

Aware
(A Company Limited by Guarantee and Not Having
a Share Capital)

Directors' Report and Financial Statements

Financial Year Ended 31 December 2018

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DIRECTORS AND OTHER INFORMATION

Board of directors

Mr A Duffy
Ms A Byrne
Ms J Chamberlaine
Mr S Crowley (Secretary)
Mr S Holmes
Ms S Watson (appointed 22 May 2018)
Dr D Lyons
Mr M McCarthy
Mr C Carey
Mr P Cosgrove
Dr L Lawless
Dr K Gaynor
Mr P Allen (resigned 20 March 2018)
Ms L Joyce (resigned 22 May 2018)

Solicitors

McDowell Purcell Solicitors
The Capel Building
Mary's Abbey
Dublin 7

Company members

Mr P Allen
Mrs G Bailey
Ms E Blake Knox
Ms D Brennan
Ms J Butler
Ms A Byrne
Ms B Kinsella
Dr P McKeon
Ms P Moran
Ms V Moyles
Ms J Winder
Mr Derek Healy

Chief Executive

Mr D Layden

Chairman

Mr A Duffy

Treasurer

Ms S Watson

Secretary and registered office

Mr S Crowley
9 Leeson Street Upper
Dublin 4

Bankers

Bank of Ireland
Phibsborough
Dublin 7

Company number: 235838

Charity registered number: 20013189

Auditors

PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
One Spencer Dock
North Wall Quay
Dublin 1

DIRECTORS' REPORT

The directors present their directors' report together with the audited financial statements of the company for the financial year ended 31 December 2018. The directors are considered to be the Trustees of the company, for the purposes of compliance with Charities SORP (FRS102). The directors' report contains the disclosures required in a Trustees' report in accordance with Charities SORP (FRS102).

This report has been prepared in accordance with the requirements of the Companies Act 2014 and the provisions of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the Republic of Ireland (FRS102) hereafter denoted as the Charities SORP (FRS102). The Charities SORP (FRS102) is not yet mandatory in the Republic of Ireland and the Irish Charities Regulation has not prescribed accounting regulations for Irish Charities. In the absence of such prescriptive guidance the Board has adopted the Charities SORP (FRS102) as it is considered best practice.

Statement of directors' responsibilities

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

Irish law requires the directors to prepare financial statements for each financial year giving a true and fair view of the company's assets, liabilities and financial position at the end of the financial year and the net income/(expenditure) of the company for the financial year. Under that law the directors have prepared the financial statements in accordance with Generally Accepted Accounting Practice in Ireland.

Under Irish law, the directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the company's assets, liabilities and financial position as at the end of the financial year and the net income/(expenditure) of the company for the financial year.

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

- select suitable accounting policies 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 and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the company;
- enable, at any time, the assets, liabilities, financial position and net income/(expenditure) of the company to be determined with reasonable accuracy; and
- enable the directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

The directors 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.

Achievements and performance

Aware was established in 1985 to provide a number of support services that would enable the organisation to meet its principal objectives (see page 4). Our supports for adults who experience depression or bipolar disorder have evolved over the last 33 years but the purpose remains the same. Key strategic goals for the organisation are set out in our strategic plan for 2018-2020 as disclosed on page 4.

Principal objectives and activities

Aware's mission is to undertake to create a society where people affected by stress, depression, bipolar disorder and related mood disorders are understood, supported, free from stigma, and are encouraged to access appropriate therapies.

DIRECTORS' REPORT - continued

Principal objectives and activities - continued

The company's aims and objectives are:

- to inform and educate the public about the nature, extent and consequences of depression, bipolar disorder and related mood disorders;
- to provide emotional and practical support to those affected by depression, bipolar disorder and related mood disorders;
- to provide positive mental health and resilience training; and
- to support research into the development and treatment of depression, bipolar disorder and related mood disorders.

In 2018, the company approved a new three-year Strategic Plan for the years 2018 to 2020. The strategic plan includes four key strategic goals, identified to enable and support delivery of the organisation's aims and objectives, as follows:

- to promote positive mental health through information, education, research and policy advocacy;
- to continue to develop and offer a range of quality support services underpinned by research and regular evaluations;
- to increase Aware's funding from diverse and sustainable sources to ensure continued delivery of services; and
- to build Aware's profile and brand as the leading national charity to achieve these goals

The Strategic plan also included a set of values for the organization:

Excellence:

We strive for excellence in all we do: in providing support and information to the public; in delivering our educational programmes; and in engaging with donors and all stakeholders.

Compassion:

We are person centric, understanding and responding to the needs of service users, volunteers, staff and all others we engage with.

Integrity:

We value all opinions and treat all with respect and dignity in a transparent, honest and fair manner.

Accountability:

We hold ourselves accountable to the highest standards in respect of clinical and corporate governance and financial probity.

The services provided by Aware are structured around the three pillars of support, education and information. An overview of the services delivered in 2018 is set out in the following paragraphs.

Legal status

Aware is a company limited by guarantee and not having a share capital, incorporated in Ireland on 17 July 1995 with registered number 235838. The company has charitable status (Registered Charity CHY 6748).

Organisational structure

The company is governed by its Memorandum and Articles of Association which set out the objects for which the company is established and the respective duties, responsibilities and obligations of its members and directors.

Corporate governance

The board of directors is responsible for the strategic development and governance oversight of the company on behalf of its members. The board of directors work for the organisation in a voluntary capacity. The directors do not receive any remuneration in respect of their services to the charity. Expenses are reimbursed where claimed. There have been no contracts or arrangements entered into during the financial year in which a director was materially interested or which were significant in relation to the charity's activities. Neither the directors nor the secretary had any financial interests in the company or in any related companies.

DIRECTORS' REPORT - continued

Corporate governance - continued

Good governance is of paramount importance to the board of directors. The board maintains a risk register which is reviewed annually by the board. The organisation is compliant with the Governance Code for the Community and Voluntary Organisations in Ireland. The company is registered with the Charity Regulatory Authority and the Lobbying Register and makes returns as appropriate under the Lobbying Act (2015). The Company has also adopted the Statement of Guiding Principles for Fundraising from the Irish Charities Tax Reform group.

In November 2017, the Finance and Remuneration committee met to review the "Internal Financial Controls Guidelines for Charities" as published by the Charities Regulator in 2017 to review each of the individual controls and ensure that the organisation is in compliance with the guidelines. In January 2018 the finance committee approved new updated internal control policies, with the board approving the new policies at its January 2018 board meeting. The finance committee also reviewed the "Guidelines for Charitable Organisations on Fundraising from the Public" to ensure compliance by the organization and the organization is compliant with the "Guidelines".

Appointment and induction of new directors

In accordance with the company's Articles of Association, all directors with the exception of office holders, retire from office at the company's AGM and are eligible for reappointment at that meeting. All new board members meet with the CEO prior to their formal appointment to the board and at this meeting the new director is provided with an induction pack containing a copy of the Memorandum and Articles of Association, annual report and accounts, an overview of all services and fundraising activities, the policies and procedures that exist within the organisation and a volunteer agreement between the new director and the organisation that is to be signed. All directors are required to sign Code of Conduct and a Conflict of Interests Compliance statements. These statements are designed to ensure that directors declare potential conflicts of interests so the organization will be able to stand the test of ethics and scrutiny of all relevant stakeholders.

The chair of the board reviews the skills, experiences and competencies required to serve on the board. The board recognises the need for directors who can provide strong clinical oversight to the organization, so directors include a psychiatrist, a psychologist and GP for that purpose. It is also necessary to include members with lived experience of depression or bipolar disorder and individuals who volunteer to deliver our services. This ensures that service users and volunteers are represented at board level. The organization also requires directors who have financial, corporate governance and marketing expertise to add to the board. The chair and board are satisfied that our current board of directors has that diversity and expertise.

The present membership of the board and directors who served during the year is shown on page 2. During the year Ms. L. Joyce and Mr. P. Allen resigned from the board and our gratitude is extended to both for their service as directors of Aware.

The board of directors met six times during the year and additionally maintains close liaison and communication with the Chief Executive and senior staff members throughout the year.

Board committees

The board has for good governance established a number of committees whose members comprise of board members. Staff, volunteers and interested parties may be co-opted to a committee where deemed appropriate. Each committee reports directly to the board and met several times during the year.

The committees are as follows:

- **Clinical committee** - with responsibility for reviewing and recommending the organisation's clinical strategy, for reviewing and monitoring services to ensure they meet the highest clinical standards and for reviewing, recommending and overseeing programmes of research. This committee met 5 times in 2018.
- **Finance and remuneration committee** - with responsibility for monitoring and reviewing the financial performance of the company, including a thorough review of the company's financial policies, controls, budgets and accounts, and for reviewing remuneration policies, procedures and changes to remuneration. This committee met 3 times in 2018.
- **Services committee** - with responsibility for reviewing existing services, developing new services and monitoring progress in delivering on targets set for the year. This committee met 6 times in 2018.

DIRECTORS' REPORT - continued

The Board Subcommittees and Membership at 31 December 2018

Clinical Committee

| | |
|--------------------|---------------------------------|
| Dr. Declan Lyons | (Chair) |
| Dr. Pat McKeon | (Member) |
| Dr. Keith Gaynor | |
| Dr. Andrea Higgins | (Clinical Director at Aware) |
| Dr. Lisa Lawless | |
| Ms. Brid O'Meara | (Director of Services at Aware) |

Services Committee

| | |
|---------------------|-------------|
| Mr. Peter Cosgrove | (Chair) |
| Mr. Colm Carey | |
| Ms. Annette Byrne | |
| Ms. Denise Donohue | (Volunteer) |
| Mr. Stephen Crowley | |
| Mrs. Ger Bailey | (Member) |

Finance and Remuneration Committee

| | |
|--------------------|----------------|
| Ms. Sarah Watson | (Chair) |
| Mr. Alan Duffy | |
| Mr. Dominic Layden | (CEO at Aware) |

Board of Directors and Subcommittee Meeting Attendance for 2018

Board meetings for the calendar year are set in advance the previous year. Before each board meeting the Secretary issues the agenda for the board meeting with the draft minutes of the previous board meeting. Within the agenda matters for approval by the board are set out separately from matters for the attention of the board. The Secretary also circulates board papers in advance to the directors and the CEO circulates a comprehensive report on activities and financial matters.

| Board Director | Main Board Meeting Attendance (eligible meetings) | Subcommittee Meetings Attended (eligible meetings) |
|--|--|---|
| Mr. Alan Duffy (Chairperson) | 6(6) | 2(3) Finance Committee |
| Mr. Stephen Crowley (Secretary) | 6(6) | 5(6) Services Committee |
| Ms. Sarah Watson (Treasurer) | 3(6) (Joined May 2018) | 1(3) Finance Committee |
| Mr. Peter Cosgrove (Vice Chair) | 6(6) | 5(6) Services Committee |
| Ms. Annette Byrne | 5(6) | 5(6) Services Committee |
| Mr. Colm Carey | 6(6) | 5(6) Services Committee |
| Dr. Declan Lyons | 4(6) | 5(5) Clinical Committee |
| Dr. Lisa Lawless | 4(6) | 3(5) Clinical Committee |
| Ms. Jennifer Chamberlaine | 4(6) | N/A |
| Mr. Simon Holmes | 4(6) | N/A |
| Dr. Keith Gaynor | 2(6) | 3(5) Clinical Committee |
| Mr. Michael McCarthy | 5(6) | N/A |
| Mr. Pdraig Allen | 1(6) (Resigned May 2018) | N/A |
| Ms. Liz Joyce | 3(6) (Resigned May 2018) | 2(3) Finance Committee |
| Ms. Bríd O'Meara (Director of Services Aware) | N/A | 5(6) Services Committee |
| Dr. Andrea Higgins (Clinical Director Aware) | N/A- (Joined July 2018) | 2(5) Clinical Committee |
| Mrs. Ger Bailey (Member) | N/A | 0(5) Resigned from Services Committee May 2018 |
| Dr. Pat Mc Keon (Member) | N/A | 3(5) Clinical Committee |
| Ms. Denise Donohue (A volunteer & joined committee July 2018) | N/A | 3(6) Services Committee |
| Mr. Dominic Layden (CEO Aware) | 6(6) | 3(3) Finance Committee |

DIRECTORS' REPORT - continued

Board engagement with stakeholders

At the AGM each year the board are invited to meet with the members to review progress in the year and plans for the upcoming year. The Chair and the CEO are also available to meet with members during the year to discuss any matters of concern or future developments. A newsletter is issued bimonthly to all members, directors and volunteers which provides details of events, services and developments in the organisation. The AGM was held on the 9 October 2018 and items discussed with the members included a presentation by the CEO highlighting the work of the organisation in the previous and current year, along with future plans for 2019. The Chairman then invited comments from the members.

A new draft Memorandum and Articles of Association (The constitution) for Aware was completed in 2018 in consultation with professional advisors. The rationale for reviewing and updating the Memorandum & Articles of Association was that no review of same had taken place in the past 20 years. The Directors have a responsibility to ensure that the constitution of the organisation has been reviewed and is fit for the current and future requirements of the organisation. Any proposed changes were to ensure compliance with best practice and the Companies Acts 2014 and to ensure that any new relevant services could be provided without the document needing to be updated every few years.

The draft Memorandum and Articles of Association was approved by the Directors at its Board meeting on the 25 September 2018 and then submitted the draft to the members for their consideration.

Management

The Chief Executive, Mr. Dominic Layden, manages the operations of the company, reports directly to the Board and is not a member of the Board of Directors. Responsibility for key services is delegated to functional heads as follows:

- Director of Services - Ms. Brid O'Meara
- Head of Fundraising and Business Development - Mr. Gerry O'Brien
- Communications and Event Manager - Ms. Jamie Good
- Clinical Director – Dr. Andrea Higgins

Achievements and Performance

Aware was established in 1985 to provide a number of support services that would enable the organisation to meet its principal objectives (which are disclosed on page 4). Key Strategic goals are set out in our strategic plan for 2018-2020 (which are disclosed on page 4).

Support services

We provided Support & Self Care Group weekly meetings in 32 locations nationwide, recording 10,330 visits in 2018, compared to 10,792 visits to 42 groups in 2017. We have observed a trend of declining numbers over the past number of years. We are of the opinion that more people are choosing to attend skills based programmes of a fixed duration, over peer to peer support groups. The growth of Aware's 6 week Life Skills Programme, which teaches coping skills, seems to support this change. 2,511 adults attended our Life skills Programmes in 2018, compared to 2,004 participants in 2017.

Our freephone telephone **Support Line** responded to 13,856 calls in 2018 compared to 12,700 calls in 2017 and 11,679 in 2016. In 2018 we were unable to answer 6,443 calls due to both lines being busy with other callers and/or an insufficient number of volunteers on the line at specific periods. A decision was taken to add a third line, which was implemented in February 2019, along with increasing the number of volunteers to allow us to answer more calls.

Our encrypted email **Support Mail** service responded to 2,418 emails in 2018 compared to 1,956 emails in 2017.

DIRECTORS' REPORT - continued

Education services

While Aware was originally established to provide support and understanding, the organisation has evolved over the years to recognize the importance of promoting positive mental health, in order to work towards reducing the prevalence of mental illness. To that end, we continue to develop and expand our education programmes, to empower adults and young people with the knowledge and skills to look after their mental health, significantly increasing the volume of programmes delivered throughout the country in 2018. As an organisation, we place great importance on early intervention and so, since 2017, Aware has prioritized delivery of our Life Skills in Schools Programme as it is a more comprehensive programme, therefore reducing the number of Beat the Blues Talks.

Aware's education programmes include a **Life Skills Programme**, based on the principles of cognitive behavioural therapy, which educates and trains participants on how to manage mild to moderate depression or anxiety, offered to participants in a number of formats:

- **An Adult Group Programme**, available in a group setting at venues nationwide with 120 programmes delivered to 2,511 participants in 2018, up from 98 programmes delivered to 2,004 participants in 2017. The increase in programmes in 2018 was due to additional funding received by NOSP (National Office of Suicide Prevention).
- **An Adult Online Programme**, which was delivered in 5 phases to 1,676 participants in 2018, compared to 1,425 participants in 2017. The increase in participants was due to an increase in the number of volunteers available to support participants taking the programme (an increase of 49 volunteers compared to 2017).
- **A Life Skills for Schools Programme**, designed for senior cycle students aged 15 to 18 years, delivered over a 6-week period. 141 programmes were delivered at 84 schools (to 2,961 students) nationwide in 2018, representing a significant increase compared to 2017 when we delivered 68 programmes to 49 schools.

Aware also delivers a 70 minute talk called "**Beat the Blues**", which teaches senior cycle students to recognise the symptoms of anxiety, stress, depression and bipolar disorder, teaches positive mental health techniques and provides advice and guidance on the importance of talking. 574 sessions took place at 265 schools in 2018, compared to 542 sessions in 225 schools in 2017.

A workplace based one-hour **Wellness@Work** talk, aimed at raising awareness of mental health issues. The talk covers anxiety, stress, depression and bipolar disorder in the workplace and helps staff and managers to learn and use relevant coping skills to better manage positive mental health. We delivered 108 sessions in 2018 compared to 137 in 2017. We have begun a process of reevaluating our current programme and meeting with corporates to better understand their needs, following the recent increase in corporate companies creating new wellness programmes for their staff.

Our **Relatives & Friends Programme**, an education and support programme, specifically designed for those supporting a loved one, was delivered to 468 participants nationwide over 35 programmes. This represented a significant increase from 2017 when we delivered 20 programmes to 275 participants.

Information services and communications activities

Key strategic goals for the organisation as set out in our strategic plan for 2018-2020 are

- to promote positive mental health through information, education, research and policy advocacy.
- to build Aware's profile and brand as the leading national charity to achieve these goals.

Information services include:

The Aware **website** provides a repository of information about depression, bipolar disorder and related mood conditions. In 2018, Aware received 774,000 unique views to our website, compared to 680,000 in 2017. Our presence on social media has also increased significantly and, at the end of 2018, we had over 59,000 Facebook followers (a 12% increase on 2017) and more than 21,000 twitter followers (up 1% on 2017).

DIRECTORS' REPORT - continued

Information services include: - continued

Aware's monthly public **Lecture Series**, delivered by leading clinicians and experts, are recorded and posted on the Aware website. There are new topics and speakers each month. Aware received over 317,000 views of the lectures in 2018, compared to 217,000 in 2017. There is huge value in putting our monthly lectures online as it allows us to reach even more people. All lectures are archived, so the public can also download lectures from previous years.

In 2018, we produced a series of videos – 'The Resilience Series', featuring well known personalities discussing the topic of resilience in the context of each person's individual journey, with the aim of promoting positive mental health. Aslan frontman Christy Dignam, Senator David Norris, rugby pundit Alan Quinlan and bestselling author Marian Keyes gave up a significant amount of their time to participate in these videos. The response from the public was staggering, the videos achieved an organic reach of over 1.3m people on social media and just under 400,000 people have viewed the videos on social media.

Information services and communications activities

In 2017, we partnered with the ESB. As part of this partnership, ESB Networks generously hosted Aware at the National Ploughing Championships in 2017 and 2018, providing the organization with a large branded stand and significant presence at the event. Our goal was to highlight the impact of depression within rural communities and to highlight the wide range of services available nationwide.

Recruitment and training of volunteers and training partners

Aware's services are provided either by highly trained and committed volunteers, or training partners who are paid to deliver our educational services on a sessional basis. We are committed, as an organisation, to ensuring that we recruit volunteers and training partners carefully and train them to the highest standards. To that end, we have dedicated staff members who manage our volunteer and training partners' recruitment and training programmes.

Volunteer recruitment

Each year we have two recruitment drives for new volunteers. Recruitment usually opens four months ahead of training, this allows us to source and interview suitable volunteers for each of the roles. All volunteers go through an extensive recruitment process which includes completing an online application form, a pre-screening call, a 30 minute telephone interview, submission of two references, Garda Vetting and, are required to complete the Children First e-learning module.

In phase one of 2018, there were 267 interested applicants of which 127 were invited to training. 101 completed all elements of training and went on to join their respective service. In phase two of the same year, there was a similar pattern with 292 interested applicants of which 139 were invited to training and 118 completed training.

Recruitment Summary 2018

| | Total Applicants | Invited to Training | Completed Training |
|-----------------------|-------------------------|----------------------------|---------------------------|
| Support Line | 135 | 56 | 49 |
| Support Mail | 120 | 58 | 46 |
| LSO | 107 | 61 | 50 |
| Support Groups | 197 | 91 | 74 |
| Total | 559 | 266 | 219 |

Everyone who completes an online application receives a pre-screening call, from these calls interviews are arranged. In 2018, the interview questions and assessment criteria were reviewed. This allowed us to zone in to explore motivations for volunteering, commitment and knowledge of Aware and its support services. In doing so we could glean volunteers who were a better fit for a particular service and in turn improve volunteer retention.

DIRECTORS' REPORT - continued

Volunteer training

In 2018, we continued with a combined "day one training" for volunteers across the four support services. In phase two, we recruited for three of the support services. Recruitment and retention of volunteers for Support Mail had proved very successful in phase one which meant that we did not require a second intake of volunteers for that year. Ahead of training all material was reviewed with additional group work and role plays incorporated along with helpful phrases.

Stepping down

Listening carefully to our volunteers allows us to reflect on our practice and see how we can make the best use of training so that our volunteers are prepared and supported for undertaking their important role. This listening is also important when volunteers come to the end of their volunteering time with Aware. In 2018, 170 volunteers stepped down from volunteering with us. The most commonly occurring reason for this was work/life balance followed closely by a change in personal circumstances.

Volunteer education days

In 2018 we delivered four successful education days; two in Dublin, one in Cork and Galway. These days are a vital opportunity to re-engage with peers, hear an update on the organisation and refresh on practice. It is mandatory for volunteers to attend one education day per year. We introduced a long service recognition pin to volunteers who have been with Aware 3, 10 and 20 years.

Recruitment and training of training partners (paid contractors)

The recruitment procedure for our training partners was updated in 2018 to a 3 step process. This consists of an initial interview, on-site training and then delivery demonstration by the applicant.

Significant pre training preparation is required by all candidates; each candidate is required to review programme content/tutor notes to make best use of training time at the training event. The core objectives of each programme/module are produced to enhance and support learning and ensure quality and consistency of subsequent delivery.

Delivery demonstration

Successful candidates return to deliver the programme and candidates need to demonstrate delivery of the key core objectives of each programme and module of programme. Feedback is provided on delivery of programme at the end of each module delivered to ensure assessment is constructive.

Continual assessment

Successful candidates are then continually assessed. Management make unannounced site visits and sit in on programmes delivered by the training partner.

In 2018, we interviewed 50 new candidates to deliver our training programmes. 74% of those interviewed were successful and selected to become an Aware training partner.

Key challenges encountered during the year

Services: As part of our strategy, we planned to develop and pilot a new online Panic Disorder Programme and a Bipolar Group Programme in 2018. We have carried these plans over to 2019.

Fundraising: A key challenge for the organisation in 2018 was to identify, create and implement a new event or donor campaign that would allow us to develop a new sustainable income source. We met with multiple creative agencies and briefed them on our requirements. We received a number of very creative proposals but after careful analysis we did not have confidence that any of the campaign ideas could be monetized to a sufficient degree or develop into a sustainable income stream. We will continue to try and identify new proposals in 2019.

DIRECTORS' REPORT - continued

Fundraising

In 2018, we received just over 17% of our total income from the Health Service Executive (HSE) under section 39 of the Health Act 2004. The balance of our income (83%) was generated by donations from the public, corporate donations and sponsorships, and through public and corporate events. We have a very small fundraising department consisting of 2 full-time employees and one part-time staff member. Our income generated each year is not guaranteed and is very difficult to predict and forecast.

Aware organises and manages a number of events to include the Aware Christmas Run, Harbour2Harbour Walk for the public and a Corporate Ball, Golf Day and Luncheon for the business sector.

A significant amount of our time and resources goes into developing and building relationships with the corporate sector, on which we rely for a significant proportion of annual income. This has resulted in developing new and increased revenues from this sector and we are especially grateful to our corporate partners to include the ESB, Dublin Port Company, Maxol, Mondalez, Lundbeck and many others. The organisation is also very appreciate to all those organisations who generously donated raffle and auction prizes throughout the year.

In addition to Aware led events and corporate partnerships, many hundreds of people nationwide organised or participated in community fundraising events throughout the year, generating much needed funds to enable Aware to continue its valuable work.

In 2018, the organisation spent €561,424 related to Fundraising. These are the costs related to the costs for directing and managing fundraising events and the staff costs associated with all our Fundraising activities. The Fundraising staff were responsible for generating an income of €2,039,018 in 2018. On average, therefore it cost Aware €0.27c to generate €1 of income in 2018.

Results for the year and review of operations

We outline below the key changes in operations and results during the year.

1. Sale of existing owned property (located at 72 Lower Leeson Street Dublin 2)

The Board reviewed its office requirements in 2017 and resolved to sell its premises located at 72 Lower Leeson Street, Dublin 2 and relocate to premises which better meet the changed size and needs of the organisation. The sale of the premises in September 2018 released funds (€1.225m) which will in part be reinvested in the development of new services, the targeting of longer term sources of funding and putting aside an additional €357,000 into reserves following a recommendation from the finance committee. (See reserves note on page 13). The sale of the premises was a difficult decision for our long standing members who were concerned that the organisation was selling a valuable asset, potentially leaving the organisation exposed should there be a downturn in our income. The board considered the members concerns very carefully and were confident that the organisation was not going to be unduly financially exposed by a sale of the property. The board also agreed that when the building was sold that the reserves would be increased significantly as suggested by the members and recommended by the Finance and Remuneration committee. The board therefore made a unanimous decision to sell the premises and lease rather than purchase a new office.

2. Occupancy of new office (located at 9 Leeson Street Upper, Dublin 4)

The board approved to enter into a 10 year lease for the above property at its September 2017 board meeting for use as the company's new offices. The office move took place on the 9th April 2018 following fit out of the premises and the relocation of the Support Line. The offices are considerably smaller than our previous office but meet our current and future planned requirements. The lease agreed with the landlord provides for a break clause after 5 years if the organisation so requires.

3. Financial results

The results for the year ended 31 December 2018 as set out on page 19. The company generated income of over €2.8 million in the year. Fundraising and donations represent 82.9% (2017: 82.5%) of total income with 17.1% (2017: 17.5%) received from grant funding under Section 39 of the Health Act 2004.

At year-end, the company had reserves of €1,650,334. These reserves are available to cover the risk of a fall in future income generation and to support continued delivery of the strategic plan.

DIRECTORS' REPORT - continued

Department of Social Protection

The Department of Social Protection continues to sponsor a Community Employment Project which provides a supportive working environment for participants who are returning to the workforce after a period of unemployment. The Scheme employees are employed in the Aware charity shop located in Phibsboro, Dublin 7. The company appreciates the mutual benefit and support that this project provides.

Principal risks and uncertainties

The company maintains a risk register which identifies the key risks facing the organisation, along with mitigating factors, under various risk headings. The risk register is reviewed regularly at board meetings.

The directors consider that the following are the principal risks and uncertainties that could materially and adversely impact the company's future operating results or financial position:

- Reduction in fundraising income
- Uncertainty of government funding
- Ability to continue to recruit and retain volunteers
- Retention of key staff
- External events impacting the charity sector
- Competition from other service providers
- Reputational risk resulting from confidentiality and data protection breaches.
- Health and safety
- Clinical

The company seeks to mitigate the risks and uncertainties faced through use of appropriate risk management techniques, including:

- Operating a flexible service delivery model which enables the number of services delivered and corresponding costs to be managed to respond to conditions such as a reduction in the timing or quantum of funding available.
- Targeting income from a number of sources to reduce dependency on any one source. The Company has also adopted the Statement of Guiding Principles for Fundraising from the Charities Institute and is in compliance with same.
- Investing in volunteers. Aware was awarded the Investing in Volunteers Quality Standard in January 2015, recognising that as an organisation Aware has demonstrated a real commitment to volunteering and proven that our volunteer management policies and procedures meet the highest recognised standards in the UK and Ireland. In 2018, Aware applied for a renewal of the standard (as it is only granted for a period of three years). The organisation was audited in the 4th Quarter 2018 and just over 7% of the organisation volunteers were interviewed independent of management. In February 2019 Aware was awarded the standard once again for a further three years.
- Conducting independent evaluation of services and adoption of recommendations.
- The clinical committee met five times in 2018 and part of their Terms of Reference is to gauge and assess clinical risks. The clinical committee in 2018 tasked that the Clinical Director would conduct a review of all services in 2018 and report back findings and recommendations to the clinical committee. The Clinical Director completed the review in February 2019 and provided a very comprehensive review to both the clinical committee and the board. The aims of the review were to identify current service functions, needs, impact and future directions, current functioning in the context of international best practice and how each service compared to same. The recommendations arising from the clinical review were approved by the board at its March 2019 board meeting and a detailed implementation plan has been prepared.
- Use of established protocols for the vetting, training and continual assessment of volunteers and contractors, including thorough unannounced attendance, observation and assessment of programme sessions by senior management and the use of feedback forms from programme attendees.
- Implementation of best practice data protection and confidentiality protocols. The organisation engaged an external consultancy that specialises in Data Protection to review all our policies and procedures to ensure we are compliant with GDPR legislation.

DIRECTORS' REPORT - continued

Principal risks and uncertainties - continued

- The organisation has in place Insurance cover to mitigate against any possible claims against the organisation. This includes cover for the following:
 - Professional Indemnity
 - Management Liability (including Directors and Officer Cover and Employment Practices liability)
 - Public and Products and Employers liability
 - Property building and contents
 - Business interruption
 - Email and internet

Restricted income

The majority of the company's income and the funds held by it are unrestricted. Funding received from a number of organisations is allocated to the following programmes, and is treated as restricted:

- ESB Energy for Generations Fund, allocated to Life Skills for Schools Programme
- The Cadbury Foundation, allocated to Beat the Blues Programme
- HSE Grant, allocated to Support Groups, Support Line and Support Mail
- HSE National Lottery Grant, allocated to Relatives & Friends Programme
- National Office for Suicide Prevention, allocated to Life Skills Programme

Reserves and investment policy

In line with best practice, the directors have considered the level of funds required to ensure that there exists a fund to provide for an orderly winding up of Aware in the unlikely event of there being a necessity to wind-up the company. A "Statement of Reserves and Investment Policy Principles" was drafted, and subsequently approved by the Finance Committee. The key objectives of the policy are:

- To ensure that the Company has sufficient funds to access in the event of a temporary reduction in income of the Company.
- To ensure that there are sufficient funds maintained at all times to continue with a level of volunteer led supports services.
- To ensure an orderly wind-up of the Company can be affected if required.
- That any additional funds are used to invest in services, fundraising and communications in line with the company's strategic plans.

As a planned consequence of the sale of our property (our former offices located at 72 Lower Leeson Street) the finance committee also recommended to the board that reserves should be increased to €666,000 once the sale proceeds were completed. The rationale for increasing the reserves from €309,000 to €666,000 was due to the fact that the organisation was taking on an additional and significant lease (on its new premises located at 9 Leeson Street upper) and disposing of an asset (the organisation's former offices). The board considered the recommendation of a reserve of €666,000 to be more than sufficient to meet this requirement and approved the proposal from the finance committee. The board and management will keep this reserve requirement under regular review and it will be amended as and when required.

The company held cash at bank of €1,792,340 as at 31 December 2018 of which €666,000 is set aside and held in separate deposit bank accounts. The purpose of these accounts is twofold; firstly, to ring fence the winding up reserves of €309,000 and secondly to maintain an additional buffer which is available to meet cash requirements subject to approval by resolution of the board.

Pensions

The company operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the income and expenditure account.

Every employee is entitled to join the company pension after their probationary period. The company contributes 5% to the employees' pension and the employee can match that contribution.

DIRECTORS' REPORT - continued

Remuneration policy and staff performance and development

A new remuneration policy was approved by the board at its May 2018 board meeting. The finance and remuneration committee is responsible for reviewing salaries of all senior management roles within the organisation and from time to time to recommend increases to the board of Aware, as appropriate. Management are responsible for setting and reviewing the salaries for staff, in accordance with the policy and approved budget.

The policy includes for the finance and remuneration committee to review salaries and any cost of living adjustments annually that may be deemed appropriate and to recommend any such recommendation to the board for approval.

The CEO's current salary is €95,000 per annum (this was set following a benchmarking review by the board in 2014) and the CEO is paid for any work related expenses only with receipts attached and explained and signed off by the Chairman. The CEO has delegated responsibility to sign and authorize for payment the expenses (with attached receipts) for direct reports.

Each year the staff and management engage in a formal and documented performance and development review. This is an opportunity for staff and management to talk about their roles and how they are performing and to discuss any challenges/obstacles in their work and any ideas or recommendations for improvement and development.

Internal controls

The directors are responsible for ensuring that the company has effective risk management and internal controls in place. The board achieves this through regular review of significant risks and ensuring reasonable measures have been taken to manage those risks, including through the use of a risk register. Responsibility for implementation and management of the systems of internal control is delegated to senior management. See page 5 under corporate governance to see how the board reviewed and approved new internal controls policies in 2018.

Other important policies

The board approved a new Whistle Blowing policy in 2017 and in 2018 a new Home Working policy that allows employees to work from their home for limited periods of time. The company reviewed its confidentiality policies and its Data Protection policies in light of the new GDPR legislation introduced in 2018. Child protection is of paramount importance to the organisation and all employees, staff and volunteers who engage with any of our services are required to undertake Children First Training.

Environment

The company supports its staff and volunteers to conduct its business in a manner that helps protect the environment for all, including through the recycling of office waste where possible and the continued review of working practices to help to reduce the company's environmental impact.

Future developments

The company continues to develop and expand the services offered to ensure they continue to meet the changing needs of society. The clinical review conducted in 2018 has identified modifications and improvements to our current offering including increased supervision and monitoring of our services. The clinical review implementation plan will follow up on this review to ensure recommendations made are implemented.

In 2018 the board agreed to organise and host a major conference in Dublin during World Mental Health Week in October 2019. The Conference theme is "The Future of Depression & Bipolar Disorder" and will be held in the grounds of UCD (O'Reilly Hall and the Science Gallery). The Conference will have two streams, one reserved for Clinicians and another stream designed for members of the public.

Dividends and retention

The company is precluded by its Memorandum of Association from paying dividends, either as part of normal operations or on a distribution of its assets in the event of a winding-up.

DIRECTORS' REPORT - continued

Important events since the year-end

There have been no significant events affecting the company since the year-end other than the resignation of Mr. Gerry O'Brien (Head of Fundraising and Business Development) who left the organisation to take up a senior management role within the Department of Health. A process is underway to recruit a successor for Mr. O'Brien.

Political donations

There have been no donations made to any political party or organisations. The CEO does arrange to meet with the Minister of State with responsibility for Mental Health from time to time (and other politicians). All meetings or correspondence is registered with the Lobbying Register as per the requirements of the Lobbying Act 2013.

Research and development

The organisation did not fund any research projects in 2018. The organisation plans to develop a research strategy in 2019 as part of its commitment under the new clinical review implementation plan.

Accounting records

The measures taken by the directors to secure compliance with the company's obligations to keep adequate accounting records are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at 9 Leeson Street Upper, Dublin 4.

Disclosure of information to auditors

The directors in office at the date of this report have each confirmed that

- as far as he/she is aware, there is no relevant audit information of which the company's statutory auditors are unaware; and
- he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

Auditors

The auditors, PricewaterhouseCoopers have indicated their willingness to continue in office, and a resolution that they be re-appointed will be proposed at the Annual General Meeting.

On behalf of the board

Alan Duffy
Chairman



Sarah Watson
Treasurer



7 August 2019



Independent auditors' report to the members of Aware

Report on the audit of the financial statements

Opinion

In our opinion, Aware's financial statements:

- give a true and fair view of the company's assets, liabilities and financial position as at 31 December 2018 and of its net income and cash flows for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Irish law); and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

We have audited the financial statements, included within the Annual Report, which comprise:

- the Balance Sheet as at 31 December 2018;
- the Statement of Financial Activities for the year then ended;
- the Statement of Cash Flow for the year then ended;
- the Statement of Changes in Funds for the year then ended; and
- the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.



Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for 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 to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the statement of directors' responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for 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.

In preparing the financial statements, the directors are responsible for assessing the company'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 the directors either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

Auditors' 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 auditors' 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 further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

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

This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.



Other required reporting

Companies Act 2014 opinions on other matters

- 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.

Companies Act 2014 exception reporting

Directors' remuneration and transactions

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

A handwritten signature in black ink, appearing to read 'John Dunne', written in a cursive style.

John Dunne
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin

13 August 2019

STATEMENT OF FINANCIAL ACTIVITIES
Financial Year Ended 31 December 2018

| | Notes | Unrestricted funds € | Restricted funds € | Total 2018 € | Total 2017 € |
|------------------------------------|-------|----------------------------|--------------------------|--------------------|--------------------|
| Income from | | | | | |
| Donations and legacies | 2 | 804,710 | 106,000 | 910,710 | 1,103,722 |
| Charitable activities | 3 | - | 487,033 | 487,033 | 397,152 |
| Other trading activities | 4 | 641,275 | - | 641,275 | 760,181 |
| Other income | 5 | 806,806 | - | 806,806 | 664 |
| Total | | <u>2,252,791</u> | <u>593,033</u> | <u>2,845,824</u> | <u>2,261,719</u> |
| Expenditure on | | | | | |
| Charitable activities | 6 | 1,305,363 | 651,058 | 1,956,421 | 1,468,523 |
| Raising funds | 7 | 561,424 | - | 561,424 | 499,060 |
| Total | | <u>1,866,787</u> | <u>651,058</u> | <u>2,517,845</u> | <u>1,967,583</u> |
| Net income/(expenditure) | | 386,004 | (58,025) | 327,979 | 294,136 |
| Reconciliation of funds | | | | | |
| Fund balances brought forward | | <u>1,247,255</u> | <u>75,099</u> | <u>1,322,354</u> | <u>1,028,218</u> |
| Total funds carried forward | | <u>1,633,259</u> | <u>17,074</u> | <u>1,650,333</u> | <u>1,322,354</u> |

The company had no recognised gains or losses in the year other than those stated in the Statement of Financial Activities.

BALANCE SHEET
As at 31 December 2018

| | Notes | 2018 € | 2017 € |
|--|-------|-----------|-----------|
| Tangible fixed assets | 13 | - | 428,698 |
| Current assets | | | |
| Debtors and prepayments | 14 | 67,453 | 82,883 |
| Cash at bank and in hand | | 1,792,340 | 993,443 |
| Total current assets | | 1,859,793 | 1,076,326 |
| Liabilities | | | |
| Creditors - amounts due within one year | 15 | (209,460) | (182,670) |
| Net current assets | | 1,650,333 | 893,656 |
| Total assets less current liabilities | | 1,650,333 | 1,322,354 |
| Net assets | | 1,650,333 | 1,322,354 |
| The funds of the charity | | | |
| General funds | | 1,650,333 | 1,322,354 |

On behalf of the board

Alan Duffy
Chairman

Sarah Watson

STATEMENT OF CHANGES IN FUNDS
Financial Year Ended 31 December 2018

| | Unrestricted funds € | Restricted operating funds € | Designated funds € | Total € |
|--|----------------------------|---------------------------------------|--------------------------|------------------|
| Fund balance brought forward at 1 January 2017 | | | | |
| Income | 953,119 | 75,099 | - | 1,028,218 |
| Expenditure | 1,758,567 | 503,152 | - | 2,261,719 |
| Transfers | (1,464,431) | (503,152) | - | (1,967,583) |
| Gains and losses | - | - | - | - |
| | - | - | - | - |
| Fund balances carried forward at 31 December 2017 | 1,247,255 | 75,099 | - | 1,322,354 |
| Fund balance brought forward at 1 January 2018 | | | | |
| Income | 1,247,255 | 75,099 | - | 1,322,354 |
| Expenditure | 2,252,791 | 593,033 | - | 2,845,824 |
| Transfers | (1,866,787) | (651,058) | - | (2,517,845) |
| Gains and losses | (667,277) | - | 667,277 | - |
| | - | - | - | - |
| Fund balances carried forward at 31 December 2018 | 965,982 | 17,074 | 667,277 | 1,650,333 |

STATEMENT OF CASH FLOW
Financial Year Ended 31 December 2018

| | Notes | 2018 € | 2017 € |
|--|-------|------------------|-----------------|
| Net cash inflow from operating activities | | <u>380,038</u> | <u>320,245</u> |
| Cash flows from investment activities | | | |
| Proceeds from sale of property | | 806,311 | - |
| Interest received | 5 | <u>495</u> | <u>664</u> |
| Net cash provided by investing activities | | <u>806,806</u> | <u>664</u> |
| Cash flows from financing activities | | | |
| Repayment of borrowings | | - | (41,079) |
| Net cash provided by/(used in) financing activities | | <u>-</u> | <u>(41,079)</u> |
| Changes in cash and cash equivalents in the reporting year | 17 | 798,896 | 279,830 |
| Cash and cash equivalents at the beginning of the reporting period | | <u>993,443</u> | <u>713,613</u> |
| Cash and cash equivalents at the end of the reporting period | | <u>1,792,339</u> | <u>993,443</u> |
| Reconciliation of net income to net cash flow from operating activities | | | |
| Net incoming resources for the reporting period | | 327,979 | 294,136 |
| Depreciation | | 10,380 | 16,714 |
| Decrease/(increase) in debtors | | 15,430 | (47,713) |
| Increase in creditors | | 26,744 | 57,772 |
| Interest receivable | | <u>(495)</u> | <u>(664)</u> |
| Net cash provided by operating activities | | <u>380,038</u> | <u>320,245</u> |
| Reconciliation of net cash flow to movement in net funds | | | |
| Net funds at 1 January | 16 | 993,443 | 713,613 |
| Decrease in cash | 16 | <u>798,896</u> | <u>279,830</u> |
| Cash and cash equivalents at 31 December | 16 | <u>1,792,339</u> | <u>993,443</u> |

NOTES TO THE FINANCIAL STATEMENTS

1 Summary of significant accounting policies

General information

Aware is a company limited by guarantee and not having a share capital. It was incorporated in Ireland under registration number 235838 and has its registered office at 9 Leeson Street Upper, Dublin 4.

Statement of compliance

The entity financial statements have been prepared on a going concern basis and in accordance with Irish GAAP (accounting standards issued by the Financial Reporting Council of the UK). The entity financial statements comply with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102), and the Companies Act 2014. The financial statements have also been prepared in accordance with the recommendations of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland Charities (SORP FRS 102).

Charity SORP is not currently mandatory under Charities Act, 2009.

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2014.

The significant accounting policies used in the preparation of the entity financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated.

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date. It also requires the directors to exercise their judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed as part of note 1.

Going concern

The company meets its day-to-day working capital requirements through its cash balances and investments. The current economic conditions continue to create uncertainty over the ability of the company to maintain the level of income received. The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate for the foreseeable future. After making enquiries, the board has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. These financial statements have therefore been prepared on a going concern basis.

The company reported net incoming resources of €327,979. The directors are of the view that their strategic plan to increase fundraising activities should ensure the company's ability to continue as a going concern.

Value added tax

As the activities of Aware are classified as exempt or non-business activities for the purposes of value added tax, the company is unable to reclaim any of the value added tax which it suffers on its purchases. Expenditure in these financial statements is shown inclusive of such irrecoverable value added tax.

Incoming resources

Incoming resources are included in the Statement of Financial Activities (SOFA) when Aware is entitled to the income, it is virtually certain that it will be received and the income can be quantified with reasonable certainty. Income is shown gross before deduction of associated costs. No amounts are included for services donated by volunteers.

NOTES TO THE FINANCIAL STATEMENTS - continued

1 Summary of significant accounting policies - continued

Income comprises:

Donations:

Donations are accounted for when Aware is entitled to the monies or assets donated.

Legacies:

Legacies are recognised when Aware is legally entitled to them. This entitlement arises when Aware is advised that payment will be made or property transferred and the amount can be measured with reasonable certainty.

Grant income:

Grant income is recognised when Aware is entitled to receive the income.

Training and support:

Training and support income (included within other trading activities) is recognised when the services have been delivered and there is virtual certainty of receipt of amounts due.

Shop income:

All shop income is accounted for when the sale takes place.

Investment income:

Investment income is accounted for on an accruals basis.

Resources expended

Expenditure is analysed between expenditure on charitable activities, raising funds and support costs.

Expenditure is accounted for on an accruals basis. Allocations of support costs are based on the appropriate combination of staff time, department headcount or wage cost, direct expenditure or activity levels. Irrecoverable VAT is included with the expense items to which it relates.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Charitable activities

- Costs of charitable activities comprise of costs incurred by the company in providing training, support and educational services.

Raising funds

- Costs of raising funds comprise the costs incurred by the company in raising funds for its charitable purposes. It includes the costs of all fundraising activities and events.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Support costs

Support costs are those functions that assist the work of the company but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the company's programmes and activities.

NOTES TO THE FINANCIAL STATEMENTS - continued

1 Summary of significant accounting policies - continued

Employee benefits

The company provides a range of benefits to employees, including short term employee benefits such as paid holiday arrangements and post-employment benefits (in the form of a defined contribution pension plan, as required by law).

(i) Short term employee benefits

Short term employee benefits, including paid holiday arrangements and other similar non-monetary benefits, are recognised as an expense in the financial year in which employees render the related service.

(ii) Post-employment benefits

Defined contribution plan

The company operates a defined contribution plan for certain employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further contributions or to make direct benefit payments to employees if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The assets of the plan are held separately from the company in independently administered funds. The contributions to the defined contribution plan are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet.

Fund accounting

Income is classified as restricted and unrestricted as appropriate. Restricted income is used for specified purposes laid down by the donor. Expenditure for those purposes is charged against that income, together with a fair allocation of overheads and support costs, if any. All other income is unrestricted for expenditure on the general objectives of the company.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is charged in order to write off the assets over their expected useful lives at the following rates:

| | |
|--------------------------|-------------------|
| Equipment | 20% straight line |
| Fixtures and fittings | 20% straight line |
| Improvements to premises | 5% straight line |
| Leasehold interest | 5% straight line |
| Freehold premises | 2% straight line |

Financial instruments

The company has chosen to apply the provisions of Sections 11 and 12 of FRS 102 to account for all of its financial instruments.

(i) Financial assets

Basic financial assets, including other debtors, cash and cash equivalents, and short-term deposits, are initially recognised at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial asset is initially measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Other debtors and cash and cash equivalents, are subsequently measured at amortised cost using the effective interest method.

At the end of each financial year financial assets measured at amortised cost are assessed for objective evidence of impairment. If there is objective evidence that a financial asset measured at amortised cost is impaired an impairment loss is recognised in the Statement of Financial Activities. The impairment loss is the difference between the financial asset's carrying amount and the present value of the financial asset's estimated cash inflows discounted at the asset's original effective interest rate.

NOTES TO THE FINANCIAL STATEMENTS - continued

1 Summary of significant accounting policies - continued

Financial instruments - continued

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, and bank loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial liability is initially measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Trade and other creditors, bank loans, and financial liability from arrangements which constitute financing transactions are subsequently carried at amortised cost, using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is treated as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as due within one year if payment is due within one year or less. If not, they are presented as falling due after more than one year. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Provisions and contingencies

(i) Provisions

Provisions are liabilities of uncertain timing or amount. Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that a transfer of economic benefits will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the best estimate of the amount required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are reviewed at the end of each financial year and adjusted to reflect the current best estimate of the amount required to settle the obligation. The unwinding of the discount is recognised as a finance cost in the Statement of Financial Activities, presented as part of 'interest payable and similar charges' in the financial year in which it arises.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

(ii) Contingencies

Contingent liabilities, arising as a result of past events, are not recognised as a liability where it is not probable that the company will be required to transfer economic benefits in settlement of the obligation or the amount cannot be reliably measured at the end of the financial year. Possible but uncertain obligations are not recognised as liabilities but are contingent liabilities. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

Recovery of PAYE on donations

Income generated from the recovery of PAYE on donations is recognised when it is probable that the income will be received and the amount can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS - continued

1 Summary of significant accounting policies - continued

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised. Please refer to the directors' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities. Cash and cash equivalents are initially measured at transaction price and subsequently measured at amortised cost.

Bank deposits which have original maturities of more than three months are not cash and cash equivalents and are presented as current asset investments.

Reserves

The company needs reserves to allow it to continue to deliver its services to those who need them in the event that there is a fall in income or if unforeseen circumstances arise. Reserves are also required to meet contractual liabilities, including redundancy payments, payments to creditors and other related costs of winding up the company in the event that the company has to close. The company holds its designated reserves in two identifiable bank accounts which the board considers is more than sufficient to meet such costs.

Critical accounting judgements and estimation uncertainty

Estimates and judgements made in the process of preparing the company financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The directors make estimates and assumptions concerning the future in the process of preparing the entity financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

(i) Useful economic lives of tangible fixed assets

The annual depreciation on tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reviewed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the tangible fixed assets, and page 19 for the useful economic lives for each class of tangible fixed asset.

(ii) Impairment of debtors

The directors make an assessment at the end of each financial year of whether there is objective evidence that debtors are recoverable. When assessing impairment of other debtors, the directors consider factors including the age profile of outstanding balances and recent corresponding and historical experience of cash collections from the debtor. See note 14 for the net carrying amount of the debtors and the impairment loss recognised in the financial year.

NOTES TO THE FINANCIAL STATEMENTS - continued

| 2 Income from donations and legacies | Unrestricted € | Restricted € | 2018 € | 2017 € |
|--|-------------------|-----------------|----------------|------------------|
| Bequests | 258,342 | - | 258,342 | 602,695 |
| Corporate sponsorships | 407,772 | 106,000 | 513,772 | 333,578 |
| Corporate event donations | 13,208 | - | 13,208 | 24,245 |
| Public donations | 125,388 | - | 125,388 | 143,204 |
| Total donations and legacies | 804,710 | 106,000 | 910,710 | 1,103,722 |
| 3 Income from charitable activities | Unrestricted € | Restricted € | 2018 € | 2017 € |
| Grants received | | | | |
| HSE North West area - CH01 | - | 8,476 | 8,476 | 8,476 |
| HSE Dublin South West area - CH07 | - | 74,203 | 74,203 | 74,203 |
| HSE Midland area - CH08 | - | 10,000 | 10,000 | 10,000 |
| HSE North Eastern area - CH08 | - | 11,687 | 11,687 | 11,687 |
| HSE Mid-Western area - CH03 | - | 10,570 | 10,570 | 10,567 |
| HSE South Eastern area - CH05 | - | - | - | 25,172 |
| HSE Western area - CH02 | - | 8,067 | 8,067 | 8,067 |
| National Mental Health Area | - | 37,752 | 37,752 | 12,580 |
| National Lottery Funding | - | 28,782 | 28,782 | 8,900 |
| National Office of Suicide Prevention | - | 297,496 | 297,496 | 227,500 |
| Total income from charitable activities | - | 487,033 | 487,033 | 397,152 |
| 4 Income from other trading activities | Unrestricted € | Restricted € | 2018 € | 2017 € |
| Charitable events | 279,651 | - | 279,651 | 319,308 |
| General fundraising | 263,669 | - | 263,669 | 333,872 |
| Shop and Christmas cards | 97,955 | - | 97,955 | 107,001 |
| | 641,275 | - | 641,275 | 760,181 |
| 5 Other income | Unrestricted € | Restricted € | 2018 € | 2017 € |
| Bank interest received | 495 | - | 495 | 664 |
| Gain on disposal of property | 806,311 | - | 806,311 | - |
| | 806,806 | - | 806,806 | - |

NOTES TO THE FINANCIAL STATEMENTS - continued

| 6 Expenditure on charitable activities | Note | Unrestricted € | Restricted € | 2018 € | 2017 € |
|---|-------------|---------------------------|-------------------------|-------------------|-------------------|
| Marketing | | 60,470 | - | 60,470 | 38,316 |
| Recruitment | | 28,778 | - | 28,778 | 28,321 |
| Staff costs | | 557,666 | 127,934 | 685,600 | 585,196 |
| Support costs | 8 | 364,273 | - | 364,273 | 185,677 |
| Training and support programmes | | 294,176 | 523,124 | 817,300 | 631,013 |
| | | <u>1,305,363</u> | <u>651,058</u> | <u>1,956,421</u> | <u>1,468,523</u> |

| 7 Expenditure on raising funds | Note | Unrestricted € | Restricted € | 2018 € | 2017 € |
|---------------------------------------|-------------|---------------------------|-------------------------|-------------------|-------------------|
| Charity shop | | 29,224 | - | 29,224 | 35,809 |
| Fundraising events | | 128,154 | - | 128,154 | 105,838 |
| General fundraising | | 22,170 | - | 22,170 | 11,319 |
| Recruitment | | - | - | - | 7,080 |
| Staff costs | | 240,991 | - | 240,991 | 259,190 |
| Support costs | 8 | 140,885 | - | 140,885 | 79,824 |
| | | <u>561,424</u> | <u>-</u> | <u>561,424</u> | <u>499,060</u> |

| 8 Support costs | Charitable activities € | Raising funds € | Total € |
|------------------------|--|--------------------------------|--------------------|
| 2018 | | | |
| Administration costs | 15,060 | 4,759 | 19,819 |
| Finance costs | 1,110 | 476 | 1,586 |
| Other support costs | 28,850 | 10,979 | 39,829 |
| Overheads | 197,900 | 78,851 | 276,751 |
| Professional fees | 61,440 | 15,343 | 76,783 |
| Staff costs | 52,662 | 28,356 | 81,018 |
| Sundry | 7,251 | 2,121 | 9,372 |
| | <u>364,273</u> | <u>140,885</u> | <u>505,158</u> |
| 2017 | | | |
| Administration costs | 26,218 | 2,786 | 29,004 |
| Finance costs | 1,594 | 2,077 | 3,671 |
| Other support costs | 30,802 | 12,398 | 43,200 |
| Overheads | 52,137 | 17,097 | 69,234 |
| Professional fees | 43,605 | 29,283 | 72,888 |
| Staff costs | 27,239 | 14,667 | 41,906 |
| Sundry | 4,082 | 1,516 | 5,598 |
| | <u>185,677</u> | <u>79,824</u> | <u>265,501</u> |

Support costs are apportioned across expenditure types on the basis of staff numbers and utilisation, as appropriate.

NOTES TO THE FINANCIAL STATEMENTS - continued

9 Particulars of employees

| 2018 | 2017 |
|--------|--------|
| Number | Number |

The average number of staff employed by the company during the financial year amounted to:

| | | |
|--|-----------|-----------|
| Administrative staff | 2 | 2 |
| Sales/fundraising | 5 | 5 |
| Staff deployed in therapeutic services | 15 | 14 |
| Total number of staff | <u>22</u> | <u>21</u> |

Staff costs:

The number of higher paid employees:

| | | |
|--------------------|----------|----------|
| €90,000 - €100,000 | 2 | 2 |
| €80,000 - €90,000 | 1 | 1 |
| €70,000 - €80,000 | <u>-</u> | <u>-</u> |

| 2018 | 2017 |
|------|------|
| € | € |

| | | |
|------------------------|------------------|----------------|
| Wages and salaries | 885,454 | 781,690 |
| Social insurance costs | 98,661 | 84,459 |
| Pension costs | 23,494 | 20,143 |
| | <u>1,007,609</u> | <u>886,292</u> |

Key management

The compensation paid or payable to key management for employee services is shown below. Compensation paid or payable includes salaries, social insurance costs and post-employment benefits.

| 2018 | 2017 |
|------|------|
| € | € |

| | | |
|---------------------------------------|----------------|----------------|
| Total remuneration for key management | <u>387,212</u> | <u>341,359</u> |
|---------------------------------------|----------------|----------------|

10 Directors' emoluments

The company does not pay any remuneration to the volunteer board of directors.

Directors are reimbursed for receipted expenses which in 2018 totalled €804 (2017: €492).

11 Interest payable and similar charges

| 2018 | 2017 |
|------|------|
| € | € |

| | | |
|------------------------------------|----------|------------|
| Interest payable on bank borrowing | <u>9</u> | <u>314</u> |
|------------------------------------|----------|------------|

NOTES TO THE FINANCIAL STATEMENTS - continued

| 12 Net income/(expenditure) for the year | 2018 | 2017 |
|---|-------------|-------------|
| | € | € |

This is stated after charging:

| | | |
|----------------------------|---------------|---------------|
| Depreciation (note 13) | 10,380 | 16,714 |
| Bank interest | 9 | 314 |
| Audit fees (excluding VAT) | <u>21,000</u> | <u>21,000</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued

13 Fixed assets

| | Equipment € | Fixtures and fittings € | Improvement to premises € | Leasehold interest € | Freehold premises € | Total € |
|---------------------------------|----------------|-------------------------------|---------------------------------|----------------------------|---------------------------|------------|
| Cost | | | | | | |
| At 31 December 2017 | 109,599 | 13,639 | 8,998 | 15,706 | 692,007 | 839,949 |
| Additions | - | - | - | - | - | - |
| Disposals | - | - | - | - | (692,007) | (692,007) |
| Write offs | (109,599) | (13,639) | (8,998) | (15,706) | - | (147,942) |
| At 31 December 2018 | - | - | - | - | - | - |
| Accumulated depreciation | | | | | | |
| At 31 December 2017 | 109,599 | 13,639 | 8,998 | 15,706 | 263,309 | 411,251 |
| Charge for the period | - | - | - | - | 10,380 | 10,380 |
| Disposals | - | - | - | - | (273,689) | (273,689) |
| Write offs | (109,599) | (13,639) | (8,998) | (15,706) | - | (147,942) |
| At 31 December 2018 | - | - | - | - | - | - |
| Net book value | | | | | | |
| At 31 December 2017 | - | - | - | - | 428,698 | 428,698 |
| At 31 December 2018 | - | - | - | - | - | - |

During the year, tangible fixed assets with a carrying value of €428,698 was disposed. The asset had a cost of €692,007 and accumulated depreciation of €273,689. The gain on the disposal of this asset was €806,311.

The write off of other fixed assets occurred due to the movement of premises, resulting in these assets no longer being in use.

NOTES TO THE FINANCIAL STATEMENTS - continued

| 14 Debtors | 2018 | 2017 |
|-------------------|---------------|---------------|
| | € | € |
| Debtors | 46,985 | 68,429 |
| Prepayments | 20,468 | 14,454 |
| | <u>67,453</u> | <u>82,883</u> |

All amounts are receivable within one year.

| 15 Creditors (amounts falling due within one year) | 2018 | 2017 |
|---|----------------|----------------|
| | € | € |
| Trade creditors | 71,825 | 110,350 |
| Accruals | 23,602 | 24,458 |
| Pay related social insurance | 54,708 | 26,498 |
| Bank loan - mortgage | - | 6,629 |
| Other creditors | 2,249 | 1,496 |
| Amount due to Aware Community Employment Scheme | 22,076 | 13,239 |
| Deferred restricted income | 35,000 | - |
| | <u>209,460</u> | <u>182,670</u> |

Amounts owed to related parties in respect of Aware Community Employment Scheme are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Trade and other creditors are payable at various dates in the next three months in accordance with the suppliers' usual and customary credit terms.

Tax and social insurance are repayable at various dates over the coming months in accordance with the applicable statutory provisions.

| 16 Analysis of changes in cash and cash equivalents | 31 December | Cashflow | 31 December |
|--|--------------------|-----------------|--------------------|
| | 2017 | | 2018 |
| | € | € | € |
| Cash at bank | <u>993,443</u> | <u>798,897</u> | <u>1,792,340</u> |
| | 31 December | Cashflow | 31 December |
| | 2016 | | 2017 |
| | € | € | € |
| Cash at bank | <u>713,613</u> | <u>279,830</u> | <u>993,443</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued

| 17 Financial instruments | 2018 | 2017 |
|---|------------------|----------------|
| | € | € |
| Financial assets: | | |
| - Cash at bank and in hand | <u>1,792,340</u> | <u>993,443</u> |
| - Debtors and prepayments | <u>67,453</u> | <u>82,883</u> |
| Financial liabilities: | | |
| - Trade creditors | 71,778 | 110,350 |
| - Accruals | 23,602 | 24,458 |
| - Pay related social insurance | 54,708 | 26,498 |
| - Bank loan - mortgage | - | 6,629 |
| - Other creditors | 2,249 | 1,496 |
| - Amount due to Aware Community Employment Scheme | 22,076 | 13,239 |
| - Deferred income | <u>35,000</u> | <u>-</u> |
| | <u>209,413</u> | <u>182,670</u> |

18 Related party transactions

There are no related party transactions, other than those with Aware Community Employment Scheme as disclosed in note 15.

19 Controlling party

The company is ultimately controlled by the members and is governed by the board of volunteer directors. No director derives economic benefit from the company or any related companies.

20 Comparative amounts

Certain comparative amounts have been reclassified to maintain comparability with current period disclosures.

21 Commitments

The company signed a lease on an office located at 9 Leeson Street Upper, Dublin 4. This office is the main office for the organisation and staff and volunteers on the support line is based at this location. The company entered into a 10 year lease with a 5 year break clause on 29 November 2017 at an annual rent of €83,000 per annum.

There were no other commitments at year end 31 December 2018.

22 Approval of financial statements

The financial statements were approved and authorised for issue by the board of directors on 7 August 2019 and were signed on its behalf on that date.