

ALCOHOL ACTION IRELAND
Report and Financial Statements
for the year ended
31 December 2017
(A company limited by guarantee and
not having a share capital)

ALCOHOL ACTION IRELAND

REPORT AND FINANCIAL STATEMENTS 2017

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ALCOHOL ACTION IRELAND

DIRECTORS AND OTHER INFORMATION

DIRECTORS

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

Frank Murray
Bobby Smyth
Tadhg Young

SECRETARY AND REGISTERED OFFICE

Pat Cahill
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

ALCOHOL ACTION IRELAND

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 December 2017.

1. 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.

2. REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS

The importance of the Public Health (Alcohol) Bill means that campaigning for its implementation remains a key area of activity for 2017.

In addition, AAI embarked on an ambitious programme of outreach to within the EU to advance two particular policy platforms relevant to the Public Health (Alcohol) Bill and the HSE's objective of reducing alcohol related harm. The Audio Visual Media Services Directive (AVMSD) and the issue of the exemption of alcohol products with an ABV of more than 1.2% from labelling requirements were active policy matters in 2017. AAI worked with colleagues in Eurocare and other Member States including Scotland and Estonia to raise the aspects of these policy positions that impact on alcohol harm in Ireland.

As consumption remains considerably above the Healthy Ireland low risk target, and is likely to increase as the economic recovery continues and alcohol sales increase, it is important that regulatory measures to minimise the impact of increasing consumption are implemented in a timely manner. Within the EU, in the absence of an EU Alcohol Strategy, and the very slow progress on EU wide policy measures, individual Member States are more proactive in addressing alcohol harm using domestic policy instruments and the EU recognises the right of Member States to take actions to protect population health.

As the campaign for the legislation has continued, so has our role and involvement with the Alcohol Health Alliance. AAI continues to work closely with the many stakeholders and partners for whom a reduction in alcohol harm is an important objective.

ALCOHOL ACTION IRELAND

DIRECTORS' REPORT

2. REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS *(continued)*

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 finally passed through the Seanad in December remains the subject of intense debate within the Oireachtas. The decision of the Supreme Court in London to reject the legal challenge of the alcohol industry to the implementation of minimum unit pricing in Scotland was an encouraging development for countries (including Ireland) considering this policy measure.

AAI has undertaken another strong programme of work in 2017 including the following:

- Published Foul Play? Research on the circumvention of alcohol advertising restrictions during UEFA Euro 2016.
- Organised a seminar: 'Self-Regulation is No Regulation?' in Brussels, discussing the provisions of the AVMSD and their impact on alcohol harm.
- Published the annual AAI Annual Price Survey.
- Attended the Estonian EU Presidency Conference on best practice in alcohol policy.
- Published AAI Pre-budget Submission 2018.
- Participated in the North-South Alcohol Policy Group hosted by the IPH.
- Secretariat to the Oireachtas Cross Party Group on Alcohol Harm.
- Co-hosted the Alcohol Health Alliance event calling for progress on the PHAB.
- Relunched the AAI website as the key resource on alcohol policy in Ireland.
- Engaged with partners via: Alcohol Health Alliance UK, Healthy Ireland Council, Irish Cancer Society's Cancer Prevention Committee, Mouth Cancer Awareness Day, Men's Health Week, Irish Men's Sheds and the Local and Regional Drug and Alcohol Task Forces.

AAI has a recognised expertise in alcohol policy and 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 progress of the legislation to Dáil Éireann in 2018.

3. FINANCIAL REVIEW, ACHIEVEMENTS AND PERFORMANCE

The financial results for the year are set out in the Statement of Financial Activities on page 13. The net expenditure for the year after providing for depreciation was €49,391 (2016: net income: €80,439).

AAI's financial position has stabilised further in 2017 and AAI continues to actively seek additional sources of income.

ALCOHOL ACTION IRELAND

DIRECTORS' REPORT

3. FINANCIAL REVIEW, ACHIEVEMENTS AND PERFORMANCE *(continued)*

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.

4. 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 2017, the AAI Board of directors met six times, in February, April, June, September and October and December.

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.

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

5. PRINCIPAL RISKS AND UNCERTAINTIES

The financial statements have been prepared on a going concern basis. The company is significantly dependent on government grant income, and while there has been no specific threat of loss of funding the directors believe that a significant risk exists because of this factor such that the company would not be in a position to continue its activities in the event of such an occurrence.

ALCOHOL ACTION IRELAND

DIRECTORS' REPORT

6. RESEARCH AND DEVELOPMENT

The company undertook no research and development during the year.

7. EVENTS SUBSEQUENT TO THE YEAR END

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

8. DIRECTORS AND SECRETARY

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

Directors

Carol Fawsitt (Chairperson)
Joseph Barry
Declan Bedford
Padraig Brady (resigned 17 July 2017)
Catherine Brogan
Pat Cahill
John McCormack (resigned 7 December 2017)
Frank Murray (appointed 17 July 2017)
Bobby Smyth (appointed 14 February 2017)
Tadhg Young

Secretary

Suzanne Costello (resigned 15 February 2018)
Pat Cahill (appointed 15 February 2018)

9. 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.

10. 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.

ALCOHOL ACTION IRELAND

DIRECTORS' REPORT

11. STATEMENT ON RELEVANT AUDIT INFORMATION

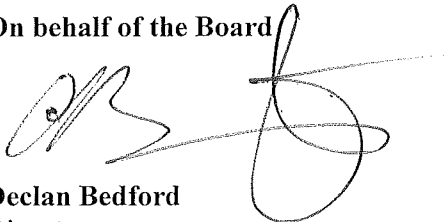
In the case of each of the persons who are directors at the time this report is approved in accordance with section 332 of the Companies Act 2014:

- (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.

12. AUDITORS

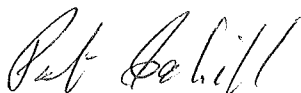
Mazars, Chartered Accountants and Statutory Audit Firm, have expressed their willingness to continue in office in accordance with Section 383(2) of the Companies Act 2014.

On behalf of the Board



Declan Bedford
Director

Pat Cahill
Director



28 September 2018

ALCOHOL ACTION IRELAND

DIRECTORS' RESPONSIBILITIES STATEMENT

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, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council and Statement of Recommended Practice (Charities SORP (FRS 102)), issued by the Charity Commissioners for England and Wales and the Office of the Scottish Charities Regulator. 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 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 and financial position and net income/(expenditure) of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements 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



28 September 2018

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

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Alcohol Action Ireland ('the company') for the year ended 31 December 2017, 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 Irish Law 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 2017 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.

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the directors' 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 set on page 8, 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.

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

Responsibilities of directors for the financial statements (continued)

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. 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

28 September 2018

ALCOHOL ACTION IRELAND

STATEMENT OF FINANCIAL ACTIVITIES

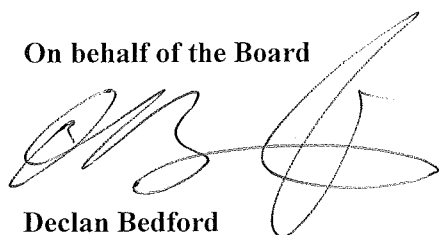
	Notes	Unrestricted Funds 2017 €	Restricted Funds 2017 €	Total Year ended 31 December 2017 €	Unrestricted Funds 2016 €	Restricted Funds 2016 €	Total Year ended 31 December 2016 €
Income from charitable activities							
Grants		251,640	13,500	265,140	251,641	75,000	326,641
Donations and legacies							
Donations		3,271	-	3,271	805	-	805
Other income		7	-	7	251	-	251
Total income	5	254,918	13,500	268,418	252,697	75,000	327,697
Expenditure							
On charitable activities		(262,849)	(54,960)	(317,809)	(237,587)	(9,671)	(247,258)
Net (expenditure)/income	7	(7,931)	(41,460)	(49,391)	15,110	65,329	80,439
Fund balances at beginning of year		<u>115,297</u>	<u>65,907</u>	<u>181,204</u>	<u>100,186</u>	<u>579</u>	<u>100,765</u>
Fund balances at end of year	13	<u>107,366</u>	<u>24,447</u>	<u>131,813</u>	<u>115,297</u>	<u>65,907</u>	<u>181,204</u>

ALCOHOL ACTION IRELAND

STATEMENT OF FINANCIAL POSITION

	Notes	31 December 2017 €	31 December 2016 €
FIXED ASSETS			
Tangible assets	9	<u>1,672</u>	<u>32</u>
CURRENT ASSETS			
Debtors	10	5,261	1,792
Cash and cash equivalents	11	<u>149,960</u>	<u>201,589</u>
		155,221	203,381
CREDITORS			
Amounts falling due within one year	12	<u>(25,080)</u>	<u>(22,209)</u>
NET CURRENT ASSETS		<u>130,141</u>	<u>181,172</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>131,813</u>	<u>181,204</u>
FUNDED BY			
Unrestricted funds	13	107,366	115,297
Restricted funds	13	<u>24,447</u>	<u>65,907</u>
TOTAL CHARITY FUNDS		<u>131,813</u>	<u>181,204</u>

On behalf of the Board



Declan Bedford
Director

Pat Cahill
Director



28 September 2018

ALCOHOL ACTION IRELAND

STATEMENT OF CASH FLOWS

		Year ended 31 December 2017 €	Year ended 31 December 2016 €
	Notes		
<hr/>			
Cash flows from operating activities			
Net (expenditure)/income for year		(49,391)	80,439
Adjustment for:			
Depreciation		712	1,153
Movement in debtors		(3,469)	23,337
Movement in creditors		<u>2,871</u>	<u>(33,181)</u>
Net cash (outflow)/inflow from operating activities		<u>(49,277)</u>	<u>71,748</u>
Cash flows from financing activities			
Purchase of fixed assets		(2,352)	—
Net cash outflow from financing activities		<u>(2,352)</u>	—
Movement in cash and cash equivalents in the year		(51,629)	71,748
Cash and cash equivalents at beginning of year	11	<u>201,589</u>	<u>129,841</u>
Cash and cash equivalents at end of year	11	<u>149,960</u>	<u>201,589</u>

ALCOHOL ACTION IRELAND

NOTES TO THE FINANCIAL STATEMENTS

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.

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 and the Office of the Scottish Charities Regulator, 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.

ALCOHOL ACTION IRELAND

NOTES TO THE FINANCIAL STATEMENTS

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 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.

Voluntary income including donations and gifts are recognised where there is entitlement, receipt is probable and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies that the grant or donation must only be used in future accounting periods or the donors have imposed conditions which must be met before the charity has unconditional entitlement.

Grants from public authorities and other agencies in Ireland are credited to the Statement of Financial Activities in the year to which they relate. Grants received towards capital expenditure are credited to the Statement of Financial Activities when received or receivable whichever is earlier. Grants are recognised when there is evidence of entitlement and their receipt is probable. Grant income is deferred where the charity is restricted by specific performance related conditions that are evident in the grant agreement, where there is a specification of a time period that limits the charity’s ability to spend the grant until it has performed that activity related to the specified time period and when there are specific terms or conditions within the agreement that have not been met and are not within the control of 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.

ALCOHOL ACTION IRELAND

NOTES TO THE FINANCIAL STATEMENTS

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

e) Employee benefits (continued)

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.

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.

ALCOHOL ACTION IRELAND

NOTES TO THE FINANCIAL STATEMENTS

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

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.

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) Funds

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside for a specific purpose. Restricted funds are funds which the donor has specified are to be solely used for particular areas of the company's work or for specific projects being undertaken by the company.

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.

ALCOHOL ACTION IRELAND

NOTES TO THE FINANCIAL STATEMENTS

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

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 2017 €	Unrestricted Funds €	Restricted Funds €	Total 2016 €
Statutory funding Department of Health	251,640	-	251,640	251,641	-	251,641
National Lottery Grant	-	-	-	-	75,000	75,000
Alcohol Health Alliance	-	13,500	13,500	-	-	-
Donations	3,271	-	3,271	805	-	805
Deposit interest	7	-	7	14	-	14
Miscellaneous income	-	-	-	237	-	237
	<u>254,918</u>	<u>13,500</u>	<u>268,418</u>	<u>252,697</u>	<u>75,000</u>	<u>327,697</u>

All income derives from activities in the Republic of Ireland.

6. STAFF COSTS	2017 €	2016 €
Wages and salaries	160,758	159,466
Social welfare costs	17,527	16,725
Pension costs	<u>7,346</u>	<u>9,550</u>
	<u>185,631</u>	<u>185,741</u>

Number of employees

The average monthly number of employees during the year was 3 (2016: 3). Employees receive a basic salary plus a maximum 6% - 9% 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:

	2017	2016
€70,000 – €80,000	1	1
€50,000 – €60,000	<u>-</u>	<u>1</u>

ALCOHOL ACTION IRELAND

NOTES TO THE FINANCIAL STATEMENTS

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 €7,346 (2016: €9,550). An amount due of €1,200 is included in creditors at the year end date.

7. NET (EXPENDITURE)/INCOME	2017 €	2016 €
Net (expenditure)/income is stated after charging:		
Depreciation of tangible assets	712	1,153
Operating lease expense	7,875	7,500
Auditors' remuneration:		
- In respect of audit services	2,300	2,300
- In respect of corporate secretarial services	350	1,250
- In respect of HR consultancy services	<u>-</u>	<u>2,000</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 €
Cost		
At 31 December 2016	19,459	19,459
Additions	<u>2,352</u>	<u>2,352</u>
At 31 December 2017	<u>21,811</u>	<u>21,811</u>
Accumulated Depreciation		
At 31 December 2016	19,427	19,427
Charge for the year	<u>712</u>	<u>712</u>
At 31 December 2017	<u>20,139</u>	<u>20,139</u>
Net Book Amount		
At 31 December 2016	<u>32</u>	<u>32</u>
At 31 December 2017	<u>1,672</u>	<u>1,672</u>

ALCOHOL ACTION IRELAND

NOTES TO THE FINANCIAL STATEMENTS

10.	DEBTORS	2017	2016
		€	€
	Prepayments and other debtors	<u>5,261</u>	<u>1,792</u>
11.	CASH AND CASH EQUIVALENTS	2017	2016
		€	€
	Cash at bank	<u>149,960</u>	<u>201,589</u>
	Unrestricted cash	125,513	135,682
	Restricted cash	<u>24,447</u>	<u>65,907</u>
		<u>149,960</u>	<u>201,589</u>
12.	CREDITORS	2017	2016
	Amounts falling due within one year	€	€
	Trade creditors	10,639	9,044
	Paye/prsi	7,894	5,182
	Pension liability	1,200	1,992
	Accruals	<u>5,347</u>	<u>5,991</u>
		<u>25,080</u>	<u>22,209</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.

Accruals

The terms of the accruals are based on underlying contracts.

13. COMMITMENTS

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

	2017	2016
	€	€
Due within one year	<u>7,875</u>	<u>6,250</u>

ALCOHOL ACTION IRELAND

NOTES TO THE FINANCIAL STATEMENTS

14. MOVEMENT OF FUNDS

	Unrestricted funds €	Restricted funds €	Total 2017 €	Unrestricted funds €	Restricted funds €	Total 2016 €
Opening balance	115,297	65,907	181,204	100,186	579	100,765
Net movement	(7,931)	(41,460)	(49,391)	15,110	65,329	80,439
Closing balance	<u>107,366</u>	<u>24,447</u>	<u>131,813</u>	<u>115,297</u>	<u>65,907</u>	<u>181,204</u>
Represented by:						
Fixed assets	1,672	-	1,672	32	-	32
Current assets	130,774	24,447	155,221	137,474	65,907	203,381
Current liabilities	(25,080)	-	(25,080)	(22,209)	-	(22,209)
	<u>107,366</u>	<u>24,447</u>	<u>131,813</u>	<u>115,297</u>	<u>65,907</u>	<u>181,204</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 and the Alcohol Health Alliance to fund specific projects; e.g. an information and training campaign on alcohol and mental health.

15. STATEMENT OF FUNDS

	Opening balance 31 December 2016 €	Incoming resources €	Resources expended €	Cross subsidisation from unrestricted funds €	Closing balance 31 December 2017 €
Restricted funds					
1 Department of Health					
National Lottery Fund	65,907	-	(41,460)	-	24,447
2 Alcohol Health Alliance	-	13,500	(16,699)	3,199	-
	65,907	13,500	(58,159)	3,199	24,447
Unrestricted funds	<u>115,297</u>	<u>254,918</u>	<u>(259,650)</u>	<u>(3,199)</u>	<u>107,366</u>
Total funds	<u>181,204</u>	<u>268,418</u>	<u>(317,809)</u>	<u>-</u>	<u>131,813</u>

ALCOHOL ACTION IRELAND

NOTES TO THE FINANCIAL STATEMENTS

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 2017.

Directors received no expenses or reimbursements during the year.

Donations and membership fees received from directors amounted to €nil (2016: €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 €93,950 (2016: €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:

	2017	2016
	€	€
Financial liabilities at amortised cost		
Trade creditors	<u>10,639</u>	<u>9,044</u>

18. PRIOR YEAR COMPARATIVES

The comparative figures for the prior year have been regrouped/reclassified for the purposes of consistency and comparability.

19. EVENTS SUBSEQUENT TO THE YEAR END

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

20. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the board on 28 September 2018.