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THRESHOLD LIMITED

(A company limited by guarantee not having a share capital)

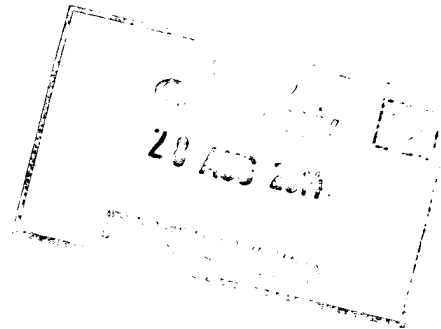
Directors' Report and Financial Statements

for the year ended

31 December 2013

Company Registration Number: 70660

Charity Registration Number: CHY 6279



Power & Associates
Chartered Certified Accountants
Registered Auditors
1 Sussex Street
Dun Laoghaire
Co Dublin

THRESHOLD LIMITED
(A company limited by guarantee not having a share capital)

Contents

	Page
LEGAL AND ADMINISTRATIVE INFORMATION	2
DIRECTORS' REPORT	3 - 4
STATEMENT OF DIRECTORS' RESPONSIBILITIES	5
INDEPENDENT AUDITORS' REPORT	6 - 7
STATEMENT OF FINANCIAL ACTIVITIES	8
BALANCE SHEET	9
CASH FLOW STATEMENT	10
NOTES FORMING PART OF THE FINANCIAL STATEMENTS	11 - 15

THRESHOLD LIMITED

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Legal and Administrative Information

DIRECTORS

Aideen Hayden (Chairperson)
Brian Murphy (Treasurer)
Thora Mackey (Secretary)
Patrick Gray
Christine Heffernan
Trocaire Joye
Martini Molloy
Bernard Cronin
Liam Reid

COMPANY SECRETARY

Thora Mackey

CHIEF EXECUTIVE OFFICER

Robert Jordan

AUDITORS

Power & Associates
1 Sussex Street, Dun Laoghaire, Co Dublin.

PRINCIPAL BANKERS

Bank of Ireland
34 College Green, Dublin 2

Allied Irish Banks Plc
66 South Mall, Cork.

Allied Irish Banks Plc
Lynch's Castle, Galway.

SOLICITORS

O'Sullivan O'Dowd Solicitors
1 Blackhall Rise, Blackhall Place, Dublin 7.

REGISTERED OFFICE

21 Stoneybatter, Dublin 7.

COMPANY REGISTERED NUMBER

70660

CHARITY REGISTERED NUMBER

CHY 6279

Directors' Report

The directors present their report and audited financial statements for the year ended 31 December 2013.

1 ORGANISATION

Threshold Limited is a charitable company limited by guaranteed. It was incorporated under the Companies Acts, 1963 to 2013 on 17 August 1979. The company does not have a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company in the event of a winding up. Such amounts, as may be required, shall not exceed €1.27.

Threshold Limited was established under a Memorandum of Association which established the objects and powers of the company. It is governed under its Articles of Association and managed by a board of directors. The company has been granted charitable status under sections 207 and 208 of the Taxes Consolidation Act, 1997, charity number CHY 6279.

2 REVIEW OF ACTIVITIES

Threshold is a national not-for-profit organisation that provides housing information, advice and support for tenants through advice centres in Dublin, Cork, Galway and Outreach clinics in local areas. The company advocates on behalf of tenants with landlords, agents and state agencies. It supports tenants to avail of the dispute resolution service provided by the Private Residential Tenancies Board and represents them at adjudication and tribunal hearings.

Threshold's Access Housing Units in Dublin and Cork help people who have experienced homelessness to find longer-term homes in the private rented sector. Regional placement services help people with accommodation searches for rented and other forms of accommodation. Threshold also delivers tenancy sustainment services to support vulnerable people to live independently.

Threshold carries out housing research and contributes to national housing policy.

3 RESULTS

Threshold raised a total income of €2,028,987 (2012: €1,941,917) in the year ended 31 December 2013 through both voluntary and statutory sources, an increase of 4.5%. Total expenditure for the year was €1,847,549 (2012: €1,859,618). Despite a fall in fundraising income in the difficult climate, the charity was able to hold its income and expenditure levels. The final year end surplus for the charity for the year was €181,438 (2012: € 82,299).

The cost of managing and administering the Charity represents 9% of the total expenditure.

4 RESERVES POLICY

The directors have adopted a reserves policy which they consider appropriate to ensure the continued ability of the charity to meet its objectives. Consideration is given to assessing the risk probability and the likely impact on our ability to meet our financial obligations or reduce our expenditure in the short term as a result of a decline in income. Threshold aims over time to build free reserves to a level which will provide working capital comprising a minimum of 50% of the annual expenditure. At 31 December 2013 that level should be €923,775 compared to free funds which stand at €816,614 (44%). The directors have agreed a plan that aims to build reserves as the charity grows.

5 INVESTMENT POLICY

In accordance with the Memorandum and Articles of Association, the directors have the power to invest in investments as they see fit.

6 RISK MANAGEMENT

The directors are aware of the major risks to which the charity is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems are in place to mitigate exposure to major risks.

Directors' Report

7 GOING CONCERN

After making appropriate enquiries, the directors have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. The financial statements have been prepared on the going concern basis and in accordance with accounting standards generally accepted in Ireland.

8 DIRECTORS AND SECRETARY

The present membership of the board is set out on page 2. On 02 February 2013 Desmond Byrne resigned as director and on the same day Christine Heffernan was appointed director. Patrick Farrell resigned as director on 11 May 2013. Bernard Cronin was appointed director on 07 December 2013. Liam Reid was appointed director on 05 April 2014.

9 BOOKS OF ACCOUNT

The measures taken by the directors to ensure compliance with the requirements of Section 202, Companies Act, 1990, regarding proper books of account 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 books of account of the company are maintained at 21 Stoneybatter, Dublin 7.

10 POLITICAL DONATIONS

The Electoral Act, 1997 requires companies to disclose all political donations over €200 in aggregate made during the financial year to a political party, member of either House of the Oireachtas or a representative in the European Parliament, or to any candidate for election to same. The directors, on enquiry, have satisfied themselves that no such donations have been made by the company.

11 COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and under the Companies (Amendment) Act, 1986 it is required to file full financial statements annually with the Registrar of Companies.

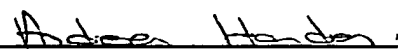
12 AUDITORS

Power & Associates, Chartered Certified Accountants and Registered Auditors, have expressed their willingness to continue in office in accordance with Section 160 (2) of the Companies Act, 1963.

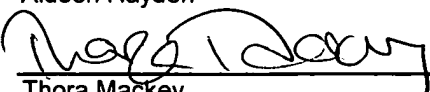
Signed on Behalf of the Board of Directors:



Brian Murphy - Treasurer



Aideen Hayden - Chairperson



Thora Mackey - Secretary

Date: 14 June 2014

We certify that the above is a true copy of the Directors' Report laid before the company's Annual General Meeting.

THRESHOLD LIMITED

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Statement of Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the result of the company for that period. In preparing those financial statements, the directors are required to:

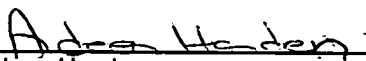
- a) Select suitable accounting policies and then apply them consistently;
- b) Make judgements and estimates that are reasonable and prudent;
- c) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business;
- d) Comply with Section 202 of the Companies Act 1990, with regard to the keeping of proper books of account and to disclose in the Directors' Report the exact location of those books.

The directors confirm that they have complied with the above requirements in preparing the financial statements. The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Acts 1963 to 2013. 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.


Signed on Behalf of the Board of Directors:



Brian Murphy - Treasurer



Aideen Hayden - Chairperson



Thora Mackey - Secretary

Date: 14 June 2014

THRESHOLD LIMITED

(A company limited by guarantee not having a share capital)

Independent Auditors' Report

To the members of

THRESHOLD LIMITED

We have audited the financial statements of Threshold Limited for the year ended 31 December 2013 on pages 8 to 15. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Association of Chartered Certified Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the company's members, as a body, in accordance with the requirements of the Companies Acts, 1963 to 2013. 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 Auditors' 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 Statement of Directors' Responsibilities on page 5, the directors are responsible for the preparation of the financial statements giving a true and fair view.

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 requirements require us to comply with the Auditing Practice's Board (APB's) Ethical Standards for Auditors including "APB Ethical Standard - Provisions Available for Small Entities (Revised)", in the circumstances set out in the notes to the financial statements.

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. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland of the state of the company's affairs at 31 December 2013 and of its result for the year then ended; and
- have been properly prepared in accordance with the Companies Acts 1963 to 2013.

Matters on which we are required to report by the Companies Acts 1963 to 2013

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- In our opinion proper books of account have been kept by the company.
- The financial statements are in agreement with the books of account.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.

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Independent Auditors' Report

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions of the Companies Acts 1963 to 2013 which require us to report to you if, in our opinion the disclosure of directors' remuneration and transactions specified by law are not made.

Stephen Power
Power & Associates

STEPHEN POWER
for and on behalf of:
POWER & ASSOCIATES

Chartered Certified Accountants
Registered Auditors
1 Sussex Street
Dun Laoghaire
Co Dublin

Date:

14/06/2014

We certify that the above is a true copy
of the Auditors Report laid before the
company's Annual General Meeting.

Brian Murphy

Brian Murphy - Treasurer

Aideen Hayden

Aideen Hayden - Chairperson

Thora Mackey

Thora Mackey - Secretary

Statement of Financial Activities

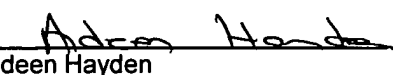
Year Ended 31 December


	Notes	2013 €	2012 €
INCOMING RESOURCES			
Government and other agencies grants		1,325,465	1,232,700
Donations, community fund-raising and events		388,545	406,710
Rental and deposit income		137,841	131,848
Charity shops		162,722	167,397
Miscellaneous		14,414	3,262
Total incoming resources		2,028,987	1,941,917
RESOURCES EXPENDED			
Direct charitable expenditure		1,352,444	1,292,658
Fund-raising and publicity		218,423	246,008
Charity shops		118,245	124,353
Managing and administering the charity		149,595	170,432
Depreciation		33,046	43,371
Amortisation		(24,204)	(24,204)
Sinking fund RAS		-	7,000
Total resources expended		1,847,549	1,859,618
NET INCOMING RESOURCES FOR THE YEAR	3	181,438	82,299

- a) All the amounts above relate to continuing operations of the company.
- b) The company has no recognised gains or losses other than those included in the results above and therefore no separate statement of total recognised gains and losses has been presented.

These financial statements were approved by the directors on 14 June 2014 and are signed on behalf of the Board of Directors by:


Brian Murphy - Treasurer


Aideen Hayden - Chairperson


Thora Mackey - Secretary

We certify that the above is a true copy of the Statement of Financial Activities laid before the company's Annual General Meeting.

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Balance Sheet

31 December

	Notes	2013 €	2012 €
FIXED ASSETS			
Tangible assets	5	<u>1,602,128</u>	<u>1,630,138</u>
CURRENT ASSETS			
Debtors	6	17,163	19,002
Cash at bank and in hand		<u>1,000,585</u>	<u>823,992</u>
Creditors (amounts falling due within one year)	7	<u>1,017,748</u> <u>(293,686)</u>	<u>842,994</u> <u>(304,176)</u>
NET CURRENT ASSETS		<u>724,062</u>	<u>538,818</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,326,190	2,168,956
Government capital grants	8	<u>(513,983)</u>	<u>(538,187)</u>
NET ASSETS		<u><u>1,812,207</u></u>	<u><u>1,630,769</u></u>
FUNDS			
Revaluation fund	9	788,233	788,233
Unrestricted accumulated fund	10	<u>1,023,974</u>	<u>842,536</u>
Total funds	11	<u><u>1,812,207</u></u>	<u><u>1,630,769</u></u>

These financial statements were approved by the directors on 14 June 2014 and are signed on behalf of the Board of Directors by:

Brian Murphy
Brian Murphy - Treasurer

Aideen Hayden
Aideen Hayden - Chairperson

Thora Mackey
Thora Mackey - Secretary

We certify that the above is a true copy of the Balance Sheet laid before the company's Annual General Meeting.

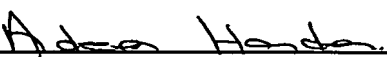
Cash Flow Statement

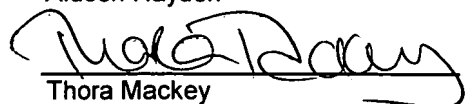
Year Ended 31 December

	2013 €	2012 €
CASH GENERATED FROM OPERATIONS		
Net incoming resources for the year	181,438	82,299
Depreciation	33,046	43,371
Amortisation	(24,204)	(24,204)
Decrease/(increase) in debtors	1,839	(1,136)
Decrease in creditors	<u>(10,490)</u>	<u>(87,976)</u>
Cash generated from operations	<u>181,629</u>	<u>12,354</u>
APPLICATION OF CASH		
Purchase of tangible fixed assets	<u>(5,036)</u>	<u>(14,537)</u>
Net increase/(decrease) in cash	176,593	(2,183)
Cash at bank and in hand at beginning of year	<u>823,992</u>	<u>826,175</u>
Cash at bank and in hand at end of year	<u><u>1,000,585</u></u>	<u><u>823,992</u></u>

These financial statements were approved by the directors on 14 June 2014 and are signed on behalf of the Board of Directors by:


 Brian Murphy - Treasurer


 Aideen Hayden - Chairperson


 Thora Mackey - Secretary

Notes forming part of the Financial Statements

1 ACCOUNTING POLICIES

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

a) Basis of Preparation

The financial statements are prepared in accordance with generally accepted accounting principles under the historical cost convention, as modified by the revaluation of certain tangible fixed assets, and with reference to the recommendations of the Statement of Recommended Practice, Accounting and Reporting by Charities.

b) Incoming Resources

Income is treated as being general and unrestricted unless a donor has specified the manner in which the donation is to be spent, in which case it is treated as restricted income. All incoming resources are included in the Statement of Financial Activities when the company is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- **Government and other agencies grants**

Grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions (where applicable) have been complied with.

Expenditure grants received are credited to the Statement of Financial Activities upon the recognition of the associated expense for which the grant was originally received.

- **Donations and community fund-raising income**

Voluntary donations are recognised when the donations are entered in the company's accounting system. Donations in kind are valued and included in the financial statements.

Fund-raising income consists of all incoming resources other than government and similar grants, investment income and receipts for services or goods. The income is credited to the Statement of Financial Activities in the year in which it is received.

- **Rental and deposit income**

Income earned on funds held on deposit and rental income is treated as unrestricted income and is included in the Statement of Financial Activities when receivable.

- **Charity shops income**

The income from the charity shops are accounted for when received into the company's accounting system.

c) Resources Expended

Resources expended are analysed between direct charitable expenditure, costs of fund-raising and publicity, charity shops expenditure and costs of managing and administering the charity. Where costs cannot be directly attributed, they have been allocated in proportion to estimated benefits received.

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be recovered and is reported as part of the expenditure to which it relates.

Notes forming part of the Financial Statements

1 ACCOUNTING POLICIES (CONTINUED)

d) Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost or valuation, less accumulated depreciation. No depreciation is provided on freehold land. No depreciation is provided on the company's Gilabbey Court premises. It is the company's practice to maintain the Gilabbey Court premises in good condition with costs of repair and maintenance being charged against revenue in the year in which they are incurred. The directors are of the opinion that, having regard to estimated residual values and the estimated useful economic lives, any depreciation involved would not be material.

Depreciation is provided on a straight line basis in order to write off the cost of the other tangible fixed assets over their expected useful lives at the following annual rates:

Office fixtures and fittings	10%
Computers	33%
Shop fixtures and fittings	20%
Leasehold improvements	2%
Head office premises	2%

The carrying value of tangible fixed assets is reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

e) Stocks

In accordance with generally accepted accounting practice applicable to stocks, there is no valuation placed on the trading stock in the charity shops as they are acquired at no cost to the company.

f) Capital Grants

Grants received specifically as a contribution towards fixed assets are credited directly to capital grants in the balance sheet in the year of receipt. Such grants are amortised to the Statement of Financial Activities on the same basis as the assets are depreciated.

g) Taxation

No charge to taxation arises as the company had been granted exemption under Sections 207 and 208 of the Taxes Consolidation Act, 1997. Irrecoverable value added tax is expensed as incurred.

The company is eligible under the "Scheme of Tax Relief for Donations to Eligible Charities and Approved Bodies under Section 848A Taxes Consolidation Act, 1997" to income tax refunds arising from donations exceeding €250 per annum. These refunds are included under miscellaneous income.

h) Pension Costs

The company operates a defined contribution scheme for members of its staff. The scheme is managed by Zurich Life Assurance Plc and the funds are held and administered outside the company.

2 INCOMING RESOURCES

The total incoming resources of the company for the year has been derived from its principal activities wholly undertaken in Ireland.

Notes forming part of the Financial Statements

3 STATUTORY INFORMATION	2013 €	2012 €
Net incoming resources for the year is arrived at after charging/(crediting):		
Directors' emoluments	-	-
Auditors' remuneration	6,200	6,200
Depreciation of tangible fixed assets	33,046	43,371
Amortisation of capital grants	(24,204)	(24,204)
Deposit interest	(4,818)	(5,097)
Bank interest and charges	3,747	4,811
	<u>3,747</u>	<u>4,811</u>

4 EMPLOYEE INFORMATION

The average number of persons employed by the company during the year was 45 (2012: 46).

The staff costs are comprised of	2013 €	2012 €
Wages and salaries	1,194,790	1,176,053
Social welfare costs	120,796	111,820
Pension contributions	39,841	37,210
	<u>1,355,427</u>	<u>1,325,083</u>

5 TANGIBLE FIXED ASSETS

	Fixtures, Fittings and Computers €	Leasehold Improvements €	Gilabbey Court Premises €	Head Office Premises €	Total €
Cost or Valuation					
01 January 2013	267,645	216,091	1,015,000	1,089,098	2,587,834
Additions	5,036	-	-	-	5,036
Disposals	(63,278)	(13,411)	-	-	(76,689)
31 December 2013	<u>209,403</u>	<u>202,680</u>	<u>1,015,000</u>	<u>1,089,098</u>	<u>2,516,181</u>
Accumulated Depreciation					
01 January 2013	255,033	48,219	-	654,444	957,696
Charge	7,312	3,952	-	21,782	33,046
On disposals	(63,278)	(13,411)	-	-	(76,689)
31 December 2013	<u>199,067</u>	<u>38,760</u>	<u>-</u>	<u>676,226</u>	<u>914,053</u>
Net Book Amount					
31 December 2013	<u>10,336</u>	<u>163,920</u>	<u>1,015,000</u>	<u>412,872</u>	<u>1,602,128</u>
31 December 2012	<u>12,612</u>	<u>167,872</u>	<u>1,015,000</u>	<u>434,654</u>	<u>1,630,138</u>

All tangible fixed assets are held by the company for use in meeting its charitable objectives.

The directors have accepted an independent professional valuation on the Gilabbey Court premises of €1,015,000 on 08 March 2010. The original cost of the property was €226,767. The valuation was carried out by Sherry FitzGerald. The revaluation has been reflected in the revaluation fund (note 9).

Notes forming part of the Financial Statements

6 DEBTORS	2013	2012
	€	€
Amounts falling due within one year:		
Department of Social Protection grants receivable	7,682	3,722
Prepayments	<u>9,481</u>	<u>15,280</u>
	<u><u>17,163</u></u>	<u><u>19,002</u></u>
7 CREDITORS (AMOUNTS FALLING DUE WITHIN ONE YEAR)	2013	2012
	€	€
Creditors and accruals	56,737	74,831
Deferred income	207,360	198,329
PAYE/PRSI	<u>29,589</u>	<u>31,016</u>
	<u><u>293,686</u></u>	<u><u>304,176</u></u>
Creditors include suppliers who claim to hold reservation of title clauses pending receipt of payment in full for the goods.		
8 GOVERNMENT CAPITAL GRANTS	2013	2012
	€	€
01 January	538,187	562,391
Amortisation	<u>(24,204)</u>	<u>(24,204)</u>
31 December	<u><u>513,983</u></u>	<u><u>538,187</u></u>
9 REVALUATION FUND	2013	2012
	€	€
01 January and 31 December	<u><u>788,233</u></u>	<u><u>788,233</u></u>
The revaluation fund relates to the revaluation of the Gilabbey Court premises.		
10 UNRESTRICTED ACCUMULATED FUND	2013	2012
	€	€
01 January	842,536	760,237
Net incoming resources for the year	<u>181,438</u>	<u>82,299</u>
31 December	<u><u>1,023,974</u></u>	<u><u>842,536</u></u>

Notes forming part of the Financial Statements

11 RECONCILIATION OF MOVEMENT IN FUNDS	2013	2012
	€	€
Opening funds	1,630,769	1,548,470
Closing funds	<u>1,812,207</u>	<u>1,630,769</u>
Net increase in funds	<u><u>181,438</u></u>	<u><u>82,299</u></u>
Represented by		
Net incoming resources for the year	<u><u>181,438</u></u>	<u><u>82,299</u></u>

12 PROPERTY RENTAL COMMITMENTS

Property rental commitments are as follows:	€
Within one year	62,000
Between two and five years	<u>248,000</u>
	<u><u>310,000</u></u>

13 CONTINGENT LIABILITY

Threshold Limited was granted a thirty year capital assistance scheme mortgage from Cork City Council in 1987 amounting to €142,211 in relation to the Rental Accommodation Scheme Social Housing Project. The mortgage is secured on the Gilabbey Court premises at College Road, Co Cork. Under the terms of the mortgage no repayments are made by Threshold Limited unless the property ceases to be used for the purposes set out in the agreement. Should the property cease to be used for such purposes before the term of thirty years expires on 04 March 2017 then the company will be required to pay back the capital assistance advanced of €142,211.

14 APB ETHICAL STANDARDS - PROVISIONS AVAILABLE TO SMALL ENTITIES

As a small entity under the provisions of the APB in relation to Ethical Standards we engage our auditors to provide accounts preparation.