
TIGLIN CHALLENGE

**Reports and
Financial Statements
For the financial year ended
31 December 2017**

Registered number: 220213

TIGLIN CHALLENGE

REPORTS AND FINANCIAL STATEMENTS

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TIGLIN CHALLENGE

DIRECTORS AND OTHER INFORMATION AT DATE OF APPROVAL OF FINANCIAL STATEMENTS

Directors	Aubrey McCarthy (Chairman) Keith Flynn Paul Caffrey Jerry Conlan Emmanuel Eguare Gerald Farrell Susan Philips
Secretary	Aidan Nevin
Auditors	Ruddell & Co. Chartered Accountants & Registered Auditors 16 Church Street Dungannon Co Tyrone
Bankers	Allied Irish Bank 7/12 Dame Street Dublin 2
Business Address	Tiglin Ashford Co Wicklow
Registered office	42A Pearse Street Dublin 2
Company Registered Number	220213
Charity Number	CHY11596

TIGLIN CHALLENGE

CHAIRMAN'S STATEMENT

Overview

2017 was an extremely important year for Tiglin Challenge. With the assistance of the Minister for Health Simon Harris, TD Stephen Donnelly and TD John Brady, Wicklow County Council secured the acquisition of Carraig Eden, the Tiglin re-Integration house in Greystones. The availability of Carraig Eden for the long term is hugely helpful in delivering our service as we now have a stepping stone for students as they exit the program thus providing a wrap around service. The longer term provision of housing for Phase 4 students has always been an area of concern for the Board. Reintegration into society through a safe and supported residential placement is an important part of the student's development. I cannot overstate the importance of Carraig Eden to Tiglin and to our students as we work with them as they transition from the centres back into society.

Tiglin Challenge as an approved housing body also manages a residential premises in Arklow with the support of the County Council. The residence is connected with the local day care CE scheme and is fully occupied.

Residential centres

We have again seen growing demand for our services. Not surprisingly the demand originates from the growing problem of substance abuse. There are changes to the pattern of substance abuse which present challenges to our staff as they adjust accordingly to the demands of our students. We have waiting lists for both centres. Most of the applicants are from the Dublin area but we see more and more demand now from rural areas. Unfortunately we have a limited number of beds. Waiting lists have again been extensive, particularly for our men's centre in Ashford, Co. Wicklow but also for our other services. The numbers seeking help for life controlling problems continues to be a concern but we are delighted to be able to continually offer a strong, respected and successful programme for such needs.

We are very grateful for the extraordinary support from the corporate sector. There have been many fundraising initiatives and also the provision of equipment and furnishings which have transformed the centres. Volunteers have committed substantial amounts of time and expertise both onsite at the centres and also in the outreach activities.

Community Employment Schemes

The Community Employment Schemes have been operating in Arklow and Tiglin for a number of years and continue to be a great success. We are fortunate that both schemes are led by experienced managers. The day care offered in Arklow effectively supports the main centre as some students who have for various reasons had to leave the residential program have found day care support in Arklow.

The Department of Social Protection continues to be very supportive of Tiglin initiatives and we are working now to establish a scheme around the outreach activity. The outreach schedule is very demanding on resources and a dedicated outreach management position would be very helpful.

TIGLIN CHALLENGE

Other highlights for the year 2017 were as follows:

- Our Men's Centre had a major renovation project this year generously sponsored by Mac Interiors who had selected Tiglin as their Charity Partner of 2017. Between August and November, our main building was completely re-roofed, re-wired and a new fire system was installed. The timing was perfect for the change in weather and our students and staff have definitely noticed the difference.
- Tiglin received an invitation from to Aras an Uachtarain from President Michael D Higgins and his wife Sabrina, to brief the President on all the new development that are happening at Tiglin.
- 2017 has seen the further continuation of the partnership between Tiglin and Carlow IT. Tiglin continues to operate as a satellite campus for Carlow IT in 2017. This has allowed our students complete various courses and offer them a well-rounded holistic educational treatment programme. In 2017, 15 Tiglin residents graduated Carlow IT Courses with a QQI Level 6 in "Purchasing, Strategy, Quality Management and Lean Six Sigma". In fact RTE were so impressed by our students that they featured them in a segment on the Six O'Clock News in November 2017.
- The "No Bucks Café" outreach continues to offer a much needed service and operates Monday to Thursday evening every week. This service also allows our phase 3&4 students build their own self confidence by many volunteering to "help vulnerable people". The "No Bucks Café" Outreach Bus was featured in December 2017 on the RTE Nationwide program showcasing the service and the work undertaken by the volunteers.
- As always, Corporate and volunteer teams continuing to play a big part in delivery of services and refurbishment of the centres throughout.
- Our Tiglin CE Scheme started out a new Chopping & Cheese Boards venture, where each chopping board is hand crafted by students in the Men's Residential Centre in Ashford. The boards proved to be very popular in the run up to Christmas and the team plan to grow and develop this venture.
- We had a variety of major fundraising events including the Tiglin 'Glitz & Glam' Fashion Show, MAC Golf Classic and the Salesforce 'Annual Sleep Out'

Finance

The organisation is very grateful to the South Inner City, East Coast, and Dublin North Inner City Drug Task Forces for their continuing support in providing funding for the operation of our student centres. In the rapidly changing world around regulation and compliance we maintain a close relationship with the Drug Task Forces and work together to ensure that the organisation operate best practices both in the delivery of services and compliance with HSE rules and regulations.

The organisation has a growing relationship with the Department of Social Protection in the operation of Community Employment Schemes and we are hopeful that we can work together in delivering new appointments in the current year.

TIGLIN CHALLENGE

Careful management of finances is essential particularly so in the charitable sector which relies entirely on the confidence of the public sector. Our finance team which includes qualified accountants endeavour to ensure best practices are applied.

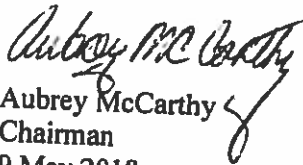
The loan balance continues to be paid as it falls due and the year-end balance stood at €119k.

Governance

Corporate governance is an important focus of the Board. To ensure the confidence of all our stakeholders the Board endeavours to ensure that the organisation is up to date with developments in the area of governance. Steps taken include recognition as a Governance Code Type C organisation, adoption of the Charities SORP in our financial statements and compliance with the Guidelines for Charitable Organisations Fundraising from the Public.

Governance is also a recurring agenda item at our Board meetings thus ensuring that topical matters are discussed. The Board audit ensures that the appropriate skill sets are in place which includes medical, educational and pharmaceutical representation. During 2017 Esther McCarthy and Melanie Ashe resigned as Board members and I am pleased to welcome Dr Gerald Farrell. Tiglin has seen remarkable growth over the last 5 years and many challenges exist in ensuring that Tiglin continues at the forefront of rehabilitation services. The Board of Tiglin is passionate about continuing to position Tiglin as a professional provider of services within the rehabilitation sector.

Early in 2017 we sadly lost one of our most committed supporters who as a volunteer counsellor worked tirelessly with our students and also in service on the board. Sean McDermott was greatly loved and his untimely death brought much sadness to the management and students.



Aubrey McCarthy
Chairman
9 May 2018

TIGLIN CHALLENGE

DIRECTORS' REPORT

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

Objectives and activities

The objectives of the charity are to run, own and manage rehabilitation centres for adults seeking recovery from substance abuse, a scheme to provide food and clothing for homeless people and outreach work with those recovering from addiction.

The main objectives for the year continue to be the promotion and fostering of rehabilitation services.

Companies Act 2014

The Companies Act 2014 was commenced on 1 June 2015. The company converted to a company limited by guarantee under Parts 1 to 15 of that Act on 17 May 2016.

Principal Activities and Review of the Business

Principal Activities

The principal activity of the company is the operation of two rehabilitation centres for adults seeking recovery from substance abuse. The men's and women's centres are located at Tiglin, Ashford and Brittas Bay, Co. Wicklow respectively. The company operates a "No Bucks" café scheme which provides food and clothing to homeless people in Dublin and Bray.

The CE scheme at Tiglin, kindly supported by the Department of Social Protection, commenced operation in 2017. There are now more than 30 CE participants between the Arklow and Tiglin schemes.

Review of business and future developments

In 2017, Tiglin Challenge built on its reputation as a recognised and respected provider of rehabilitation services.

Further details are provided in the Chairman's statement.

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DIRECTORS' REPORT (continued)

Results

The surplus for the year and the appropriation thereof is set out in the income and expenditure account on page 12.

Principal risks and uncertainties

The principal risk continues to be our reliance on funding from three Drugs Task Forces and corporate and personal donations as more fully explained in the going concern note on page 20.

The company operates solely in the Republic of Ireland. Therefore, it is not subject to significant currency risks. The company does rely on significant borrowings, the majority of which are fixed rate, and therefore does have exposure to interest rate risk. The company's policy is to ensure that sufficient resources are available from cash balances and cash flows to ensure all obligations can be met when they fall due.

A formal policy on reserves was agreed at the board meeting on 9th May 2018. The Board agreed that reserves should be maintained at a level which ensures that Tiglin Challenge could operate the rehabilitation program during a period of unforeseen difficulty and that a substantial proportion of reserves should be maintained in a readily realisable form. The board agreed that the current level of reserves is appropriate.

The directors are aware of the major risks to which the company is exposed and are satisfied that systems are in place to mitigate exposure to major risks.

Events after the end of the financial year

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

Directors

The names of the persons who were directors at any time during the year ended 31 December 2017 are set out below. Unless indicated otherwise they served as directors for the entire year.

Aubrey McCarthy (Chairman)

Keith Flynn

Sean McDermott (resigned 19 May 2017)

Esther McCarthy (British) (resigned 8 November 2017)

Paul Caffrey

Melanie Ashe (resigned 14 September 2017)

Mr Jerry Conlan

Mr Emmanuel Eguare

Gerald Farrell (appointed 11 September 2017)

Subsequent to the year end Susan Philips was appointed as a director on 6 February 2018.

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DIRECTORS' REPORT (continued)

Company secretary

The company secretary throughout the financial year was Mr Aidan Nevin.

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.

Political donations

The company made no political donations in either the current or preceding financial year.

Accounting Records

The measures taken by the directors 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 implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The accounting records of the company are maintained at the premises of the Tiglin, Ashford, Co. Wicklow.

Audit Committee

The company formed an audit committee during the financial period. The audit committee have recommended the approval of the financial statements to the board of directors.

Statement on relevant audit information

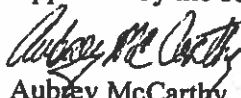
In the case of each of the persons who are directors at the time this report is approved in accordance with section 332 of Companies Act 2014:

- (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.

Auditors

In accordance with section 383(2) of the Companies Act, 2014, the auditors, Ruddell & Co., Chartered Accountants, will continue in office.

Approved by the board of directors and signed on its behalf by


Aubrey McCarthy
Chairman


Keith Flynn
Director

9 May 2018

TIGLIN CHALLENGE

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with 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 ("relevant financial reporting framework"). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the surplus or deficit 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 judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and surplus or deficit of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



*Chartered Accountants & Registered Auditors
incorporating RJ Burton & Company*

*16 Church Street, Dungannon, Co. Tyrone, BT71 6AB
Tel: (028) 8772 2043*

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TIGLIN CHALLENGE

We have audited the financial statements of Tiglin Challenge for the year ended 31 December 2017 which comprise the Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes. The relevant 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 and promulgated by the Institute of Chartered Accountants in Ireland.

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 9, 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 (APB'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.



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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TIGLIN CHALLENGE (continued)

Drugs Task Force and Private Funding

In forming our opinion, we have considered the adequacy of the disclosures made in the going concern paragraph within the 'Judgments and key sources of estimation uncertainty' section of note 2 of the financial statements concerning the uncertainty as to future levels of Drugs Task Force and private sector funding for the company. In view of the significance of this uncertainty, we consider that it should be drawn to your attention, but our opinion is not qualified in this respect.

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 2017 and of its surplus for the year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, the requirements of the Companies Act 2014.

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.

Jonathan Ruddell

Jonathan Ruddell

for and on behalf of Ruddell & Co.

Chartered Accountants and Statutory Audit Firm

Dungannon

9 May 2018

TIGLIN CHALLENGE

INCOME AND EXPENDITURE ACCOUNT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

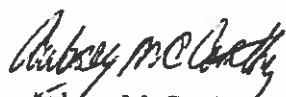
	Notes	2017 Restricted income €	2017 Unrestricted income €	2017 Total €	2016 Total €
Turnover	3	789,546	706,710	1,496,256	1,545,925
Net operating expenses		(789,546)	(621,796)	(1,411,342)	(1,449,407)
Other operating income		-	-	-	-
Operating surplus		-	84,914	84,914	96,518
Interest payable and similar charges	4	-	(1,653)	(1,653)	(2,385)
Interest receivable		-	-	-	-
Surplus on ordinary activities before taxation	5	-	83,261	83,261	94,133
Tax on surplus on ordinary activities	9	-	-	-	-
Surplus for the financial year		-	83,261	83,261	94,133
Reserves balance carried forward		-	1,076,582	1,076,582	982,449
Reserves closing balance		-	1,159,843	1,159,843	1,076,582

TIGLIN CHALLENGE

BALANCE SHEET AS AT 31 DECEMBER 2017

	Notes	2017	2016
		€	€
Fixed Assets			
Tangible assets	10	<u>826,620</u>	<u>869,281</u>
Current Assets			
Debtors	11	53,442	56,843
Cash at bank and in hand – unrestricted		503,986	448,231
Cash at bank and in hand – restricted		-	-
		<u>557,428</u>	<u>505,074</u>
Creditors: Amounts falling due within one year	12	<u>(164,518)</u>	<u>(185,787)</u>
Net current assets		<u>392,910</u>	<u>319,287</u>
Total assets less current liabilities		<u>1,219,530</u>	<u>1,188,568</u>
Creditors: Amounts falling due after more than one year	13	(59,687)	(111,986)
Provisions for liabilities		<u>(59,687)</u>	<u>(111,986)</u>
Net assets		<u>1,159,843</u>	<u>1,076,582</u>
Reserves			
Income and Expenditure account		<u>1,159,843</u>	<u>1,076,582</u>
Reserves		<u>1,159,843</u>	<u>1,076,582</u>

Approved by the board of directors and signed on its behalf by


Aubrey McCarthy
Director


Keith Flynn
Director

9 May 2018

TIGLIN CHALLENGE

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

	Notes	2017 €	2016 €
Net cash flows from operating activities	15	<u>125,906</u>	<u>241,372</u>
Cash flows from investing activities			
Proceeds from sale of tangible fixed assets		3,400	8,650
Payments for tangible fixed assets		(19,599)	(110,535)
Capital fundraising		-	-
Net cash flows from investing activities		<u>(16,199)</u>	<u>(101,885)</u>
Cash flows from financing activities			
Repayment of borrowings		(52,299)	(62,034)
Interest paid		(1,653)	(2,385)
Repayment of capital element of finance leases and hire purchase contracts		-	-
Net cash flows from financing activities		<u>(53,952)</u>	<u>(64,419)</u>
Net (decrease)/increase in cash and cash equivalents		55,755	75,068
Cash and cash equivalents at beginning of financial year		448,231	373,163
Cash and cash equivalents at end of financial year	16	<u>503,986</u>	<u>448,231</u>

TIGLIN CHALLENGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

1. General Information

These financial statements comprising the Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes 1 to 23 constitute the individual financial statements of Tiglin Challenge for the financial year ended 31 December 2017.

Tiglin Challenge is a Company Limited by Guarantee (registered under Part 2 of Companies Act 2014), incorporated in the Republic of Ireland. The Registered Office is Apartment 1, 109 Cork Street, Dublin 8. The principal place of business of the company is at Tiglin, Ashford. The nature of the company's operations and its principal activities are set out in the Director's Report on pages 6 to 8.

The company transitioned from previously extant Irish GAAP to FRS 102 as at 1 January 2015.

Statement of Compliance

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) and with the Charities SORP.

Currency

The financial statements have been presented in Euro (€) which is also the functional currency of the company. In instances where amounts have been rounded to the nearest Euro, this is indicated by the symbol €.

2. Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention modified to include certain items at fair value. 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 and promulgated by the Institute of Chartered Accountants in Ireland and the Charities SORP.

TIGLIN CHALLENGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

Tangible fixed assets

All tangible fixed assets are initially recorded at historic cost. This includes legal fees, stamp duty and other non-refundable purchase taxes, and also any costs 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, which can include the costs of site preparation, initial delivery and handling, installation and assembly, and testing of functionality.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset systematically over its expected useful life, on a straight line basis, as follows:

Land and buildings	-	2% straight line
Fixtures, fittings and equipment	-	15% straight line
Motor Vehicles	-	25% straight line

The residual value and useful lives of tangible assets are considered annually for indicators that these may have changed. Where such indicators are present, a review will be carried out of the residual value, depreciation method and useful lives, and these will be amended if necessary. Changes in depreciation rates arising from this review are accounted for prospectively over the remaining useful lives of the assets.

Turnover

All categories of income are included in the financial statements in the year in which they are receivable. Income is treated as being general unless otherwise specified by the donor, in which case it will be restricted income. The directors review the restricted funds on an annual basis.

Restricted funds represent grants and donations which can only be used for a particular purpose specified by the donors.

Government grants

Grants are recognised using the accruals model when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Grants towards capital expenditure are credited to deferred income and are released to the income and expenditure account over the expected useful life of the related assets, by equal annual instalments. Grants towards revenue expenditure are released to the income and expenditure account as the related expenditure is incurred.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

Retirement benefit costs

The company operates a defined contribution scheme. Retirement benefit contributions in respect of the scheme for employees are charged to the income and expenditure account as they become payable in accordance with the rules of the scheme. The assets are held separately from those of the company in an independently administered fund. Differences between the amounts charged in the income and expenditure account and payments made to the retirement benefit scheme are treated as assets or liabilities.

Once-off termination payments that are not required by contract, legislation, or other obligations or commitments, are recognised in the financial year in which they become payable.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the financial year end date. Non monetary items that are measured at historical cost are translated at the foreign exchange rate ruling at the date of the transaction. Non-monetary items measured at fair value are translated at the rate of exchange at the date of the valuation. All foreign exchange differences are taken to the income and expenditure account.

TIGLIN CHALLENGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

Financial Instruments

Share Capital of the Company

The company is a company limited by guarantee and therefore does not have an ordinary share capital.

Cash and cash equivalents

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

Other financial assets

Other financial assets including debtors for services provided on short-term credit, are initially measured at the undiscounted amount of cash receivable from that funder, which is normally the invoice price, and are subsequently measured at amortised cost less impairment, where there is objective evidence of an impairment.

Loans and borrowings

All loans and borrowings, both assets and liabilities are initially recorded at the present value of cash payable to the lender in settlement of the liability discounted at the market interest rate. Subsequently loans and borrowings are stated at amortised cost using the effective interest rate method. The computation of amortised cost includes any issue costs, transaction costs and fees, and any discount or premium on settlement, and the effect of this is to amortise these amounts over the expected borrowing period. Loans with no stated interest rate and repayable within one year or on demand are not amortised. Loans and borrowings are classified as current assets or liabilities unless the borrower has an unconditional right to defer settlement of the liability for at least twelve months after the financial year end date.

Other financial liabilities

Trade creditors are measured at invoice price, unless payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate. In this case the arrangement constitutes a financing transaction, and the financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

TIGLIN CHALLENGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

Impairment of financial assets

At the end of each reporting period, the company assesses whether there is objective evidence of impairment of any financial assets that are measured at cost or amortised cost, including loans, trade debtors and cash. If there is objective evidence of impairment, impairment losses are recognised in the income and expenditure account in that financial year.

TIGLIN CHALLENGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

Judgements and key sources of estimation uncertainty

The directors consider the accounting estimates and assumptions below to be its critical accounting estimates and judgements:

Going Concern

The company is dependent on Drugs Task Force funding and funding from private individuals. The directors have had discussions with both the East Coast, South Inner City and North Inner City Drugs Task Forces and are of the opinion that funding will continue for the foreseeable future. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would result from the discontinuance of Drugs Task Force or private funding, or its reduction to an inadequate level.

Useful Lives of Tangible and Intangible Fixed Assets

Long-lived assets comprising primarily of property, fixtures and equipment represent a significant portion of total assets. The annual depreciation and amortisation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The directors regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation and amortisation charge for the financial year. The net book value of Tangible Fixed Assets subject to depreciation at the financial year end date was €826,620 (2016: €869,281).

TIGLIN CHALLENGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

3. Turnover

	2017 €	2016 €
Geographic analysis of turnover:		
Ireland	1,499,656	1,545,925
United Kingdom	-	-
Total	<u>1,496,256</u>	<u>1,545,925</u>
Classes of turnover:		
Gifts & Donations	192,353	143,491
Student Donations	237,808	251,331
Health Board Funding	311,930	367,519
Deposit Interest	49	141
Gifts in kind	3,140	23,500
Student donations – Phase 4	32,468	34,615
Day Care Scheme Funding	489,993	513,684
Fundraising	94,523	23,148
Corporate donations	<u>133,992</u>	<u>188,496</u>
Total	<u>1,496,256</u>	<u>1,545,925</u>

Funding from government sources represents 53.6% of all income received by Tiglin Challenge.

The Health Service Executive provided funds of €311,930 to be used for wages and running costs in the provision of residential care by Tiglin Challenge. The Department of Social Protection provided funds of €489,993 to be used for wages, materials and staff training in the provision of day care facilities by Tiglin Challenge.

4. Interest payable and similar charges

	2017 €	2016 €
On bank loans and overdrafts made to the company	1,653	2,385
On all other loans made to the company		
Finance lease interest in respect of finance leases and hire purchase contracts	-	-
	<u>1,653</u>	<u>2,385</u>

TIGLIN CHALLENGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

5. Surplus on ordinary activities before taxation

Surplus on ordinary activities before taxation is stated after charging/(crediting):

	2017	2016
	€	€
<i>Depreciation and amounts written off fixed assets:</i>		
Depreciation of tangible fixed assets owned	62,260	68,646
Operating lease rentals	-	-
Government grants amortised	-	-
Realised gain on foreign currency transactions	-	-

6. Directors' remuneration and transactions

6a. Directors' remuneration

Included in staff costs are the following in respect of directors of the company:

	2017	2016
	€	€
Salary	-	-
Other remuneration (touring, fees & expenses)	-	-
Employer's PRSI	-	-
Company contributions in respect of qualifying services to Pension Scheme Fund, a defined contribution retirement benefit scheme	-	-
Compensation for loss of office of director of the company, paid by the company	-	-

The number of directors to whom retirement benefits are accruing under Pension Scheme Fund in respect of qualifying services is - (2016: -).

Other than as shown above any further required disclosures in sections 305 and 306 of the Companies Act 2014 are nil for both financial years.

6b. Transactions with directors and officers

Loans to directors

None of the directors had a loan from the company at the end of either the current or preceding financial period.

TIGLIN CHALLENGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

6c. Material interests of directors in contracts with the company.

The following information relates to transactions and balances between the company and companies in which Aubrey McCarthy is considered to have a controlling interest:

AMC supplied services to the value of €nil (2016 - €1,797) of which €nil (2016 - €529) was outstanding at the financial year end.

All transactions were made at arms-length and on this company's normal commercial terms, which include a requirement to settle debts within 30 days.

7. Staff costs

The average monthly number of persons employed by the company (including executive directors) during the financial year analysed by category, was as follows:

	2017 Number	2016 Number
Management	4	4
Administration	2	2
Service Provider	37	44
	<u>43</u>	<u>50</u>

Their aggregate remuneration comprised:

	2017 €	2016 €
Wages and salaries	907,733	944,335
Social insurance costs	60,982	63,133
Other retirement benefit costs (see note 8)	5,807	6,218
Other compensation costs – termination benefits	-	-
	<u>974,522</u>	<u>1,013,686</u>

No employee of the company received remuneration in excess of €60,000 during either the current or prior financial period. The gross salary of the CEO of Tiglin Challenge amounted to €45,725.

All the amounts stated above were treated as an expense of the company in the financial year. No amount was capitalised into assets.

TIGLIN CHALLENGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

8. Retirement benefit information

Retirement benefit costs

	2017	2016
	€	€
Retirement benefit charge	<u>5,807</u>	<u>6,218</u>

Defined contribution scheme

The company operates a defined contribution scheme, 'Pension Scheme Fund', for its employees. The scheme is externally financed in that the assets of the scheme are held separately from those of the company in an independently administered fund.

9. Tax

The company was granted charitable status (Charities Number: CHY11596) and therefore no corporation tax charge is applicable in relation to its charitable activities, which encompass all activities of the company.

TIGLIN CHALLENGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

10. Tangible fixed assets *Current financial year*

	Land & Buildings Freehold €	Fixtures, Fittings & Equipment €	Motor Vehicles €	Total €
<i>Cost or valuation:</i>				
At 1 January 2017	1,424,929	351,663	53,175	1,829,767
Additions	-	9,549	10,050	19,599
Disposals	-	-	-	-
At 31 December 2017	1,424,929	361,212	63,225	1,849,366
<i>Depreciation:</i>				
At 1 January 2017	703,927	204,413	52,146	960,486
Charge for financial year	28,499	30,594	3,167	62,260
Disposals	-	-	-	-
At 31 December 2017	732,426	235,007	55,313	1,022,746
<i>Net book value</i>				
At 31 December 2017	692,503	126,205	7,912	826,620
At 1 January 2017	721,002	147,250	1,029	869,281

TIGLIN CHALLENGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

<i>Prior financial year</i>	Land & Buildings Freehold €	Fixtures, Fittings & Equipment €	Motor Vehicles €	Total €
<i>Cost or valuation:</i>				
At 1 January 2016	1,424,929	241,128	56,175	1,722,232
Additions	-	110,535	-	110,535
Disposals	-	-	(3,000)	(3,000)
At 31 December 2016	1,424,929	351,663	53,175	1,829,767
<i>Depreciation:</i>				
At 1 January 2016	675,428	174,122	43,790	893,340
Charge for financial year	28,499	30,291	9,856	68,646
Disposals	-	-	(1,500)	(1,500)
At 31 December 2016	703,927	204,413	52,146	960,486
<i>Net book value</i>				
At 31 December 2016	721,002	147,250	1,029	869,281
At 1 January 2016	749,501	67,006	12,385	828,892

TIGLIN CHALLENGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

11. Debtors

	2017	2016
	€	€
Prepayments and sundry debtors	<u>53,442</u>	<u>56,843</u>

All debtors are due within one year. All trade debtors are due within the company's normal terms, which is thirty days. Trade debtors are shown net of impairment in respect of doubtful debts.

12. Creditors: amounts falling due within one year

	2017	2016
	€	€
Bank loans and overdrafts (note 14)	58,857	58,857
Obligations under finance leases and hire purchase contracts (note 14)	-	-
Trade creditors	17,640	39,256
Other creditors including tax and social insurance:		
Tax and social insurance		
LPT	101	83
PAYE	6,532	3,136
USC	1,266	1,346
PRSI	6,883	6,162
Amount due to director and accrued director's emoluments		-
Accruals	53,733	53,262
Deferred Income		
Other deferred income	19,506	23,685
Contributions to retirement benefit scheme (note 8)	-	-
	<u>164,518</u>	<u>185,787</u>

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

The terms of the accruals are based on the underlying contracts.

Other amounts included within creditors not covered by specific note disclosures are unsecured, interest free and repayable on demand.

TIGLIN CHALLENGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

13. Creditors: amounts falling due after more than one year

	2017	2016
	€	€
Bank loans (note 14)	59,687	111,986
Obligations under finance leases and hire purchase contracts	-	-
	<u>59,687</u>	<u>111,986</u>

14. Details of Borrowings

Bank loans and overdrafts

	2017	2016
	€	€
Current		
Overdraft	-	-
Fixed Rate Loan Balance – Tiglin Centre	<u>58,857</u>	<u>58,857</u>
	<u>58,857</u>	<u>58,857</u>
Non-current		
Fixed Rate Loan Balance – Tiglin Centre	<u>59,687</u>	<u>111,986</u>
	<u>59,687</u>	<u>111,986</u>
Total	<u>118,544</u>	<u>170,843</u>

The Fixed Rate Loan Balance – Tiglin Centre is secured by a fixed charge on the freehold land and buildings, which are carried in the Balance Sheet at €692,503 (2016: €721,002) at the financial year end date. It carries a fixed interest rate of 1.5% (2016 – 1.5%). It is repayable by instalments over the next 3 years.

Obligations under finance leases and hire purchase contracts

The company has no assets held under finance leases or hire purchase contracts.

TIGLIN CHALLENGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

14. Details of Borrowings (continued)

Current financial year

Maturity analysis

	Within one year €	Between one & five years €	After five years €	Total €
<i>Indebtedness repayable other than by instalments:</i>				
Bank overdraft	-	-	-	-
<i>Indebtedness repayable by instalments:</i>				
Bank loans	58,857	59,687	-	118,544
Finance Leases:				
Gross of finance charges	-	-	-	-
Finance charges and interest included in instalments	-	-	-	-
Net of finance charges	-	-	-	-
Total net indebtedness by instalments	58,857	59,687	-	118,544
Total	58,857	59,687	-	118,544

Prior financial year

Maturity analysis

	Within one year €	Between one & five years €	After five years €	Total €
<i>Indebtedness repayable other than by instalments:</i>				
Bank overdraft	-	-	-	-
<i>Indebtedness repayable by instalments:</i>				
Bank loans	58,857	111,986	-	170,843
Finance Leases:				
Gross of finance charges	-	-	-	-
Finance charges and interest included in instalments	-	-	-	-
Net of finance charges	-	-	-	-
Total net indebtedness by instalments	58,857	111,986	-	170,843
Total	58,857	111,986	-	170,843

TIGLIN CHALLENGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

15. Net cash flows from operating activities

	2017 €	2016 €
Surplus for the financial year	83,261	94,133
Adjustments for:		
Depreciation of tangible fixed assets	62,260	68,646
(Profit)/loss on disposal of tangible fixed assets	(3,400)	(7,150)
Interest payable	1,653	2,385
(Increase)/decrease in debtors	3,401	169
Increase/(decrease) in creditors	(21,269)	83,189
Net cash flows from operating activities	<u>125,906</u>	<u>241,372</u>

16. Components of cash and cash equivalents

	2017 €	2016 €
Cash at bank and in hand	503,986	448,231
Bank overdraft	-	-
	<u>503,986</u>	<u>448,231</u>

17. Events after the end of the financial year

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

18. Capital commitments

At the financial year end date the company had not entered into contracts for future capital expenditure.

19. Other financial commitments

At the financial year end date the company had not entered into contracts for future financial expenditure.

TIGLIN CHALLENGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

20. Contingent liability

The company has no contingent liabilities at either the end of the current or preceding financial periods.

21. Related party transactions and controlling party

Ultimate controlling party

The members of the company are considered by the directors to be the company's ultimate controlling party.

Key management personnel compensation

The directors' remuneration disclosed in note 6 represents the total compensation paid to key management personnel.

Other related party transactions

All other related party transactions are disclosed under Directors' remuneration and transactions, note 6.

22. Financial instruments

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

	2017 €	2016 €
<i>Financial assets that are debt instruments measured at amortised cost</i>		
Other debtors	53,442	56,843
Cash at bank and in hand	503,986	448,231
<i>Financial liabilities measured at amortised cost</i>		
Bank and other loans	118,544	170,843
Trade creditors	86,155	103,245

TIGLIN CHALLENGE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

23. Approval of financial statements

The board of directors approved these financial statements and authorised them for issue on 9 May 2018.