

Company Number: 101065

**The Liffey Trust Company Limited By Guarantee**  
(A company limited by guarantee, without a share capital)

**Directors' Report and Financial Statements**

**for the year ended 31 December 2016**

**Heerey & Company**  
**Chartered Accountants and Registered Auditors**  
**103 Richmond Road**  
**Fairview**  
**Dublin 3**  
**Republic of Ireland**

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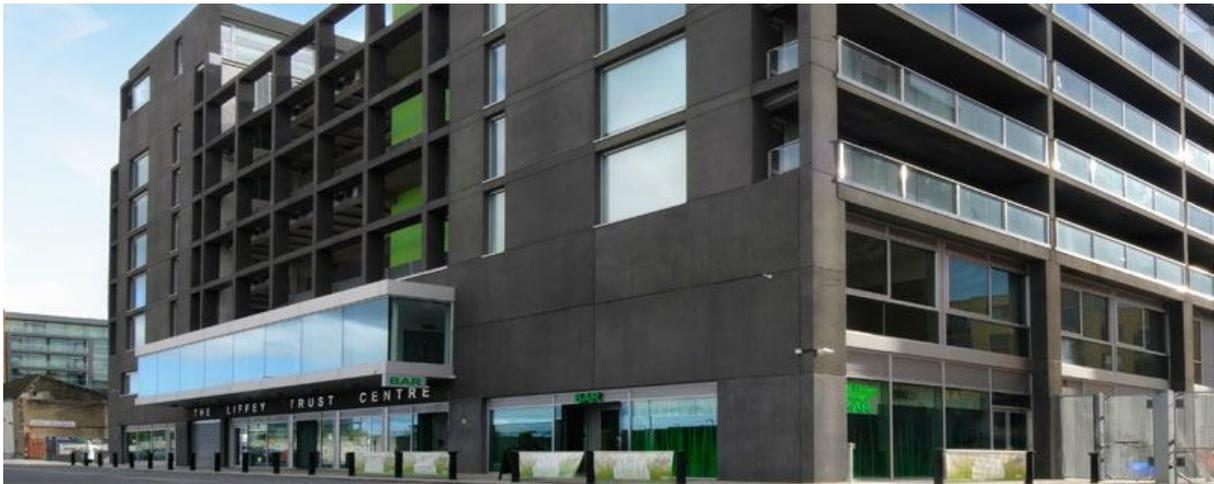
# **The Liffey Trust Company Limited By Guarantee**

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## **DIRECTORS AND OTHER INFORMATION**

<b>Directors</b>	Alice Power Cathal Mc Conn Ramon Mc Dermott John Quinn Joseph Mc Evoy
<b>Company Secretary</b>	Michelle Mc Dermott
<b>Company Number</b>	101065
<b>Charity Number</b>	CHY 6544
<b>Registered Office and Business Address</b>	117-126 Upper Sheriff Street Dublin 1
<b>Auditors</b>	Heerey & Company Chartered Accountants and Registered Auditors 103 Richmond Road Fairview Dublin 3 Republic of Ireland
<b>Bankers</b>	Allied Irish Bank 87 North Strand Street Dublin 3
<b>Solicitors</b>	Eversheds O'Donnell Sweeney One Earlsfort Centre Earlsfort Terrace Dublin 2

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### **The Liffey Trust**

The Liffey Trust is a self-sustaining charitable organisation founded in 1984 with the sole intention of creating jobs in Ireland. It does this by providing a range of supports and service in terms of business planning, marketing strategies and financial advice. It also frequently invests, indirectly in the growth of business by contributing to the purchase of equipment and furnishings necessary for the success of business. Since its inception, it has assisted upwards of 200 companies. The Trust is a voluntary, non-denominational, organisation recognised by the revenue commissioners as a charity and research college. (No. CHY6544)

The Trust is a voluntary organisation that formed with the conscious decision to finance our activities and develop the Liffey Trust Centre by our own efforts and not with any government help.

### **The Liffey Trust Services**

The Trust has identified the needs of entrepreneurs which were not catered for by the existing help agencies. It provides the following services nationwide: -

- It prepares Business Plans, Feasibility Studies, and Grant Applications, free of charge.
- It advises on ways and means of raising finance to help persons setting up their own business.
- It provides guidance on the way to set up accountancy and control systems for new businesses.
- It provides management consultancy for the first year.
- It provides free marketing consultancy for the first year.
- It provides work space if available in Dublin with reduced rent for new businesses while they are being established.
- We take care of the bureaucratic procedures.
- We help a new business to decide its legal structure; to become registered; to obtain a VAT number; to register for PAYE and PRSI and to obtain sub-contractors numbers
- It provides working space (retail, commercial, Food Kitchens and services accommodation) with reduced rent for new businesses while they are being established.

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### The Research College

Under its Memorandum and Articles of Association the Trust is also a Research Institute and is recognised by the Revenue Commissioners as a Research College.

In this capacity, it has researched and submitted to Government a number of schemes for creating employment. It has been in consultation with the Department of Education regarding the Applied Leaving Certificate and with the Department of Social Welfare on the Back to Work Allowance Schemes.

It has run Start Your Own Business courses in the Institute of Adult Education, Dublin Libraries and in Wheatfield and Mountjoy Prisons. It gives regular lectures on Enterprise in schools in the Dublin area. It has helped over 40 community Enterprise Groups to become established in various locations throughout the country.

In 1989, the Trust, to help with job creation researched, compiled and published a Self-Help Kit for Potential Entrepreneurs wishing to start their own business. The kit was made up of five leaflets:

1. How to evaluate a project;
2. How to prepare a business plan;
3. How to register and keep simple accounts;
4. Grants, State aid and other assistance;
5. Liffey Trust Services to Community Groups.

More than 7,000 copies of this were requested and delivered free to individuals throughout the country. This was upgraded in 1994 with the publication of the book "Setting Up a Business" by our Director, Mr Seamus McDermott.

### Monitoring

The concept of monitoring was introduced by the Trust from its foundation. Its monitors gave their services free and still do. They are all persons with practical experience, a qualification on which the Trust insists.

### The Liffey Trust New Centre

The Liffey Trust was first housed in a Merchants Warehouse Plc old disused granary in the North Wall area of Dublin's docklands before being burned down in a fire in 2002.

Currently the Liffey Trust Centre houses a range of different enterprises, including:

**The Hive**, which is a hub for some of the most impressive start ups in Dublin. Housing over 20 exciting young companies, resulting in a dynamic and collaborative community.

**The Liffey Trust Performing Arts Studios**, 9 purpose built studios frequently used as a rehearsal space for major artists and productions including Riverdance, Cliff Richard and Dancing with the Stars.

**The Market Area**, which houses food production units for some of the finest eatery's around Dublin including Lolly & Cooks, The Bakehouse, Urban Picnic, Kokoro Sushi and Airbnb.

**The Green Room Bar**, an up-market piano bar with 3 separate multi-purpose rooms of varying size.

And all of this sits under a large complex of 96 apartments.

The location of The Liffey Trust Centre is probably the best in Dublin. We are at the entrance to The Dublin Port Tunnel for easy access to Dublin Airport and the motorway to Northern Ireland. We are right beside the Luas line to both O'Connell Street and Heuston Station. We are right between the East Point Business Park and Grand Canal's Silicon Dock, both being less than 15 minutes' walk from the centre. And we are also served by frequent bus routes and access to Connolly Stations DART and Commuter Routes is just 10 minutes' walk.

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### Control

The Liffey Trust is governed by an Executive Committee and a Board of Honorary Trustees. However, to expedite decision making and ensure immediate response to the needs of potential Entrepreneurs they have appointed one of their members, Mr Seamus McDermott to take charge of the day to day running of the trust with the title of Director.

### Fire in the year 2002

The Liffey Trust centre was completely destroyed by a fire in 2002 and the entire project had to be examined and re-appraised and the various solutions and concepts had to be evaluated. The feasibility of these developments had to be examined carefully. The attached **Schedule 1 "Summary of Events and Major Decisions Following the fire in the Liffey Trust on 2 November 2002"** gives the steps that were taken from November 2002 to March 2006. These notes were made at the time and a more detailed diary was kept which is shown in **Schedule 2**. This Schedule recorded 120 different problems that required to be addressed and solved during the development of the project.

**Schedule 3 "An Outline Financial Statement for Developers"** was prepared and issued to eleven "would be" developers. This was prepared on 27<sup>th</sup> January 2003.

### Value Engineering

In the early part of 2006 a value engineering clause was agreed as part of our contract with the developer.

Under this clause savings made in the course of construction by good project management would be split 50/50 between the Liffey Trust & the developer.

When the project was finalised the amount of €1,102,972 (a. September 2008 - €602,180; b. March 2009 - €75,000; c. April 2012 - €219,792; d. April 2014 - €206,000) is the final amount of settlement payments made by Aragone (Anglo Irish Bank) to the Liffey Trust in value engineering. The last payment was made in April 2014.

This payment is the primary reason for the healthy financial standing of the Liffey Trust today.

It is also the fact that the Liffey Trust was self-financing for 3 to 4 years prior to the fire in 2002.

### Current companies

We opened the doors of The Liffey Trust Centre in 2008 and currently have 26 units that can be used for retail, commercial and culinary use, 9 studios that can be used for conventions and PR events, and The Green Room Bar.

#### **The Market Area**

**Maddens Property Consultants** - Madden Property Consultants are a fully licensed family run auctioneers that specialises in Dublin Residential Sales & Lettings.

**Caffé Parigi** - Caffé Parigi is classically styled with vibrant reds and clean whites, this bright and airy café. Serving a mix of the two cuisines.

**Sushi King** - Youthful feeling Japanese venue for sushi and hot dishes to eat at stools inside or take out.

**Urban Picnic** - Urban Picnic Dublin is a Dublin food based catering Company with a new approach to office catering. We feed the city.

**The Bakehouse** - The Bakehouse is a Bakery and Eatery in the heart of Dublin city.

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**Let's Eat** - Lets Eat offers a blend of both innovative and traditional cuisine. Passionate about food, the team is focused on delivering memorable fare and seamless service.

**Drop Chef** - Drop Chef deliver all the ingredients you need to cook a healthy & delicious dinner along with a step-by-step recipe.

**Airbnb** - Airbnb is an online marketplace and hospitality service, enabling people to lease or rent short-term lodging.

**Kokoro Sushi** - Cafe-style venue with an emphasis on healthy Japanese-inspired dishes to eat in or take away.

**Lolly & Cooks** - Lolly And Cooks are dedicated in producing deliciously fresh savouries and cakes directly from our bakery in Dublin City.

**Meal Genie** - Meal Genie deliver great recipes and the freshest ingredients so you can cook delicious healthy dinners at home in under 45 minutes.

### The Hive

**Habitat for Humanity Ireland** - Habitat for Humanity Ireland transforms lives by bringing people together to build homes, communities and hope.

**Glencar Healthcare** - Glencar bridges the gap between healthcare investment and healthcare infrastructure.

**Ace Healthcare** - Accountable care through engaging clients and proving the effectiveness of healthcare services. Our products are designed to integrate with existing case management software and allow clinicians & case manager to track patient outcomes in real-time.

**De Burca Consulting** - Business Intelligence Specialists, Enabling B.I. for Everyone, Serving Ireland and the UK.

**We Make Design** - We make design is a brand, design & communications studio. We create, define and refresh brands.

**Gurock** - Helping Teams Build Rock-Solid Software.

**Ezops** - Cloud bases SaaS solution for capital market analytics, regulatory reporting & operations.

**Sticks & Stones** - Sticks & Stones Anti Bullying Programme - Ireland's award winning programme.

**Aiesec Ireland** - AIESEC develops the next generation of young leaders with impactful professional and volunteering experiences to activate their leadership potential.

**Finsearch** - Finsearch is a professional recruitment practice, who specialise in compliance positions across industries, Financial services & Asset Management, for experienced hires up to executive level.

**Moyee Coffee Ireland** - Moyee is the World's First Fair Chain Coffee. Their speciality coffee is both grown and roasted in Ethiopia. By roasting in Ethiopia, more profit stays in the hands of those who contribute most to the coffee chain.

**Pink Kong Studios** - Pink Kong Studios is an award-winning animation studio creating multiplatform brands for Children's entertainment.

**Social Talent** - An online recruitment and social selling platform containing over 80 hours of content which is guaranteed to make you at least 30% more productive.

### The Liffey Trust Studios

The studios had a very busy year with a wide variety of classes.

There has been numerous corporate events hosted and a number of pre-show rehearsals of productions in the Bord Gais Theatre.

**Liffey Trust has three educational programs running in the studios.**

#### **CPD Diploma, Level 6, 1 Year (2016-17)**

Ireland's first certified diploma in Musical Theatre presented by the Irish College of Music Theatre certified by Dublin Institute of Technology.

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### CPD Diploma, Level 7, 1 Year (2016-17)

Ireland's first certified diploma in Musical Theatre presented by the Irish College of Music Theatre certified by Dublin Institute of Technology.

### Bachelor in Musical Theatre

This program is presented and certified by The American College of Dublin.

**We are hoping to expand on these in the coming academic year to add another school to operate from The Studios.**

In the Dance Studios, we also have between 9 & 10 instructors running classes throughout the week, including: Ballet, T.K.D, Irish Dancing, Contemporary dance, Hip Hop, Boogie Beat swing, Fencing, Piloxing, Zumba, Flamenco, Yoga, Vocal Training, Pilates, Polynesian Dance, Bollywood Dance, Kangoo, Vocal coaching, Brazilian dance, Bollywood dance.

Groups & Public figures in The Liffey Trust Studios 2016

- Daniel O' Donnell practiced for his world tour within our studios.
- Amanda Byram shot a spread for U Magazine from our studios.
- Shinawil Limited- Dancing with The Stars Ireland rehearsals & auditions were held in our studios from November through to March.
- RTE used our studios throughout the year for various productions.
- Riverdance, Eriu Dance Company, Diamond Dance and Celtic Woman used our facilities regularly throughout the year.
- Kevin Rowe Events held a Ballroom dancing event with A&L Goodbody & BOI.
- Breast Cancer Ireland used our space to rehearse for a dancing competition fundraiser.
- Bord Gáis Theatre -Big the Musical and Billy Elliot cast rehearsed within our studios.
- The Irish College of Musical Theatre in conjunction with their level 7 degree programme at DIT, is holding their dance and vocal lessons in the studios 2 days a week.
- Trinity College Dance society joined our studios.
- The Royal Irish Academy of Musical Theatre thought many semesters under our roof.
- Enterprise Ireland held numerous team meetings.
- American School of Dance are also running a level 7 performing arts programme.
- Local company's Fenrgo & Social talent began lunch time classes.
- Royal Irish Academy of music & The Opera Theatre Company held rehearsals in September, November and December.
- The Irish Independent used our studios for articles & events.

### The Hive

**The Hive at Liffey Trust** is a unique environment where budding technology firms can start up faster. We are nurturing a community of like-minded and focused tech entrepreneurs, providing places where they can work, meet, collaborate, network, learn and have fun.

Three of the studios have been leased to The Hive.

New tech startup KMap moved into the Hive in September.

Social Talent have expanded and have taken over Unit A in the ground floor. They now are renting 4 units in the enterprise centre.

New start up Moyee Coffee joined us in September and are sharing one of the small units in the Hive.

DeBurca Consulting have expanded from the shared office space and are renting one of the small units in the Studios.

Sticks and Stones have also expanded from the shared office and are sharing one of the small units in the Hive.

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### Social Housing

Liffey Trust is providing nine social apartments let to DCC. These are rented to DCC at 80% of commercial rent value of €1200 per month. Current market value for Private rentals in The Liffey Trust are €1800 a month.

### Grants

Meal Genie has taken over Unit Q on the ground floor which has been developed into a production kitchen. Meal Genie deliver all the ingredients along with the recipes to cook healthy home cooked meals. Liffey Trust spent €19,500 developing a new kitchen which is occupied by Meal Genie (recently named in The 100 Hot Start Ups (The Sunday Business Post)

New tech startup KMap moved into the Hive in September and were granted aided.

### Discounted Rents

Liffey Trust has discounted rents to the amount of €375,236 in the year 2016 approx. €15 a sq ft. The discount represents a rent of €30 a square foot. Prime office space in the city centre are ranging from €55-€60 a square foot.

### Future developments

- Liffey Trust is in discussions with two college's about implementing a scholarship with an entrepreneurial /business course. Agreement with Trinity College Dublin has been signed June 2017. Schedule 5 attached
- Liffey Trust is conscious of the lack of food production space in Dublin and is researching the possible expansion of Liffey Trust Food Hub . The trust is at a maximum capacity re food units in the centre. We have ongoing inquiries from people looking for food production Kitchens for start ups and small producers wishing to expand.
- We have three educational programs running in the studios we are hoping to expand on these in the coming academic year to add another school to operate in the studios.

### New Road

The new road adjacent to the building is near complete. We hope to work on the entrance to the building to improve foot traffic into a visitor centre for the enterprise centre.

### Testimonials

The Liffey Trust has received many testimonials for its old Enterprise Centre and for its new Enterprise Centre.

1. The Liffey Trust received an award from the American Express Foundation (an Award of £10,000 in 1990). Kevin Myres, a prestigious reporter, published an article in the Irish Times. Schedule 4 highlights this article.
2. More recently, Mr Eoghan Stack wrote as follows :

**Eoghan Stack, CEO, DCU Ryan Academy for Entrepreneurs**

"The Liffey Trust could be one of the biggest and best secrets in Dublin's start-up eco-system. Based in Silicon Docks, the Trust is within easy reach of most of Dublin's biggest tech companies, services and other start-up hubs. The Liffey Trust building is perfect for start-ups looking for their first base, with flexible arrangements, great facilities for 'work, rest & play', opportunities to scale-up and access to a vibrant community of other start-ups who all call Liffey Trust 'home'. Best of all The Liffey Trust team who act as partners and not landlords and who work tirelessly and with a smile to accommodate your needs. I couldn't recommend The Liffey Trust any more highly; get in if you get a chance."

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### 3. A current tenant - Stephen O'Reilly - Collateral Management Operations, EZOPS

"On the premises coming up on 3 months now, we are a start-up financial services subsidiary of our New Jersey head office. We find the office location to be perfect basically; With our major client base being the IFSC and Dublin south, we are far enough away but also very close - the local LUAS (street tram) station is situated just outside the door. Our second point of interest - Dublin Airport, is also easily within reach being 15/20 mins away. I couldn't fault the facilities; Excellent space, cleaned and maintained regularly by very pleasant staff. And while on the note of staff, I seem to constantly have to remind myself that Michelle and Áine (from the management office) don't actually work for us. From the initial move-in to this very morning, both have been a constant and reliant source of materials and invaluable information; we simply would not be where we are without them. I would highly recommend The Liffey Trust Centre for any start up (or established Business)."

### Principal Risks and Uncertainties

The directors consider that the principal risks and uncertainties faced by the company are in the following categories:

- i) The risk of cost increases and liabilities accruing over and above budgeted figures.
- ii) The risk of a working capital shortfall due to the slow collection of service charges from members.

### Directors and Secretary

The directors who served throughout the year, except as noted, were as follows:

Alice Power  
Cathal Mc Conn  
Ramon Mc Dermott  
John Quinn  
Joseph Mc Evoy

The secretary who served throughout the year was Michelle Mc Dermott.

In accordance with the Articles of Association, the directors retire by rotation and, being eligible, offer themselves for re-election.

### Future Developments

The company plans to continue its present activities and current trading levels. Employees are kept as fully informed as practicable about developments within the business.

### Post Balance Sheet Events

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

### Charitable and political contributions

The company did not make any disclosable political donations in the current year.

### Auditors

Heerey & Company, (Chartered Accountants and Registered Auditors), were appointed auditors by the directors to fill the casual vacancy and they have expressed their willingness to continue in office in accordance with the provisions of Section 383(2) of the Companies Act, 2014.

### Accounting Records

To ensure that adequate accounting records are kept in accordance with Sections 281 to 285 of the Companies Act 2014, the directors have established appropriate books to adequately record the transactions of the company. The directors also ensure that the company retains the source documentation for these transactions. The accounting records are maintained at the company's office at 117-126 Upper Sheriff Street, Dublin 1.

### Signed on behalf of the board

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Alice Power  
Director

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Cathal Mc Conn  
Director

Date: \_\_\_\_\_

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Schedule 1

“Summary of Events and Major Decisions Following the fire in the Liffey Trust on 2 November 2002”

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### Summary of Events and Major Decisions Following the fire in the Liffey Trust on 2 November 2002

#### November 2002

1. The Board of Trustees requested the Director, Mr Seamus McDermott to postpone his retirement and take complete charge of the redevelopment (if possible) of the Trust. A commercial salary/fee would have to be paid for this work. Mr McDermott agreed to postpone his retirement and estimated the work would take four or more years to complete.

#### December 2002

2. The first action undertaken was to help all unit holders to find alternative premises and to secure a €100,000 package from the Government to help the re establishment of the various businesses. This package was to be administered through the Dublin City Enterprise Board. Most of the larger businesses had adequate insurance. Ten small businesses were helped with this fund. All forty seven businesses (except one) continued to operate.

#### December 2002

3. The small part (20%) of the Trust, which was not burnt down, was made safe and secure (following consultation with Health and Safety) and a number of small units (eight in total) were allowed operate from the Trust. There were adverse lease implications if the Centre was completely closed down.

#### January 2003

4. Following an initial evaluation of the situation preliminary estimates indicated that under certain conditions the Centre could be rebuilt with no cost to the Trust.

#### January 2003

5. As the Trust had no funds or income and was not in a position to raise funds all fees and other costs etc had to be negotiated on a basis that if the project did not proceed the Trust would not have any liabilities.

#### January 2003

6. A salary of €50,000 a year was approved for the work being undertaken and as no funds were available this salary could not be paid until a later date. Mr McDermott stated that this was acceptable but he would not accept any payment unless the project was viable.

#### February - March 2003

7. An outline plan of action was drawn up. This plan envisaged, an eight-storey building with two floors for the New Enterprise Centre, together with 16 apartments per floor on six floors (96 apartments is total), together with underground car parking for 96 cars.

#### April - June 2003

8. Preliminary costings were estimated and the entire project appeared to be feasible provided certain preliminary steps were taken.

8.1 It was necessary to remove all restrictions and covenants from the Liffey Trust lease.

8.2 It was necessary to purchase the yard (16% of site) from Greencore.

8.3 The freehold on the entire site would have to be secured and purchased through the Courts.

#### June 2003

9. It was estimated that the site, without any restriction, together with the yard was worth approximately €5,000,000 (assuming freehold title, without restrictions). The old enterprise centre was valued in the accounts at €1,200,000. The asset value of the new Liffey Trust Centre would be approximately €20,000,000.

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### August 2003

10. Negotiations were opened with Greencore re the purchase of the yard and the removal of all lease restrictions and covenants and the transfer of the lease to the Liffey Trust. Securing the freehold title would have to be pursued through the Courts.

### August 2003

11. Agreement was reached with Greencore to purchase the yard for €800,000 (16% of the site) and transfer the title to the Liffey Trust. It was a condition of this agreement that the €800,000 would be paid in full within a five-week period. All restrictions would be removed from the lease.

### August 2003

12. Preliminary meetings were held with Banks (Bank of Scotland, AIB, EBS, Ulster Bank and the Trustees Savings Bank). It was immediately clear that without full title and planning permission no funds would be made available to the Trust. A meeting was also held with Enterprise Ireland and they were not in a position to help. From past experience with the National Lottery it was felt that an application for funds would not be successful.

### August 2003

13. The only source of funding available to the Trust was to sell a number of apartments (four to six) at a price, which had to take into consideration no planning permission, no freehold, no guarantee that the project would be a viable proposition. The finished project, to be viable, had to produce two floors for the Enterprise Centre, four to six apartments for investors, pay all fees and costs which were now arising, meet the day to day expenditure of the Trust, and take into consideration Social and Affordable Housing. The objective was to secure a new centre on two floors, car parking and with no encumbrances or debts.

### August 2003

14. The €800,000 could only be raised by selling in advance a number of apartment. (The Trust had €100,000 in a savings account, with Irish Life). A leading firm of Accountants, valued an apartment, without planning permission, deeds and no guarantee that the project would be a viable proposition. They estimated the value of an apartment at €150,000. The value of an Affordable Apartment purchased by Dublin City Council was €150,000 approximately. Five investors had to be found who were prepared to purchase an apartment for €150,000 to pay Greencore €800,000 and to ensure that the Trust had some funds to pay ongoing expenses.

### August 2003

15. The Liffey Trust savings account with Irish Life was on a six months' notice for withdrawal and on endeavouring to get a loan of €100,000 for six months from our Bank, guaranteed by Irish Life, the Trust was quoted 8% interest. Irish Life helped by releasing the €100,000 immediately.

### August 2003

16. To encourage investors and to obtain €150,000/€175,000 for each apartment, valued at €175,000, Mr McDermott agreed to purchase an apartment in lieu of salary. Four other investors were found to help the Trust and negotiations were finalised with Greencore. The site was purchased and all restrictions and covenants were now removed. The sale of these five apartments enabled the Trust to purchase the site, purchase the freehold, pay planning fees and specialised Consultancy reports, pay solicitors fees, investigate the cleanliness/environmental hazards of the site and enable the Trust to meet its day to day expenditure for the next four years.

### September 2003

17. Research freehold interests on the site and prepare documentation for the purchase of the freehold of the entire site. Instruct solicitors.

### October 2003

18. Obtain quotations from various law firms to act for the Trust until the contracts were drawn up and signed with builders/developers. Legal fees of €150,000 were envisaged.

### September - December 2003

19. Examine the planning guidelines of the Dublin Docklands Authority and Dublin City Council.

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### January 2004

20. Agree fees with Architects, Quantity Surveyor, Engineer and Project Manager under various conditions:
  - a. No fees if project does not proceed
  - b. A 'walk away fee' after planning
  - c. A final fee for the entire job
  - d. Agreement on phased payment system.

These fees would be €1m to 1.5 million.

### January 2004

21. Estimate that cost to re-establish the Liffey Trust Centre as it was prior to the fire. This was not a viable solution.

### February 2004 - April 2004

22. Have consultation with ten development companies and their Architects and request outline proposals for a new Centre with Apartments on the upper floors.

### May 2004

23. Set up independent evaluation team of three persons to assess outline proposals (Engineer, Accountant and Marketing Experts).

### May 2004

24. In view of the huge variations in the submissions from developers it was decided to keep full control of the project in the hands of the Trust and to appoint a Team as outlined in Clause 16 (Architect, Project Manager, Quantity Surveyors and Structural Engineers).

### 2004 - 2005

25. Design the Centre with the Project Team, apply for planning permission and prepare all the necessary reports.

### 2004 – 2005

26. Prepare and submit a grant application to the Minister of Enterprise and Employment, seeking a grant of €70,000 per year for four years to help to pay architectural and other fees and purchase freehold. Despite having purchased the site obtained planning permission, the grant application was later rejected. This grant would have been approximately 0.8% of the entire investment. Without the sale of the five apartments at an early stage following the fire the project would never have been feasible. The sale of the fifth apartment in August 2003 (item 16) resulted in the Liffey Trust being able to meet its day-to-day running expenses and fees despite the fact that the grant application was refused.

### 2004

27. Have an Engineer's survey carried out on the site and drill a number of holes throughout the site to ascertain if the site is clean. Consult with Dublin Docklands Development Authority and Dublin City Council and finalise planning permission. The survey and the evaluation of the site cost approximately €11,000.

### 2005

28. Select eleven building /development companies and ask them to quote for the development of the entire project.

### 2005

29. Select a short list of three, hold meetings, visit other projects, ascertain quality standards, select a preferred developer.

### October 2005

30. Evacuate the Liffey Trust building, transfer remaining units to other locations, store Liffey Trust equipment and transfer Liffey Trust office to 6a Wasdale Grove.

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## DIRECTORS' REPORT

for the year ended 31 December 2016

### 2003-2004-2005

31. Prepare the annual accounts of the Trust for each year.

### December 2005

32. Draw up contract document (some 60 pages) with our Solicitors, have meetings with the developers, prepare an agreed contract and sign same. This contract will result in two floors of an Enterprise Centre, twenty car parking spaces and nine apartments retained by the Trust.

### December 2005 - March 2006

33. Continue negotiating with the Dublin Docklands Development Authority re Social and Affordable Housing levies and reach agreement. Having the levies reduced, as the Trust was a fully recognized charity.

### January 2006 - March 2006

34. In consultation with the developer carry out a value engineering study of the entire project, savings to be split on a 50/50 basis.

### January 2006

35. Prepare leasing agreements for future tenants.

### January 2006 - March 2006

36. Select a core tenant for 50% of the office space and draw up a long lease with same. The rental income from this core tenant will be approximately €300,000 per annum for 20 years.

### December 2005 - March 2006

37. Devise a scheme on Affordable Housing which would enable the Trust to retain ownership of the nine apartments and obtain rent of the order of €80,000 per annum from Dublin City Council. (This is the first time that this type of scheme has been negotiated) . The Trust may sell these nine apartments after twenty years,

### March 2006

38. Obtain Fire Certificate for the new complex - agree alterations.

### March 2006

39. Prepare a budget for service charges for the apartments and the Liffey Trust Centre. Devise an appropriate distribution scheme for the service charges. Have same written into contracts and leases.

**The Liffey Trust Company Limited By Guarantee**  
(A company limited by guarantee, without a share capital)  
**DIRECTORS' REPORT**  
for the year ended 31 December 2016

Schedule 2  
“A More Detailed Diary”

# The Liffey Trust Company Limited By Guarantee

(A company limited by guarantee, without a share capital)

## DIRECTORS' REPORT

for the year ended 31 December 2016

### Steps - Phase 1

1. Consult with "Health and Safety" re the continued operation of part of the Centre.
2. Identify parts of the Centre to be re-opened; agree with Health and Safety Department.
3. Specify work to be carried out, draw up work specifications, discuss with builders, agree price.
4. Source materials and order same.
5. Check plumbing, arrange for toilets and water to be supplied.
6. Have Building Contractor make building safe - re-roof and erect end walls.
7. Remove waste that is obstructing progress in yard secure building.
8. Have power supply checked to each unit.
9. Arrange power to be switched on for ten units and obtain certificates.
10. Keep the peace amongst unit holders and eliminate vandalism and looting.
11. Safety is of the prime consideration.
12. Select businesses to be re-housed and re-located.
13. Draw up monthly leases and agree terms.
14. Find new premises for up to thirty businesses.
15. Ascertain the level of immediate grant/loan requirements to get 45 businesses re-established.
16. Set up a special Euros 100,000 fund to be distributed by way of an interest free loan with no repayments for two years.
17. Use influence and other means to have grant/loan fund established.
18. Liaise with Dublin City Enterprise and others to operate this fund.
19. Set recommended level of grant for each unit.
20. Liaise with unit holders re removal of equipment.

### Steps - Phase 2

1. Negotiations with Food Industries re purchase of yard - S. McDermott met with Chief Executive of Greencorp on five occasions.
2. Have all restrictions and covenants removed from Liffey Trust lease with Greencore.
3. Price agreed and sale had to be completed within four weeks, Greencore end of year AGM.
4. Negotiations with Banks re raising Euros 800,000 to purchase the yard.
  - (a) Allied Irish Banks
  - (b) Bank of Scotland
  - (c) EBS
  - (d) Ulster Bank
  - (e) Trustee Savings Bank
5. Unable to provide necessary documentation for the Banks, interest rates too high - seek finance elsewhere.
6. Find five persons with cash to purchase, three years from now an apartment that might materialize. Agree terms, check value, research prices.

# The Liffey Trust Company Limited By Guarantee

(A company limited by guarantee, without a share capital)

## DIRECTORS' REPORT

for the year ended 31 December 2016

7. Draw up legal document authorizing the sale of five apartments and secure cash of Euros 800,000 for Greencore.
8. Determine a realistic price for same and have professionally evaluated.
9. Obtain unanimous approval of Liffey Trust Board and legal requirements.
10. Consult Liffey Trust Solicitor and arrange purchase of yard.
11. Have Liffey Trust savings with Irish Life transferred to Bank without penalties.
12. Ensure that all restrictions on Liffey Trust lease (960 years) are removed.
13. Have Solicitor complete purchase of site.
14. Instruct Solicitor to buy out Freehold.
15. Apply for grant from the National Lotteries Fund.
16. Progress grants/loans for the unit holders.
17. Evaluate financial position of the Trust.
18. Research various alternative ways to progress Centre.
19. Survey site.
20. Prepare brief estimates of building costs.
21. Examine all leases with unit holders.

### Steps - Phase 3.

1. Evaluate DDDA guidelines for the entire area.
2. Hold preliminary meeting with the DDDA.
3. Hold preliminary meetings with Enterprise Ireland.
4. Hold preliminary meetings with others including politicians.
5. Investigating Social and Affordable housing.
6. Draw up draft layout plan for the Centre.
7. Determine the number of apartments that might be possible.
8. Ascertain planning restrictions re height, density, open space etc.
9. Determine who owns adjacent sites.
10. Determine who owns the various freeholds of the sites.
11. What plans the owners of the adjacent sites have?
12. Ascertain the future plans of the Waste Disposal Company.
13. Examine in detail the drawings of Zoe Developments (Liam Carroll), the adjacent site under construction.
14. Examine the plans for the Point Village, Luas extension, bridges over the river.
15. Investigate the possibility that there is hazardous "fill" in the Liffey Trust site.
16. Obtain a cost estimate to clear site (Sean Travers)
17. Obtain cost estimates to re-roof the center as was.
18. Examine planning implications to rebuild as was.
19. Design new concrete floors if center is replaced.

# The Liffey Trust Company Limited By Guarantee

(A company limited by guarantee, without a share capital)

## DIRECTORS' REPORT

for the year ended 31 December 2016

20. Ascertain, which adjacent sites are for sale and at what price and who is interested.
21. Consult with DDDA re the road plan at the east side of Liffey Trust building - this has major influence on everything.

### Steps - Phase 4

1. Have consultation with ten development companies and request outline proposals for a new Centre with 96 Apartments on six floors.
2. Have interested developers prepare a financial plan for completion.
3. Consult with seven Architectural firms and ask for outline proposals, no fees to be incurred at this stage.
4. Evaluation submissions reduce to four possible plans.
5. Set up independent evaluation team to assess outline proposals of three persons (Engineer, Accountant and Marketing Experts).
6. Have proposals examined and arrange presentation to the Liffey Trust Board and to the independent committee.
7. Select the two best proposals.
8. Negotiate with both companies, their Architects and Quantity Surveyors, and have final submissions.
9. Evaluate final proposals and discuss best way to proceed.
10. Have further more detailed discussions with selected developers.
11. Have alternative plans submitted by this developer to cover different planning specifications.
12. Decision by Liffey Trust to keep control of project in the hand of Liffey Trust until planning permission is obtained.
13. Negotiate with Architect and others and select an Architect.
14. Select Quantity Surveyors, Engineers, Planners etc.
15. Agree fees with Architect, Quantity Surveyor, Engineer etc. under various conditions.
  - a. No fees if project does not proceed
  - b. A 'walk away fee' after planning
  - c. A final fee for the entire job
  - d. Agreement on phased payment system.
16. Reduce Liffey Trust staff to a minimum - redundancy package.
17. Arrange part time cleaning staff.
18. Have voluntary staff continue to work.

### Steps - Phase 5

1. Work with Architect on design of building.
2. Work with Engineer and Quantity Survey on specifications.
3. Prepare layout of entire Enterprise Centre.
4. Allocate units to the type of desirable tenants.
5. Seek some permanent tenants to cover basic costs of running the Centre.
6. Negotiate letters of agreements - Solicitors draw up draft.

## **The Liffey Trust Company Limited By Guarantee**

(A company limited by guarantee, without a share capital)

### **DIRECTORS' REPORT**

for the year ended 31 December 2016

7. Prepare Liffey Trust accounts (2003) for Auditor's.
8. Re-negotiate Liffey Trust pension scheme.
9. Agree 50% reduction in salaries.
10. Pay all outstanding bills and cancel phone lines.
11. Develop a plan for social and affordable housing.
12. Consult with Dublin City Council.
13. Have more meetings with DDDA.
14. Have Engineer's survey carried out on site.
15. Seek quotation from contractors to drill five holes in site to ascertain if site is clean.
16. Consult with property management agencies re managing a new complex.
17. Consult with Hooke and McDonald re likely selling price of a two-bedroom apartment.
18. Ascertain salary fees, selling agents fees etc.
19. Prepare report to have planning fees to DDDA set aside.
20. Have weekly meetings with design team.

**The Liffey Trust Company Limited By Guarantee**  
(A company limited by guarantee, without a share capital)  
**DIRECTORS' REPORT**  
for the year ended 31 December 2016

Schedule 3  
“An Outline Financial Statement for Developers”

# The Liffey Trust Company Limited By Guarantee

(A company limited by guarantee, without a share capital)

## DIRECTORS' REPORT

for the year ended 31 December 2016

### An Outline Financial Statements for Developers

#### General Comments

From an examination of the Dublin Docklands Development Authority planning regulations it appears that it will be possible to construct a centre as follows:

1. Underground car parking for 110 cars.
2. Two floors of an Enterprise Centre (thirty units).
3. Ninety-six apartments (eighty for sale, sixteen or more for the Liffey Trust).

#### Construction Cost (General Estimate)

(1)	Construct ninety-six apartments at a cost of 150,000 euros each	=14,400,000	
(2)	Construct two floors (30 units) of a centre at a cost of euros each	=3,600,000	120,000
(3)	Clear site and subsequent landscape	=1,500,000	
(4)	Fees	<u>=1,500,000</u>	
			=21,000,000

#### Selling of Eighty Apartments (Estimated)

Sell eighty apartments at 350,000 Euros =28,000,000

#### Euros Profit from the Project

Cost Euros 21,000,000 Selling Euros 28,000,000 **Profit** =7,000,000

#### Cash Flow

Prior to construction eighty apartments may be sold off the drawings with a deposit of Euros 25,000 from each.

Total 2,000,000

#### Notes:

1. Building costs of Euros 150,000 per apartment are on the high side.
2. A selling price of Euros 350,000 (including a car park space may be too low).
3. The number of apartments retained by the Trust may vary depending on the developer.

**The Liffey Trust Company Limited By Guarantee**  
(A company limited by guarantee, without a share capital)  
**DIRECTORS' REPORT**  
for the year ended 31 December 2016

Schedule 4  
“Irish Times Article”

## DIRECTORS' REPORT

for the year ended 31 December 2016

36

31/1/86

11

### An Irishman's Diary

PAUL LANDER, the general manager of American Express in Ireland, was contemplating giving \$10,000 to a particular area of the arts in Ireland as he drove recently to the Liffey Trust development in Sherriff Street on the northside of Dublin.

That part of the capital city looks rather like a Palestinian refugee camp after the Israeli Air Force has been paying a visit. It is an empire of dereliction and dirt, hollowed buildings, rusting girders and mucky urchins clinging to back of rickety trucks bouncing over the pot-holes.

But what he saw at the Liffey Trust development cost the arts of Ireland \$10,000 — the lot went to the Liffey Trust, and if he had had more to give away, he probably would donate that too.

#### Create Employment

The Liffey Trust is the brainchild of Seamus McDermott; its purpose is to create employment for young people without the intervention of State aid. And so far, purely on the principles of enterprise and hard work, the Trust has given employment to 175 people — and that number is growing every week.

"Job creation is everybody's responsibility," explained Seamus, a successful business executive who gives his services to the Liffey Trust entirely free of charge, one day a week, he says: one day a week, seven days a week say observers. "I want to finish this job without a penny's grant from the Government," he declared in the warehouse the other day as workmen hammered all round him. It sounded like civil war in a boiler factory. "This country has been good to me and I want to give something back."

#### £1 a Year Rent

The building where 175 people are now working in 18 small industries is owned by Merchants Warehouses; he talked them into renting it to him for £1 a year — naturally



Paul Lander . . . impressed by Liffey Trust.

the pound came from his own pocket. The conversion into an industrial centre should normally cost in the region of £2.5 million; Seamus estimates that he can get it done for about £200,000.

Seamus offers more than a roof to the budding young entrepreneur. The Trust provides free secretarial help (in the shape of Mary Digan), free audition for the first year, and elimination of the bureaucratic system, which, he says, scares most budding young entrepreneurs to death. And he gets things moving.

Nineteen year old Mark Fay came to Seamus on a Monday; that Wednesday he was already in production, running his own glass engraving business. Now he employs three other young people, cutting patterns on plain drinking glasses and decanters and selling them through craft shops. When I visited the centre, Mark was on a business trip up North. At 19.

Jacintha Fahy is a housewife who had been making cocktail hats and bridal headgear at her Dun Laoghaire home. Now she has taken over space at the Liffey Trust centre and is able to work full-time: all her work is import substitution.

Two new people were just moving into the centre when I

was there. Anthony Carroll and Myra McGowan are making weatherproof signs out of coribord plastic; they are the first to do so in Ireland. "An auctioneer who will be taking our signs has been importing his up to now because Irish suppliers were always promising them next week and not supplying them for three months," said Myra. The signs are made by silkscreen printing and are one third the price of the plywood competition. They are ideal for forecourt petrol station advertising and for warning that these premises are guarded by nasty dogs: watch out.

#### Extremely Grateful

Matt Short and Michael McGuigan — who wish it to be known that they are extremely grateful to the AIB bank manager in College Street — are producing hand-painted firescreens, tables with family crests carved in the centre and are finishing the design of an artist's table which can swivel and turn and when finished with can be folded against a wall, so taking up absolutely no space. They take on two trainees next month and by the end of the year expect to employ 12 people.

Before moving to the Liffey Trust, Danny O'Connor employed seven people making skirts. With the low rent he is currently charged, he is now able to employ 11 people; soon it will be 18.

One can attribute all this to the Liffey Trust, or more accurately, to Seamus McDermott. "Our number one priority is to create jobs, and it's an exciting and rewarding task, without a penny coming from the taxpayer. Every community in the country should be able to do this, and anyone who wants to set something up on these lines can come to us for advice."

The Liffey Trust is wholly, unspeakably, indescribably, quite surpassingly excellent, and if you want advice, contact Seamus McDermott at Unit 6, Enterprise Centre, East Wall, Dublin 3, telephone 01-745405.

KEVIN MYERS

**The Liffey Trust Company Limited By Guarantee**  
(A company limited by guarantee, without a share capital)  
**DIRECTORS' REPORT**  
for the year ended 31 December 2016

Schedule 5  
“Seamus McDermott Scholarship for Entrepreneurship Press Release”

# The Liffey Trust Company Limited By Guarantee

(A company limited by guarantee, without a share capital)

## DIRECTORS' REPORT

for the year ended 31 December 2016

### Calling all Entrepreneurs!

The Seamus McDermott Scholarship for Entrepreneurship will provide a €10,000 scholarship towards the Trinity MBA for an entrepreneur beginning in September 2017.

The number of €10,000 scholarships will increase to four each year over ten years totally €340,000 fund over the lifetime of the scholarship.

Seamus McDermott has had a life-long passion for supporting and encouraging entrepreneurs. Seamus founded the Liffey Trust in 1984 to help create jobs by assisting potential entrepreneurs and community enterprises to establish, by providing them with advice, management consultancy, supports and office space. The Trust made a conscious management decision to finance all its activities through its own efforts and without the support from the State and it has done this with great success. Since its foundation the Liffey Trust has helped more than 200 enterprises resulting in the employment of over 800 people. The Seamus McDermott Scholarship for Entrepreneurship continues and honours Seamus' work by supporting an entrepreneur, resident in Ireland, to develop their business acumen by undertaking the Trinity MBA.

Nurturing entrepreneurship is at the heart of the Trinity MBA programme where an entrepreneurial focus is woven through every module. The Scaling and Social Entrepreneurship projects allow students the opportunity to help fast-moving SMEs scale their international growth and solve strategic issues when financial resources are constrained. Trinity College Dublin has a tradition of Innovation with Trinity graduates being ranked by venture capital organisation Pitchbook as the most entrepreneurial in Europe. Trinity Business School's strategy is to galvanise and build on this strength in all its activities. The partnership of the Liffey Trust and the Trinity MBA is therefore a natural fit.

In addition to meeting all the usual entry requirements for the Trinity MBA programme, the successful candidate will:

- Be resident in Ireland
- Be a proven entrepreneur, in either social or private enterprise
- Demonstrate how their business impacts the local economy or society

# **The Liffey Trust Company Limited By Guarantee**

(A company limited by guarantee, without a share capital)

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

for the year ended 31 December 2016

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

Irish company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the surplus or deficit of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

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

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

In so far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditor in connection with preparing the auditor's report) of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### **Signed on behalf of the board**

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**Alice Power**  
Director

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**Cathal Mc Conn**  
Director

Date: \_\_\_\_\_

# **INDEPENDENT AUDITOR'S REPORT**

## **to the Members of The Liffey Trust Company Limited By Guarantee**

**(A company limited by guarantee, without a share capital)**

We have audited the financial statements of The Liffey Trust Company Limited By Guarantee for the year ended 31 December 2016 which comprise the Income and Expenditure Account, the Balance Sheet, the Reconciliation of Members' Funds, the Cash Flow Statement, the Accounting Policies and the related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

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

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practice Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Basis for qualified opinion on financial statements**

The accounts for the year end 31 December 2015 were not audited, and as a result the Opening Balances for the year end 31 December 2016 were unaudited. We were unable to obtain sufficient appropriate audit evidence regarding the opening balances. However, we conclude based on the audit evidence obtained, that the financial statements as a whole are free from material misstatement and where necessary any adjustments required were posted in the year end accounts 31 December 2016 and referred to in note 11 to the accounts.

### **Qualified opinion on financial statements**

In our opinion, except for the possible effects of the matter described in the Basis for qualified opinion paragraph, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2016 and of its surplus for the year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, the requirements of the Companies Act 2014.

### **Matters on which we are required to report by the Companies Act 2014.**

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT**  
**to the Members of The Liffey Trust Company Limited By Guarantee**  
(A company limited by guarantee, without a share capital)

**Matters on which we are required to report by exception**

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by Sections 305 to 312 of the Act are not made.

---

**Brian Heerey**  
**for and on behalf of**  
**HEEREY & COMPANY**  
Chartered Accountants and Registered Auditors  
103 Richmond Road  
Fairview  
Dublin 3  
Republic of Ireland

**Date:** \_\_\_\_\_

**The Liffey Trust Company Limited By Guarantee**  
(A company limited by guarantee, without a share capital)  
**INCOME AND EXPENDITURE ACCOUNT**  
for the year ended 31 December 2016

	Notes	2016 €	2015 €
<b>Income</b>	<b>6</b>	<b>1,094,912</b>	766,557
<b>Expenditure</b>		<b><u>(1,092,500)</u></b>	<b><u>(571,211)</u></b>
<b>Surplus on ordinary activities before interest</b>		<b>2,412</b>	195,346
Revaluation of Freehold Land and Buildings	<b>8</b>	<b>867,980</b>	5,827,441
Interest receivable and similar income	<b>9</b>	<b><u>20,946</u></b>	<u>-</u>
<b>Total Comprehensive Income</b>		<b><u>891,338</u></b>	<b><u>6,022,787</u></b>

The company has no recognised gains or losses other than the surplus for the year. The results for the year have been calculated on the historical cost basis. The company's income and expenses all relate to continuing operations.

The Income for the company is all unrestricted income and is not designated to specific projects.

# The Liffey Trust Company Limited By Guarantee

(A company limited by guarantee, without a share capital)

## BALANCE SHEET

as at 31 December 2016

	Notes	2016 €	2015 €
<b>Fixed Assets</b>			
Tangible assets	11	<u>15,600,000</u>	<u>15,030,131</u>
<b>Current Assets</b>			
Debtors	12	124,646	27,316
Cash and cash equivalents		<u>1,757,796</u>	<u>1,333,903</u>
		<u>1,882,442</u>	<u>1,361,219</u>
<b>Creditors: Amounts falling due within one year</b>	13	<u>(223,953)</u>	<u>(24,198)</u>
<b>Net Current Assets</b>		<u>1,658,489</u>	<u>1,337,021</u>
<b>Total Assets less Current Liabilities</b>		<u>17,258,489</u>	<u>16,367,152</u>
<b>Reserves</b>			
Capital reserves and funds		15,063,308	14,195,328
Income and expenditure account		<u>2,195,181</u>	<u>2,171,824</u>
<b>Equity attributable to owners of the company</b>		<u>17,258,489</u>	<u>16,367,152</u>

Approved by the board on \_\_\_\_\_ and signed on its behalf by:

\_\_\_\_\_  
Alice Power  
Director

\_\_\_\_\_  
Cathal Mc Conn  
Director

**The Liffey Trust Company Limited By Guarantee**  
 (A company limited by guarantee, without a share capital)  
**RECONCILIATION OF MEMBERS' FUNDS**  
 as at 31 December 2016

	Retained surplus €	Reserve for own shares €	Total €
<b>At 1 January 2015</b>	<u>1,976,478</u>	<u>8,367,887</u>	<u>10,344,365</u>
Surplus for the year	<u>6,022,787</u>	-	<u>6,022,787</u>
<b>At 31 December 2015</b>	<u>2,171,823</u>	<u>14,195,328</u>	<u>16,367,151</u>
Surplus for the year	<u>23,358</u>	<u>867,980</u>	<u>891,338</u>
<b>At 31 December 2016</b>	<u>2,195,181</u>	<u>15,063,308</u>	<u>17,258,489</u>

# The Liffey Trust Company Limited By Guarantee

(A company limited by guarantee, without a share capital)

## CASH FLOW STATEMENT

for the year ended 31 December 2016

	Notes	2016 €	2015 €
<b>Cash flows from operating activities</b>			
Surplus for the year		891,338	6,022,787
Adjustments for:			
Fair value gains and losses		(867,980)	(5,827,441)
Interest receivable and similar income		(20,946)	-
Depreciation		<u>30,131</u>	-
		32,543	195,346
Movements in working capital:			
Movement in debtors		(97,330)	13,655
Movement in creditors		<u>199,755</u>	<u>(15,726)</u>
Cash generated from operations		<u>134,968</u>	<u>193,275</u>
<b>Cash flows from investing activities</b>			
Interest received		20,945	-
Payments to acquire tangible fixed assets		<u>267,980</u>	-
Net cash generated from investment activities		<u>288,925</u>	-
<b>Net increase in cash and cash equivalents</b>		423,893	193,275
<b>Cash and cash equivalents at beginning of financial year</b>		<u>1,333,903</u>	<u>1,140,628</u>
<b>Cash and cash equivalents at end of financial year</b>	20	<u>1,757,796</u>	<u>1,333,903</u>

**The Liffey Trust Company Limited By Guarantee**  
(A company limited by guarantee, without a share capital)  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2016

**1. GENERAL INFORMATION**

The Liffey Trust Company Limited By Guarantee is a company limited by guarantee incorporated in the Republic of Ireland. 117-126 Upper Sheriff Street, Dublin 1, is the registered office, which is also the principal place of business of the company. The nature of the company's operations and its principal activities are set out in the Directors' Report. The financial statements have been presented in Euro (€) which is also the functional currency of the company.

**2. ACCOUNTING POLICIES**

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

**Statement of compliance**

The financial statements of the company for the year ended 31 December 2016 have been prepared on the going concern basis and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102). These are the company's first set of financial statements prepared in accordance with FRS 102. There have been no transitional adjustments made.

**Basis of preparation**

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

**Income**

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Land and buildings freehold	- 4% Straight line
Fixtures, fittings and equipment	- 15% Straight Line

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

**Trade and other debtors**

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

**Trade and other creditors**

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

**Employee benefits**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The company also operates a defined benefit pension scheme for its employees providing benefits based on final pensionable pay. The assets of this scheme are also held separately from those of the company, being invested with pension fund managers.

**Taxation**

Current tax represents the amount expected to be paid or recovered in respect of taxable income for the year and is calculated using the tax rates and laws that have been enacted or substantially enacted at the Balance Sheet date.

**The Liffey Trust Company Limited By Guarantee**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2016

continued

**3. ADOPTION OF FRS 102**

This is the first set of financial statements prepared by The Liffey Trust Company Limited By Guarantee in accordance with accounting standards issued by the Financial Reporting Council, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"). The company transitioned from previously extant Irish and UK GAAP to FRS 102 as at 1 January 2014.

**4. DEPARTURE FROM COMPANIES ACT 2014 PRESENTATION**

The directors have elected to present an Income and Expenditure Account instead of a Profit and Loss Account in these financial statements as this company is a not-for-profit entity.

**5. GOING CONCERN**

The directors have a reasonable expectation, having made appropriate enquiries that the company has adequate resources to continue in operation and existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in the financial statements.

**6. INCOME**

The income for the year has been derived from:-

	<b>2016</b>	2015
	€	€
Rents Vatable	<b>1,089,912</b>	766,557
Other	<b><u>5,000</u></b>	<u>-</u>
	<b><u>1,094,912</u></b>	<u>766,557</u>

The whole of the company's income is attributable to its market in the Republic of Ireland and is derived from the principal activity of charitable work and assisting new startup businesses in becoming established

**7. OPERATING SURPLUS**

	<b>2016</b>	2015
	€	€
<b>Operating surplus is stated after charging:</b>		
Depreciation of tangible fixed assets	<b><u>30,131</u></b>	<u>-</u>

**8. OTHER GAINS AND LOSSES**

	<b>2016</b>	2015
	€	€

Fair value gains and losses are as follows:

Revaluation of Freehold Land and Buildings	<b><u>867,980</u></b>	<u>5,827,441</u>
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**9. INTEREST RECEIVABLE AND SIMILAR INCOME**

	<b>2016</b>	2015
	€	€
Bank interest	<b><u>20,946</u></b>	<u>-</u>

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**10. EMPLOYEES AND REMUNERATION**

**Number of employees**

The average number of persons employed (including executive directors) during the year was as follows:

	<b>2016</b>	2015
	<b>Number</b>	Number
Management	<b>2</b>	2
Administration	<b>3</b>	3
	<b><u>5</u></b>	<u>5</u>

The staff costs comprise:

	<b>2016</b>	2015
	<b>€</b>	€
Wages and salaries	<b>165,618</b>	146,656
Social welfare costs	<b>21,393</b>	17,812
Management deferred wages from previous years (Note 11)	<b>250,000</b>	0
Pension costs	<b><u>10,342</u></b>	<u>9,849</u>
	<b><u>447,353</u></b>	<u>174,317</u>

# The Liffey Trust Company Limited By Guarantee

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## NOTES TO THE FINANCIAL STATEMENTS

continued

for the year ended 31 December 2016

### 11. TANGIBLE FIXED ASSETS

	Land and buildings freehold €	Fixtures, fittings and equipment €	Total €
<b>Cost or Valuation</b>			
At 1 January 2016	15,000,000	30,131	15,030,131
Prior Year Adjustment	(267,980)	-	(267,980)
Revaluation	<u>867,980</u>	<u>-</u>	<u>867,980</u>
At 31 December 2016	<u>15,600,000</u>	<u>30,131</u>	<u>15,630,131</u>
<b>Depreciation</b>			
Charge for the year	<u>-</u>	<u>30,131</u>	<u>30,131</u>
At 31 December 2016	<u>-</u>	<u>30,131</u>	<u>30,131</u>
<b>Net book value</b>			
At 31 December 2016	<u>15,600,000</u>	<u>-</u>	<u>15,600,000</u>
At 31 December 2015	<u>15,000,000</u>	<u>30,131</u>	<u>15,030,131</u>

The Liffey Trust Company Limited is a registered charity. The Management believe that the Trust does not require the undue cost of an external valuation and they can provide a reliable measure of the fair value of the property based on their knowledge of the locality, the tenants and the nature of the property. The Management believe that the fair value of the property is €15,600,000.

Following the disastrous fire in 2002 the Trust requested Mr McDermott to postpone his retirement and re-establish the Liffey Trust. The Board insisted that a minimum salary (fee) of €50,000 per year should be paid to him. Mr McDermott agreed to develop the project and he would only accept the salary provided the project was delivered without any financial encumbrances for the Liffey Trust.

The adjacent site to the Liffey Trust costing €800,000 needed to be purchased. The Banks were not prepared to lend any money and the only solution would be to sell, if possible, five apartments (€150,000 to €175,000 each). To encourage people to purchase apartments he further stated that he would accept one such apartment (Value €175,000) in lieu of salary. As the project progressed phased payments of salary were made to Mr Mc Dermot. On completion of the building in 2007, €150,000 was drawn down, the balance being waived by Mr Mc Dermott until such time as The Liffey Trust was securely independent in its funding.

Now that the cashflow of the charity has stabilised it has been agreed that 5 years of salary owing of €50,000 per year (2007-2011) being a total of €250,000 be paid to the Director. The tax on the €250,000 has been returned to Revenue and an amount of €61,980, being the balance due in acquiring an apartment now becomes payable. This amount has been included in Prior Year adjustments to Tangible Assets of €267,980 above. The net salary payable after apartment payments and revenue payments is approximately €68,000. Mr McDermott stated that he would not accept any further payments for subsequent years. The Trust accepted Mr McDermott's generous proposal in full and final settlement and no salary was paid for the years 2012 to 2016. This was the equivalent of a contribution of €250,000 to the Trust by Mr McDermott.

The building contract document designed by the director, Mr McDermott, incorporated a value engineering clause. It was agreed that savings made would be split 50/50 between the Liffey Trust and the developers. The last payment secured by the director of €206,000 was made in 2014. This has been included in prior years' adjustments to tangible assets of €297,980 above. The total savings from value engineering and good project management was €1,102,972. In addition to the value engineering clause the original contract was for fourteen apartments to be retained to the Liffey Trust. The final contract resulted in the Liffey Trust retaining 15 apartments.

A final revaluation adjustment of €867,980 has been decided to bring the overall valuation of the Liffey Trust building in line with open market values. This valuation is based on area occupied by the Trust, rather than on rental yields given the discounted rents charged by the Charity to tenants.

**The Liffey Trust Company Limited By Guarantee**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 December 2016

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**11.1. TANGIBLE FIXED ASSETS PRIOR YEAR**

	Land and buildings freehold €	Fixtures, fittings and equipment €	Total €
<b>Cost or Valuation</b>			
At 1 January 2015	9,172,559	30,131	9,202,690
Revaluation	<u>5,827,441</u>	<u>-</u>	<u>5,827,441</u>
At 31 December 2015	<u>15,000,000</u>	<u>30,131</u>	<u>15,030,131</u>
<b>Net book value</b>			
At 31 December 2015	<b><u>15,000,000</u></b>	<b><u>30,131</u></b>	<b><u>15,030,131</u></b>
At 31 December 2014	<u>9,172,559</u>	<u>30,131</u>	<u>9,202,690</u>

**12. DEBTORS**

	2016 €	2015 €
Trade debtors	<b>85,253</b>	1,366
Other debtors	<b>10,000</b>	10,000
Taxation (Note 14)	<b>11,893</b>	15,950
Prepayments and accrued income	<b><u>17,500</u></b>	<u>-</u>
	<b><u>124,646</u></b>	<u>27,316</u>

**13. CREDITORS**  
**Amounts falling due within one year**

	2016 €	2015 €
Trade creditors	<b>11,255</b>	7,722
Taxation (Note 14)	<b>146,506</b>	13,476
Accruals	<b><u>66,192</u></b>	<u>3,000</u>
	<b><u>223,953</u></b>	<u>24,198</u>

**14. TAXATION**

	2016 €	2015 €
<b>Debtors:</b>		
VAT	<b><u>11,893</u></b>	<u>15,950</u>
<b>Creditors:</b>		
PAYE	<b><u>146,506</u></b>	<u>13,476</u>

**15. STATUS**

The liability of the members is limited.

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while they are members, or within one year thereafter, for the payment of the debts and liabilities of the company contracted before they ceased to be members, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount as may be required, not exceeding €2.

**16. CAPITAL COMMITMENTS**

The company had no material capital commitments at the year-ended 31 December 2016.

**The Liffey Trust Company Limited By Guarantee**  
(A company limited by guarantee, without a share capital)

**NOTES TO THE FINANCIAL STATEMENTS**

continued

for the year ended 31 December 2016

<b>17. DIRECTORS' REMUNERATION</b>	<b>2016</b>	<b>2015</b>
	€	€
Remuneration	<b>98,000</b>	98,000
Pension contributions	<b><u>10,342</u></b>	<u>9,849</u>
	<b><u>108,342</u></b>	<u>107,849</u>

**18. RELATED PARTY TRANSACTIONS**

During the year The Liffey Trust carried out some administration work for Greener on this Side Limited and charged the company €5,000. Greener on this Side Limited was also charged €12,500 in rent by the Liffey Trust. The companies have one director in common.

Seamus Mc Dermot is connected to members of the board of Directors. During year the year he had transactions with the company, which put into effect prior agreements as per the EGM of 2002, as outlined in Note 11.

**19. POST-BALANCE SHEET EVENTS**

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

<b>20. CASH AND CASH EQUIVALENTS</b>	<b>2016</b>	<b>2015</b>
	€	€
Cash and bank balances	<b>300,295</b>	303,288
Cash equivalents	<b><u>1,457,501</u></b>	<u>1,030,615</u>
	<b><u>1,757,796</u></b>	<u>1,333,903</u>

**21. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved and authorised for issue by the board of directors on

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**THE LIFFEY TRUST COMPANY LIMITED BY GUARANTEE**  
(A company limited by guarantee, without a share capital)

**SUPPLEMENTARY INFORMATION**

**RELATING TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

**NOT COVERED BY THE REPORT OF THE AUDITORS**

**THE FOLLOWING PAGES DO NOT FORM PART OF THE AUDITED FINANCIAL STATEMENTS**

# The Liffey Trust Company Limited By Guarantee

(A company limited by guarantee, without a share capital)

## SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS

### DETAILED INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 December 2016

	2016 €	2015 €
<b>Income</b>		
Rents	1,089,912	766,557
Other Income	<u>5,000</u>	<u>-</u>
	<u>1,094,912</u>	<u>766,557</u>
<b>Expenditure</b>		
Rent Discounts - Startups	375,236	105,459
Bad Debts - Startups	-	14,501
Setup Costs - New Enterprises	54,094	63,080
Wages and salaries	165,618	146,656
Social welfare costs	21,393	17,812
Directors' defined contribution pension costs	10,342	9,849
Management expenses	13,616	10,041
Management fees	65,246	61,833
Rates	46,315	59,663
Insurance	444	1,306
Light and heat	23,201	30,967
Cleaning	450	2,119
Repairs and maintenance	3,168	3,011
Printing, postage and stationery	4,532	7,247
Telephone	13,064	13,198
Computer costs	2,595	-
Travelling and entertainment	6,858	5,556
Legal and professional	-	10,655
Bank charges	629	888
General expenses	761	2,837
Management deferred wages from previous years (Note 11)	250,000	-
Subscriptions	1,807	1,533
Auditor's remuneration	3,000	3,000
Depreciation	<u>30,131</u>	<u>-</u>
	<u>1,092,500</u>	<u>571,211</u>
<b>Miscellaneous income</b>		
Bank interest	20,946	-
Revaluation of Freehold Land and Buildings	<u>867,980</u>	<u>5,827,441</u>
	<u>888,926</u>	<u>5,827,441</u>
<b>Net surplus</b>	<u>891,338</u>	<u>6,022,787</u>

