

Representing, Promoting, Developing, Since 1973

—
Annual Report
2019

 Co-operative
housing
Ireland



About us

Co-operative Housing Ireland is the national organisation representing, promoting and developing co-operative housing in Ireland. Since our foundation in 1973 we have provided over 6,000 homes through home-ownership, shared ownership and social rented co-operatives. With our membership of democratically controlled local co-operatives, we now manage close to 3,000 homes across Ireland as well as providing a network of childcare services in our communities.

As one of the leading national voices for co-operation in Ireland we collaborate with other co-operative organisations to promote our model. We are members of the Community and Voluntary Pillar of Social Partnership and participate in numerous forums on housing and social policy. Internationally, we are members of Housing Europe and the International Co-operative Alliance, including its sector groups; Cooperatives Europe and Co-operative Housing International.

Co-operative Housing Ireland is an Approved Housing Body under section 6 of the Housing (Miscellaneous Provisions) Act 1992. It is accountable to the Voluntary Regulation Code for Approved Housing Bodies and is regulated as a Tier 3 (larger) Approved Housing Body. The Society is a registered charity and has signed the Governance Code for voluntary and charitable organisations.

Contents

Chairperson's Report	2
Growing co-operative housing	4
Anna's* story	8
Building sustainable co-operative communities	11
Winifred's Story	13
Developing co-operative leadership	15
Raising our own capacity	16
Leading the co-operative movement	18
Co-operative identity, values and principles	19
Blueprint for a co-operative decade	20
Co-operative Board Members	22
Co-operative Management Team	24
Board of Management Report & Financial Statements	26

Chairperson's Report

The need for social housing in Ireland continues to be a major challenge for Irish society. The numbers on waiting lists and in emergency homeless accommodation remain a significant concern. Therefore, it is vital that Co-operative Housing Ireland (CHI) continues to produce and make available high-quality co-operative housing to families across the country in 2019. I am very pleased to report that CHI delivered 371 new homes during the year. This is a record number for the Organisation and follows on from a record year in 2018. I am sure that, like me, you are pleased and very proud that our Organisation is making this significant contribution to dealing with the housing crisis.

Besides the aggregate contribution - the bricks and mortar - there is great satisfaction in welcoming families into their new homes. In July, we held an official opening of the 40-unit A-rated development at Deakin Court, Richmond Road, Dublin attended by Minister for Housing, Eoghan Murphy, and the Mayor of Dublin, Cllr Paul Mc Auliffe, as well as a range of other stakeholders. The day went very well and received widespread national media coverage drawing attention to the good work of Co-operative Housing Ireland. Other significant developments during the year included 32 houses in Tullyvarraga, Shannon and 36 houses in Cherry Orchard, Dublin which was the second and final phase of a 72-unit development. Our largest development in 2019 was 88 homes in Rathnew in Wicklow which was the first phase of 144 homes to be delivered there. These developments show that Co-operative Housing Ireland is developing the capacity it needs to make the significant contribution we all wish to see.

2019 also saw Co-operative Housing Ireland deliver its first homes in Mayo and Cavan. Which is extremely important for us as we strive to meet our strategic objectives of growing co-operative housing nationally as well as building sustainable co-operative communities.

Even though the fundamental need we try to deliver, in this time of crisis for many, is housing, we must continue to support members to develop a shared community and co-operative ethos. In this context, I can report that co-operative events and training continued apace during the year. I would like to remind and encourage members that the Board training course is available to all members and that it is not necessary to be a Board member of your co-operative to attend. This training provides Members with skills in the areas of governance, finance, communications, leadership, strategy and housing policy.



Pearse O'Shiel
Chairperson

At an organisational level Co-operative Housing Ireland continues to grow and strengthen. Examples of this, in 2019, include the consolidation of Dublin Housing staff at Avondale in West Dublin and the sourcing of a new line of finance from a pillar bank.

Last year I reported on new developments in Regulations for the Approved Housing Body (AHB) sector in Ireland. To add to this, 2019 has seen the publication of legislation to put in place a new Regulatory system for Approved Housing Bodies. CHI welcomes a strengthened regulatory regime while acknowledging the challenges that AHBs face as a result. We look forward to the new legislative arrangements which we believe will only improve our performance as a sector.

Today we face significant challenges as a result of the global Covid-19 pandemic. It has left a permanent scar on our lives and continues to disrupt our way of life. Yet we have seen how co-operation can flourish in these difficult times, between nation states, but also in our communities with Members looking out for each other, and various acts of kindness. We will continue to increase our delivery of new homes across Ireland, while retaining an emphasis on the importance of co-operative living. CHI is resilient and has proven itself capable of managing and succeeding in the most challenging times. We look forward to continuing to work alongside Co-operative Housing Ireland Members and staff throughout Ireland to achieve our goals.

October 2020

Growing **co-operative** housing

Record number of homes insert delivered throughout the country in 2019

Co-operative Housing Ireland has continued to expand in 2019. The Society delivered a record number of 371 new homes throughout Ireland in Wexford, Offaly, Carlow, Dublin, Clare, Cork, Limerick, Cavan, Kilkenny, Kerry, Wicklow, Mayo, Roscommon, Laois, Galway and Tipperary.

In September 2019, CHI was delighted to launch Deakin Court, a brand-new development of 40 homes on Richmond Road, Drumcondra. The event was attended by Minister for Housing, Planning and Local Government Eoghan Murphy, TD and Lord Mayor of Dublin, Cllr Paul McAuliffe, as well as a range of other stakeholders. Deakin Court comprises a mix of one, two and three-bedroom A-rated apartments with landscaped gardens overlooking the river Tolka. The launch presented a fantastic opportunity for our new Members to get together as a community and celebrate moving into their new homes.

New pillar bank funding

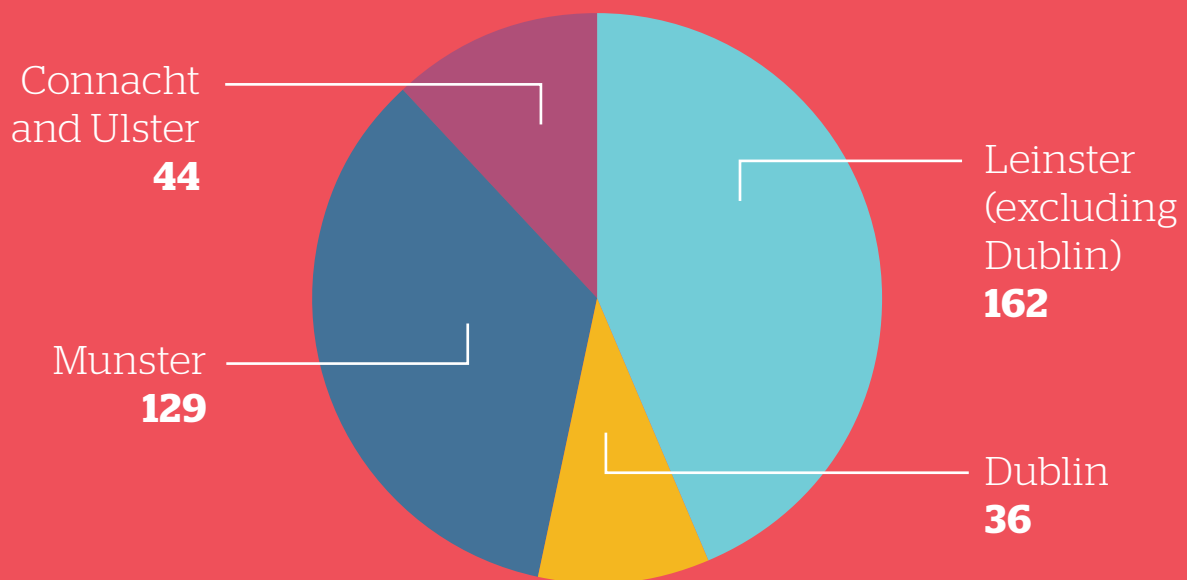
In line with our objective to access development finance from a range of sources, CHI secured funding sourced from a domestic pillar bank when it completed the €17.083m Loan facility agreement with Bank of Ireland (BOI) to finance Phase 1 of the Hazelbrook scheme at Rathnew, Co. Wicklow. This was the largest single housing development undertaken by CHI in 2019.

This facility agreement marked the first pillar bank loan funding to CHI in many years, a new line of credit and represents diversification of the CHI loan portfolio that has been funded primarily by the Housing Finance Agency (HFA). CHI is optimistic that additional pillar bank funding deals can be achieved over the coming years combined with the continued funding support from the HFA and CALF.



Homes delivered in 2019

Leased Apartments	Leased Houses	Leased Totals	Owned Apartments	Owned Houses	Owned Total	Grand Total
72	1	73	10	288	298	371



Tullyvarraga, Shannon,
Co. Clare



Hazelbrook Rise,
Rathnew,
Co. Wicklow

Leinster

Co-operative Housing Ireland was delighted to complete 162 new homes in 2019 in Leinster. The largest development completed in 2019 was Hazelbrook Rise in Rathnew, Wicklow. A total of 88 new homes were completed in 2019, comprising a mix of duplexes, apartments and houses. New residents are members of the Avoca Co-operative. Several smaller developments were completed in Offaly, Wexford and Wicklow.

A highlight was the official opening of ten new homes in Willow View, Castlebridge, Wexford in June. The launch was attended by Minister for Housing, Planning and Local Government, Eoghan Murphy. Willow View is a development of ten homes housing mostly young families.

We were pleased to take 13 Carlow and ten Kilkenny homes into management in early 2019 and to welcome our new members. 14 homes, a combination of two and three-bedroom houses, were also taken into management in Enniscorthy.

Leinster (excluding Dublin) – 162 new homes

Meadowfields, Enniscorthy, Wexford	28
Birr, Offaly	4
Carlow Refugees	6
Castlehyde, Kilkenny	6
An Corran, Birr, Offaly	3
Love Lane, Kilkenny	4
Rivercourt, Carlow	3
Rathnew, Wicklow	88
Rivercourt, Carlow	4
Clonard, Wexford	10
Chestnut Drive, Fruithill Carlow	1
Offaly refugees	5

Dublin

We were delighted to see 36 homes delivered at Orchard Lawns, Cherry Orchard in Dublin.

Dublin – 36 new homes

Orchard Lawns, Cherry Orchard	36
-------------------------------	----

Connacht and Ulster

2019 saw CHI deliver its first homes in Mayo and Cavan. This is extremely important for the Society, as we strive to meet our strategic objectives of growing co-operative housing nationally as well as building sustainable co-operative communities. A total of 40 new homes were delivered across Connacht and border counties.

Connacht and Ulster – 44 new homes

Ramparts View, Cavan	8
Glenlara, Mayo	10
Block B, Castle View, Roscommon	10
Belmont, Galway	16

Munster

A total of 129 houses were delivered throughout Munster region. In July, we were delighted to take 43 new houses in Blackrock, Cork into management. This scheme comprises a mix of twenty-eight one and two bedroom apartments and 15 two- and three-bedroom houses.

Munster – 129 new homes

Grattan Hill, Cork	12
Carraig Court, Blackrock, Cork	43
Parklands Apt, Tralee, Kerry	11
North East Quatrant, Cork	1
The Orchard Kenmare, Kerry	4
Gortonora, Dingle, Kerry	9
Ashgrove, Monadreen, Thurles, Tipperary	10
Castlecentre, Castleconnell, Limerick	6
Ros Leabhain, Clare	2
Tullyvarraga Shannon	31



Anna's* story

“This place feels so much more like home”

In September 2019, CHI was delighted to launch a brand-new estate, Deakin Court, on Richmond Road, Drumcondra. Members had the opportunity to celebrate moving into their new homes in a vibrant community. One such new Member is Anna*.

“We moved into our new home here in August 2019, right before the official launch of the estate. It was wonderful to finally have a place of our own and not be sharing with other people. There are three of us, me and my two younger daughters, so having privacy has been a huge change.

“I’ve been undergoing treatment for cancer since before I moved in. Having a health problem that can potentially affect my ability to work in the long-term and my income has had a big impact on me. The new home, where the rent will adjust according to my income, has added a lot to my sense of security here. It is a huge relief to know that my girls and I will have a home no matter what.

“Deakin Court is a wonderful location, we have lots of parks close to us and we’re close to the city centre, so we don’t have to travel far for anything. The neighbours are friendly, which is wonderful. There’s a nice sense of community here.

“Having your own place to call home is so important. Previously when I rented, we shared with another person to make it more affordable. He worked nightshifts, so we had to be quiet during the day. This place feels so much more like home. If there’s any changes I want to make, like painting the walls, hanging a picture or changing the carpets I can do it, I don’t have to check with anyone. We can make it our own”.

*Name changed for Member’s privacy.







Case Study

“You need a partnership where clarity and security are at the core”

Wexford-based developer Karl Strehlow began his partnership with Co-operative Housing Ireland more than six years ago. With 28 houses delivered in Enniscorthy in 2019 and another 60 on the way, he believes trust and a straightforward approach are more important than ever in building.

“I began developing distressed properties about six or seven years ago, that is, properties that were half developed or incomplete which entered receivership and were acquired by NAMA (National Asset Management Agency). Part of the reason for this is because it’s not possible borrow the current capital outlay needed to develop a site from scratch.

“My relationship with CHI began around this time when I was approached by the Development Team about a distressed estate that I was working on in Enniscorthy. CHI was interested in developing the estate. It was great to have their interest and backing when approaching the Housing Finance Authority (HFA) to get funding over the line. It can take a long time for that finance to come through. CHI was very helpful in shoring up the project financially during that period. As a developer, having their trust and straightforward approach was extremely important.

“In 2019, we completed the development of Meadowfield, an estate of 28 Homes in Enniscorthy, for CHI. It’s a mix of two and three-bed properties. As part of that estate, we also developed three wheelchair accessible bungalows with fully accessible bathroom facilities. The development is built to a high energy specification with A3 rated homes.

Each house is fitted with an air to water heat pump which is highly efficient. Heat pumps typically cost 50% to 60% less to heat your home. I’ve since met a few of the residents and have been pleased to hear their positive feedback on energy savings with this system. It’s very satisfying to get that feedback and know we have built nice places to live.

“We’re currently working on another site of 60 homes in Wexford town with a similar specification. They are A2-rated homes with an attractive design with bright and airy spaces and latest energy technologies. Working with Niall McCabe in Wexford County Council and Padraic Clancy in CHI on this project has been a positive experience.

“Building houses presents many challenges before a single brick is laid – from time consuming contracts to finance approval from the HFA and CALF (Capital Advance Leasing Facility). There are no shortcuts in building, the finance process alone can take almost two years. Even when a project is reaching completion, there are several hurdles to be overcome in terms of water supply and sewerage. All these processes now take much longer due to Covid-19. Once a price and a contract has been agreed everything else becomes a lot easier, but really you need a partnership where clarity and security are at the core”.

Building sustainable **co-operative** communities

Co-operative Housing Ireland's primary strategic objective is to grow co-operative housing by building strong, sustainable communities. The Board's Development Sub-Committee rigorously scrutinises new development proposals to ensure the highest quality standards are met. The Society works with local authorities, the Department of Housing, Planning and Local Government and funders to ensure that proposed developments fulfil housing needs for the longer term.

A core element of CHI's work is to prudently manage our existing stock and ensure its upkeep. We have a planned annual maintenance programme. We hold comprehensive stock data information that informs future programmes, and we continually invest in the renewal of our stock.

Members' Activities

Our Members continued to deliver fun and engaging activities across the country in 2019. In Spring, Members in Auburn Lodge in Cabinteely undertook some gardening projects and fence painting. Members in St. Finian's, Lucan were busy with meetings with the Environmental group. An annual clean-up day was scheduled, with treats provided for children. An Easter Fun Day was held in the Kilcronan Communal Room on Saturday, April 20th. The day was jam-packed with delightful Easter Egg hunts, gardening, and arts and crafts.

There was widespread praise and media coverage of a Co-operative Housing Ireland Member Jamie Lee Collins, as the young man wowed audiences in the show *Raised by a Village* on RTÉ. Jamie, 16, lives in Co-operative Housing in Clondalkin with his two little sisters, brother and mother Valen.



Co-operative Childcare

National Childcare Scheme

Our Childcare Team had a busy year, rolling out a host of indoor and outdoor activities for children to get involved in. The Childcare services registered with the new National Childcare Scheme and for School-Aged Childcare with TUSLA. A six-week Parents Plus programme was offered in Co-operative Childcare Brookview with all six parents attending the full programme. Their School-Aged Childcare programme went fulltime during the October mid-term break. This enabled each service to plan a fun week of outings and themed days with the children.

STEAM based curriculum

All three services have embraced the new STEAM (Science, Technology, Engineering, Arts, Mathematics) based curriculum for School-Aged Childcare. A key aspect of this programme is the empowerment of children to be active in their decision making around planning, execution and evaluation of their daily programmes including activities, trips, menus and recording of all.

The 'Dolly Parton Imagination Library'

This wonderful initiative was rolled out earlier this year in Tallaght in conjunction with the Childhood Development Initiative (CDI). The initiative sees children living in West Tallaght who were signed up to the programme receive a personalised book each month until they reach the age of 5. Children and parents from our Brookview childcare service attended the launch of the initiative in Tallaght Library on 14th February. One of the children from the childcare service also participated in a launch of the initiative at the Shamrock Rovers training grounds with the captain of the club.



Bring Home a Book

Our Childcare Services also ran a 'Bring Home a Book' on Wednesday each week, which encouraged children and parents to explore the joys of reading at home. This dedicated time for children to take some time out from the TV and devices contributes to positive wellbeing and behaviours.

Symbols of the Environment

Co-operative Childcare Island Key, continue to work closely with the NCI to support early year's children with literacy and numeracy under the theme "Symbols of the Environment." This partnership also includes inputs from the parents of the children which offers a holistic approach to supporting children and their families in a positive framework. St. Finian's have forged an extremely positive relationship with Speech and Language and, Occupational Therapists, and continue to utilise their specific skills to further support the children and staff.

Encouraging fun in the great outdoors

In Summer 2019, Island Key piloted a brand-new summer project, featuring six exciting themes to bring the fun outdoors. The themes ranged from ocean-diving to world-travel with homemade passports. The project also included plenty of local trips, as well as adventures further afield on the bus, Dart and Luas. Locations included Bray, Howth, Sutton, Malahide, and Dundrum.



Winifred's Story

"There is life beyond the pandemic and so many things to look forward to."

We were delighted in early 2018, to begin work on Hazelbrook Rise a brand-new development in Rathnew Co. Wicklow. New resident Winifred Kelly spoke to us about what having a new home means to her.



"I feel very lucky to have moved into a new home. I work with the Simon Community and sometimes work at home due to Covid-19. In Simon, we have our fingers on the pulse of a lot of social issues presented by the pandemic. Having a good space to work in at home has made such an impact on my routine and outlook in life.

"There has been so much uncertainty for me personally, well before the Covid crisis. The security of my new home came at such a fragile time which has helped me greatly. It's wonderful to have rent that can adjust according to my income.

"Before Covid-19, I unfortunately lost my partner, he'd been sick for a while. It was extremely difficult to be grieving when news headlines were about Covid-19 related issues and people lost to the virus.

"It's been a difficult year but moving into my new home has been incredibly positive for me. The space is stunning. I have rented for years and I don't think I

have ever had a place this nice. I love the communal garden and I can open the double doors when there's fine weather and enjoy it even more. The community here look out for each other in whatever way we can.

"I'm feeling hopeful for the future and excited about returning to activities I was involved in. Before Covid-19, I volunteered with a charity that supports Native Americans in the Cheyenne River Reservation in South Dakota, USA. I took part in an online arts event they held recently and was surprised at how much of a lift that gave me. There is life beyond the pandemic and so many things to look forward to."



Case Study

“The delivery and construction of a house is only a snapshot in time. There is a whole life after the houses are completed”

Kerry based construction firm and developers KPH Construction have been working with CHI for several years. With over 200 staff and 25 years' experience in construction, KPH is one of the foremost providers of construction services in Ireland, working on projects across Munster and Dublin. We spoke to Donald Lynch of KPH about their work with CHI.

“Currently, we’re working on 56 homes in Barraduff, Killarney for CHI. We were very impressed with how they manage their properties. When looking at their estates, they look like any other privately owned estate.

“The delivery and construction of a house is only a snapshot in time. There is a whole life after the houses are completed, and it’s so important to know the houses will be well-managed and people will enjoy living in them.

“Working with Co-operative Housing Ireland has been fantastic. There’s someone to liaise with every step of the way, and the Development Team are very proactive. When issues arise, we can just pick up the phone and talk it through to a solution.

“Barraduff is due to be completed in the next few months. It’s a mixture of three and four-bed homes – mostly three-bed. The bulk of houses are 1,300 square feet with some 1,100 and 1,800 square feet; built using Insulated Concrete Formwork. The houses have an A2 energy rating, heated using an Air to Water Heat pump and everything is built in line with current regulations and standards.

“The houses are stylish, spacious and built to last. We’ve worked to ensure they have a long lifespan when choosing materials and final fixtures. The houses have been finished with a coloured render, so they don’t need to be painted. There are attractive green spaces in the estate and our hope is that the new residents will be proud to live there.

“One of the main issues for developers is access to affordable development land. There are two variables which impact the viability of a project, affordable financing and land costs. The planning process can take a long time, there are a lot of regulations and other ‘taxes’ associated when building on a new site, such as the provision of infrastructure and utilities. The cost of this infrastructure is ultimately spread over the cost of each home. For this reason, when considering the viability of a project, it always comes back to numbers. You must consider the achievable value of the project in terms of affordable financing, site price, infrastructure and price to build per unit. Working with CHI provides a certainty from the start of a project that the houses are spoken for and will be occupied”.

Developing **co-operative** leadership

The Society continued to safeguard the highest standards of governance and leadership within the Board of Co-operative Housing Ireland during 2019, key elements in ensuring the proper operation of the Association's activities.

It is paramount that our Board members are equipped to act as leaders within their communities, in order to ensure the success of Co-operative Housing Ireland as a whole. To this end, the Society offered several training opportunities for Members throughout 2019.

Co-op Committee Skills training

An intensive Co-op Committee Skills training was rolled out in partnership with The Wheel. The training was aimed at members interested or already participating in a committee or local board.

The training, which was free and open to all Members, detailed several areas key to the running of a successful board, providing modules on Governance, Communications and Change, Leadership Strategy and Policy, and Finance. Training such as this provides Members with the tools they need to contribute to a board in a meaningful and informed way.

Secretary Skills training

In addition to Co-op Committee Skills training, the Society provided a free Secretary Skills course open to all members. The training aimed to provide an overview of the governance skills required as a secretary of a board or committee. The training was developed in partnership with The Wheel and delivered by John Burns, Business Development Manager for the ICSA: The Governance Institute, in Ireland.

Member Events

Several events were held for Members and those interested in co-operatives during 2019.

CHI collaborated with Forasa trade union, the Dublin Food Co-op, the Dublin Brewing Co-op and the Society for Co-operative Studies in Ireland to provide several events to Members during April 2019.

A Silent Transformation

Events held by CHI included two screenings of the critically acclaimed documentary, 'A Silent Transformation', a film which explores the co-operative movement in Canada.

'A Silent Transformation' details the role and impact of co-operatives in Canada, a country that is home to over 9,000 co-operatives, credit unions, and mutuals and 18 million co-operative members.

'Economic Democracy and Worker Co-operatives: the case for Ireland'

CHI held a Seminar entitled 'Economic Democracy and Worker Co-operatives: the case for Ireland' in Liberty Hall Dublin. The Seminar was a day-long event held in partnership with the Society for Co-operative Studies in Ireland.

Speakers included Michael Taft, SIPTU researcher; Simel Esim, Head of the Co-operatives Unit in the International Labour Organisation (ILO); Richard Higginson of the Belfast Loveworks Co-operative and Siôn Whellens, Vice-President of CECOP, the European Confederation of Industrial and Service Cooperatives.

The discussion focused on the 'future of work' debate, exploring the role that worker co-operatives can play in issues such as youth employment, business succession and as a response to the gig-economy.

Raising our own capacity

The Society is continuing its plans for substantial growth in line with our Strategy for 2019 - 2024. We have committed to ensuring our capacity to deliver the outlined objectives.

The growth of our housing stock is supported through access to loan finance from the Housing Finance Agency, the European Investment Bank, and domestic Pillar Banks.

CHI Staff

Our work is dependent on our dedicated team of staff, the majority of whom work in front end operations across seven office locations in Ireland, covering properties in many counties, and three Dublin-based childcare centres. At the end of 2019, our staff consisted of 75 people: 54 Housing staff and 21 Childcare staff.

Our teams consist of:

- **Housing Service:** comprising area housing managers and housing specialists, housing officers, technical managers, technical officers, repairs operatives and caretakers who are dedicated to maintaining the quality of our housing
- **New Business:** increasing housing provision by creating new opportunities in collaboration with external partners across the country
- **Contact Centre:** ensuring excellence in customer service for our Members
- **Childcare:** providing for childcare needs in 3 locations in Dublin
- **Head Office:** which includes, senior management, finance, corporate services

IT systems

During 2019 we continued to expand and invest in our IT systems, providing greater functionality and efficiencies to the business. This expansion will further improve the productivity of our Housing and Finance staff and increase service to our Members, along with providing easier compliance and court requirements.

Housing and Estate Management

Avondale Member Services Hub

We were very pleased to have moved into our new Members Services Hub in Avondale, with an official staff launch on 15th July 2019. The move saw the consolidation of the housing management and administrative functions for the Dublin area along with South Leinster, Slaney, and MacGill Co-operatives. Housing Officers working from our Dublin North office in the Newtown Court estate will continue to support members living in the area.

In addition, a revised housing management structure was introduced at the end of 2019. The appointment of Area Housing Managers and Housing Specialists to lead our teams of Housing Officers allows Co-operative Housing Ireland to continue to work to deliver quality services to our members bringing new homes into management.

Members Services Hub,
Avondale, Mulhuddart, Dublin 15.
Launch in July 2019



Leading the **co-operative** movement

Co-operative Housing Ireland continues to play a leading role as a voice for the housing sector and the co-operative movement. The Society remains a member of the Community and Voluntary Pillar and sits on the housing delivery taskforces for Dublin and Cork.

The Society is also represented on the National Homeless Consultative Committee, the Housing Strategic Policy Committees of South Dublin and Dun Laoghaire Rathdown County Councils and Dublin City's Local Community Development Committee.

The Society continued to offer support for the wider co-operative movement over the course of the year. Support was provided to an increasing number of local, self-help co-operatives across Ireland during 2019, by way of meetings with individuals and groups and the holding of a seminar on financing co-operative housing in October, in partnership with Community Finance Ireland.

The Society also continues to work closely with other Approved Housing Bodies to advance our shared interests in responding to the housing crisis. The Housing Alliance, a grouping of five other large housing providers (Clúid, Oaklee, Respond, Circle, Tuath), formed in 2016 with a view to advancing common goals, continues to meet and share knowledge and expertise. It is currently comprised of several subcommittees including a CEO Group, a Finance Group, a Human Resources Group and two working groups on affordable housing and AHB reclassification.

Supporting Co-operativism

CHI sponsored a lecture on the 'The History of Irish Co-operatives' at the Centre for Co-operative Studies in University College Cork last Autumn. Author Patrick Doyle - a Hallsworth Research Fellow at the University of Manchester - facilitated the discussion. He also related the findings of his book *Civilising rural Ireland: The co-operative movement, development and the nation-state, 1889-1939*, to the audience.

Patrick's book discusses the introduction of co-operative societies into the Irish countryside during the late-nineteenth century, which transformed rural Ireland and created an enduring economic legacy.

Co-operative

identity, values and principles

Definition

A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.

Values

Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity.

In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

Principles

The co-operative principles are guidelines by which co-operatives put their values into practice.

Voluntary and Open Membership

Co-operatives are voluntary organisations, open to anyone able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

Democratic Member Control

Co-operatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions.

Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their co-operative.

Autonomy and Independence

Co-operatives are autonomous, self-help organisations controlled by their members. If they enter into agreements with other organisations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

Education, Training and Information

Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public – particularly young people and opinion leaders – about the nature and benefits of co-operation.

Co-operation among Co-operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures.

Concern for Community

Co-operatives work for the sustainable development of their communities through policies approved by their members.

Blueprint for a co-operative decade



The Blueprint for a Co-operative Decade was adopted by the General Assembly of the International Cooperative Alliance (the ICA) in November 2012. The ambitious plan in this Blueprint - the “2020 vision” - is for the co-operative form of business by 2020 to become:

- The acknowledged leader in economic, social and environmental sustainability
- The model preferred by people
- The fastest growing form of enterprise

These are significant achievements, but they need to be seen in the context of the dominant emerging trends that are likely to shape our politics, societies and economies for the foreseeable future. Some of the most crucial global trends are:

The 2020 vision seeks to build on the achievements of the International Year of Cooperatives and the resilience demonstrated by the co-operative movement since the global financial crisis. By pursuing the strategy outlined in this Blueprint, we aim to make 2011-2020 a Co-operative Decade of confident growth.

The United Nations International Year of Co-operatives in 2012 provided a powerful focal point for the sector. It heightened its sense of shared purpose, illustrated by the range of activities and celebrations of the International Year, by the number of international conferences and summits held around the world with agreed outcome declarations, as well as the widespread take-up of the 2012 International Year logo. It raised the profile of co-operatives beyond the limits of the sector itself, in civil society and amongst governmental and intergovernmental bodies.

- Environmental degradation and resource depletion
- An unstable financial sector
- Increasing inequality
- A growing global governance gap
- A seemingly disenfranchised younger generation
- A loss of trust in political and economic organisations

Co-operatives already make a significant contribution towards alleviating these pressing global problems. However, with appropriate support and greater understanding and recognition, they could contribute much more. The challenge now is for the ICA, national bodies, sector groups, co-operative societies and individual members to take this Blueprint forward into implementation. Co-operative Housing Ireland is committed to leading on the implementation of the Blueprint in Ireland.



Co-operative Board Members



Pearse O'Shiel
Chairperson



Enda Egan
Vice-Chairperson



Lisa Kinsella-Colman



John Power



Carol Tancock



Edmund O'Shea



Derek Maher

Elected, 5th November 2019



Claire Ryan



Oliver O'Loughlin

Stepped down, 27th May 2020



Kim Olin



Kim Byrne



Taoufik Hammami

*Stepped down, 14th
September 2020*



Frances Kawala

Co-operative Management Team



Kieron Brennan
CEO



Padraic Clancy
Head of New Business



Mark Bolger
Head of Finance



Pat Moyne
Head of Corporate
Services



Catherine O'Brien
Head of Customer
Services



Board of Management Report & Financial Statements

Contents

Board of management and other information	27
Board of management report	28
Statement of Board of management responsibilities	33
Independent auditor's report to the members of Co-operative Housing Ireland Society Limited	34
Income and expenditure account	36
Statement of other comprehensive income	37
Balance sheet	38
Statement of changes in equity	39
Cash flow statement	40
Notes forming part of the financial statements	41

Board of Management and other information

Board of Management

Pearse O'Shiel (Chairperson)

Enda Egan

Kim Olin

John Power

Carol Tancock

Edmund O'Shea

Lisa Kinsella Colman

Frances Kawala

Kim Byrne

Claire Ryan

Derek Maher

Secretary

Pat Moyne

Registered Office

11/12 Warrington Place
Dublin 2
Ireland

Auditor

KPMG
1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

Bankers

Bank of Ireland
St. Stephen's Green
Dublin 2
Ireland

Solicitors

Gleeson McGrath Baldwin
29 Anglesea Street
Dublin 2
Ireland

Byrne Wallace
88, Harcourt Street
Dublin 2
Ireland

Certificate Number

3174R

Charity Number

CHY6522

Board of Management Report

The committee of management, (“the Board of management” or “the Board”), present their report and financial statements for Co operative Housing Ireland Society Limited for the year ended 31 December 2019.

About Co-operative Housing Ireland Society Limited

The Society was formed in 1973 under the Industrial and Provident Societies Acts (Reg. No. 3174R) and is the national organisation representing, promoting, and developing the co operative housing movement. The Society is jointly owned by its affiliated co operative housing societies. It is a non-profit organisation whose objectives are charitable in nature and has charitable status (CHY 6522).

The Society, in addition to its national representative role, is actively involved in the organisation, planning and financing of new co-operative housing developments, the promotion of good governance in the management of co-operative housing societies and the delivery of quality housing and associated services for members and their communities.

Mission statement

The Society’s mission statement is to lead the development of social, economic and environmental sustainability in Ireland through co-operative effort and through the provision of co-operative housing in particular.

Results and operational review for the year

The results for the year as set out in page 11 are in line with budgetary expectations. An increase in operating surplus compared to 2018 is primarily due to increase in additional units during the year and additional funding costs as a direct result of Co-operative Housing Ireland’s development activities. We opened 371 (2018: 245) units in the year 2019. We maintained our high occupancy rate at 97.96% (2018: 96.35%) with rent loss due to voids at 0.94% or €69,503 (2018: 0.92% or €60,118).

There was an operating surplus for the year of €6,982,456 (2018: €4,916,795) and a net surplus of €3,913,277 (2018: €2,669,764).

A commentary on developments completed during the year is available at ‘Growing Co-operative Housing’ in the Society’s annual report for the year ended 31 December 2019. A detailed breakdown of new units provided during the year is provided below:

New Units Provided In 2019		
AREA	ADDRESS	UNITS
Dublin	Orchard Lawns, Dublin	36
Leinster	Meadowfields, Enniscorthy	28
	Birr, Offaly	4
	Carlow Refugees	6
	Castlehyde, Kilkenny	6
	An Corran, Birr, Offaly	3
	Love Lane, Kilkenny	4
	Rivercourt	3
	Rathnew, Co. Wicklow	88
	Rivercourt	4
	Clonard, Wexford	10
	40 Chestnut Drive, Fruithill	1
	Offaly refugees	5
Munster	Grattan Hill, Cork	12
	Carraig Court, Blackrock, Cork	43
	Parklands Phase 2 Apt, Tralee	11
	174 North East Quadrant, Cork	1
	The Orchard, Kenmare	4
	Gortonora	9
	Ashgrove	10
	Castlecentre, Castleconnell, Limerick	6
	Ros Leabhain, Roslevan, Clare	2
	Tullyvarraga, Shannon	31
Connaught		
	Ramparts View, Cavan	8
	Glenlara, Mayo	10
	Block B Castlevue, Roscommon	10

New Units Provided In 2019		
AREA	ADDRESS	UNITS
	Belmont, Galway	16
Total		371

Risk and uncertainties

During the year the Risk Register and Risk Management Policy were revised and considered by both the Audit, Assurance and Finance Committee and the Board. The Board subsequently adopted the revisions on 10 March 2020. The Society performs regular reviews of all organisational risks and works with the Board to review, rank and identify mitigating strategies as appropriate. The Risk Register is a living monitor for the organisation and is constantly changing as the risk environment changes.

Corporate governance

The Board is committed to maintaining the highest standard of corporate governance and they believe that this is a key element in ensuring the proper operation of the Society's activities. They are responsible for providing leadership, developing strategy and ensuring control. It currently comprises eleven non-executive members. The Board is provided with regular financial and operational information. It meets regularly as required and met in full 8 times in 2019. The role of Chairperson and Chief Executive Officer are separate and the Board is independent of the management of the Society. The Board is committed to achieving best practice in all the Society's operations and recognises its responsibility to ensure that the Society has appropriate systems of internal control. The Board also has 3 sub-committees that meet on a regular basis: audit, assurance and finance, customer services and development and growth.

Co-operative Housing Ireland is subscribed to the Voluntary Regulatory Code for Approved Housing Bodies and participates in financial returns to the Housing Regulator. The Housing Regulator has also issued a new Governance Code for AHBs. The Housing Regulator's position is being put on a legal standing with new legislation having been signed into law in late 2019. However, the Minister has yet to issue the commence order.

The Society is registered with the Charities Regulatory Authority (No. 20012182) and with the Regulator of Lobbying and submits regular returns.

As mentioned above there are three sub-committees of the Board:

Audit, assurance and finance sub-committee

The AAF Committee is comprised of voluntary membership and met formally seven times during 2019 and this was supplemented with various ad hoc work undertaken by the Committee and provided individually by its members during the year.

The workings of the AAF Committee are subject to terms of reference stipulated by the Board. The Committee gives assurance to the Board in giving objective advice on the adequacy of the systems of governance, internal control and risk management in the Society, including oversight of the work of the internal audit function. The role of the AAF Committee is therefore advisory rather than supervisory.

In summary, it provides oversight of the financial reporting process, risk management systems, governance, internal controls and audit functions of the Society and provide assurance on the adequacy of and compliance with these systems.

On the basis of its considerations during the financial year, the AAF Committee is satisfied that the controls in place in CHI have been developed in a manner which addresses the range of risks for the Society and that these controls are operating satisfactorily.

The Committee is also satisfied that the Internal Audit function and the external auditors are making a valuable contribution to the overall control environment through their evaluation and recommendations for improvement of controls across the activities of CHI.

Development and growth sub-committee

The sub-committee provides detailed scrutiny of all aspects of developing the organisation's business, giving advice and making recommendations to the Board on all aspects of growth and development. The sub-committee has a strategy development role on behalf of the Board for forward growth and major new business. The sub-committee also acts as a sounding Board for long-term development planning and provides advice on best practice in the areas of planning, design, access, and sustainability.

Customer services sub-committee

The role of the customer services sub-committee is to provide direction and oversight on the Society's work in engaging customers, including their wider community, and providing services that meet their needs and improves the customer experience. In addition, the committee has oversight of the collection of rental income and asset management. The sub-committee helps to ensure that efficient and effective services are provided to meet agreed strategic and corporate outcomes, objectives and values and that mitigation action is taken to address under performance where necessary. It has a particular focus on customer and community insight and ensuring that the Society learns from and is responsive to customer and community feedback.

Budget control

A detailed budget is prepared in line with the strategic plan and it is reviewed by the Audit, Assurance and Finance sub-committee and further reviewed and approved by the Board of management. Actual results and outcomes are compared against the budget to ensure alignment with plan, tight budgetary control, and value for money.

Management and staff

We acknowledge with appreciation the committed work of our staff and volunteers. Our success and achievements are due to their dedication and tremendous contribution.

Organisational development

A strategy was launched early in 2015 to cover the period 2015-2020. This strategy was completely reviewed during the year and now covers the period 2019-2024. An annual Business Plan was also developed to support the operational implementation of the Strategy.

The secretary reports regularly to the Board on progress on the implementation of the strategy through the business planning process.

The Society also completed the implementation of the Campbell Tickell recommendations and this process was independently validated by an external consultant.

The Society's leading role in housing delivery was confirmed during the year by recertification for lending from the Housing Finance Agency.

Member relations

A programme of community development activities was supported throughout the year, led by the management committees of local co-operative societies. The Society is also in the process of recruiting a Member Engagement Manager to further support the activities of the local co-operatives.

The Society continued to revise and deliver its programme of Information and Familiarisation for new members to assist them in understanding co-operative housing and its place in the wider co-operative movement.

Member feedback on these sessions is actively sought and analysed and used to inform future iterations of the programme.

A programme is underway to video most elements of the induction programme and this will enable the society to deliver the programme remotely when required.

The Member handbook is also receiving a significant rewrite.

Communications with members were sustained throughout the year through a programme of local Member newsletters that shared information on activities on a local basis.

Board of management changes

The following were the changes to the Board of management during the year between the approval of the 31 December 2018 financial statements and the approval of the 31 December 2019 financial statements:

Board of Management changes	
NAME	DATE ELECTED
Ciarán Andrews	13th September 2019 (co-opted)
Derek Maher	5th November 2019
NAME	DATE RETIREMENT / RESIGNATION
Oliver O'Loughlin	27th May 2019
Taoufik Hammami	14th September 2019

Board of Management changes

NAME	DATE RETIREMENT / RESIGNATION
Ciarán Andrews	21st November 2019

Childcare

The Society continues to provide quality early years and afterschool care and education and parent supports in three locations.

- Island Key, East Wall, Dublin 3
- St Finian's, Lucan, Co Dublin
- Brookview, Tallaght, Dublin 24

Services are delivered using evidence-based programmes and quality frameworks including Aistear, Síolta and Highscope. The services are funded by the Department of Children and Youth Affairs and parental contributions. All three services were inspected by Pobal and passed for compliance with the funding schemes.

Health and safety

The well-being of the Society's employees is safeguarded through strict adherence to health and safety standards. The Safety, Health and Welfare at Work Act, 2005 imposes certain requirements on employers and the Society has taken the necessary action to ensure compliance with the Act, including the adoption of safety statements for our buildings.

The Society has a comprehensive Health and Safety Statement that is regularly reviewed. Health and Safety training for staff is ongoing with training in first aid delivered to staff during the year as well as training for Buildings Officers in areas appropriate to their trades. A Health and Safety Committee comprising staff from across the organisation at all grades meets regularly to discuss the promotion of good Health and Safety practice.

Environment

The Society has a proactive approach to assisting all personnel to conduct the organisation's business in a manner that protects the environment, our members, customers and employees. It is compliant with relevant environmental legislation. The Society is currently involved in energy retrofitting in some co-operative developments through innovative partnerships with national and international agencies.

The Society encourages efficient use of energy, utilities and natural resources in all our offices and communities. Suppliers are paid by electronic means to reduce paper wastage and we avail of schemes such as toner cartridge and drum recycling.

Post balance sheet event

Since 31st December 2019, the spread of the Covid 19 virus has severely impacted many local economies around the globe. In many countries' businesses have been forced to cease or restrict operations for long or indefinite periods of time. Measures taken to contain the spread of the virus including travel bans, quarantines, social distancing and the closure of non-essential services have triggered significant disruption to businesses worldwide resulting in economic slowdown.

In response to the crisis, the Society has activated its Business Continuity Plan to ensure continuity for the ongoing management of its activities. The Society has adhered to the Government guidelines to help mitigate the spread of the virus.

The Society is monitoring its rental income contributions from tenant members and these will be kept under constant review as some household incomes may experience contraction. However, the primary source of funding to the Society is from Payment & Availability income which is underpinned by the State and it continues to be received by the Society as normal. Childcare services have ceased but costs have been alleviated through State financial supports in respect of wage and overheads. The Society's commitments to bank and HFA loans continue to be honoured.

The Society has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations for the year ending 31st December 2019 have not been adjusted.

The duration and impact of Covid 19 remains unclear at this time and it's not possible to reliably estimate the consequences and impact on the financial position of the Society for future periods.

Future developments

The Society continues to seek avenues to develop new co-operative housing across tenures throughout the country.

The Society will actively expand the co-operative housing model across Ireland in response to housing needs. Expansion will be prioritised around existing CHI support structures, currently located in Dublin, Leinster, Munster, Connacht & some parts of Ulster.

Dividends and retentions

The Society is precluded by its rules from paying dividends either as part of normal operations or on a distribution of its assets in the event of a winding up.

Statement of relevant audit information

The Board have taken all necessary steps to ensure that they have been made aware of all relevant audit information and confirm that, so far as management are aware, there is no relevant information of which the statutory auditors are unaware.

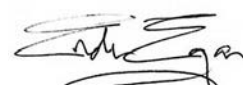
Auditors

CHI will go out to tender for Audit service for the 2020 audit.

On behalf of the Board of management



Pearse O'Shiel
Chairperson



Enda Egan
Board Member



Pat Moyne
Secretary

12th May 2020

Statement of Board of Management Responsibilities

The board of management are responsible for preparing the board of management report and the financial statements in accordance with applicable law and regulations.

The Industrial and Provident Societies Acts 1893 to 2018 requires the board of management to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland and applicable law*.

The Society's financial statements are required by law to give a true and fair view of the state of affairs of the Society and of its surplus/deficit for that year. In preparing the financial statements, the board of management are required to:

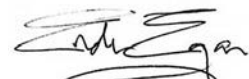
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

The board of management are responsible for keeping adequate accounting records which enable them to prepare financial statements of the Society in accordance with the requirements of the Industrial and Provident Societies Act 1893 to 2018. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Society and to prevent and detect fraud and other irregularities. The board of management are also responsible for preparing the Annual Report that complies with the requirements of the Industrial and Provident Societies Act 1893 to 2018.

On behalf of the Board of management



Pearse O'Shiel
Chairperson



Enda Egan
Board Member



Pat Moyne
Secretary

12th May 2020

Independent Auditor's Report

To the members of Co-operative Housing Ireland Society Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Co-operative Housing Ireland Society Limited ("the Society") for the year ended 31 December 2019 set out on pages 11 to 31, which comprise the income and expenditure account, the statement of other comprehensive income, the balance sheet, the statement of changes in equity, the cash flow statement and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion, the accompanying financial statements:

- give a true and fair view of the state of affairs of the Society as at 31 December 2019 and of its result for the year then ended;
- have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Society in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We have nothing to report on going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Other information

The board of management are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Our conclusions on the other matter on which we are required to report by the Industrial and Provident Societies Act 1893 to 2018 is set out below

As required by Section 13(2) of the Industrial and Provident Societies Act 1893 to 2018, we examined the balance sheets showing the receipts and expenditure, fund and effects of the Society, and verified the same with the books, deeds, documents, accounts and vouchers relating thereto, and found them to be correct, duly vouched, and in accordance with law.

Respective responsibilities and restrictions on use

Responsibilities of the Board of management for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 8, the board of management are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on IAASA's website at:

https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Society's members, as a body. Our audit work has been undertaken so that we might state to the Society'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 Society and the Society's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Brian Kane, 2020
for and on behalf of
KPMG, Chartered Accountants,
Statutory Audit Firm**

1 Stokes Place, St. Stephen's Green, Dublin 2.

12th May 2020

Income and Expenditure Account

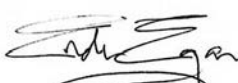
for the year ended 31 December 2019

		2019	2018
		€	€
	NOTE		
Income			
Rental income and service charges	2	7,797,959	6,758,175
Revenue based grants	3	9,976,663	6,756,122
Capital subsidies amortised	4	7,224,975	6,343,872
Other income	5	328,767	91,974
Total income		25,328,364	19,950,143
Expenditure			
Housing and community services	6	(11,179,820)	(9,679,251)
Depreciation	6	(7,166,088)	(5,354,097)
Total expenditure		(18,345,908)	(15,033,348)
Operating surplus		6,982,456	4,916,795
Interest receivable and similar income	8	-	4
Interest payable and similar charges	8	(3,069,179)	(2,247,035)
Surplus before taxation		3,913,277	2,669,764
Taxation	9	-	-
Surplus for the financial year		3,913,277	2,669,764

On behalf of the Board of management



Pearse O'Shiel
Chairperson



Enda Egan
Board Member



Pat Moyne
Secretary

Statement of Other Comprehensive Income

for the year ended 31 December 2019

	2019	2018
	€	€
NOTE		
Surplus for the financial year	3,913,277	2,669,764
Other comprehensive income	-	-
Total comprehensive income for the year	3,913,277	2,669,764

Balance sheet

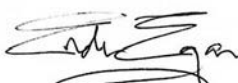
for the year ended 31 December 2019

		2019	2018
		€	€
	NOTE		
Fixed assets			
Co-operative housing properties	10	297,749,939	242,888,619
Other tangible assets	10	488,926	2,012,985
Investments	11	2,469	2,469
		298,241,334	244,904,073
Current assets			
Debtors	12	873,626	739,080
Cash at bank and in hand	13	11,721,845	4,685,904
		12,595,471	5,424,984
Creditors: amounts falling due within one year	14	(3,902,149)	(3,927,544)
Net current assets		8,693,322	1,497,440
Total assets less current liabilities		306,934,656	246,401,513
Creditors: amounts falling due after more than one year			
Local authority financial assistance	15	(151,273,663)	(137,295,225)
Bank loans	15	(107,489,410)	(65,630,988)
Deferred income	16	(3,636,375)	(2,853,369)
Net assets		44,535,208	40,621,931
Capital and reserves			
Called up share capital	20	373	373
Income and expenditure account		44,534,835	40,621,558
		44,535,208	40,621,931

On behalf of the Board of management



Pearse O'Shiel
Chairperson



Enda Egan
Board Member



Pat Moyne
Secretary

Statement of Changes in Equity

for the year ended 31 December 2019

	Share Capital	Retained Earnings	Total
	€	€	€
At 1 January 2018	373	37,951,795	37,952,168
Total comprehensive income for the year			
Surplus for the year	-	2,669,763	2,669,763
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	2,669,763	2,669,763
Balance at 31 December 2018	373	40,621,558	40,621,931
Total comprehensive income for the year			
Surplus for the year	-	3,913,277	3,913,277
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	3,913,277	3,913,277
Balance at 31 December 2019	373	44,534,835	44,535,208

The accompanying notes form an integral part of the financial statements.

Cash Flow Statement

for the year ended 31 December 2019

	2019	2018
	€	€
Cash flows from operating activities		
Surplus for the year	3,913,277	2,669,763
<i>Adjustments for:</i>		
Profit on disposal of Baggot street office	(197,162)	-
Depreciation	7,166,088	5,354,097
Amortisation of capital loan subsidies	(7,224,975)	(6,343,872)
Interest receivable and similar income	-	(4)
Interest payable and similar charges	3,069,179	2,247,035
Increase in trade and other debtors	(107,030)	(117,666)
Decrease in trade and other creditors	(1,246,339)	(142,347)
Interest paid	(2,231,276)	(1,759,089)
Net cash from operating activities	3,141,762	1,907,917
Cash flows from investing activities		
Capital expenditure	(62,009,184)	(42,631,589)
Interest received	-	4
Net cash from investing activities	(62,009,184)	(42,631,585)
Cash flows from financing activities		
Loans drawn down	66,770,112	39,775,948
Repayment of borrowings	(1,533,214)	(1,067,673)
Grants received	946,313	556,780
CALF Loans refunded due to non-closures of projects	(1,547,527)	-
Net proceeds from sale of Baggot Street	1,267,679	-
Net cash from financing activities	65,903,363	39,265,055
Net increase/(decrease) in cash and cash equivalents	7,035,941	(1,458,613)
Cash and cash equivalents at 1 January	4,685,904	6,144,517
Cash and cash equivalents at 31 December	11,721,845	4,685,904

1. Accounting policies

Co-operative Housing Ireland Society Limited (“the Society”) is a society limited by shares and incorporated and domiciled in Ireland. The Society is incorporated under the Industrial and Provident Societies Acts 1893-2018.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (“FRS 102”) as issued in August 2014. The presentation currency of these financial statements is Euro, rounded to the nearest cent.

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

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 21.

The financial statements are prepared on the historical cost basis.

Going concern

The Board of management is satisfied that the Society will continue in operational existence for a period of at least 12 months from the date of approval of these financial statements and on the basis, the financial statements have been prepared on a going concern basis.

Classification of financial instruments issued by the Society

In accordance with FRS 102.22, financial instruments issued by the Society are treated as equity only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the Society to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Society; and

- where the instrument will or may be settled in the entity’s own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the entity’s own equity instruments or is a derivative that will be settled by the entity exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the entity’s own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Basic financial instruments

i. Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

ii. Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

iii. Local authority financial assistance

Housing loans are advanced by local authorities, under the terms of individual mortgage deeds in respect of each property or housing scheme. These loans and the associated interest do not become repayable provided the specific conditions set out in the loan agreements are complied with.

The financial assistance is provided towards the costs incurred in providing rental dwellings and the provision of a service in accordance with the Capital Loan and Subsidy Scheme, Capital Assistance Scheme and Capital Advance Leasing Facility financing Scheme.

Capital loan and subsidy scheme

Amounts received from local authorities in relation to the Capital Loan and Subsidy Scheme are recognised when the facility is drawn down and amortised over the useful life of the associated capital expenditure towards which it is intended to contribute. The finance cost of the loan/mortgage is allocated to periods over the 30 year term of the loan/mortgage at a constant rate on the carrying amount. In some instances, local authority loans are secured by 20 year mortgages over certain CHI housing properties. The subsidy in relation to the notional interest charge on the financial assistance is netted off against the interest charge, with the offsetting amounts being disclosed in the notes to the financial statements.

Capital Advance Leasing Facility financing

Amounts received from local authorities in relation to Capital Advance Leasing Facility financing are recognised when the facility is drawn down. The loan and associated accrued interest is repayable at the end of the term of the agreement, being 25 years. Interest accrues on the capital balance drawn down at a rate of 2% per annum. The interest expense is charged annually to the income and expenditure account and accrued as part of the loan balance.

iv. Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Society's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

Leases in which the entity assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases. Leased assets acquired by way of finance lease are stated on initial recognition at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, including any incremental costs directly attributable to negotiating and arranging the lease. At initial recognition a finance lease liability is recognised equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The present value of the minimum lease payments is calculated using the interest rate implicit in the lease. Lease payments are accounted for as described under Expenses below.

The entity assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

Housing units	2% straight line
Housing in course of planning or construction	No depreciation
Office buildings	2% straight line
Equipment and fittings	14.33% - 33% straight line
Motor vehicles	20% straight line

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since the last annual reporting date in the pattern by which the Society expects to consume an asset's future economic benefits.

Government grants

Government grants are included within accruals and deferred income in the balance sheet and credited to the profit and loss account over the expected useful lives of the assets to which they relate or in periods in which the related costs are incurred.

Impairment

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 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 an 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

Non-financial assets

The carrying amounts of the entity's non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication 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 group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing is allocated to cash-generating units, or ("CGU") that are expected to benefit from the synergies of the combination.

For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs on a non-arbitrary basis, the impairment of goodwill is determined using the recoverable amount of the acquired entity in its entirety, or of it has been integrated then the entire entity into which it has been integrated. An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

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 any indications that the loss has decreased or no longer exists. 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.

Employee benefits

i. Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the Society pays fixed contributions into 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.

ii. Termination benefits

Termination benefits are recognised as an expense when the Society is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Society has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

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.

Turnover

Turnover principally represents rental income and service charges from tenants and revenue grants receivable from local authorities and other bodies. Turnover is recognised when the terms and conditions of receipt are met. Income also includes the amortisation of local authority financial assistance.

Expenses

i. Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

ii. Finance lease

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the rate implicit in the lease. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred.

iii. Interest receivable and interest payable

Interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

iv. Interest payable and similar charges

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest rate method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

Taxation

The Society has been granted charitable exemption by the Revenue Commissioners and as a consequence is not subject to corporation tax.

2. Rental income and other charges to tenants

	2019	2018
	€	€
Rental income	7,416,977	6,369,609
Service charges	380,982	388,566
	7,797,959	6,758,175

Statement of Financial Activities:

- a. Income from Charitable activities – Housing / Childcare
- b. Income from Donations / Legacies – Nil

3. Revenue based grants

	2019	2018
	€	€
Management and maintenance allowance	644,142	669,535
Payment and Availability agreements	8,814,655	5,569,195
DCYA – ECCE grant ¹	172,839	160,423
DCYA – POBAL CSS scheme ²	250,977	252,984
DCYA – CDI grant ³	38,639	12,004
DoHPLG – Social Partnership Funding ⁴	18,840	18,840
DoHPLG – Pobal SSNO Scheme ⁵	36,571	73,141
	9,976,663	6,756,122

¹ DCYA Early Childcare and Education Programme (ECCE)

² DCYA Childcare Subvention Grant (CSS scheme)

³ DCYA – POBAL Childhood Development Initiative Grant (CDI)

⁴ DoHPLG – Social Partnership Funding to assist role as a member of the C&V pillar

⁵ DoHPLG – POBAL (SSNO) Scheme to Support National Organisations in the Community and Voluntary Sector.
The period covered is 1 July 2016 to 30 June 2019

4. Capital subsidies amortised

	2019	2018
	€	€
Amortisation of capital loans and subsidies	7,224,975	6,343,872

5. Other income

	2019	2018
	€	€
Childcare fee income	115,379	75,203
Other	16,226	325,194
Profit on disposal of Baggot Street Office (Note 10)	197,162	16,771
	328,767	91,974

6. Operating costs

	2019	2018
	€	€
Staff costs (note 7)	3,732,481	3,490,798
Housing management, support, repairs and maintenance	4,406,061	3,757,079
Operating lease payments	2,364,458	1,922,077
Insurance costs	309,229	231,319
Legal and professional fees	297,479	216,777
Sundry expenses	34,442	24,301
Auditor's remuneration (inclusive of VAT)	35,670	36,900
	11,179,820	9,679,251
Depreciation charge (note 10)	7,166,088	5,354,097
Total operating costs	18,345,908	15,033,348

Included in housing management, support and related costs above is an amount of €17,142 (2018: €17,818) representing amounts disbursed to Board of management members in relation to expenses. Of this €2,620 (2018: €1,851) relate to expenses disbursed to Board of Management members.

7. Staff costs

	2019 Number	2020 Number
Average monthly number of employees	76	74
	€	€
Staff costs:		
Wages and salaries	3,154,027	2,903,241
Social security costs	314,869	299,348
Other pension costs (note 17)	176,937	156,550
Temporary staff costs	86,648	131,659
	3,732,481	3,490,798

A total of 11 employees (2018: 8) had an annual salary in excess of €60,000 as follows:

Salary bands:

	2019 Number of employees	2018 Number of employees
€60,001 - €70,000	5	3
€70,001 - €80,000	1	2
€80,001 - €90,000	1	-
€90,000 - €100,000	2	-
Over €100,000	2	3

Amounts shown in the table above includes basic salary and excludes benefits in kind and pension contributions. For the purposes of classifying individuals within the bands remuneration, amounts have been annualised as though all relevant individuals were in employment for 12 months.

Total remuneration of key management personnel in the year amounted to €557,899 (2018: €513,540) which included Chief Executive Officer's remuneration amounting to €130,692 (2018: €126,855) in the year, inclusive of benefits in kind.

8. Interest receivable and similar amounts

	2019	2018
	€	€
Bank interest receivable	-	4

Interest payable and similar charges

	2019	2018
	€	€
Interest payable on bank loans and other borrowings	3,069,179	2,247,035

9. Tax on surplus on ordinary activities

The Society has been granted charitable exemption by the Revenue Commissioners and as a consequence is not subject to corporation tax.

10. Tangible fixed assets

	Housing units	Housing in course of planning or construction	Office buildings	Equipment, fittings and IT	Motor vehicles	Total
	€	€	€	€	€	€
Cost						
At 1 January 2019	278,678,779	13,248,924	2,087,752	965,962	222,204	295,203,621
Additions	60,748,773	554,313	335,723	300,675	69,700	62,009,184
Asset transfers	7,608,858	(7,608,858)	-	-	-	-
Asset Disposal	-	-	(2,087,752)	-	-	(2,087,752)
At 31 December 2019	347,036,410	6,194,379	335,723	1,266,637	291,904	355,125,053
Depreciation						
At 1 January 2019	49,039,084	-	581,918	559,392	121,624	50,302,018
Charge for the year	6,971,061	-	6,715	136,300	52,012	7,166,088
Asset Disposal	-	-	(581,918)	-	-	(581,918)
At 31 December 2019	56,010,145	-	6,715	695,692	173,636	56,886,188
Net book value						
At 31 December 2019	291,026,265	6,194,379	329,008	570,945	118,268	298,238,865
At 31 December 2018	229,639,695	13,248,924	1,505,834	406,570	100,581	244,901,603

Refer to note 15 for details on fixed assets which have been charged as security for bank loans.

¹ The total balance of housing and land and housing in course of planning or construction which forms part of the co-operative housing properties is €297,220,644 (2018: €242,888,619)

² Office buildings, equipment and fittings and motor vehicles totalling to €1,018,221 (2018: €2,012,985) are fixed assets of the Society which do not form part of the co-operative housing stock.

³ The office at Baggot street was sold in FY2019 for €1,703,000 with a net profit of €197,162.

11. Fixed assets investment

	Investments in societies
	€
Cost	
At 1 January 2019 and 31 December 2019	2,469
Net book value	
At 31 December 2019 and 31 December 2018	2,469

The Society holds investments of 100% of the share capital in the following dormant entities:

- South Leinster Co-operative Housing Society Limited
- Connacht Co-operative Housing Society Limited

12. Debtors

	2019	2018
	€	€
Rental income receivable	491,031	473,478
Service income charges due	92,896	86,843
Prepayments	52,195	127,146
Accrued income and other debtors	237,506	51,613
	873,628	739,080

13. Cash and cash equivalents

	2019	2018
	€	€
Cash at bank and in hand	11,721,845	4,685,904
Cash and cash equivalents per cash flow statement	11,721,845	4,685,904

14. Creditors: amounts falling due within one year

	2019	2018
	€	€
Bank loans	2,545,314	1,462,987
Trade creditors and accruals	714,987	1,841,321
Deferred income - Rent	445,596	360,369
VAT	-	164,734
PAYE/PRSI	191,632	78,613
Other taxes	4,620	19,520
	3,902,149	3,927,544

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

	2019	2018
	€	€
Local authority financial assistance (i)	151,273,663	137,295,224
Bank loans (ii)	107,489,410	65,630,988
	258,763,073	202,926,212

i. Local authority financial assistance

Housing loans are secured by specific charges on the Society's land and housing properties. No capital or interest repayments are required to be made on the above loans provided that the Society continues to comply with certain specific requirements of the local authorities with regard to the properties for which housing loans have been provided.

The local authority financial assistance balance is broken down as follows:

	2019	2018
	€	€
Capital Loan and Subsidy Scheme ("CLSS") financing (a)	99,448,693	106,337,862
Capital Advance Leasing Facility ("CALF") financing (b)	51,824,970	30,957,362
	151,273,663	137,295,224

a. Capital Loan and Subsidy Scheme financing

The capital mortgage repayments and associated interest arising on the loans are settled on the Society's behalf by way of a subsidy. The Society does not charge the interest accruing on the loans to its income and expenditure account as the cost is met through the subsidy scheme. The interest expense accruing on the loans for the current year was €2,055,273 (2018: €2,334,290). Amounts drawn down under the scheme in the current year were Nil (2018: €Nil). The Society amortises the capital balance to its income and expenditure account over 30 years based on the superior loan agreements between the Housing Finance Agency (HFA) and the local authorities. The local authorities have secured mortgages on CHI housing properties ranging in periods from 20 to 30 years

b. Capital Advance Leasing financing

Amounts drawn down under the Capital Advance Leasing financing scheme are repayable at the end of 25 years from the date of drawdown, subject to the Society complying with other terms and conditions. Interest accrues at a rate of 2% per annum and this has been charged to the Society's income and expenditure account.

ii. Bank loans

	2019	2018
	€	€
The repayment profile of the bank loans is as follows:		
Amounts due within one year	2,545,314	1,462,987
Amounts due two to five years	12,580,960	7,784,444
Amounts due greater than five years	94,908,450	57,846,544
	110,034,724	67,093,975

Of the total bank loans outstanding, €89,758,407 (2018: €63,503,624) relates to loans from the Housing Finance Agency.

Security

Bank of Ireland holds mortgages over units 1-9 and 15-18 at Greenlawns, Coolock, Dublin 17, the property development at Auburn Lodge, Killiney, Co. Dublin and 192 and 193, Block 4 Island Key, East Road, East Wall, Dublin 1.

Bank of Ireland held a first charge over the freehold land and premises at 33 Lower Baggot Street, Dublin 2. These premises were sold during 2019 and the charge has been released.

Bank of Ireland holds mortgages over all units in Rathnew, Wicklow.

The Housing Finance Agency holds a charge over all properties financed by it.

16. Deferred income - capital grants

	2019	2018
	€	€
Balance at 1 January	2,853,369	2,822,006
Amounts received	946,313	556,780
Amortised during the year	(163,307)	(543,417)
Balance at 31 December	3,636,375	2,835,369

17. Pension costs

The Society operates a defined contribution scheme which matches employees' contributions to a maximum of 5% of annual salary. This employer contribution was increased from 5% to 8% from April 2016 onwards. The pension expense of €176,937 during the current year (2018: €160,407) represents contributions made by the Society to the fund. The assets of the scheme are held separately from those of the Society in an independently administered fund. Amounts payable to the scheme at year end totalled to €Nil (2018: €Nil).

18. Commitments

	2019
	€
<i>Capital</i>	
Capital expenditure which has been contracted for but has not been provided in the financial statements	96,733,033
Committed to but not contracted or provided for in these financial statements	105,445,018
	202,178,051

Operating leases

At the balance sheet date, the Society had remaining commitments under non-cancellable operating leases in respect of housing units as set out below.

	2019
	€
<i>Expiring</i>	
Within one year	-
Between two to five years	-
More than five years	47,746,660
	47,746,660

The Society entered into a new lease in 2019 for the office premise at Warrington Place, Dublin 2. During the year €2,364,458 was recognised as an expense in the profit and loss account in respect of operating leases (2018: €1,922,077).

The Society is also party to a number of operating leases with local authorities for housing units and apartments. Under the terms of these lease agreements, the Society is not required to make lease payments to the local authorities but is responsible for the maintenance and associated costs on the units which it expenses to its income and expenditure account.

19. Related party transactions

Details of expenses paid to members of the Board of management are set out in note 6. There were no other related party transactions entered into by the Society in 2019.

20. Capital and reserves

	Ordinary Shares 2019	Ordinary Shares 2018
Share capital		
Number of shares		
Issued shares	373	373
	2019	2018
	€	€
Allotted, called up and fully paid		
373 (2018: 373) ordinary shares of €1 each	373	373

As at 31 December 2019, there were 13 members (2018: 13), whose guarantee is limited to €1 per share.

21. Accounting estimates and judgements

Preparation of financial statements requires management to make significant judgements and estimates.

The items in the financial statements where key judgements and estimates have been made include:

Useful life of depreciable assets

The Board of management is required to determine an appropriate period for the estimated useful lives of the tangible asset balance. Changes in the estimated useful life of tangible fixed assets could have a significant impact on the annual depreciation charge.

Allowance for bad debts arising on rental income

The Board of management is required to annually estimate a bad debt provision for rental amounts due but not received at the balance sheet date. As at 31 December 2019 the Board of management has determined that no bad debt provision is required based on the Society's experience of bad debts incurred.

22. Subsequent events

Since 31st December 2019, the spread of the Covid 19 virus has severely impacted many local economies around the globe. In many countries' businesses have been forced to cease or restrict operations for long or indefinite periods of time.

Measures taken to contain the spread of the virus including travel bans, quarantines, social distancing and the closure of non-essential services have triggered significant disruption to businesses worldwide resulting in economic slowdown.

In response to the crisis, the Society has activated its Business Continuity Plan to ensure continuity for the ongoing management of its activities. The Society has adhered to the Government guidelines to help mitigate the spread of the virus. The Society is monitoring its rental income contributions from tenant members and these will be kept under constant review as some household incomes may experience contraction. However, the primary source of funding to the Society is from Payment & Availability income which is underpinned by the State and it continues to be received by the Society as normal. Childcare services have ceased but costs have been alleviated through State financial supports in respect of wage and overheads. The Society's commitments to bank and HFA loans continue to be honoured.

The Society has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations for the year ending 31st December 2019 have not been adjusted.

The duration and impact of Covid 19 remains unclear at this time and it's not possible to reliably estimate the consequences and impact on the financial position of the Society for future periods.

23. Approval of financial statements

The Board of management approved the financial statements on 25th June 2019.

Co-operative Housing Ireland

11/12 Warrington Place
Dublin 2
D02 E221
Ireland

Tel: +353 1 661 2877

Email: admin@cooperativehousing.ie

www.cooperativehousing.ie