Financial Statements

The Iveagh Trust

For the financial year ended 31 December 2016

Charity number: CHY 1220

Trust Information

Charity number	CHY 1220
Registered office	Bull Alley Street D08 R7DX Dublin 8
Independent auditors	Grant Thornton Chartered Accountants & Statutory Audit Firm Molyneux House Bride Street Dublin 8
Bankers	Bank of Ireland College Green Dublin 2

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Trustees' Responsibilities Statement

For the financial year ended 31 December 2016

The Trustees, having regard to the provisions of The Iveagh Trust Acts, 1899 to1961, are required to prepare an annual report and financial statements for each year. In preparing financial statements, which are intended to give a true and fair view of the state of affairs of the Trust and of the surplus or deficit of the Trust for each year, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue.

The Trustees are required to act in accordance with The Iveagh Trust Acts, 1899 to 1961, and within the framework of Trust Law. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Trust and to prevent and detect fraud and other irregularities.

On behalf of the Trustees

....
Tom Glancy
Trustee

....
Charles Coase
Trustee

....
Gene Clayton
Chief Executive

Date: 1 June 2017

Independent auditors' report to the Trustees of The Iveagh Trust

We have audited the financial statements of The Iveagh Trust for the financial year ended 31 December 2016, which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in reserves, the statement of cash flows and the related notes. These non-statutory financial statements have been prepared for the reasons set out in note 2.1. The financial reporting framework that has been applied in their preparation is accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the Trustees as a body. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. We do not accept or assume responsibility to anyone other than The Iveagh Trust and the Trustees for audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and the Auditor

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with 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 circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. 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 Iveagh Trust as at 31 December 2016 and of its surplus for the financial year then ended.
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland.

Independent auditors' report to the Trustees of The Iveagh Trust

Matters on which we are required to report

- 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 Iveagh Trust were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.

Noel Delaney
for and on behalf of
Grant Thornton
Chartered Accountants
& Statutory Audit Firm

Molyneux House
Bride Street
Dublin 8

1 June 2017

Statement of Comprehensive Income

For the financial year ended 31 December 2016

	Note	2016 €	2015 €
Housing Estates			
Turnover: Rental and other income		**5,482,308**	5,250,274
General expenses		**(2,404,603)**	(2,517,998)
Administration expenses		**(669,410)**	(688,424)
		2,408,295	2,043,852
Iveagh Hostel			
Turnover: Rental and other income		**1,500,333**	1,488,422
General expenses		**(1,235,797)**	(1,026,410)
Catering expenses		**(273,626)**	(269,163)
Administration expenses		**(412,879)**	(342,213)
		(421,969)	(149,364)
Interest receivable and similar income	3	**173,428**	214,185
Interest payable	4	**(511,244)**	(532,531)
Surplus before depreciation		**1,648,510**	1,576,142
Depreciation		**(2,113,706)**	(2,097,400)
Amortisation of grants		**1,622,777**	1,621,945
Surplus for the financial year		**1,157,581**	1,100,687
Other comprehensive income for the financial year			
Actuarial (loss)/gain in year		**(245,000)**	660,100
Total comprehensive income for the financial year		**912,581**	1,760,787
Transfer to designated reserves		**(500,000)**	611,189
Total comprehensive income for the financial year net of transfer to designated reserve		**412,581**	1,149,598

All amounts relate to continuing operations.

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.
The notes on pages 8 to 23 form part of these financial statements.

Statement of Financial Position

As at 31 December 2016

	Note		2016 €		2015 €
Fixed assets					
Tangible assets	5		**83,571,696**		79,648,415
Financial assets	6		**1,753,815**		1,683,521
			85,325,511		81,331,936
Current assets					
Stocks	7	**3,092**		3,373	
Debtors: amounts falling due within one year	8	**24,905**		86,750	
Cash at bank and in hand	9	**3,986,475**		2,458,826	
		4,014,472		2,548,949	
Creditors: amounts falling due within one year	10	**(3,506,091)**		(3,308,243)	
Net current assets/(liabilities)			**508,381**		(759,294)
Total assets less current liabilities			**85,833,892**		80,572,642
Creditors: amounts falling due after more than one year	11		**(11,234,137)**		(5,555,692)
Grants	13		**(60,836,288)**		(62,459,064)
Provision in respect of ex-gratia pension payments	15		**(1,826,000)**		(1,749,000)
Provision in respect of funded pension scheme	15		**(1,332,000)**		(1,116,000)
Net assets			**10,605,467**		9,692,886
Capital and reserves					
Designated reserves			**3,300,000**		2,800,000
Revenue reserves			**7,305,467**		6,892,886
			10,605,467		9,692,886

The financial statements were approved and authorised for issue by the board on 1 June 2017.

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Tom Glancy
Trustee

....

Charles Coase
Trustee

....

Gene Clayton (Chief Executive)

The notes on pages 8 to 23 form part of these financial statements.

Statement of Changes in Reserves
For the financial year ended 31 December 2016

	Designated reserves	Revenue reserves	Total reserves
	€	€	€
At 1 January 2016	2,800,000	6,892,886	9,692,886
Comprehensive income for the financial year			
Surplus for the financial year	-	1,157,581	1,157,581
Other comprehensive income/(expense)	-	(245,000)	(245,000)
Total comprehensive income for the financial year	-	912,581	912,581
Transfer to designated reserve	500,000	(500,000)	-
At 31 December 2016	3,300,000	7,305,467	10,605,467

Statement of Changes in Reserves
For the financial year ended 31 December 2015

	Designated reserves	Revenue reserves	Total reserves
	€	€	€
At 1 January 2015	2,188,811	5,743,288	7,932,099
Comprehensive income for the financial year			
Surplus for the financial year	-	1,100,687	1,100,687
Other comprehensive income	-	660,100	660,100
Total comprehensive income for the financial year	-	1,760,787	1,760,787
Transfer to designated reserve	611,189	(611,189)	-
At 31 December 2015	2,800,000	6,892,886	9,692,886

The notes on pages 8 to 23 form part of these financial statements.

Statement of Cash Flows

For the financial year ended 31 December 2016

	2016 €	2015 €
Cash flows from operating activities		
Surplus for the financial year	**1,157,581**	1,100,687
Adjustments for:		
Depreciation of tangible assets	**2,113,706**	2,097,400
Amortisation of grants	**(1,622,777)**	(1,621,945)
Interest payable and similar charges	**511,244**	532,531
Investment income	**(173,428)**	(214,185)
Decrease/(increase) in stocks	**281**	(1,115)
Decrease in debtors	**61,845**	10,848
Increase/(decrease) in creditors	**197,848**	(486,965)
(Decrease)/ increase in provision for employee benefits	**(14,000)**	6,000
Net cash generated from operating activities	**2,232,300**	1,423,256
Cash flows from investing activities		
Purchase of tangible fixed assets	**(6,036,987)**	(1,305,083)
Interest received	**1,134**	14,977
Interest paid	**(347,244)**	(385,431)
Net cash from investing activities	**(6,383,097)**	(1,675,537)
Cash flows from financing activities		
Drawdown of borrowings	**5,885,559**	339,328
Repayment of borrowings	**(207,113)**	(456,876)
Grants received	**-**	63,863
Net cash received from/ (used in) financing activities	**5,678,446**	(53,685)
Net increase/(decrease) in cash and cash equivalents	**1,527,649**	(305,966)
Cash and cash equivalents at beginning of the financial year	**2,458,826**	2,764,792
Cash and cash equivalents at the end of the financial year	**3,986,475**	2,458,826
Cash and cash equivalents at the end of the financial year comprise:		
Cash at bank and in hand	**3,986,475**	2,458,826

The notes on pages 8 to 23 form part of these financial statements.

Notes to the Financial Statements

For the financial year ended 31 December 2016

1. General information

The Iveagh Trust is a public benefit entity as defined under FRS102 and a charitable organisation established under The Iveagh Trust Acts, 1899 to 1961 in the Republic of Ireland. The Iveagh Trust has offered affordable rented housing to people on low incomes and has been a vital part of the architectural and social fabric of Dublin city. Its registered office is Bull Alley Street, D08 R7DX, Dublin 8.

2. Accounting policies

2.1 Basis of preparation of financial statements

These non-statutory financial statements have been prepared solely to facilitate the Trustees to review the financial position and results of the Trust.

These non-statutory 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"). The presentation currency of these non-statutory financial statements is euro which is also the financial currency of the Trust.

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

The financial statements are prepared on the historical cost basis.

2.2 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the Trustees assess whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Completed buildings	- 50 years
Computers	- 5 years
Fixtures	- 5 years
Transport vehicles	- 5 years

Sites over which the Trust has a freehold interest are expected to have an indefinite useful life and accordingly are not depreciated

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

Notes to the Financial Statements

For the financial year ended 31 December 2016

2. Accounting policies (continued)

2.3 Investments

Investments are stated at market value at the balance sheet date.

2.4 Stocks

Stocks represent consumable stores and are valued at the lower of cost and net realisable value.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.8 Grants

Capital based grants and subsidised government loans which, in normal circumstances, are non-repayable, are reported as deferred income and amortised over the expected useful lives of the assets concerned. The balance of unamortised deferred income is separately disclosed on the balance sheet.

Grants relating to categories of revenue expenditure are credited to the revenue account in the year in which the expenditure to which they relate is charged.

Notes to the Financial Statements

For the financial year ended 31 December 2016

2. Accounting policies (continued)

2.9 Impairment excluding stocks

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event has had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the entity would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit and loss.

Non-financial assets

The carrying amount of the entity's non-financial assets, other than stocks, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indications exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest groups of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit and loss.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for indications that the loss has decreased or no longer exits. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes to the Financial Statements
For the financial year ended 31 December 2016

2. Accounting policies (continued)

2.10 Employee benefits

Defined benefit plans
A defined benefit pension plan is a post-employment benefit plan other that a defined contribution plan. The entity's net obligation in respect of both the funded and unfunded defined benefit plans and other long term employee benefits is calculated separately for each plan by estimating the amount of future benefits that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted. The entity determines the net interest expense/ (income) on the net defined benefit liability/ (asset) for the period by applying the discount rate as determined at the beginning of the annual period to the net defined benefit liability/(asset) taking account of changes arising as a result of contributions and benefit payments.

The discount rate is the yield at the balance sheet date on AA credit rated bonds denominated in the currency of and having maturity dates approximating to the terms of the entity's obligation. A valuation is performed annually by a qualified actuary using the projected unit credit method. The entity recognises net defined benefit plan assets to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Changes in the net defined benefit liability arising from the employee service rendered during the period, net interest on net defined benefit liabilities, and the cost of plan introductions, benefit changes, curtailments and settlements during the period are recognised in profit or loss.

Remeasurement of the net defined benefit liability/asset is recognised in other comprehensive income in the period in which it occurs.

Defined contribution plans and other long term employee benefits
In 2015 the Trust set up a defined contribution scheme and closed entry to the defined benefit plan to new employees. A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions to a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

2.11 Provisions

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

2.12 Income and expenditure

Income and expenditure are accounted for on an accruals basis. The Trustees have taken reasonable steps and controls to ensure as far as they reasonably can, that income has been fully accounted for.

Interest receivable and interest payable
Interest receivable and similar income includes the change in market value on funds invested.

Interest receivable and payable is recognised as it accrues, using the effective interest rate method.

Notes to the Financial Statements

For the financial year ended 31 December 2016

2. Accounting policies (continued)

2.13 Revenue reserves

Revenue reserves are unrestricted funds generated for the objects of the Trust without further specified purpose and are available as general funds.

2.14 Designated reserves

Designated reserves are unrestricted funds earmarked by the Trustees for particular purposes.

2.15 Taxation

No provision for taxation has been made in these financial statements as the Trust has been granted charitable status.

2.16 Judgements in applying accounting policies and key sources of estimation uncertainty

In the Trustees' opinions, there are no significant judgements, estimates and assumptions made about the recognition of assets, liabilities, incomes and expenses other than those set out in the accounting policies above.

3. Interest receivable and similar income

	2016	2015
	€	€
Income from investments	**70,294**	119,208
Expected return on pension scheme assets	**102,000**	80,000
Bank deposit interest	**1,134**	14,977
	173,428	214,185

4. Interest payable and similar charges

	2016	2015
	€	€
Bank interest payable	**347,244**	385,431
Finance charge on pension liabilities	**164,000**	147,100
	511,244	532,531

Notes to the Financial Statements

For the financial year ended 31 December 2016

5. Tangible fixed assets

	Buildings €	Sites €	Transport vehicles €	Fixtures €	Computers €	Total €
Cost						
At 1 January 2016	104,233,777	47,951	23,900	263,157	220,409	104,789,194
Additions	5,974,719	-	-	60,513	1,755	6,036,987
At 31 December 2016	110,208,496	47,951	23,900	323,670	222,164	110,826,181
Depreciation						
At 1 January 2016	24,737,293	-	14,960	168,117	220,409	25,140,779
Charge for the financial year	2,073,247	-	2,980	37,128	351	2,113,706
At 31 December 2016	26,810,540	-	17,940	205,245	220,760	27,254,485
Net book value						
At 31 December 2016	83,397,956	47,951	5,960	118,425	1,404	83,571,696
At 31 December 2015	79,496,484	47,951	8,940	95,040	-	79,648,415

Notes to the Financial Statements
For the financial year ended 31 December 2016

5. Tangible fixed assets (continued)

In respect of prior financial year:

	Buildings €	Sites €	Transport vehicles €	Fixtures €	Computers €	Total €
Cost						
At 1 January 2015	103,038,607	37,861	23,900	163,334	220,409	103,484,111
Additions	1,195,170	10,090	-	99,823	-	1,305,083
At 31 December 2015	104,233,777	47,951	23,900	263,157	220,409	104,789,194
Depreciation						
At 1 January 2015	22,667,899	-	11,980	143,091	220,409	23,043,379
Charge for the financial year	2,069,394	-	2,980	25,026	-	2,097,400
At 31 December 2015	24,737,293	-	14,960	168,117	220,409	25,140,779
Net book value						
At 31 December 2015	79,496,484	47,951	8,940	95,040	-	79,648,415
At 31 December 2014	80,370,708	37,861	11,920	20,243	-	80,440,732

6. Financial assets

	€
Market value	
At 1 January 2016	1,683,521
Change in market value	70,294
At 31 December 2016	1,753,815

The financial assets are unrestricted funds placed with professional investment managers, under mandates for equity and other diversified investment funds approved by the Trustees.

Notes to the Financial Statements

For the financial year ended 31 December 2016

6. Financial assets (continued)

In respect of prior financial year:

	€
Market value	
At 1 January 2015	**1,564,313**
Change in market value	**119,208**
At 31 December 2015	**1,683,521**

7. Stock

	2016 €	2015 €
Consumables	**3,092**	3,373

The replacement cost of stocks did not differ significantly from the amounts shown above.

8. Debtors

	2016 €	2015 €
Other debtors	**-**	67,045
Rent receivable	**24,905**	19,705
	24,905	86,750

9. Cash and cash equivalents

	2016 €	2015 €
Cash at bank and in hand	**3,986,475**	2,458,826
	3,986,475	2,458,826

Notes to the Financial Statements
For the financial year ended 31 December 2016

10. Creditors: Amounts falling due within one year

	2016 €	2015 €
Bank loans	**649,416**	827,800
Trade creditors	**1,169,267**	987,226
Key deposits	**170,081**	161,792
Taxation and social insurance	**256,977**	144,779
Other creditors	**21,071**	36,788
Accruals	**1,239,279**	1,149,858
	3,506,091	3,308,243

11. Creditors: Amounts falling due after more than one year

	2016 €	2015 €
Bank loans	**5,009,250**	5,216,364
Other loans	**6,224,887**	339,328
	11,234,137	5,555,692

Notes to the Financial Statements

For the financial year ended 31 December 2016

12. Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Trust's interest-bearing loans and borrowings, which are measured at amortised cost.

In 2010 the Trust entered into a loan agreement with Bank of Ireland in order to fund the residential element of the development at Mount Anthony, The balance on this loan at 31 December 2016 was €5,129,750 (2015: €5,332,280). This loan is fully repayable by Dublin City Council on a "payment and availability" basis whereby the Council pays the Trust a monthly amount in order for the Trust to meet loan repayments.

In 2010 the Trust entered a second loan agreement with Bank of Ireland in order to fund the development and refurbishment on the Iveagh Trust offices. The balance on this loan at 31 December 2016 was €Nil (2015: €82,001). This loan has been repaid out of the Trust's own resources.

In 2011 the Trust entered into a third loan agreement with Bank of Ireland in order to fund the development of Bull Alley Estate, The balance on this loan at 31 December 2016 was €528,916 (2015: €629,883). This loan is fully repayable by Dublin City Council on a "payment and availability" basis whereby the Council pays the Trust a monthly amount in order for the Trust to meet loan repayments.

In 2015 the Trust entered into two new loan agreements: one with the Housing Finance Agency (HFA) and the other with the Capital Advanced Leasing Facility (CALF). The balance on the HFA loan at 31 December 2016 was €4,032,936 (2015: €237,441) and the balance on the CALF loan at 31 December 2016 was €1,731,951 (2015: €101,887). These loans are fully repayable by Dublin City Council on a "payment and availability" basis whereby the Council pays the Trust a monthly amount in order for the Trust to meet loan repayments.

In 2016 the Trust entered into a new loan agreement with the Alice Leahy Trust. The balance on this loan at 31 December 2016 was €460,000. This loan is repayable out of the Trust's own resources.

Terms and repayment schedule for bank loans:

Counterparty	Currency	Nominal interest rate	Year of maturity
Bank of Ireland Mount Anthony loan	EUR	6.44%	2034
Bank of Ireland Offices loan	EUR	3.26%	2016
Bank of Ireland Bull Alley loan	EUR	6.21%	2020
Housing Finance Agency	EUR	3.25%	2040
Capital Advanced Leasing Facility	EUR	2%	2045
Alice Leahy Trust	EUR	0%	2019

All loans are repayable in full at maturity.

Notes to the Financial Statements
For the financial year ended 31 December 2016

Terms and repayment schedule for bank loans continued:

	2016	2015
	€	€
Counterparty		
Bank of Ireland Mount Anthony loan	**5,129,750**	5,332,280
Bank of Ireland Offices loan	**-**	82,001
Bank of Ireland Bull Alley loan	**528,916**	629,883
Housing Finance Agency	**4,032,936**	237,441
Capital Advanced Leasing Facility	**1,731,951**	101,887
Alice Leahy Trust	**460,000**	-
	11,883,553	6,383,492

The Housing Finance Agency loan is secured on the site and development at Annamore Court and a charge over a bank account.

Borrowings mature as follows:

	2016	2015
	€	€
Creditors: amounts falling due within one year	**649,416**	827,800
Creditors: amounts falling due after more than one year	**11,234,137**	5,555,692
	11,883,553	6,383,492

Notes to the Financial Statements

For the financial year ended 31 December 2016

13. Grants

	2016 €	2015 €
Amounts received:		
At the beginning of the year	**81,097,274**	81,033,411
During the year	**-**	63,863
At the end of the year	**81,097,274**	81,097,274
Amortisation:		
At the beginning of the year	**18,638,210**	17,016,265
Released during the year	**1,622,777**	1,621,945
At the end of the year	**20,260,987**	18,638,210
Balance unamortised	**60,836,288**	62,459,064

14. Financial instruments

	2016 €	2015 €
Financial assets		
Financial assets measured at market value	**3,986,475**	2,458,826
Financial assets that are debt instruments measured at amortised cost	**1,778,720**	1,770,271
	5,765,195	4,229,097
Financial liabilities		
Financial liabilities measured at amortised cost	**14,483,251**	8,719,156
	14,483,251	8,719,156

Financial assets measured at market value through profit or loss comprise cash at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprise investments, rent receivable and other debtors.

Financial liabilities measured at amortised cost comprise bank loans, other loans, trade creditors, key deposits, other creditors and accruals.

Notes to the Financial Statements
For the financial year ended 31 December 2016

15. Pensions

(i) Unfunded defined benefit arrangement

The Trust arranges for the payment of certain pension benefits on a wholly discretionary basis to former employees and their spouses and currently proposes, although there is no contractual obligation, to pay discretionary pension benefits to existing employees in respect of service periods to 30 June 1991. There are no funding arrangements in respect of these discretionary pension benefits. The Trustees have made provision, notwithstanding the absence of any contractual obligation, for all discretionary pension benefits to current and former employees covering service to 30 June 1991.

	2016 **€**	2015 €
Balance at the beginning of the financial year	**1,749,000**	1,889,000
Pension paid	**(71,000)**	(73,000)
Interest charged during the year	**36,000**	36,100
Actuarial loss/(gain)	**112,000**	(103,100)
Balance at the end of the financial year	**1,826,000**	1,749,000

The valuation of the liability for the unfunded defined benefit pension arrangement has been assessed in accordance with the advice of a qualified actuary and is based on the most recent actuarial valuation which was prepared as at 31 December 2016.

	2016 **€**	2015 €
Present value of pension arrangement liabilites	**(1,826,000)**	(1,749,000)
Net deficit in pension arrangement - provided in the financial statements	**(1,826,000)**	(1,749,000)

Notes to the Financial Statements

For the financial year ended 31 December 2016

(ii) Funded defined benefit scheme

The Trust operates a defined benefit pension scheme to cover certain existing employees. The scheme will provide benefits only in respect of service after 1 July 1991 and is contributory for the relevant employees.

The scheme's funds are administered by a separate board of Trustees under a formal Trust Deed and are independent of the finances of The Iveagh Trust.

The pension expense is assessed in accordance with the advice of a qualified actuary. The most recent actuarial valuation was prepared at 31 December 2016. The valuation adopted the projected unit credit method and the principal assumptions used in calculating the liabilities and expected rates of return on assets were :

	2016	2015
Future salary increases	2.7%	2.6%
Rate of increase in pensions	0%	0%
Inflation assumption	1.7%	1.6%
Discount rate	1.9%	2.6%
Long term expected return	1.9%	2.6%

The assumptions relating to longevity underlying the pension liabilities at the balance sheet date are based on standard actuarial mortality tables and include an allowance for future improvements in longevity. The assumptions are equivalent to the life expectancy of a 45 year old upon reaching 65, and 65 year old to live for a number of years as follows:

	Males	Females
Current age 45 upon reaching 65	23.7 years	25.8 years
Current pensioner aged 65	21.2 years	23.7 years

Provision in respect of funded pension scheme

	2016	2015
	€	€
Equities	**2,404,000**	1,494,000
Bonds	**1,934,000**	1,730,000
Other	**-**	640,000
Market value of assets	**4,338,000**	3,864,000
Present value of pension schemes liabilities	**(5,670,000)**	(4,980,000)
Pension provision	**(1,332,000)**	(1,116,000)

Notes to the Financial Statements

For the financial year ended 31 December 2016

Analysis of amount charged to profit and loss account during the year

	2016 €	2015 €
Current service cost	**255,000**	292,000
Total charged to operating profit	**255,000**	292,000
Expected return on scheme assets	**102,000**	80,000
Interest on pension scheme liabilites	**(128,000)**	(111,000)
Net finance expense	**(26,000)**	(31,000)

Analysis of amount recognised in other comprehensive income

	2016 €	2015 €
Return on scheme assets in excess of expected return	**244,000**	48,000
(Loss)/gain from changes in financial assumptions	**(749,000)**	418,000
Experience gain	**372,000**	18,000
Net actuarial (loss)/ gain	**(133,000)**	484,000

Reconciliation of defined benefit obligation

	2016 €	2015 €
Defined benefit obligation at the beginning of the year	**4,980,000**	5,066,000
Current service cost	**255,000**	292,000
Interest on pension liabilities	**128,000**	111,000
Actuarial loss/(gain)	**377,000**	(436,000)
Employee contributions	**44,000**	45,000
Premium paid	**(12,000)**	(12,000)
Benefits paid	**(102,000)**	(86,000)
Defined benefit obligation at the end of the year	**5,670,000**	4,980,000

Notes to the Financial Statements

For the financial year ended 31 December 2016

Reconciliation of fair value of plan assets

	2016	2015
	€	€
Fair value of plan assets at the beginning of the year	**3,864,000**	3,503,000
Expected return on assets	**102,000**	80,000
Return on assets in excess of expected return	**244,000**	48,000
Contributions by the employer	**242,000**	331,000
Premium paid	**(12,000)**	(12,000)
Benefits paid	**(102,000)**	(86,000)
Fair value of plan assets at the end of the year	**4,338,000**	3,864,000

The Trust has put a funding plan in place which is expected to eliminate the deficit in the funded defined benefit pension scheme by 2021. This funding plan has been approved by the Pensions Authority.

(iii) Defined contribution scheme

In 2015 the Trust set up a defined contribution scheme and closed entry to the defined benefit plan to new employees. The pension charge for the year relating to this scheme amounted to €4,705 (2015: €3,523).

16. Commitments

	2016	2015
	€	€
Future capital expenditure approved by the Trustees and not provided for in these financial statements	**4,235,113**	9,200,000

17. Contingent liability

Subsidised loans amounting to €81,097,274 (2015:€81,097,274) have been received to date from Dublin City Council acting for the Department of the Environment, Community and Local Government and the Sustainable Energy Authority of Ireland. The grants from Dublin City Council are secured by mortgages on certain properties of the Trust. A liability would arise to repay these subsidised loans, or a proportion thereof, if certain conditions as set out in the relevant housing scheme agreements occur.

18. Related party transactions

Key management personnel compensation was €307,245 (2015 - €297,574). No Trustee received compensation for their role as Trustee.

19. Approval of financial statements

The board of Trustees approved these financial statements for issue on 1 June 2017.

Appendix 1: Revenue account – housing estates rental and other income and expenses

For the financial year ended 31 December 2016

	2016	2015
	€	€
Rental and other income		
Kevin Street	**1,995,357**	1,917,382
Bull Alley	**1,171,460**	1,139,461
Clongriffin	**399,346**	393,245
Mount Anthony	**1,207,715**	1,144,265
Moyne House	**91,708**	87,205
Applewood	**403,074**	371,754
Elveden House	**213,649**	196,962
	5,482,308	5,250,274
General expenses – (rates, electricity, insurance, management & repairs for the following estates)		
Kevin Street	**(1,231,414)**	(1,347,048)
Bull Alley	**(338,962)**	(287,091)
Clongriffin	**(162,125)**	(202,808)
Mount Anthony	**(283,199)**	(260,227)
Moyne House	**(60,492)**	(51,956)
Applewood	**(210,330)**	(233,458)
Elveden House	**(118,079)**	(135,410)
	(2,404,603)	(2,517,998)
Administration expenses		
Salaries	**(656,503)**	(616,914)
Office expenses	**(197,196)**	(151,873)
Stationery and printing	**(10,532)**	(15,466)
Auditors' remuneration	**(22,280)**	(21,942)
Pension cost	**(195,777)**	(224,442)
	(1,082,288)	(1,030,637)
Less: portion attributable to Iveagh Hostel	**412,879**	342,213
	(669,410)	(688,424)

Appendix 2: Revenue account – Iveagh Hostel rental and other income and expenses

For the year ended 31 December 2016

	2016 €	2015 €
Iveagh Hostel rental and other income		
Accommodation and other income	**781,532**	772,552
Catering	**450,622**	447,690
Contribution to running costs:		
Dublin City Council	**268,180**	268,180
	1,500,333	1,488,422
General expenses		
Wages	**(713,057)**	(696,959)
Heating, insurance etc.	**(287,552)**	(211,681)
Repairs and renewals	**(235,188)**	(117,770)
	(1,235,797)	(1,026,410)
Catering expenses		
Food etc.	**(149,671)**	(143,365)
Wages	**(99,124)**	(95,808)
Repairs, renewals and sundries	**(2,197)**	(7,710)
Fuel, gas and electricity	**(22,634)**	(22,280)
	(273,626)	(269,163)
Administration expenses		
General	**(338,033)**	(271,117)
Catering	**(74,846)**	(71,096)
	(412,879)	(342,213)