Alcohol Harm.
- Co-administrator of the Alcohol Health Alliance.
- Regular presentations and briefings to a range of stakeholders on alcohol policy in Ireland.
- Ongoing development of the AAI website as the key resource on alcohol policy in Ireland.

AAI has a recognised expertise in alcohol policy. As the progress of the legislation has increased interest in alcohol policy during 2016, AAI has supported a wide range of public, media and stakeholder information requests and policy input. AAI welcomes the form of engagement as developing public understanding of public health measures to reduce alcohol related harm is a key part of its remit.

AAI anticipates the return of the legislation to the Oireachtas in 2017 and the publication of the new national drug strategy. Outcomes of both will influence the future direction of AAI.

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# ALCOHOL ACTION IRELAND

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## DIRECTORS' REPORT

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### 4. FINANCIAL REVIEW, ACHIEVEMENTS AND PERFORMANCE

The financial results for the year are set out in the Statement of Financial Activities on page 11. The net income for the year after providing for depreciation was €80,439 (2015: net expenditure of €72,415).

AAI's financial position has stabilised in 2016. The HSE shared working agreement has helped as has the focus on lower overheads and reduced programme budget in place since 2015's review of activities. Fundraising remains challenging and as noted in previous year, the exclusion of campaigning and advocacy activity from many CSR (corporate social responsibility) programmes reduces our fundraising scope. AAI continues to actively seek additional sources of income.

In common with many charities, the organisation must maintain and develop its income sources to ensure the continuation of its role as an advocate for reducing alcohol-related harm in Ireland. In order to mitigate this risk, the directors review the sources of income on an ongoing basis. In addition, reserve levels are monitored to ensure that they are maintained at a reasonable level in the context of planned expenditure and future commitments. The directors are at all times conscious that maintaining the reputation of the organisation is critical.

The board has implemented a reserves policy whereby it aims to maintain reserves levels equivalent to a minimum of three months of operating costs.

### 5. STRUCTURE, GOVERNANCE AND MANAGEMENT

Alcohol Action Ireland is a company (Company Registration Number 378738) which was incorporated on 28 November 2003. The company is limited by guarantee, not having a share capital and is governed by a Constitution. The company holds Revenue Commissioners Charitable Status (CHY 15342).

Directors are appointed to the Board on the basis of an assessment of the skills required to support and inform the work of Alcohol Action Ireland and individual commitment to the public health approach to reducing alcohol related harm. Individuals are appointed via an interview process.

The finance sub-committee is established to oversee the finances of Alcohol Action Ireland. This is comprised of three board members. There is also a HR sub-committee in place.

In 2016, the AAI Board of directors met four times, in February, June, September and October. The Finances Sub-Committee of the Board met three times.

The charity makes decisions on the basis of an annual plan informed by the objectives of the charity, evidence based measures for the most effective reduction of alcohol harm and the available resources.

An induction programme for new directors is in place and all existing directors meet regularly and are included in all events and activities and circulated on all publications.

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# ALCOHOL ACTION IRELAND

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## DIRECTORS' REPORT

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

Remuneration is set at the appropriate point on the salary scale of the market rate for roles and responsibilities.

### 6. EVENTS SUBSEQUENT TO THE YEAR END

There are no significant events affecting the company since the year end.

### 7. DIRECTORS AND SECRETARY AND THEIR INTERESTS

The company is limited by guarantee and does not have any share capital. Therefore the directors and secretary who served during the year did not have a beneficial interest in the company. All directors serve in a voluntary capacity.

### 8. DIRECTORS

The names of the persons who at any time during the financial year were directors of the company are listed below. They served for the entire year under review unless otherwise indicated.

Carol Fawsitt (Chairperson)  
Joseph Barry  
Declan Bedford  
Padraig Brady (resigned 17 July 2017)  
Catherine Brogan  
Pat Cahill  
John McCormack  
Frank Murray (appointed 17 July 2017)  
Keith O'Brien (appointed 28 June 2016, resigned 5 October 2016)  
Bobby Smyth (resigned 28 June 2016, reappointed 14 February 2017)  
Tadhg Young

### 9. ACCOUNTING RECORDS

The measures that the directors have taken to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at Coleraine House, Coleraine St, Dublin 7.

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# ALCOHOL ACTION IRELAND

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## DIRECTORS' REPORT

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### 10. STATEMENT ON RELEVANT AUDIT INFORMATION

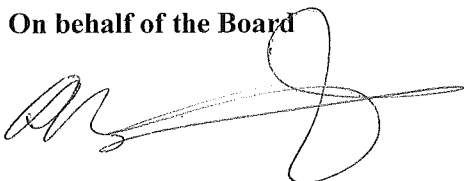
In the case of each of the persons who are directors at the time this report is approved in accordance with section 332 of the Companies Act 2014:

- (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.

### 11. AUDITORS

Mazars, Chartered Accountants and Statutory Audit Firm, continue in office in accordance with Section 382(2) of the Companies Act 2014.

On behalf of the Board



**Declan Bedford**  
Director



**Pat Cahill**  
Director

6 September 2017



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## ALCOHOL ACTION IRELAND

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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, and promulgated by the Institute of Chartered Accountants in Ireland. Under company 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 net income or expenditure 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 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 and financial position and net income/(expenditure) 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 the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**On behalf of the Board**



**Declan Bedford**  
**Director**

**Pat Cahill**  
**Director**



6 September 2017

**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF**  
**ALCOHOL ACTION IRELAND**

We have audited the financial statements of Alcohol Action Ireland for the year ended 31 December 2016 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council.

This report is made solely to the company's directors, 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 directors as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

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

**Scope of the audit of the financial statements**

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

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities, and financial position of the company as at 31 December 2016 and of its net income for the year then ended; and
- have been properly prepared in accordance with relevant financial reporting framework and, in particular with the requirements of the Companies Act 2014.

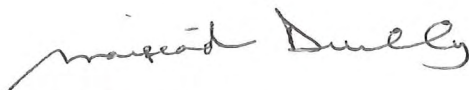
**INDEPENDENT AUDITOR'S REPORT**  
**TO THE MEMBERS OF**  
**ALCOHOL ACTION IRELAND**

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

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

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

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



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

**6 September 2017**

## ALCOHOL ACTION IRELAND

### STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds 2016 €	Restricted Funds 2016 €	Total Year ended 31 December 2016 €	Unrestricted Funds 2015 €	Restricted Funds 2015 €	Total Year ended 31 December 2015 €
<b>Income</b>							
Charitable activities							
Grants		251,641	75,000	326,641	213,055	25,000	238,055
<b>Donations and legacies</b>							
Donations		805	-	805	3,062	-	3,062
<b>Other income</b>		<u>251</u>	<u>-</u>	<u>251</u>	<u>2,848</u>	<u>-</u>	<u>2,848</u>
<b>Total income</b>	<b>5</b>	252,697	75,000	327,697	218,965	25,000	243,965
<b>Expenditure</b>							
On charitable activities		(243,554)	(3,704)	(247,258)	(276,356)	(40,024)	(316,380)
<b>Net income/(expenditure)</b>	<b>7</b>	9,143	71,296	80,439	(57,391)	(15,024)	(72,415)
<b>Fund balances at beginning of year</b>		<u>70,376</u>	<u>30,389</u>	<u>100,765</u>	<u>127,767</u>	<u>45,413</u>	<u>173,180</u>
<b>Fund balances at end of year</b>	<b>14</b>	<u>79,519</u>	<u>101,685</u>	<u>181,204</u>	<u>70,376</u>	<u>30,389</u>	<u>100,765</u>

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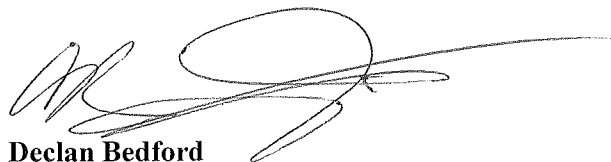
# ALCOHOL ACTION IRELAND

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## STATEMENT OF FINANCIAL POSITION

	Notes	31 December 2016 €	31 December 2015 €
<b>FIXED ASSETS</b>			
Tangible assets	9	<u>32</u>	<u>1,185</u>
<b>CURRENT ASSETS</b>			
Debtors	10	1,792	25,129
Cash and cash equivalents	11	<u>201,589</u>	<u>129,841</u>
		203,381	154,970
<b>CREDITORS</b>			
Amounts falling due within one year	12	<u>(22,209)</u>	<u>(55,390)</u>
<b>NET CURRENT ASSETS</b>		<u>181,172</u>	<u>99,580</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>181,204</u>	<u>100,765</u>
<b>FUNDED BY</b>			
Unrestricted funds	14	79,519	70,376
Restricted funds	14	<u>101,685</u>	<u>30,389</u>
<b>TOTAL CHARITY FUNDS</b>		<u>181,204</u>	<u>100,765</u>

On behalf of the Board



**Declan Bedford**  
Director

**Pat Cahill**  
Director



6 September 2017

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## ALCOHOL ACTION IRELAND

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### STATEMENT OF CASH FLOWS

		Year ended 31 December 2016 €	Year ended 31 December 2015 €
	Notes		
<hr/>			
<b>Cash flows from operating activities</b>			
Net income/(expenditure) for year		80,439	(72,415)
<b>Adjustment for:</b>			
Depreciation		1,153	1,259
Movement in debtors		23,337	2,551
Movement in creditors		(33,181)	(35,685)
<b>Net cash inflow/(outflow) from operating activities</b>		<u>71,748</u>	<u>(104,290)</u>
<b>Movement in cash and cash equivalents in the year</b>		71,748	(104,290)
<b>Cash and cash equivalents at beginning of year</b>	12	<u>129,841</u>	<u>234,131</u>
<b>Cash and cash equivalents at end of year</b>	12	<u>201,589</u>	<u>129,841</u>

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# ALCOHOL ACTION IRELAND

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## NOTES TO THE FINANCIAL STATEMENTS

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### 1. GENERAL INFORMATION

Alcohol Action Ireland is a company limited by guarantee and not having a share capital. The registered office is Coleraine House, Coleraine Street, Dublin 7. The nature of the company's operations and its principal activities are set out in the directors' report.

### 2. STATEMENT OF COMPLIANCE

Alcohol Action Ireland is constituted under Irish company law as a company limited by guarantee and is a registered charity. Up to 1 June 2015, company law scoped out companies not trading for gain for the members from the requirements with regard to formats and content of financial statements which applied to for profit companies thus permitting the adoption of a format appropriate to a charity. Accordingly Alcohol Action Ireland has adopted and reported its performance in accordance with the format provided for in the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" as published by the Charity Commission for England and Wales. SORP has heretofore been recognised as best practice for financial reporting by charities in Ireland. The Companies Act 2014 became effective in law on 1 June 2015 and from that date applies the format and content of financial statements requirements appropriate for a company trading for the profit of its members to a company that is a not for profit organisation such as Alcohol Action Ireland.

In order to provide information relevant to understanding the stewardship of the directors and the performance and financial position of the charity, Alcohol Action Ireland has prepared its financial statements in accordance with the formats provided for in the Statement of Recommended Practice (SORP) (Revised 2015) "Accounting and Reporting by Charities" consistent with the prior financial year. Had the company format and content of financial statements requirements suitable for a company trading for the profit of its members been presented instead, a profit and loss account with related notes showing items such as turnover and cost of sales would have been reported along with a profit on ordinary activities before taxation.

### 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 on a going concern basis under the historical cost convention modified to include certain items at fair value and in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Act 2014 as applied in accordance with the 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 SORPs for the charity sector in the UK. Financial reporting in line with SORP is considered best practice for charities in Ireland.

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## ALCOHOL ACTION IRELAND

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### NOTES TO THE FINANCIAL STATEMENTS

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

##### *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.

##### *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 other income.

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.

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.

##### *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.



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## ALCOHOL ACTION IRELAND

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### NOTES TO THE FINANCIAL STATEMENTS

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

##### *f) Taxation*

The company has charitable status under Section 208 of the Taxes Consolidation Act 1997, and consequently is not subject to corporation tax.

##### *g) Leases*

Rents payable under operating leases are charged to the statement of financial activities on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

##### *h) Tangible fixed assets and depreciation*

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Computer equipment	33% straight line
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##### *i) Cash and cash equivalents*

Cash consists of cash at bank and on 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.

##### *j) Financial instruments*

###### *Financial assets*

Basic financial assets, including other receivables and cash and cash equivalents 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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## ALCOHOL ACTION IRELAND

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### NOTES TO THE FINANCIAL STATEMENTS

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

##### *j) Financial instruments (continued)*

###### *Financial liabilities*

Basic financial liabilities, including trade creditors are initially recognised at transaction price.

Trade creditors 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.

##### *k) 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.

#### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The charity 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 charity'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.

# ALCOHOL ACTION IRELAND

## NOTES TO THE FINANCIAL STATEMENTS

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(continued)*

#### 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*

Management is of the opinion that there are no 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.

### 5. INCOME

	Unrestricted Funds €	Restricted Funds €	Total 2016 €	Unrestricted Funds €	Restricted Funds €	Total 2015 €
Statutory funding	251,641	-	251,641	213,055	-	213,055
Other grant income	-	75,000	75,000	-	25,000	25,000
Donations	805	-	805	3,062	-	3,062
Deposit interest	14	-	14	33	-	33
Miscellaneous income	<u>237</u>	<u>-</u>	<u>237</u>	<u>2,815</u>	<u>-</u>	<u>2,815</u>
	<u>252,697</u>	<u>75,000</u>	<u>327,697</u>	<u>218,965</u>	<u>25,000</u>	<u>243,965</u>

All income derives from activities in the Republic of Ireland.

### 6. STAFF COSTS

	2016 €	2015 €
Wages and salaries	159,466	157,844
Social welfare costs	16,725	16,967
Pension costs	<u>9,550</u>	<u>9,214</u>
	<u>185,741</u>	<u>184,025</u>

#### Number of employees

The average monthly number of employees during the year was 3 (2015: 3). Employees receive a basic salary plus a maximum 6% - 12% payment towards their defined contribution pension scheme. There are no benefits-in-kind or bonus payments. The number of employees whose salaries for the year fall within the following bands are as follows:

€70,000 – €80,000	1
€50,000 – €60,000	1
€20,000 – €30,000	<u>1</u>
	<u>3</u>

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## ALCOHOL ACTION IRELAND

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### NOTES TO THE FINANCIAL STATEMENTS

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#### 6. STAFF COSTS *(continued)*

The directors received no remuneration or benefits for their services during the year or the preceding year.

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 €9,550 (2015: €9,214). An amount due of €1,992 is included in creditors at the year end date.

7. NET INCOME/(EXPENDITURE)	2016 €	2015 €
Net income/(expenditure) is stated after charging:		
Depreciation of tangible assets	1,153	1,259
Operating lease expense	7,500	7,500
Auditors' remuneration:		
- In respect of audit services	2,300	2,300
- In respect of corporate secretarial services	1,250	350
- In respect of HR consultancy services	<u>2,000</u>	<u>-</u>

#### 8. TAXATION

The company has charitable status under Section 208 of the Taxes Consolidation Act 1997, and consequently is not subject to corporation tax.

9. TANGIBLE ASSETS	Computer equipment €	Total €
<i>Current year</i>		
<b>Cost</b>		
At 31 December 2015 and 2016	<u>19,459</u>	<u>19,459</u>
<b>Accumulated Depreciation</b>		
At 31 December 2015	18,274	18,274
Charge for the year	<u>1,153</u>	<u>1,153</u>
At 31 December 2016	<u>19,427</u>	<u>19,427</u>
<b>Net Book Amount</b>		
At 31 December 2015	<u>1,185</u>	<u>1,185</u>
At 31 December 2016	<u>32</u>	<u>32</u>

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## ALCOHOL ACTION IRELAND

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### NOTES TO THE FINANCIAL STATEMENTS

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9.	<b>TANGIBLE ASSETS</b> <i>(continued)</i>	<b>Computer equipment</b>	<b>Total</b>
		€	€
	<i>Prior year</i>		
	<b>Cost</b>		
	At 31 December 2014 and 2015	<u>19,459</u>	<u>19,459</u>
	<b>Accumulated Depreciation</b>		
	At 31 December 2014	17,015	17,015
	Charge for the year	<u>1,259</u>	<u>1,259</u>
	At 31 December 2015	<u>18,274</u>	<u>18,274</u>
	<b>Net Book Amount</b>		
	At 31 December 2014	<u>2,444</u>	<u>2,444</u>
	At 31 December 2015	<u>1,185</u>	<u>1,185</u>
10.	<b>DEBTORS</b>	<b>2016</b>	<b>2015</b>
		€	€
	Prepayments and other debtors	<u>1,792</u>	<u>25,129</u>
11.	<b>CASH AND CASH EQUIVALENTS</b>	<b>2016</b>	<b>2015</b>
		€	€
	Cash at bank	<u>201,589</u>	<u>129,841</u>
	Unrestricted cash	101,696	124,581
	Restricted cash	<u>101,685</u>	<u>30,389</u>
		<u>201,589</u>	<u>129,841</u>
12.	<b>CREDITORS</b>	<b>2016</b>	<b>2015</b>
	<b>Amounts falling due within one year</b>	€	€
	Trade creditors	9,044	11,975
	Paye/prsi	5,182	6,443
	Pension liability	1,992	1,942
	Deferred income (note 13)	-	25,000
	Accruals	<u>5,991</u>	<u>10,030</u>
		<u>22,209</u>	<u>55,390</u>

# ALCOHOL ACTION IRELAND

## NOTES TO THE FINANCIAL STATEMENTS

### 12. CREDITORS

Amounts falling due within one year (continued)

#### 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.

#### Accruals

The terms of the accruals are based on underlying contracts.

### 13. DEFERRED INCOME

	Opening deferred income 1 January 2016 €	Amounts received during the year €	Closing deferred income 31 December 2016 €
HSE Statutory funding	<u>25,000</u>	<u>(25,000)</u>	<u>—</u>

### 14. MOVEMENT OF FUNDS

	Unrestricted funds €	Restricted funds €	Total 2016 €	Unrestricted funds €	Restricted funds €	Total 2015 €
Opening balance	70,376	30,389	100,765	127,767	45,413	173,180
Net movement	<u>9,143</u>	<u>71,296</u>	<u>80,439</u>	<u>(57,391)</u>	<u>(15,024)</u>	<u>(72,415)</u>
Closing balance	<u>79,519</u>	<u>101,685</u>	<u>181,204</u>	<u>70,376</u>	<u>30,389</u>	<u>100,765</u>
<b>Represented by:</b>						
Fixed assets	32	-	32	1,185	-	1,185
Current assets	101,696	101,685	203,381	124,581	30,389	154,970
Current liabilities	<u>(22,209)</u>	<u>—</u>	<u>(22,209)</u>	<u>(55,390)</u>	<u>—</u>	<u>(55,390)</u>
	<u>79,519</u>	<u>101,685</u>	<u>181,204</u>	<u>70,376</u>	<u>30,389</u>	<u>100,765</u>

#### Unrestricted funds

These are monies made available to Alcohol Action Ireland which are expendable at the discretion of the company.

#### Restricted funds

These are monies made available to Alcohol Action Ireland by National Lottery to fund specific projects; e.g. an information and training campaign on alcohol and mental health.

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## ALCOHOL ACTION IRELAND

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### NOTES TO THE FINANCIAL STATEMENTS

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#### 15. COMMITMENTS

The company currently has an annual operating lease expense of €7,500 in respect of a lease on its premises, 1<sup>st</sup> Floor, Coleraine House, Coleraine St, Dublin 7, on a 12 month rolling contract which first commenced on 1 November 2015.

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

	2016	2015
	€	€
Due within one year	<u>6,250</u>	<u>6,250</u>

#### 16. RELATED PARTY TRANSACTIONS

There were no contracts or arrangements in relation to the company's business, in which the directors or secretary of the company had any interest, as defined in the Companies Act 2014, at any time during the year ended 31 December 2016.

Directors received no expenses or reimbursements during the year.

Donations and membership fees received from directors amounted to €nil (2015: €nil).

#### *Key management personnel compensation*

Those charged with the authority and responsibility for planning, directing and controlling the activities of the company are considered to be key management personnel. Total remuneration in respect of these individuals, including social welfare costs and employer pension contributions, is €93,400 (2015: €93,400).

#### 17. 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:

	2016	2015
	€	€
<b>Financial liabilities at amortised cost</b>		
Trade creditors	<u>9,044</u>	<u>11,975</u>

#### 18. EVENTS SUBSEQUENT TO THE YEAR END

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

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## ALCOHOL ACTION IRELAND

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### NOTES TO THE FINANCIAL STATEMENTS

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#### 19. COMPARATIVES

In order to improve presentation and disclosure, certain prior year figures have been reclassified under different headings.

#### 20. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the board on 6 September 2017.