

**Saint John of God Community Services clg**  
**(A company limited by guarantee, not having a share capital)**

**Annual Report and Financial Statements**

**Financial Year Ended 31 December 2019**

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## DIRECTORS AND OTHER INFORMATION

### Board of directors

William Forkan (Brother Donatus)  
Anne Gunning  
Paul Robinson  
Gerard Boyle  
Charles Watchorn  
Eimer O'Rourke  
James Hussey

### Solicitors

Porter Morris and Co.  
10 Clare Street  
Dublin 2

### Secretary and registered office

Ciaran Cuddihy  
"Granada"  
Stillorgan  
Co Dublin

### Bankers

Bank of Ireland  
College Green  
Dublin 2

### Chief Executive Officer

Clare Dempsey

**Company number:** 430744

**Charity Tax Exemption number:** CHY 18284

**Charity Reg. number:** 20069865

### Auditors

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

## DIRECTORS' REPORT

The directors present their report and the audited financial statements for the financial year ended 31 December 2019. The Directors confirm that the financial statements of the company comply with the current statutory requirement of the company's governing documents and with the provisions of FRS 102 and 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 Charity SORP (FRS102). The Charity SORP (FRS102) is not yet mandatory in the Republic of Ireland and the Irish Charity Regulator has not yet prescribed accounting regulations for Irish Charities. In the absence of such prescriptive guidance this Board has adopted the Charity 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 profit or loss of the company for the financial year. Under that law the directors have prepared the financial statements in accordance with Irish Generally Accepted Accounting Practice (accounting standards issued by the UK Financial Reporting Council, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* and Irish law).

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 profit or loss 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 profit or loss 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.

### Principal activities and business review

Saint John of God Community Services clg operates HSE (Health Service Executive) funded services to children and adults with intellectual disability and children, adolescents and adults with mental illness. The services are provided in the tradition of Saint John of God. Please see Trustees' Report for more details.

The charity is a registered company and the reports and results are presented in a form which complies with the requirements of the Companies Acts 2014. The company has been granted charitable tax exemption by the Revenue Commissioners.

### Financial review

The deficit for the year is set out in the Statement of Financial Activities. An overview of the financial performance for the year is included in the trustees report on page 16.

### Accounting records

The measures taken by the directors to secure compliance with the company's obligation to keep adequate accounting records include the use of appropriate systems, policies and procedures and the employment of competent persons. The accounting records are kept at Hospitaller House, Stillorgan, Co. Dublin.

**DIRECTORS' REPORT - continued**

**Going concern**

Based on a combination of the facts and circumstances set out in note 1 to the financial statements, the directors have concluded that there is a material uncertainty related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. Nevertheless after making enquiries and considering the proposed actions and negotiations described in Note 1, the directors have a reasonable expectation that agreement will be reached with the HSE, and that appropriate measures can be taken to ensure the Company has adequate resources to continue in operational existence for the foreseeable future and to implement planned actions. For these reasons they continue to adopt the going concern basis in preparing the directors' report and financial statements of the company. The directors' detailed considerations in relation to the appropriateness of the going concern concept are set out in Note 1 to the financial statements.

**Regions**

The organisation comprises of five regions offering services to people with intellectual disability and mental ill health, details of which are set out in note 4 (p) of the financial statements.

**Political donations**

The company did not make any political donations during the financial year.

**Research and development**

The company carries out ongoing healthcare research and so ensures that evidence based best practice informs our delivery of service.

**Directors**

The names of the persons who were directors at any time during the year ended 31 December 2019 are set out below. Unless indicated otherwise they served as directors for the entire year.

- William Forkan (Brother Donatus)
- Anne Gunning
- Paul Robinson
- Gerard Boyle
- Charles Watchorn
- Anne Cleary
- Eimer O'Rourke
- James Hussey

**Attendance at Board and Board Committee Meetings**

The attendance of the Board of Directors and Board Committee members at meetings is as follows:

<b>Board meeting</b>	<b>Eligible</b>	<b>Attended</b>
William Forkan	12	11
Anne Gunning	12	7
Gerard Boyle	12	11
Paul Robinson	12	10
Eimer O'Rourke	12	12
Charles Watchorn	12	11
Anne Cleary	12	11
James Hussey	12	10

<b>Board finance committee</b>	<b>Eligible</b>	<b>Attended</b>
Paul Robinson	10	10
Charles Watchorn	10	10

<b>Board audit and risk committee</b>	<b>Eligible</b>	<b>Attended</b>
Gerry Boyle	10	9
Paul Robinson	10	10
Charles Watchorn	10	10

<b>Board nominations, performance and governance committee</b>	<b>Eligible</b>	<b>Attended</b>
Gerry Boyle	8	7
Paul Robinson	8	8
Anne Gunning	8	6
Eimer O'Rourke	8	8

<b>Board quality and safety committee</b>	<b>Eligible</b>	<b>Attended</b>
Anne Gunning	8	8
Philomena Dunne (appointed 22 November 2018)	8	8

## DIRECTORS' REPORT - continued

### Directors' and secretary's interests

The directors and secretary and their families had no interest in the company or any other related companies at 31 December 2019.

### Review of business and results

The results for the year are included in the Statement of Financial Activities. Net expenditure amounted to € 5.6m in 2019 (2018 €6.5m).

### Post balance sheet events

Coronavirus disease 2019 (COVID-19) is an infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). The disease was first identified in 2019 in Wuhan, the capital of China's Hubei province, and has since spread globally, resulting in the ongoing 2019–20 coronavirus pandemic. The earliest known infection occurred on 17 November 2019 in Wuhan, China. The World Health Organization (WHO) declared the 2019–20 coronavirus outbreak a Public Health Emergency of International Concern (PHEIC) on 30 January 2020 and a pandemic on 11 March 2020.

We have considered the risks that coronavirus poses to the organisation and the actions we are taking to mitigate the impact. Our detailed consideration of the risks and uncertainties arising as a result of this non-adjusting post balance sheet event are set out below under principal risks and uncertainties.

### Principal risks and uncertainties

#### **Funding**

The company continues to engage and work closely with its funder, the Health Service Executive. However, despite strenuous negotiations, the cost of running the service has not been fully met by the HSE. The ongoing under-funding has resulted in both carried financial deficits and cuts to critical expenditure on maintenance, vehicle fleet, ICT and physical infrastructure. The Directors consider the insufficient level of funding to be the principal risk.

Full funding by the HSE to run the service is critical to ensure the company continues as a going concern and is able to provide a safe service which meets regulatory requirements.

#### **COVID-19**

We have considered the risks that coronavirus poses to the organisation and the actions we are taking to mitigate the impact. Although all non-essential services are temporarily closed in Ireland at this time, the services provided by Saint John of God Community Services are considered to be essential, and we are continuing to operate most of our services, albeit that we have had to introduce various social distancing and other health and safety protocols in executing our services.

In line with government policy, Day and Respite Services to children and adults with intellectual disability and outpatient services to children, adolescents and adults with mental ill health were curtailed with effect from mid- March 2020. Residential services and urgent mental health consultations continue to operate with the systems, processes and procedures put in place in accordance with Public Health guidelines to manage the transmission of the virus and keep individuals we support and staff safe.

The staff who previously worked in the areas which were curtailed have been reassigned to residential services.

At this time, it is unclear how long it will take to implement the government mandated return to work protocols and social distancing measures. No additional funding has as yet been provided for implementing these protocols.

To date, we have had a number of suspected and confirmed cases of COVID-19 in both residents and staff in our centres, resulting in a significant number of staff having to self-isolate at home for various periods. At the height of the COVID-19 peak to date, we had c.300 number of staff out on leave. At the time of signing the financial statements, our organisation has seen a total number of confirmed cases of 32 residents and 102 staff , and we have had 3 deaths of residents, may they rest in peace.. We have a COVID-19 task force in place, which meets using video / electronic meeting technology virtually every day. Ensuring we have the right level of personal protective equipment (PPE) is a key challenge for us, and one that we are very focused on.

We have no experience of a similar crisis so there is no way of predicting the extent that the full effect coronavirus will have on our organisation in general, our clients and the resulting demand for our services. It is not yet clear how widespread the virus will be at any one time, how long the pandemic will last and what the medium to long term effect of this pandemic will be on availability of staff.

Our priority is to do all we can to keep our workplace as safe as possible for staff and residents. We are likely to remain at risk to the continued possibility that members of our teams in different centres could go out sick, resulting in the need for other members of the team to self-isolate, and thereby require additional agency staff to fill vacancies. We are confident based on our discussions with the HSE that all incremental COVID-19 related costs associated with continuing to provide our services during the pandemic will be funded.

## DIRECTORS' REPORT - continued

We have modelled the likely effects of COVID-19 on our cash forecast for the next 12 months, and we are comfortable, that there is unlikely to be any significant impact on our core income sources, and that any incremental COVID-19 related costs will be re-imbursed by the HSE.

The non core sources of income e.g. donations and swimming pool income, have been adversely effected by COVID-19 and we expect it will be over a year before these sources recover fully. The activities that were funded from the non core funds e.g. trips to swimming pool and certain day activities have been curtailed and will continue to be curtailed until the funding or an alternative source can be obtained.

We have also considered various measures we could take to control costs and conserve cash within the organisation, if certain services were to be temporarily suspended.

Management are comfortable that the forecasts they have prepared have considered a number of sensitivities, including a range of outcomes, and that in all cases (notwithstanding the existing cash-shortfall issues arising from the overall underfunding of the service as set out in the going concern in note 1) there remains sufficient mitigation measures available to management to ensure that COVID-19 changes to cash-flows are managed and that the Organisation can continue to meet its obligations as they fall due for the period of at least 12 months from signing the financial statements.

There will be many challenges to our working practices as the pandemic develops and we are putting plans in place to protect our most vulnerable employees and residents, and to comply with differing levels of Government restrictions and cope with illness throughout the organisation. In particular, we are adapting our procedures to facilitate a certain amount of home working among our administration and finance staff. We are confident that as an organisation we have the ability to manage through this challenging time.

### Future developments

The company plans to work towards implementing national policy and best practice health and social care services provided to persons with intellectual disability and to persons with mental ill health.

### Legal status

The company was incorporated in Ireland on 29 November 2006 as a company limited by guarantee. The company's registered number is 430744, the charity tax exemption number is CHY 18284 and the charity registered number is 20069865.

### 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.

### Directors compliance statement

The directors acknowledge that they are responsible for securing the company's compliance with its relevant obligations.

The directors confirm that they have:

- 1) Drawn up a compliance policy statement setting out the company's policies respecting compliance by the company with its relevant obligations.
- 2) Put in place appropriate arrangements or structures that are designed to secure material compliance with the company's relevant obligations.
- 3) During the financial year ended 31 December 2019, management maintained the arrangements and structures which had been put in place to secure material compliance with the relevant obligations of Saint John of God Community Services clg. We acknowledge that, these arrangements can only provide reasonable assurance of compliance in all material respects with those obligations. Informal reviews were conducted by management for the financial year ended 31 December 2019 and a formal review was conducted in quarter one 2020 and further reviews will be conducted during the financial year ended 31 December 2020.

### Risk Management

The Directors with the Chief Executive have assessed the major risks to which the company is exposed, in particular those related to its operations and finances, and are developing systems, procedures and controls to mitigate exposure to these risks.

There are Risk Management Policies in place which were developed in accordance with the HSE Safety Management Policy and the HSE Integrated Risk Managements Policy.

The Electronic Risk Register developed in 2018 for Saint John of God Community Services clg was rolled out across Community Services and became fully operable in 2019. The use of the system will be enhanced in 2020 to further develop the risk footprint and to support the setting of the risk appetite and risk tolerance levels.

## DIRECTORS' REPORT - continued

The organisation's internal control systems are supported by policies, procedures, protocols and guidelines covering all aspects of the work of the organisation. These internal controls will be subject to internal audit in 2020 with a focus on financial control.

Direct access to the National Incident Management System provides staff at local service level with direct and easy access to incident data. The Quality and Safety Executive Committee puts an emphasis on the analysis of incident data. Accordingly, strategies to address the factors giving rise to incidents have been implemented and there is evidence of a continuing downward trend in the number of incidents occurring across Community Services.

It is the policy of Saint John of God Community Services clg that all staff and volunteers including members of the Board are engaged, subject to best practice recruitment policies and Garda Vetting Procedures. All staff and volunteers are made aware of their responsibilities to protect those they support, by adhering to national policies for safeguarding vulnerable people. These policies include Children First and Safeguarding Vulnerable Persons at Risk of Abuse.

Coronavirus-Covid19 is a global pandemic that impacted Ireland in February 2020.

The implementation of measures to provide safe care and safe systems of care and work will impact on the financial outturn for 2020.

Coronavirus has challenged Community Services to review many aspect of how it operates. During the period of restriction, only those who are deemed to be essential healthcare workers were asked to report to their place of work Non frontline/essential staff were facilitated to work from home where feasible. Those staff who attend the workplace adhere to stringent infection control procedures.

Technology is playing a significant role in the continued provision of services. Outpatient

consultation, assessment and group therapy are, where appropriate, facilitated via Zoom. Disability services are offering a variety of supports to adults including daily schedule of education and recreational activities via Zoom. Management and administrative meetings are taking place via teleconference and Zoom.

The on-going impact of Coronavirus and the imperative to maintain the safety of the people we support, their families, staff, volunteers and the general public may impact service provision in 2020

### Audit committee

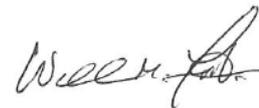
The Audit and risk committee has responsibility for the review of the output of the 2019 audit and audited financial statements. It also has responsibility for the review of the internal audit process.

### Auditors

The auditors, PricewaterhouseCoopers, will continue in office in accordance with Section 383(2) of the Companies Act 2014.

### On behalf of the Board

William Forkan



Charles Watchorn



Date: 20 July 2020

**TRUSTEES' REPORT**

**1. OBJECTIVES AND ACTIVITIES**

**1.1 Mission and objectives**



We seek to work for the personal development, education and advancement of persons with intellectual disability and persons with mental illness through the provision of a range of health-related social care services mainly in community-based settings. These include day, residential and respite services, outpatient clinics, day hospitals and acute inpatient treatment at Saint John of God Hospital.

The services are funded through the Health Services Executive (HSE).

**1.2 Financial performance and financial position of the company**

The company continues to engage and work closely with its funder, the Health Service Executive. However, despite strenuous negotiations, the cost of running the service has not been fully met by HSE. The ongoing under-funding has resulted in both carried financial deficits and cuts to critical expenditure on maintenance, vehicle fleet, ICT and physical infrastructure.

Full funding by the HSE to run the service is critical to ensure the company continues as a going concern and is able to provide a safe service which meets regulatory requirements.

**1.3 2019 in overview - Service provision**

In 2019 Saint John of God Community Services clg provided services and supports to over 8,000 children, adolescents and adults with intellectual disability or mental ill health throughout Ireland.

The organisation is configured into five Regions with a Regional Management Team responsible for the delivery of services and supports in each Region.

**2. ACHIEVEMENTS AND PERFORMANCE**

**2.1 Strengthening governance**

The Board continued with its programme of review and development of governance structures and systems in 2019 to include:

- Review of Governance Handbook and the terms of reference and membership of Board Sub Committees
- Full review of authorities and delegations from the Chief Executive to Regional Directors
- Approval of Policies and Procedures to support the provision of services in accordance with best practice.

## TRUSTEES' REPORT - continued

- The implementation of the recommendations from the Review of Board Effectiveness in 2018
- Review of Internal Audit Reports and oversight of the preparation and implementation of action plans to address recommendations from Internal Auditors
- Review of reports of non-compliance and the oversight of corrective action plans
- Oversight of Risk Management processes and systems
- Submission of Reports to HSE and Regulatory Bodies
- Review of the output of the Internal Control Questionnaire completed by senior managers to ascertain levels of compliance with legislation, regulation, policy and procedures
- Review of the output of the Controls Assurance Statements by Senior Managers to provide the Board with assurances of the implementation of internal controls and in preparation for the completion of the Annual Compliance Statement
- Preparation of Succession Plan for the recruitment of Directors in accordance with a competency-based framework

Community Services commenced operation as a functionally autonomous entity in September 2019. An Executive Management Team comprising Chief Executive, Director of Finance, Director of Human Resources, Director of Programme Quality and Safety and Director of Projects is in place and has sole responsibility and focus for the leadership and management of Community Services. Approval for the recruitment of a Director of Operations is awaited from the HSE to complete the formation of the Executive Management Team.

### 2.2 Review of Board Effectiveness

The Board engaged an independent consultant to facilitate a Board Planning and Development workshop with Directors for the financial year 2019. The Planning and Development Workshop focused on the role of the Board including an analysis of its operation, the requirement to move from operational management to strategic oversight and the requirement for further development of governance systems, structures and frameworks. Directors identified a requirement for further development and delegation of authority to Board Sub Committees and the need for the development of a Compliance Register to monitor compliance with relevant legislation and policy.

At a leadership level, Saint John of God Community Services clg is working in partnership

with HSE to implement the agreed actions to deliver an overarching Improvement Plan for the organisation in the period 2018–2019. The Directors would like to engage with HSE to develop a revised five-year plan for 2020 - 2024 and into the future.

The Board is committed to the implementation of this plan which has seen the implementation of practically all agreed actions under its control and remit. The agreement of a Financial Sustainability Plan with the HSE for Saint John of God Community Services clg remained outstanding in 2019.

### 2.3 Residential Service Provision – delivering reconfiguration and de-congregation

A major element in the direction of change for Saint John of God Community Services clg is the reconfiguration of services and in particular the transition of residential services from campus-based settings to community living as set out in the national policy document 'A Time to Move On'.

The residential services provided by Saint John of God Community Services clg at Saint Mary's North East Services and Saint Raphael's Liffey Services have been identified as accelerated sites for de-congregation as part of the national Transforming Lives Programme. With the support of the HSE, Saint John of God Housing Association and the Local Authority a total of 8 houses were purchased and renovated for occupation in 2019.

Seven residents transitioned to community living in two houses in Louth, and two residents transitioned to one house in Kerry with the support of additional revenue funding as required from the HSE.

In the absence of the required revenue funding, the 5 houses at Saint John of God Liffey Services remained unoccupied in 2019. The service is advocating for the allocation of this funding in 2020 to support 19 residents to transition from campus-based services to community living. At the end of 2019, 159 residents continued to reside at campus-based services at Saint Mary's Drumcar, Saint Raphael's Celbridge and Saint Mary of the Angels Beaufort, Co Kerry.

### 2.4 Residential Service Provision - Registration

The responsibility for the registration of designated centres for people with disabilities in Ireland rests with the Health Information and Quality Authority (HIQA).

The Board Sub Committee on Quality and Safety with the support of the Regulation Committee continues to maintain oversight of compliance with the Regulations.

Designated Centres are registered for a period of three years. In 2019, 31 designated centres were

## TRUSTEES' REPORT - continued

successfully re registered by the Authority. One designated centre was closed and de-registered as residents were supported to transition from campus based services to community living and one designated centre operating a supported living model following consultation with the Authority was de-registered. Three new designated centres were registered in 2019. At the end of 2019, 90 registered designated centres were operational across Community Services

Through the course of the three-year registration cycle, HIQA maintains an active ongoing regime of monitoring and inspection. In 2019 HIQA published 63 monitoring and registration reports with a compliance level of 87% averaged across all regulations.

### 2.5 Day Service Provision - embracing New Directions

Since 2012, the approach to delivering day and personal support services for adults with disabilities in Ireland has been framed by New Directions, a national policy document which envisages a model of individualised supports with a focus on person centred services, community inclusion and active citizenship and places a premium on making sure that being part of one's local community is a real option for adults supported by our services.

In 2019 the New Directions Steering Committee completed a comprehensive review of day service provision and prepared a report for presentation to the Board in 2020. This report sets out the model of best practice for day service delivery, recommendations for enhanced governance structures, staffing requirements and the additional services facilities and locations required to meet the requirements of the Interim Standards. Significant financial resources are required to achieve compliance with the Interim Standards, given that limited investment has been made to enhance Day Services over the years.

During 2019 Saint John of God Community Services clg implemented a number of further initiatives to support the provision of day services in line with new Directions including:

- Development of community hubs to support and facilitate people to participate in educational, occupational and recreational activities in accordance with their individual preferences.
- Development of individualised programmes for a small number of individuals.
- Further development of assistive technology to support skill development and participation in community activities including the development of e learning support for the New Directions Easi tool.

- Implementation of actions to address the outcomes of New Directions Self Assessment audit.

Each Regional Service is represented on the CHO, HSE New Directions Implementation Groups. Staff from the Regions are also participating on the Federation of Voluntary Bodies, Next Steps programme.

### 2.6 Mental Health Services

Saint John of God Community Mental Health Service provides care and treatment to children and adolescents from Tallaght Dublin West down the East Coast to Arklow, Co. Wicklow. Services are provided to adults at various locations in South Dublin. As community based Mental Health Services, the focus is on providing treatment and supports in out-patient settings. Saint John of God Community Mental Health Services has an Agreement with Saint John of God Hospital for the provision of adult in-patient facilities and consistently and safely achieves one of the lowest inpatient admission rates in the country.

It is the stated aim of the Mental Health Commission Quality Framework (2007) that all those who attend a mental health service in Ireland should experience a holistic seamless service that is delivered in a consistent and timely fashion which facilitates and promotes the continuity of care.

In autumn 2019, Community Mental Health Services re-organised its consultant psychiatric resources to allocate a consultant psychiatrist on a full-time basis to the Day Hospital for adults. This re-allocation of resources on a pilot basis aims to deliver high quality care and support in a day hospital setting that may reduce the requirement for admission to an inpatient setting. Equally those who are admitted to hospital, may be discharged earlier and can be supported with effective care in the day hospital. Early indications over three months in 2019 are evidencing reduced admission to hospital and the provision of safe and effective care in a community setting. The pilot will continue into 2020.

Community Mental Health Services have partnered with the HSE and the mental health services providers in CHO 6 to access funding from the Social Reform Fund with a focus on Individual Placement Support to assist people to return to work and the further development of social housing projects for adults with mental illness.

Community Mental Health Services hosted a number of conferences in 2019, including a 4-day training programme by The Secret Agent Society for staff, children, teachers and parents addressing the social and emotional regulations difficulties for children. The services also hosted a conference

## TRUSTEES' REPORT - continued

facilitated by the National Gender Service aimed at staff working in Child and Adolescent Mental Health Services. Saint John of God Community Mental Health Services is committed to the development of services in accordance with Vision for Change.

With the allocation of funding the service has engaged two Advanced Nurse Practitioners in 2019. An Advanced Nurse Practitioner at Lucena Services is streamlining the response to young people by providing a home-based rapid response and a practical advice service while awaiting a clinical appointment in Lucena Clinic. The second Advanced Nurse Practitioner is working with new adult referrals from a nominated large Primary Care GP practice, with the aim of ensuring that all primary care options are considered before referring to a secondary care service.

The Lucena Clinic in Wicklow & Arklow piloted a new computerised diagnostic aid- QB to assist clinicians in formulating the diagnosis of ADHD in 2018. This pilot proved very successful with the diagnostic aid accelerating the diagnostic and treatment process significantly. QB machines have been introduced to the clinics at Bray and Tallaght in 2019.

### 2.7 Strengthening the focus on person centred care

Person Centred Planning is at the core of the services we provide to both children and adults. In 2019 the Person Centred Planning Committee completed its review of the existing Person Directed Guidelines and developed a Policy and Procedure in line with the HSE National Person Centred Planning Framework. This Committee are recommending an Implementation Plan with the development of training and induction materials to ensure appropriate roll out of the policy and training and support for staff to ensure a person centred culture and that person centred plans are developed and delivered to a high quality standard for all individuals supported in accordance with their wishes, preferences and aspirations.

### 2.8 Driving quality and continuous improvement

Saint John of God Community Services clg believes that a commitment to continuous improvement in quality at all levels is essential to maintaining strength across its services.

The organisation maintains Quality and Safety Committees at both Executive and Regional level to monitor and maintain that commitment. In 2019, those groups focused their attention on the development, implementation and monitoring of systems, policy and procedures to advance the quality agenda.

The Executive Quality and Safety Committee

prepared a Quality and Safety Action Plan 2019, This Action Plan approved by the Board Quality and Safety Committee, sets out objectives under the following headings:

- Leadership and Culture
- Person and Family Engagement and Feedback
- Staff Engagement
- Measures for Quality
- Risk Management
- Governance for Quality

The provision of quality services and supports are guided by an organisation's Policies and Procedures. Saint John of God Community Services clg has a diverse suite of policies and procedures to support the provision of services. The following policies and procedures were either developed or reviewed, and approved, by the Board in 2019:

- Management of Stakeholder Feedback including Complaints, Comments and Compliments
- Total Communication Policy
- Data Protection Policy
- Retention and Promotion of Human Rights in ID Services
- Service User Private Property and Finance
- Restraint Reduction Policy
- Manual Handling Policy
- Food, Nutrition and Hydration Policy
- Falls Prevention for Adults in ID Policy
- Dysphagia Policy for Adults with Intellectual Disability
- Access to Education Training and Development opportunities for Adults with Intellectual Disability
- Education for Children with Intellectual Disability in Respite Services
- Child Safeguarding Statement
- Total Communication Policy
- Enteral Feeding Policy
- Person and Intimate Care Policy
- Application for Supports Policy

An advocacy Steering Committee was established to prepare a strategy to support the development of a strong advocacy culture and the active involvement of people supported by services in the

## TRUSTEES' REPORT - continued

decision making process. This strategy will be presented to the Board for approval in 2020.

A Safeguarding Vulnerable People Governance Committee also established in 2019 to provide oversight and support the implementation of effective safeguarding policies and procedures across Community Services.

The ratification of the United Nations Convention on the Rights of Persons with a Disability is welcomed and puts a focus on the provision of services to people aligned to the principles set out in the Convention. A review group established in 2019 to review the Human Rights policy in accordance with these Rights and to inform a Rights Based Model of Services and Supports.

### 2.9 Innovation in the use of technology to enhance outcomes

Saint John of God Community Services clg is proactive in its approach to employing technology to enhance its mission and to enhance the delivery of services and support. There were several achievements in that regard in 2019 including:

- Participation in an International St John of God European Erasmus+ Funded Project for the development of LETITBE Learning, supporting the personal and professional growth of adult learners in a digital learning environment.
- Participation in the Erasmus+ European funded BEWATER project to explore new interventions to support multidisciplinary teams in the water.
- Pilot of iplanit Person Centred Planning Service at Liffey Services providing adults with access to electronic person centred plans
- Further development of Mental Health Information System

### 2.10 Engaging with community

Social investment is about investing in people. It requires initiatives designed to strengthen people's skills and capacities and support them to participate fully in employment and social life. The continued development of social capital and the building of social alliances including the alliance with academic institutions are vital to the development of our services and the provision of quality services.

As part of the continued roll out of National Transforming Lives and New Directions Policies, we have reconfigured many aspects of our services to focus on integration and inclusion of the person in local communities. Many of the people we support, volunteer their services to assist such communities in a variety of valued roles while for others, the initiative has facilitated new educational and supported employment opportunities in mainstream settings.

### 2.11 Staff

Saint John of God Community Services employs an average of 2,384 staff to provide services to the people we support and their families. The contribution and commitment of each and every staff is vital to the organisation and the achievement of our aims and objectives.

### 2.12 Volunteering

Close to three hundred people generously volunteer to support the work of Saint John of God Community Services clg. Volunteers work with staff to support people through various programmes of care, work, education and leisure, to achieve enhanced personal outcomes for the individual. Volunteers provide a value added contribution in support of individuals and through fundraising initiatives the development of our service facilities and supports. The estimated economic value on the input of our volunteers is just over €600k.

Engagement with Corporate Volunteering Programmes has facilitated the upgrading of buildings and leisure facilities as well as the provision of additional recreational facilities at many of our services.

### 2.13 Funding

As noted in the Director's Report and throughout the "achievements and performance" section of this Trustees report, the adequacy of funding to meet the needs of people supported continues to be the substantive challenge facing the Board of Saint John of God Community Services clg. The need to continue with the provision, development and enhancement of safe and effective services – in line with regulatory requirements put extreme pressure on an already insufficient budget allocation throughout 2019. The requirement to provide services in accordance with national policy and best practice is not achievable within the current funding allocation.

Saint John of God Community Services clg operated with a deficit of €5.6m in 2019. The Board as a legal entity, subject to Company legislation cannot continue to operate with this level of underfunding.

This deficit and the accumulated deficit of €26.9m has been the subject of continuous engagement with the HSE throughout 2019 and in earlier years.

Financial Sustainability is a key component of the Improvement Plan agreed with the joint Task Force in 2018.

As part of the Improvement Plan the HSE has agreed to engage with Saint John of God Community Services clg with the objective of agreeing a financial sustainability package. There is now an urgent requirement to agree this

## TRUSTEES' REPORT - continued

financial sustainability in early 2020 so that services to people with intellectual disability and mental ill health can be maintained and developed.

### 2.14 Compliance

The Board is committed to the implementation of the highest standards of corporate governance and compliance with legislation and the requirements of the HSE and the Charities Regulator.

A Compliance Register is under development identifying the scale of legislative requirements with which the Board is required to ensure that services operate within. Policies and Procedures are developed and approved by the Board to give effect to the implementation of these legislative requirements.

In the absence of funding and approval to create an Internal Audit Department, The Board has outsourced Internal Audit services to a third-party provider and it is the intention to commence auditing key areas of service provision and the implementation of approved policy and procedures to effect compliance. The Audit & Risk Committee oversees the preparation and implementation of Action Plans to address areas of non-compliance identified through internal audit.

Internal Audit conducted a detailed audit of payroll in 2019. The Auditors identified the propensity for errors associated with the operation of a manual payroll system together with the inconsistent application of payroll formulae and calculation as areas for improvement. The Audit and Risk Committee maintains oversight of an actions plan to address these areas for improvement.

The Internal Control Questionnaire and the Annual Assurance Statement has been completed by senior managers across Community Services in respect of 2019. The report of the collated data indicates significant levels of compliance with the application of internal controls and adherence to the required policies and procedures. Improvements are required in relation to auditing of services user finances, the development of Capital Assets Registers and the implementation of actions to comply with the Sustainable Energy Act 2002.

The Executive Management Team prepares an annual report on Compliance to provide the Board with assurances in preparation for the completion and submission of the Annual Compliance Statement to the HSE.

### 2.15 Energy efficiency

The Sustainable Energy Authority of Ireland (SEAI) was established as Ireland's national energy authority under the Sustainable Energy Act 2002 and since 2011 all public sector bodies are required to report details of their energy performance directly to SEAI each year. The input of data to SEAI for 2019 has been deferred due to the impact of Coronavirus and the restrictions in place. The report on energy efficiency from SEAI for 2019 is delayed accordingly.

**TRUSTEES' REPORT - continued**

**2.16 Our impact**

**Service Provision**

Managed a total of 90 designated centres for 746 residents.

Ten of these designated centres operate from campus-based locations at Saint Mary's Drumcar, Saint Raphael's Celbridge and Saint Mary of the Angels, Beaufort.

Eighty designated centres are in community settings.

**Intellectual Disability Services**

Number of People in receipt of Day Service - 1,682

Number of People availing of Residential Services - 746

School Attendees - 466

**Mental Health Services**

Number of People availing of Residential Services - 92

Number of People in receipt of Day Services - 240

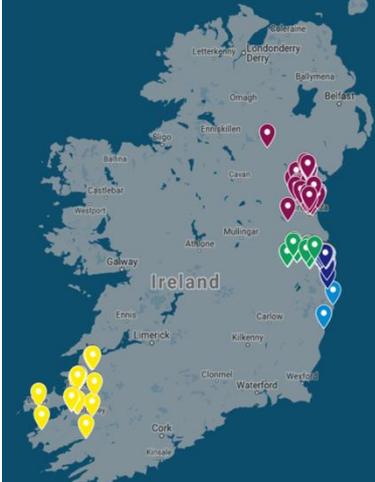
Number of attendances at Outpatient Clinics - 41,437

**TRUSTEES' REPORT - continued**

**2.16 Our impact ... continued**

	2019	2018
<b>Adult Mental Health</b>		
<b>Cluain Mhuire Community Mental Health Services</b>		
<b>Acute Bed Nights</b>		
Average Monthly Number	26	31
<b>Community Accommodation</b>		
High Support Places	20	21
Low Support Places	9	9
Support to Independent Living Places	63	62
<b>Day Centres</b>		
Burton Hall Average Daily Attendances	45	53
Burton Hall Number on Register	110	126
Venegas Club House Average Daily Attendances	25	30
Venegas Club House Number on Register	60	61
<b>Outpatient Clinics</b>		
New Attendances	1,507	1,430
Repeat Attendances	39,930	38,634
<b>Total no. of attendances</b>	<b>41,437</b>	<b>40,064</b>
<b>Average number of persons employed</b>		
Management/Admin	171	173
Medical/Dental	45	43
Nursing	483	488
Health and Social Care Professionals	676	658
General Support Services	132	146
Other Patient and Client Care	877	870
<b>Total Staff</b>	<b>2,384</b>	<b>2,380</b>

**2.17 Our Geographical Impact**



**Saint John of God North East Services:**  
Day and residential services to children and adults with intellectual disabilities in Louth, Meath and Monaghan.

**Suzanne House, Tallaght, Dublin**  
Specialised individual respite care for children with high medical support needs.

**Saint John of God Liffey Services**  
Day, residential and respite services to children and adults with intellectual disabilities in North Kildare and Dublin South West and Dublin South City.

**Dublin South East Services**  
A network of day, education, training, employment and residential and respite services to children and adults with intellectual disabilities in South East Dublin and North Wicklow including St Augustine's co-educational school and City Gate Services supporting individuals in accessing and sustaining their own homes.

**Saint John of God Community Mental Health Services:**  
Cluain Mhuire provides community mental health programmes for the adult population of Dun Laoghaire-Rathdown.  
Lucena Clinic provides child and adolescent mental health programmes in Dublin South, parts of Dublin West and County Wicklow.

**Saint John of God Kerry Services**  
**Training,** employment, social and residential programmes for people with intellectual disabilities in County Kerry.

## TRUSTEES' REPORT - continued

### 3. FINANCIAL REVIEW

2019 continued to be a challenging year for Saint John of God Community Services clg and its operating environment. The regulatory process around health and social care provision is quite rightly strengthening and has created new and ongoing expectations in the sector generally. Ireland is also now rolling out a new and, again, welcome regulatory framework for the charity sector.

The Board through the Chief Executive has engaged with the HSE since June 2018 to realise a financial sustainability plan for St John of God Community Services. The Board is concerned that despite the level of engagement and the provision of information to the HSE, the required level of funding for the provision of safe and effective services was not agreed in 2019.

The Joint Task Force, comprising membership of the HSE and Community Services collaborated to agree the Improvement Plan for Community Services in June 2018. At the end of 2019, 89% of the agreed actions were implemented. As a matter of urgency, full and meaningful engagement with the HSE is required to agree the financial sustainability of Community Services in 2020. In the absence of agreement with HSE on an appropriate allocation, the Board may be left with no option but to terminate its agreement with the HSE.

The continued underfunding of services by the HSE is a cause of significant concern and leaves the Board in a very precarious position as it endeavours to continue with the provision of vital services and supports to, children and adults with intellectual disability and children, adolescents and adults with mental illness.

Change is always challenging, even more so when there are limited resources to support new activities and learning and to offset displacement of existing structures and norms.

Saint John of God Community Services clg has engaged actively with the need for change. In doing so it is guided in the first instance by its

mission and values and with a focus on sustaining its ability to continue supporting the needs of the children and adults it supports in accordance with best practice and without discrimination.

Despite the challenge of change, and the ongoing pressure on resources, throughout 2019, there are many and varied examples of innovative and exemplary service developments across the organisation with a focus on the continuing development and delivery of person centred services that focus on empowering and supporting people to be active participants of the community in which they live.

The company works closely with its main funder, the Health Service Executive. However the funding being provided is insufficient to provide a safe service which meets regulatory requirements. In the year the company had a deficit of €5.6m (2018: €6.5m). This is putting the company in a very precarious position where it has net liabilities of €7.45m ((2017: €1.84m). As detailed in the Going Concern note to the financial statements the Directors are placing reliance on the letter of support from the HSE that it will provide sufficient funds to enable the company to pay its liabilities as they fall due for twelve months from the signing of these financial statements.

In the year the average number of persons employed increased by four to 2,384. The increase in pay costs excluding superannuation is €3.3m or 2.4%. The company also curtailed non pay expenses which reduced by €590k or 1.9%. Income from the HSE increased by €8.5m or 5.4% however there was a significant decline in other operating income of €3.4m or 19% including declines in pension levy, donation income and management charges. The net result of the tight budgetary control, offset by a reduction in income was that the operating deficit reduced to €5.6m of a deficit in 2019 compared to €6.5m in 2018.

## TRUSTEES' REPORT - continued

### 4. STRUCTURE GOVERNANCE AND MANAGEMENT

#### 4.1 Board Committees

There are four Sub Committees of the Board

##### 1) Finance Sub Committee

The purpose of the Board Finance Sub Committee is to oversee the development of policies and standards relating to the financial management of Saint John of God Community Services clg, including the system of financial controls and monitoring their implementation.

##### 2) Audit and Risk Sub Committee

The purpose of the Audit and Risk Sub Committee is to provide independent, objective and timely advice to the Board on the financial reporting process and the judgement associated therewith to ensure the balance, transparency and integrity of the business. The Audit and Risk Sub Committee develop Risk Management Policies and Risk Register Systems, and reviews the scope and effectiveness of internal financial control and the internal audit function.

##### 3) Quality and Safety Sub Committee

The purpose of the Quality and Safety Sub Committee is to provide assurance to the Board that there are appropriate and effective systems, structures and processes in place that cover all aspects of clinical and social care, safety and occupational safety and to set and monitor the delivery of Key Performance Indicators for the Quality and Safety function at executive and local levels.

##### 4) Nominations, Performance, Governance and Remuneration Committee

The Nominations, Performance, Governance and Remuneration Committee is responsible for oversight of the Board's exercise of its fiduciary and governance oversight functions, including compliance with public pay policies.

The Committee is responsible for reviewing the Constitution of the company and for the preparation of a Succession and Formation Plan for Directors and senior managers in accordance with the competency framework.

The Board Committees discharge their functions in accordance with the Terms of Reference of each committee as approved by the Board. The Purpose, Role and Terms of Reference of the Board Sub Committees were kept under review in 2019.

## TRUSTEES' REPORT - continued

### 5. PLANS FOR FUTURE PERIODS

2020 will be a year of continuing change and challenge. As we strive to develop our services in accordance with national policy and international best practice these changes will impact all those who direct, work and volunteer across our services with a focus on achieving improved outcomes for the people we support.

#### (a) Planning

Our Values of Hospitality, Compassion, Respect, Justice and Excellence are central to the manner through which we provide services and supports to people. With the support of the Institute of Hospitality, and through various education initiatives, we endeavour to ensure that all staff understand and practice the Values and that all actions and interactions are in accordance with the Values. The Code of Behaviour as set out in the Internal Code of Governance sets out the standards of behaviour that all are expected to demonstrate in accordance with our Values.

In light of the continued underfunding of services and the uncertainty which this underfunding brings, the Board has not been in a position to prepare a Strategic Plan for Community Services for the period 2019-2023. In the absence of this plan and until such time as the appropriate funding is secured the Board will prepare annual strategic objectives. These annual objectives will guide the delivery and development of services in accordance with the principles of best practice and national policy.

#### (b) Transforming Lives and New Directions

Transforming Lives is the National Programme supporting the transition of residents from campus based designated centres to community living.

A Steering Committee is in place for Saint John of God Community Services to provide oversight on the progression of the Transforming Lives Programme across the three Regions with a focus on consistent Governance Structures and Model of Service in line with best practice provision. The progression of the Transforming Lives programme in 2020 is dependent on the availability of capital and revenue funding from the HSE. Additional revenue funding is confirmed to support 16 residents to transition from Saint Marys Drumcar to community living in 2020. There is no confirmation of the required additional funding for Liffey and Kerry Services. The Executive Management Team will advocate for the allocation of capital and revenue funding to support the continued transition of residents from Saint Mary of the Angels Beaufort and Saint Raphael's Celbridge in 2020.

#### (c) Service delivery

The Model of Service provision in line with Government Policy, Legislation and International Best Practice is being reviewed as part of the work

of a number of Steering Committees which include; New Directions Committee, Transforming Lives Committee and Respite Committee. This review will challenge the traditional models of service delivery and guide us towards the development of innovative practices to support the Person Directed wishes and preferences of each individual availing of our services.

The New Direction Steering Committee has completed a comprehensive review of day services and has prepared a report for presentation to the Board in early 2020, identifying the facilities, and resources required to fully develop day service programmes and supports aligned to New Directions.

Our focus in 2020 is on the development of services in accordance with national standards as a key focus on our commitment to continuous quality improvement. Saint John of God Community Services clg is committed to continuous quality improvement and development of services. An accredited Quality Outcomes system in line with the HSE Quality Outcomes Framework will be adopted in 2020.

#### (d) Progressing Disability Services

Progressing Disability Services is a national programme for the provision of clinical and therapeutic supports to children. In accordance with this programme, all children will be assessed and receive their supports from Primary Care or from Network Disability Teams. Community Services collaborated with the HSE in 2019 to co-ordinate the transfer of these services in Louth to the relevant Primary Care and Network Disability Teams. This collaboration with the HSE will continue in 2020 to support the transfer of services in Dublin.

#### (e) Mental Health Division:

Community Mental Health Services are collaborating with the HSE to plan for the co-location of mental health services in Primary Care settings. A plan is in place to transfer an adult and a child and adolescent mental health team to the Primary Care facility in Dun Laoghaire in 2020.

The reallocation of consultant psychiatric resources to the adult day hospital will continue into 2020. Assuming the trend of downward admission and reduced length of hospital stay continue through the pilot, a business case will be made to the HSE for the appointment of a permanent full-time consultant to the day hospital.

The Social Reform Project will continue in collaboration with the HSE and mental health services providers. Community Mental Health Services in collaboration with Saint John of God Housing Association aim to provide an additional 9 housing placements in 2020 and to support an increasing number of adults through the Individual Placement Services to return to work.

## TRUSTEES' REPORT - continued

### (f) The voice of the person

The Voice of the person we support needs to be heard and listened to at all levels of the organisation. Services have a long tradition of supporting and facilitating the development of advocacy initiatives. The Executive Quality and Safety Committee has identified Engagement with the People we support as a key area for development in 2020. An Organisational Advocacy Strategy will be complete in 2020, aiming to support the involvement of person supported in the decision making process at the highest levels.

### (g) Aging

The age profile of people attending our services has changed significantly. Over thirty eight percent of people are over 40 years of age. People with Downs Syndrome present with a higher risk of developing Dementia. In general our approach is to support individuals to age in place. However, we recognise that a time may come, when it is no longer appropriate for an individual to be supported in their own home. In this regard, the Executive has reviewed the End of Life Care needs of people with an intellectual disability. An End of Life Care Policy will be presented to the Board for approval in 2020.

### (h) Community partnership

The active participation of the people we support in the community in which they live is core to our mission. Local services are focused on the development of partnerships with community groups, and organisations to support people to actively engage in training, recreational and occupational activities.

### (i) Technology

The management of information is a key component of effective service delivery. This year, the Executive will further develop integrated information management systems to ensure that accurate relevant data is maintained, easily retrievable and is used to support the mission of the services. The modules of the Human Resource System will continued to be implemented throughout 2020. A Business Plan for the purchase and installation of an integrated services user information system is under review and will be presented to the Board in 2020.

### (j) Staff

The staff of Saint John of God Community Services clg are key to the provision of quality services. Staff Engagement is identified as a key area for development and the Quality and Safety Committee is identifying initiatives to enhance staff engagement this year. The outcome of this engagement will be incorporated into the relevant action plans.

### (k) Research

Our services have a long history of Research.

With the support of the Research Department, many staff will be supported to continue research to inform best practice service delivery across intellectual disability and mental health services.

The Executive and Regional Quality and Safety Governance Committees will further develop, implement and evaluate programmes and systems to enhance the development and delivery of quality programmes.

### (l) Volunteering

Volunteers have and do make an invaluable contribution to our services and to supporting individuals to achieve their personal goals and aspirations. It is our aim this year to focus on the development and growth of volunteer numbers and provide volunteers with appropriate training to enhance their skills and the contribution they make to the lives of individuals.

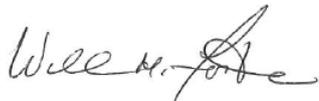
### (m) Factors Relevant to Achieving the Objectives

Having the necessary resources to implement and achieve the objectives of the company requires sufficient funding from HSE, various government departments, in addition to fundraised income. State funding and fundraising income is vital to the organisation to enable the provision and development of quality services and supports.

The transition from traditional campus based medical models of service delivery can be challenging for residents, their family and staff. Transforming Lives Leadership Committees in place at campus based services will put in place the measures set out in the Project Plans to effect a smooth transition for all concerned, so that the people we support are empowered and supported to experience quality living and become active participants of the community in which they live.

The Trustees are committed to this Vision and to the provision of leadership and support of our intellectual disability and mental health services so that this Vision becomes a reality for each and every individual to whom we provide services and supports.

### On behalf of the Board

William Forkan 

Charles Watchorn 

Date: 20 July 2020



## ***Independent auditors' report to the members of Saint John of God Community Services clg***

### **Report on the audit of the financial statements**

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#### **Opinion**

In our opinion, Saint John of God Community Services clg's financial statements:

- give a true and fair view of the company's assets, liabilities and financial position as at 31 December 2019 and of its net expenditure 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 2019;
  - the Statement of Financial Activities for the year then ended;
  - the Cash Flow Statement 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.

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#### **Material uncertainty relating to going concern**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The matters explained in note 1 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern.

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## 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 2019 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.

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## 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](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.

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## Other required reporting

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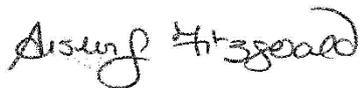
### Companies Act 2014 opinions on other matters

- 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.
- 

### Other 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.



Aisling Fitzgerald  
for and on behalf of PricewaterhouseCoopers  
Chartered Accountants and Statutory Audit Firm  
Dublin  
Date: 20 July 2020

**STATEMENT OF FINANCIAL ACTIVITIES**  
**Financial Year Ended 31 December 2019**

	Note	Restricted funds 2019 €	Unrestricted 2019 €	Endowment funds 2019 €	Total 2019 €
<b>Income and endowments from:</b>					
Donations and legacies	6	292,854	-	-	292,854
Earned from charitable activities	7	172,182,935	-	-	172,182,935
Earned from other trading activities	8	333,738	394,168	-	727,906
Other income	9	5,294,979	36,333	-	5,331,312
<b>Total income and endowments</b>		<u>178,104,506</u>	<u>430,501</u>	<u>-</u>	<u>178,535,007</u>
<b>Expenditure:</b>					
Expenditure on charitable activities	10	171,540,791	374,058	-	171,914,849
Other expenditure	11	12,224,063	-	-	12,224,063
<b>Total expenditure</b>		<u>183,764,854</u>	<u>374,058</u>	<u>-</u>	<u>184,138,912</u>
Net incoming resources (resources expended) before investment gains/(losses)		(5,660,348)	56,443	-	(5,603,905)
<b>Transfers between funds</b>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<u>(5,660,348)</u>	<u>56,443</u>	<u>-</u>	<u>(5,603,905)</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward		(21,721,711)	(6,190,373)	26,065,069	(1,847,015)
<b>Total funds carried forward</b>		<u>(27,382,059)</u>	<u>(6,133,930)</u>	<u>26,065,069</u>	<u>(7,450,920)</u>

**STATEMENT OF FINANCIAL ACTIVITIES - continued**  
**Financial Year Ended 31 December 2018**

	Note	Restricted funds 2018 €	Unrestricted funds 2018 €	Endowment funds 2018 €	Total 2018 €
<b>Income and endowments from:</b>					
Donations and legacies	6	685,899	-	-	685,899
Earned from charitable activities	7	166,499,823	-	-	166,499,823
Earned from other trading activities	8	243,120	423,772	-	666,892
Other income	9	5,608,913	40,584	-	5,649,497
<b>Total income and endowments</b>		<u>173,037,755</u>	<u>464,356</u>	<u>-</u>	<u>173,502,111</u>
<b>Expenditure:</b>					
Expenditure on charitable activities	10	168,729,042	443,736	-	169,172,778
Other expenditure	11	10,834,283	-	-	10,834,283
<b>Total expenditure</b>		<u>179,563,325</u>	<u>443,736</u>	<u>-</u>	<u>180,007,061</u>
<b>Net (expenditure)/income</b>		(6,525,570)	20,620	-	(6,504,950)
<b>Transfer between funds</b>		-	-	-	-
<b>Net movement in funds</b>		<u>(6,525,570)</u>	<u>20,620</u>	<u>-</u>	<u>(6,504,950)</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward		(15,196,141)	(6,210,993)	26,065,069	4,657,935
<b>Total funds carried forward</b>		<u>(21,721,711)</u>	<u>(6,190,373)</u>	<u>26,065,069</u>	<u>(1,847,015)</u>

**BALANCE SHEET**  
As at 31 December 2019

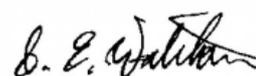
	Note	2019 €	2018 €
<b>Fixed assets</b>			
Fixed assets	17	<u>19,626,758</u>	<u>19,989,778</u>
		19,626,758	19,989,778
<b>Current assets</b>			
Current investments	18	127	127
Stocks	19	3,316	4,509
Debtors and prepayments	20	<u>2,916,656</u>	<u>4,227,982</u>
		2,920,099	4,232,618
<b>Current liabilities - amounts falling due in less than one year</b>			
Creditors and Accruals		27,550,415	23,021,241
Bank Overdraft		<u>2,447,362</u>	<u>3,048,170</u>
<b>Current liabilities - amounts falling due in less than one year</b>	21	(29,997,777)	(26,069,411)
<b>Net current (Deficit)</b>		<u>(27,077,678)</u>	<u>(21,836,793)</u>
<b>Total (Liabilities)</b>		<u>(7,450,920)</u>	<u>(1,847,015)</u>
<b>Funds of the Charity</b>			
Unrestricted funds	28	(6,133,930)	(6,190,373)
Restricted funds	28	(27,382,059)	(21,721,711)
Restricted endowment funds		<u>26,065,069</u>	<u>26,065,069</u>
<b>Total Charity Funds</b>		<u>(7,450,920)</u>	<u>(1,847,015)</u>

**On behalf of the Board**

William Forkan



Charles Watchorn



Date: 20 July 2020

**STATEMENT OF CHANGES IN FUNDS**  
**Financial Year Ended 31 December 2019**

	Unrestricted funds €	Restricted funds €	Restricted endowment funds €	Total €
Balance at 1 January 2018	(6,210,993)	(15,196,141)	26,065,069	4,657,935
Net (expenditure)/income for the year	<u>20,620</u>	<u>(6,525,570)</u>	<u>-</u>	<u>(6,504,950)</u>
<b>Balance at 31 December 2018</b>	<b><u>(6,190,373)</u></b>	<b><u>(21,721,711)</u></b>	<b><u>26,065,069</u></b>	<b><u>(1,847,015)</u></b>
Balance at 1 January 2019	(6,190,373)	(21,721,711)	26,065,069	(1,847,015)
Net (expenditure)/income for the year	<u>56,443</u>	<u>(5,660,348)</u>	<u>-</u>	<u>(5,603,905)</u>
<b>Balance at 31 December 2019</b>	<b><u>(6,133,930)</u></b>	<b><u>(27,382,059)</u></b>	<b><u>26,065,069</u></b>	<b><u>(7,450,920)</u></b>

**CASH FLOW STATEMENT**  
**Financial Year Ended 31 December 2019**

	Note	2019 €	2018 €
<b>Cash flows from operating activities:</b>			
Net cash inflow/(outflow) from operating activities	22	760,403	(131,997)
<b>Cash flows from investing activities:</b>			
Purchase of property, plant and equipment	17	(159,595)	(254,400)
Disposal of property, plant and equipment		-	30,749
		<u>(159,595)</u>	<u>(223,651)</u>
Net cash provided by investing activities		(159,595)	(223,651)
<b>Change in cash and cash equivalents in the reporting period</b>		<u>600,808</u>	<u>(355,648)</u>
Cash and cash equivalents at the beginning of the reporting period		(3,048,170)	(2,692,522)
Change in cash and cash equivalents		<u>600,808</u>	<u>(355,648)</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	21	<u>(2,447,362)</u>	<u>(3,048,170)</u>

## NOTES TO THE FINANCIAL STATEMENTS

### 1 Going concern

The financial statements have been prepared on the going concern basis which assumes that the company will be able to continue in operational existence for the foreseeable future. The company continues to operate in a very challenging environment.

The operating deficit for 2019 after HSE funding is taken into account amounted to €5.6m. (2018: €6.5m deficit) and the company had net current liabilities at 31 December 2019 of €27m (2018: €21.8m) and total net liabilities of €7.4m (2018: net liabilities €1.8m). The company has continued to incur a deficit in 2020. Based on the 2020 Allocation from HSE and the company's own forecast, the company is likely to generate a substantial operating deficit in 2020.

The company is dependent on the Health Service Executive (HSE) to fund its activities and the on-going support of the HSE at an appropriate level is fundamental to the company's ability to continue as a going concern. The company has been in negotiations with the HSE for the past number of months with a view to finalising terms and signing the Service Level Arrangements (SLAs) for 2020 however SLAs for 2020 have not yet been signed for any of the services.

The Company is also in negotiation with the HSE in relation to its overall level of funding. A joint task force was established in August 2017 by Saint John of God Community Services CLG and the HSE, the core objective of which is to develop a time bound improvement plan to ensure the organisation can continue to provide important supports and services on behalf of the HSE as statutory funder. The Improvement Plan was agreed by the joint Task Force in June 2018. It is the view of the company that the points under its control in the Improvement Plan have been implemented.

However, there is little progress on the agreement of a financial sustainability plan for Community Services. The company submitted a revised sustainability plan to the HSE on 7th March 2019. The sustainability plan sets out the level of additional funding required on an annual basis in order to maintain and develop the existing level of services in accordance with national policy.

During 2019, the Company initiated the Dispute Resolution Mechanism as provided for in the Service Arrangement Part 1. Further submissions were made to the HSE in relation to this in 2020, including a formal letter outlining the intention of the Saint John of God Community Service to withdraw completely from the provision of services in the event that the HSE cannot commit to a sustainable level of funding for these services going forward.

During 2018 and 2019, the company received a number of cash accelerations (cash advance) from the HSE, which effectively allowed them to meet their obligations to their employees and suppliers. An "out of profile" cash acceleration (cash advance from 2020 allocation) of €18.9m was requested on 25th October 2019, of which €12m was provided. The HSE require this to be paid back in 2020. The HSE has reduced the cash profile (monthly cash payment plan) for 2020 to reflect the repayment of this "out of profile" cash acceleration i.e. from a total 2020 allocation of €164m the company is scheduled to receive circa €152m in cash during 2020.

The HSE has provided further cash accelerations of €6.5m, €5.5m and €0.9m in March, April and July 2020 respectively. The Company's services, as an essential healthcare service, have continued to operate without significant restrictions during the first half of 2020. Although all non essential services are temporarily closed in Ireland at this time due to COVID-19, the services provided by Saint John of God Community Services are considered to be essential, and we are continuing to operate most of our services, albeit that we have had to introduce various social distancing and other health and safety protocols in executing our services.

We have modelled the likely effects of COVID-19 on our cash forecast covering the period of 12 months from the date of approval of the financial statements, and we are satisfied, that there is unlikely to be any significant impact on our core income sources, and that any incremental COVID-19 related costs will be re-imbursed by the HSE.

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 1 Going concern - continued

The non core sources of income e.g. donations and swimming pool income, have been adversely affected by COVID-19 and we expect it will be over a year before these sources recover fully. The activities that were funded from the non core funds e.g. trips to the swimming pool and certain day activities have been curtailed and will continue to be curtailed until the funding or an alternative source can be obtained.

The company is regulated by the Charity Regulator and by HIQA and additional capital and revenue funding is required to meet ongoing regulatory requirements and to develop services in accordance with national policy. The Company management team are of the view that the service as a whole has been under-funded for a number of years and that cumulative impact of this underfunding has now reached crisis stage for the organisation.

The company has prepared detailed cash projections for the Services as a whole covering the period of 12 months from the date of approval of the financial statements. Based on these cash projections, the company is projecting that it will have fully utilised its main HSE cash allocation and overdraft facility for 2020 by the end of October 2020. The cash-flow forecast indicates that the company will require additional cash funding of at least €21m between now and December 2020. The company has had to continuously take actions including deferring month end payments to suppliers while going through the process of requesting and receiving cash advances from the HSE.

In the period prior to 2017, the company has received funding on an ad hoc basis from the Hospitaller Order of Saint John of God. However the Order has indicated that it does not have the resources available to continue to provide such bailout type funding.

The company is also continuing to actively review its cost base of all Services, with particular focus on those services which have generated the most substantial deficit in 2019. The plan includes all options up to and including the suspension of services and the potential handing over of certain or all services to the HSE. The extent of these and the successful implementation of any options will have a substantial impact on the overall out-turn for 2020 and future periods. Management are in active negotiations with the HSE in relation to addressing immediate cash requirements and the overall funding situation including the substantial accumulated deficit coming forward into 2020, which has given rise to a net current liability situation of €27m at 31 December 2019.

In the context of their considerations in relation to going concern, the Board of Saint John of God Community Services have requested from the HSE a letter confirming their intention to provide the necessary financial support to allow the organisation to continue in operational existence for a period of at least 12 months from the date of signing of these financial statements. While the HSE were unwilling to provide a letter of support which provides an explicit commitment in relation to their willingness to fund the legacy operating deficits or the forecast deficit for 2020, they have provided, in a letter of support dated 23<sup>rd</sup> June 2020, written assurances in relation to their willingness to continue to provide temporary supports, referred to as "cash accelerations outside of profile" within the HSE's Cash Acceleration Request (CAR) process to Saint John of God Community Services. They have further indicated that they do not expect this temporary cash acceleration process, the fundamentals of how it operates, or its availability as an option for the HSE to support the company, changing within 12 months from approval date of the financial statements. In considering this commitment of support from the HSE, the directors have had regard to the history of similar cash acceleration type support, which has been forthcoming from the HSE over the past number of years and is an integral part of the funding of the Saint John of God Community Services activities, and they are satisfied that the HSE will honour that commitment.

While the Board are appreciative of the assurances provided by the HSE in relation to the temporary cash supports which have been committed, it does not alleviate all of their concerns in relation to the uncertainties identified, in particular with regard to the legacy underfunding issue which has resulted in the significant net current liability situation of €27m at 31 December 2019, and with regard to the ongoing need to re-base the annual funding at a level which allows the organisation to breakeven on an annual basis. In considering the various facts and circumstances, the directors have in reaching their conclusions in respect of the uncertainties facing the organisation, considered in particular the following matters:

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 1 Going concern - continued

- Substantial deficit for 2018 and 2019, with substantial forecast future deficits
- Substantial net current liability situation of €27m at 31 December 2019 (caused substantially by prior operating deficits) well in excess of overdraft limit, and net total liability situation at 31 December 2019 of €7.4m (2017: €1.85m net total assets);
- Delayed payments to creditors on a regular and recurring basis;
- Pro-longed review/negotiation process with HSE has not reached any final conclusions;
- Cash flow projection indicates that at least an additional €21m will be required from HSE in the period July to December 2020 to continue to provide services without curtailment. The directors are satisfied based on the letter of support received from the HSE, that the necessary cash will be received to address this shortfall.
- HSE have provided a letter of support, however it does not provide any assurance in relation to the legacy underfunding, accumulated deficits forward or ongoing sufficiency of funding for the organisation; and
- Hospitaller Order of Saint John of God itself does not have the funds to continue to support the Saint John of God Community Services clg entity.

Based on a combination of the facts and circumstances set out above the directors have concluded that there is a material uncertainty related to events or conditions that may cast substantial doubt on the company ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. Nevertheless, after making enquiries and considering the proposed actions and negotiations described above, the directors have a reasonable expectation that agreement will be reached with the HSE, and that appropriate measures can be taken to ensure the Company has adequate resources to continue in operational existence for the foreseeable future and to implement planned actions. For these reasons they continue to adopt the going concern basis in preparing the directors' report and financial statements of the company.

The financial statements do not include any adjustments that would be necessary if the company were unable to continue as a going concern.

### 2 General information

The Company's principal activity is to provide a HSE (Health Service Executive) funded service across intellectual disability, adult mental health and child and adult psychiatry. The services are provided in the tradition of Saint John of God.

The company is incorporated as a Company Limited by Guarantee in the Republic of Ireland. The address of its registered office is "Granada", Stillorgan Road, Stillorgan, Co. Dublin.

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 in note 5.

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 3 Statement of compliance

The entity financial statements have been prepared on a going concern basis and in accordance with accounting standards issued by the UK Financial Reporting Council and the Companies Act 2014. The entity financial statements comply with Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

### 4 Summary of significant accounting policies

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 significant accounting policies adopted by the Company are as follows:

#### (a) Basis of preparation

The entity financial statements have been prepared under the historical cost convention, as modified by the measurement of certain financial assets and liabilities at fair value through profit or loss, and the measurement of freehold land and buildings at their deemed cost on transition to FRS 102.

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 end of the financial year. It also requires the directors to exercise 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 in note 4.

Saint John of God Community Services clg meets the definition of a public benefit entity under FRS 102.

#### (b) Accounting convention

The financial statements are prepared under the historical cost convention. The reporting currency used in these financial statements is the Euro ("€").

#### (c) Revenue recognition

##### *Income*

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

##### *Contributions, donations and legacies*

Income earned from contributions, donations and legacies comprises of:

- (i) Contributions from Saint John of God Hospitaller Ministries which are recognised on basis of amounts received and receivable.
- (ii) Donations are recognised on the basis of amounts received and receivable.
- (iii) Legacies for which entitlement is taken as the earlier of the date on which either the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executors' intention to make a distribution.

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 4 Summary of significant accounting policies - continued

#### (c) Revenue recognition - continued

##### *Grant income*

Grants are received from both the Health Service Executive and from other sources:

- (i) Revenue grants which are approved by the Health Service Executive are taken to revenue in the year for which they are approved.
- (ii) Other revenue grants are accounted for as revenue once the performance conditions relating to their recognition have been satisfied.

HSE grant income is considered to be restricted income, and has been designated as such in the Statement of Financial Activities.

##### *Pension levy income*

Pension levy income relates to the pension levy introduced by the government in 2010. Pension levy income is recognised as it is deducted from employees' pay.

##### *Long stay income*

Long stay income relates to patient charges for accommodation. This income is received directly from the patient on a monthly basis by way of a direct debit and recognised in income.

##### *Earned from other trading activities*

Income earned from other trading activities includes sales of food in canteens and income from people paying to use the swimming pool. Such income is recognised as it is receivable.

##### *Other income*

Other income relates to income from the NHASS pension scheme and rental income. NHASS income relates to pension contributions which are deducted from employees' wages and recorded as income as instructed by the HSE.

##### *Donated services and facilities*

In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised. Please refer to the trustees' annual report for more information about their contribution.

##### *Deferred income*

Grants relating to expenditure to be incurred in a future accounting period received in advance are deferred to the extent that there are unfulfilled performance conditions which must be satisfied, and are recognised in the future period when such conditions are satisfied.

#### (d) Funds

All transactions of the organisation have been recorded and reported as income into or expenditure from funds which are designated as "restricted", "endowment" or "unrestricted".

##### **Restricted funds**

Income is treated as restricted where the donor has specified that it may only be used for a particular purpose or where it has been raised for a particular purpose. All other income is treated as unrestricted. Expenditure is treated as being made out of restricted funds to the extent that it meets the criteria specified by the donor or the terms under which it was raised. All other expenditure is treated as unrestricted. Saint John of God Community Services considers that the revenue allocation received from the Health Service Executive in accordance with the service level agreements between the various Saint John of God services and the HSE is restricted income. In the case of certain Service users patients, Saint John of God Community Services clg invoice the HSE separately for specific charges and increments relating to the individual. This income also forms part of restricted funds. The designation as restricted is based on an agreed assessment of same with the HSE.

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 4 Summary of significant accounting policies - continued

#### (d) Funds - continued

##### Unrestricted funds

All other income is treated as unrestricted and relates to the core objective of providing services in accordance with the overall charity objectives.

##### Endowment funds

Endowment funds are a permanent fund whereby the initial capital amount invested will not be accessed but rather the return on the initial investment will provide funding or access to fixed assets on an annual basis. The properties transferred from West European Province are considered to be restricted endowment funds.

The balance on each restricted fund at the end of the year represents the asset held by the organisation for particular purposes specified by the donors. The balance of the unrestricted fund at the end of the year represents the assets held by the organisation for general use in furtherance of its work. Endowment funds represent amounts held for investment or specific charitable purpose. Income from these endowment amounts will either be (a) unrestricted and used for general purposes, or (b) restricted by the donor or by the Board.

#### (e) Expenditure

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:

- Costs of raising funds comprise the costs incurred by Saint John of God Community Services in raising funds for its charitable purposes. It includes the costs of all fundraising activities and events and the sale of donated goods from the various centre workshops. It also includes advertising and marketing costs. The Saint John of God Community Services clg accounts do not include any costs of raising funds, as management have concluded that there are no such costs incurred. Fundraising costs are generally borne by other entities for example Parents and Friends Associations, who do fundraising activities on behalf of Saint John of God Community Services clg.
- Expenditure on charitable activities includes the costs incurred in undertaking the various charitable activities which are performed for the benefit of Saint John of God beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities. It also includes the costs of grants made to other charitable organisations.
- Other expenditure represents those items not falling into any other heading, and is comprised predominantly of the NHASS payments made in the year.

#### (f) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. The basis on which support costs have been allocated is set out in note 12.

#### (g) 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 defined contribution pension plans).

##### (i) Short term 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) Defined contribution pension plans

Superannuation benefits for the employees are governed by the Nominated Health Agencies Superannuation Scheme (NHASS) or the Single Public Service Pension Scheme (SPSPS). The NHASS and SPSPS are regarded as state plans for the purposes of FRS 102.

**NOTES TO THE FINANCIAL STATEMENTS - continued**

**4 Summary of significant accounting policies - continued**

**(g) Employee benefits - continued**

*(ii) Defined contribution pension plans – continued*

**NHASS**

The NHASS is administered, funded and underwritten by the HSE\Department of Health. The directors believe that the company operates as an agent in the operation of the scheme and does not contribute financially to the scheme.

The directors believe that the liability in respect of pension benefits payable to employees who are members of the NHASS will be met in full by the Department of Health. Saint John of God Community Services clg is not exposed to actuarial risk arising in the NHASS and from the company's perspective the NHASS is, in substance, a defined contribution scheme. Contributions from employees, which are deducted through payroll from members of the scheme, are credited to the Statement of financial activities when received. Payments in respect of pensions and lump sum payments are charged to the Income and Expenditure account as amounts become payable. Surplus or deficit funding of the balance is dealt with as part of grant income which is included within income earned from charitable activities in the Statement of Financial Activities.

**SPSPS**

With effect from 1 January 2013 the Single Public Service Pension Scheme (SPSPS) commenced. Most new employees will be members of the Single Public Service Pension Scheme (SPSPS). Pension contributions are remitted to the Department of Public Expenditure and Reform. The administration of the scheme is operated by the Department of Public Expenditure and Reform. The directors believe that the Department of Public Expenditure and Reform is responsible for the payment of lump sums and pensions in payment on behalf of the SPSPS without recourse to the company.

**(h) Income tax**

The company has been granted charitable tax exemption by the Revenue Commissioners and is recognised as a charity under Section 207 of the Tax Consolidation Act 1997, registered number CHY 18284.

**(i) Tangible fixed assets**

Tangible fixed assets are carried at cost (or fair value at date transferred, see note 17) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to the location and condition necessary for its intended use, applicable dismantling, removal and restoration costs and borrowing costs capitalised.

*(i) Land and buildings*

Land and buildings are carried at cost (or fair value at date transferred, see note 17) less accumulated depreciation and accumulated impairment losses.

*(ii) Plant and machinery and fixtures, fittings, tools and equipment and motor vehicles*

Plant and machinery and fixtures, fittings, tools and equipment and motor vehicles are carried at cost less accumulated depreciation and accumulated impairment losses.

*(iii) Depreciation and residual values*

Land is not depreciated. Depreciation on other assets is calculated, using the straight-line method over their estimated useful lives, as follows:

Freehold buildings	Over 40-50 years
Plant and machinery	10 to 15 years
Fixtures, fittings, tools and equipment, motor vehicles	3 to 8 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each financial year. The effect of any change in either residual values or useful lives is accounted for prospectively.

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 4 Summary of significant accounting policies - continued

#### (i) Tangible fixed assets - continued

##### (iv) Derecognition

Tangible fixed assets are derecognised on disposal or transfer or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the statement of financial activities.

#### (j) Current investments

The company's current investments are carried at historical cost less accumulated impairment losses.

#### (k) Stocks

Stock is included at the lower of cost or net realisable value. Stocks are recognised as an expense in the financial year which the related revenue is recognised.

At the end of each financial year, stocks are assessed for impairment. If an item of stock is impaired, the identified stock is measured at its selling price less costs to complete and sell and the resulting impairment loss is recognised in profit or loss. Where a reversal of the impairment loss is recognised the impairment loss is reversed, up to the original impairment loss, and is recognised in profit or loss.

#### (l) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and 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.

#### (m) Provisions and contingencies

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.

Contingent liabilities, arising as a result of past events, are not recognised as a liability because 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.

#### (n) 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 trade and 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.

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 4 Summary of significant accounting policies – continued

#### (n) Financial instruments - continued

##### (i) *Financial assets - continued*

Trade and other debtors, 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 profit or loss. 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.

If in a subsequent financial year, the amount of an impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised the previously recognised impairment loss is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment loss not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the financial asset are transferred to another party or (c) control of the financial asset has been transferred to another party who has the practical ability to unilaterally sell the financial asset to an unrelated third party without imposing additional restrictions.

##### (ii) *Financial liabilities*

Basic financial liabilities, including trade and other creditors, bank loans, and loans from fellow group companies, 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 loans from fellow group companies, and financial liabilities from arrangements which constitute financing transactions are subsequently carried at amortised cost, using the effective interest method.

#### (o) Foreign currency

##### (i) *Functional and presentation currency*

The company's functional and presentation currency is the Euro, denominated by the symbol "€".

##### (ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At the end of each financial year foreign currency monetary items are translated to Euro using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at exchange rates at the end of the financial year of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of financial activity.

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 4 Summary of significant accounting policies – continued

#### (p) Scope of the financial statements

The following Services are included in the income and expenditure account and balance sheet:

- (i) Head Quarters (including Callan Institute), Hospitaller House, Stillorgan, Co. Dublin
- (ii) Saint John of God Community Services North East Services
- (iii) Saint John of God Community Services Liffey Region
- (iv) Saint John of God Community Services Dublin South East/Kerry
- (v) Saint John of God Community Mental Health Service

These financial statements deal with the activities carried out at each of these regions, principally the provision of health services to persons with intellectual disability and persons with mental illness.

### 5 Critical accounting judgements and estimation uncertainty

Estimates and judgements made in the process of preparing the charity entity 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 trustees 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) *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 such debtors, the directors consider factors including the current credit rating of the debtor, the age profile of outstanding invoices, recent correspondence and historical experience of cash collections from the debtor. See note 20 for the net carrying amount of the debtors and the impairment loss recognised in the financial year.

#### (ii) *Valuation of non-exchange transactions*

The financial statements include a number of non-exchange transactions where Saint John of God Community Services clg have benefited from the donation of time and other goods and services from various donors. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised. Other donated goods and services are included in the financial statements at their estimated value. As there is some judgement required in estimating the value of such non-cash donations, this is considered to be a key estimate. Management have not included an estimate in relation to the deemed value of the buildings provided for use by Saint John of God Community Services clg free of charge by the Hospitaller Order of Saint John of God West European Province.

#### (iii) *Fair value of properties transferred*

On 22 December 2015, the West European Province of Saint John of God transferred a number of property assets to Saint John of God Community Services clg for a nominal consideration. As the receipt of the properties is considered to be a donation from a connected party, the properties have been included in the financial statements of Saint John of God Community Services clg at their fair value. Fair value was determined by management using the assistance of independent professional valuers CBRE, and is based on the market value of the relevant properties calculated on an existing use basis and applying the red book valuation rules on the date of transfer.

The assets transferred related only to assets which had previously been grant funded by a grant awarding body. In some cases only part of the relevant assets had been grant funded, and in these cases, only the element of the asset which was grant funded was transferred and included at a valuation in the Saint John of God Community Services clg accounts. Property valuations and the assumptions used to arrive at such valuations are by their nature judgemental.

NOTES TO THE FINANCIAL STATEMENTS - continued

5 Critical accounting judgements and estimation uncertainty – continued

(iv) *Tangible fixed assets depreciation*

*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 17 for the carrying amount of the tangible fixed assets.

The significant judgements made by the trustees include:

(i) *Going concern*

The trustees have identified a material uncertainty in relation to going concern and have concluded that despite these uncertainties they conclude that the entity will continue as a going concern for a period of at least 12 months from the date of signing the financial statements. See note 1 for more information on this judgement.

<b>6 Contributions, donations and legacies</b>	Restricted €	Unrestricted €	Total €
<b>2019</b>			
Contribution from Hospitaller Order of Saint John of God	77,753	-	77,753
Donations and fundraising	215,101	-	215,101
	<u>292,854</u>	<u>-</u>	<u>292,854</u>
<b>2018</b>			
Contribution from Hospitaller Order of Saint John of God	52,427	-	52,427
Donations and fundraising	633,472	-	633,472
	<u>685,899</u>	<u>-</u>	<u>685,899</u>
<b>7 Earned from charitable activities</b>			
	Restricted €	Unrestricted €	Total €
<b>2019</b>			
Health Service Executive Allocation	160,358,807	-	160,358,807
Health Service Executive Income	4,029,699	-	4,029,699
Pension levy income	4,069,730	-	4,069,730
RSSMAC income	2,139,764	-	2,139,764
Management Charge	510,583	-	510,583
Dept of Social Protection	900,931	-	900,931
Dept of Education	58,319	-	58,319
Grant Income - Genio	-	-	-
Grant Income - National Lottery	1,902	-	1,902
Out Patients Income	26,152	-	26,152
Grant Income – Health Research Board	87,048	-	87,048
	<u>172,182,935</u>	<u>-</u>	<u>172,182,935</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

<b>7 Earned from charitable activities - continued</b>	Restricted €	Unrestricted €	Total €
<b>2018</b>			
Health Service Executive Allocation	151,056,596	-	151,056,596
Health Service Executive Income	4,810,572	-	4,810,572
Pension levy income	5,224,241	-	5,224,241
RSSMAC income	2,385,150	-	2,385,150
Management Charge	1,302,389	-	1,302,389
Dept of Social Protection	1,005,191	-	1,005,191
Dept of Education	73,719	-	73,719
Grant Income - Genio	507,308	-	507,308
Grant Income - National Lottery	51,226	-	51,226
Out Patients Income	19,073	-	19,073
Grant Income – Health Research Board	64,358	-	64,358
	<u>166,499,823</u>	<u>-</u>	<u>166,499,823</u>
<b>8 Earned from other trading activities</b>			
	Restricted €	Unrestricted €	Total €
<b>2019</b>			
Canteen receipts	-	108,219	108,219
Sundry income	333,738	8,500	342,238
Workshop income	-	24,484	24,484
Swimming pool	-	252,965	252,965
	<u>333,738</u>	<u>394,168</u>	<u>727,906</u>
<b>2018</b>			
Canteen receipts	-	116,563	116,563
Sundry income	243,120	1,148	244,268
Workshop income	-	19,712	19,712
Swimming pool	-	286,349	286,349
	<u>243,120</u>	<u>423,772</u>	<u>666,892</u>
<b>9 Other income</b>			
	Restricted €	Unrestricted €	Total €
<b>2019</b>			
Nominated Health Agencies Superannuation Scheme	5,294,979	-	5,294,979
Rental income	-	36,333	36,333
	<u>5,294,979</u>	<u>36,333</u>	<u>5,331,312</u>
<b>2018</b>			
Nominated Health Agencies Superannuation Scheme	5,608,913	-	5,608,913
Rental income	-	40,584	40,584
	<u>5,608,913</u>	<u>40,584</u>	<u>5,649,497</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

<b>10 Expenditure on charitable activities</b>	Restricted	Unrestricted	Total 2019	Total 2018
	€	€	€	€
Pay	138,522,794	200,136	138,722,930	135,300,712
Drugs medical support	2,276,846	124	2,276,970	2,901,731
Catering	1,697,083	42,351	1,739,434	1,780,592
Heat, power and light	2,087,430	39,778	2,127,208	2,172,823
Cleaning and washing	1,263,064	27,535	1,290,599	1,269,500
Furniture Crockery and hardware	460,033	392	460,425	582,772
Bedding and clothing	76,860	-	76,860	80,022
Maintenance	2,847,913	57,102	2,905,015	3,847,633
Transport and travel	658,654	-	658,654	705,107
Transport Patients	2,321,088	-	2,321,088	2,149,271
Vehicles Purchased	6,204	-	6,204	30,468
Bank Charges	15,151	-	15,151	15,310
Insurances	203,767	50	203,817	292,432
Rent and rates	1,527,642	-	1,527,642	1,380,860
Computer and Office Equipment	476,747	-	476,747	392,873
Professional services	523,746	-	523,746	547,982
Education and training	659,283	-	659,283	703,421
Psychiatric In-Hospital beds	6,750,787	-	6,750,787	6,391,557
Recruitment and Advertising	31,304	-	31,304	50,501
Office Expenses	1,346,691	249	1,346,940	1,365,997
Nursing Diploma	331,992	-	331,992	331,981
Charges from Group Entities	350,000	-	350,000	-
Fire and security alarms	673,058	-	673,058	633,885
Depreciation	522,615	-	522,615	551,637
Breakaway for clients	80,369	-	80,369	84,318
Miscellaneous	681,091	6,341	687,432	509,509
Support costs (Note 12)	4,982,211	-	4,982,211	4,956,884
Governance costs (Note 12)	166,368	-	166,368	143,000
	<u>171,540,791</u>	<u>374,058</u>	<u>171,914,849</u>	<u>169,172,778</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

<b>10 Expenditure on charitable activities - continued</b>	Restricted €	Unrestricted €	Total €
<b>2018</b>			
Pay	135,052,153	248,559	135,300,712
Drugs medical support	2,901,731	-	2,901,731
Catering	1,676,535	104,057	1,780,592
Heat, power and light	2,130,860	41,963	2,172,823
Cleaning and washing	1,254,565	14,935	1,269,500
Furniture Crockery and hardware	582,723	49	582,772
Bedding and closing	80,022	-	80,022
Maintenance	3,820,899	26,734	3,847,633
Transport and travel	705,107	-	705,107
Transport Patients	2,149,271	-	2,149,271
Vehicles Purchased	30,468	-	30,468
Bank Charges	15,310	-	15,310
Insurances	292,359	73	292,432
Computer and Office Equipment	392,873	-	392,873
Rent and rates	1,380,860	-	1,380,860
Professional services	547,982	-	547,982
Education and training	703,421	-	703,421
Psychiatric In-Hospital beds	6,391,557	-	6,391,557
Recruitment and Advertising	50,501	-	50,501
Office Expenses	1,365,943	54	1,365,997
Nursing diploma	331,981	-	331,981
Fire and security alarms	633,885	-	633,885
Depreciation	551,636	-	551,636
Breakaway for clients	84,319	-	84,319
Miscellaneous	502,197	7,312,	509,509
Support costs (Note 12)	4,953,322	-	4,956,884
Governance costs (Note 12)	146,563	-	146,563
	<u>168,729,042</u>	<u>443,736</u>	<u>169,172,778</u>
<b>11 Other expenditure</b>			
	Restricted €	Unrestricted €	Total €
<b>2019</b>			
NHASS	<u>12,224,063</u>	-	<u>12,224,063</u>
<b>2018</b>			
NHASS	<u>10,834,283</u>	-	<u>10,834,283</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

12 Analysis of governance and support costs

	Charitable activities	
	Support costs €	Governance costs €
<b>2019</b>		
Pay - finance	1,686,863	-
Pay - human resources	1,157,881	-
Pay - information and communications technology	876,256	-
Computers and office expenses	603,684	-
Professional services	256,213	162,230
Transport and travel	369,032	4,138
Other support costs	32,282	-
	<u>4,982,211</u>	<u>166,368</u>
<b>2018</b>		
Pay - finance	1,653,259	-
Pay - human resources	1,298,867	-
Pay - information and communications technology	858,885	-
Computers and office expenses	678,029	-
Professional services	383,108	143,000
Transport and travel	34,439	3,562
Other support costs	47,035	-
	<u>4,953,322</u>	<u>146,562</u>

Support costs are all related to direct charitable activities, as there are no costs of raising funds included in these financial statements. Support costs have been determined by isolating the specific costs charged to the Finance, Human Resources and Management Information Systems cost centres across the various regions within Saint John of God Community Services clg.

NOTES TO THE FINANCIAL STATEMENTS - continued

<b>13 Operating expenses</b>	2019 €	2018 €
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The following operating expenses have been recognised:

Directors' remuneration

*Emoluments:*

- For services as directors	-	-
- For other services	-	-

*Pension:*

- For services as directors	-	-
- For other services	41,042	39,962

Cost share allocation (note 27)	(510,583)	(1,348,760)
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Depreciation (note 17)	522,615	551,636
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Subsidy from Hospitaller Order (note 27)	<u>(77,753)</u>	<u>(49,484)</u>
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**Auditors' remuneration**

Remuneration (excluding VAT and expenses) for the statutory audit and other services carried out for the company by the company's auditors is as follows:

	2019 €	2018 €
Audit of entity financial statements	160,754	128,528
Other non-audit services	-	36,592
	<u>160,754</u>	<u>165,120</u>

**14 Employees and directors**

(i) Employees

The average number of persons employed by the company during the financial year was 2,384 (2018:2,380).

	2019 €	2018 €
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Staff costs comprise:

Wages and salaries	122,347,285	118,022,298
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Social insurance costs	12,686,814	12,030,731
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Other retirement benefit costs	12,224,063	10,834,283
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Staff costs	<u>147,258,162</u>	<u>140,887,312</u>
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NOTES TO THE FINANCIAL STATEMENTS - continued

14 Employees and directors - continued

	Number of employees 2019	Number of employees 2018
(i) Employees - continued		
<b>Salary range (excluding pension contributions):</b>		
290,000 – 299,999	1	-
280,000 – 289,999	0	-
270,000 - 279,999	0	-
260,000 - 269,999	1	-
250,000 – 259,999	1	-
240,000 – 249,999	2	1
230,000 – 239,999	1	1
220,000 – 229,999	-	2
210,000 – 219,999	3	1
200,000 – 209,999	0	2
190,000 – 199,999	2	2
180,000 – 189,999	2	2
170,000 – 179,999	-	-
160,000 – 169,999	2	2
150,000 – 159,999	1	1
140,000 – 149,999	2	1
130,000 – 139,999	-	1
120,000 – 129,999	3	2
110,000 – 119,999	3	8
100,000 – 109,999	4	8
90,000 – 99,999	10	11
80,000 – 89,999	17	24
70,000 – 79,999	62	48
60,000 – 69,999	245	218
	<u>362</u>	<u>335</u>

In the year, 362 staff earning in excess of €60,000 p.a. (2018: 335) participated in the defined contribution pension schemes (Note 16). Contributions totalling €Nil were made in respect of these employees (2018: €Nil).

The salary bands from €60,000 to €300,000 above include, Clinical Director and Consultant Psychiatrists for the community mental health service and for the intellectual disability services and the leadership teams of the five regions. It also includes salary, premiums and overtime for nurse managers, nurses and other staff who work weekends and bank holidays which is needed as part of running a residential service.

The average number of persons employed by the company during the financial year was 2,384 (2018: 2,380).

	2019 Number	2018 Number
Management/administration	171	173
Medical/dental	45	43
Nursing	483	489
Health and social care professionals	676	658
General support services	132	146
Other Patient and Client Care	877	871
	<u>2,384</u>	<u>2,380</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

14 Employees and directors - continued

(ii) Directors/trustees

Trustees received no remuneration (2018: €Nil) and incurred expenses of €3,372 (2018: €3,562) during the reporting period in carrying out their duties.

There were no loans advanced to directors/trustees during the year and no loans outstanding at 31 December 2019.

(iii) Key management compensation

Key management are defined as the management team. This includes the key management personnel in each of the individual regions which form part of the Saint John of God Community Services clg financial statements, as well as overall central management. The compensation paid or payable to key management for employee services is shown below:

	2019 €	2018 €
Salaries and other short-term benefits	4,619,414	4,114,337
Post-employment benefits	-	-
Total key management compensation	<u>4,619,414</u>	<u>4,114,337</u>

15 Tax

The company has been granted charitable tax exemption by the Revenue Commissioners and is recognised as a charity under Section 207 of the Tax Consolidation Act 1997, registered number CHY 18284.

16 Post-employment benefits

Most staff employed by the company are members of either the Nominated Health Agencies Superannuation Scheme (NHASS) or the Single Public Service Pension Scheme (SPSPS).

**Nominated Health Agencies Superannuation Scheme (NHASS)**

The directors believe that the NHASS is a 'pay as you go' state plan administered, funded and underwritten by the Department of Health. It is the Directors' understanding that the funds required in the future to pay pension benefits under the NHASS, as they arise into the future, will be reimbursed to the company in full by the Department of Health.

In the year ending 31 December 2019 the company received €5,294,979 (2018: €5,608,913) in contributions from members of the NHASS. The company also received €3,025,787 (2018: €5,082,861) from the HSE in respect of the NHASS costs, this amount is included with the main revenue grant received from the HSE during the year. €12,224,063 (2018: €10,834,283) was paid out in lump sums, death gratuities and pensions during the year. All of these amounts are included in the Statement of Financial Activities.

Therefore, the Directors have concluded that from the entity's perspective the NHASS is, in substance, a defined contribution scheme and that it is not necessary for the financial statements of the company to include any liability at the balance sheet date in respect of pension entitlements accrued to that date by employees of the company, nor the disclosure requirements of FRS 102 in respect of defined benefit schemes. The above issue is similar to that applying in the majority of publicly funded organisations. With effect from 31 December 2012 the Nominated Health Agencies Superannuation Scheme (NHASS) was closed to new members.

## NOTES TO THE FINANCIAL STATEMENTS - continued

## 16 Post-employment benefits - continued

**Single Public Service Pension Scheme (SPSPS)**

With effect from 1 January 2013 the Single Public Service Pension Scheme (SPSPS) commenced. Most new employees will be members of the Single Public Service Pension Scheme (SPSPS) which will provide Consumer Price Index linked defined benefit pensions based on career average pay. The directors believe that the company's obligation under the SPSPS is to deduct pension contributions from employees who are members of the SPSPS and remit those pension contributions to the Department of Public Expenditure and Reform. The directors believe that the Department of Public Expenditure and Reform are responsible for payments under the SPSPS.

## 17 Tangible fixed assets

	Land and buildings €	Motor vehicles €	Total €
<b>Cost</b>			
At 31 December 2018	20,577,936	848,144	21,426,080
Additions	-	159,595	159,595
Disposals	-	-	-
At 31 December 2019	<u>20,577,936</u>	<u>1,007,739</u>	<u>21,585,675</u>
<b>Accumulated depreciation</b>			
At 31 December 2018	1,234,676	201,626	1,436,302
Charge for year	411,559	111,056	522,615
At 31 December 2019	<u>1,646,235</u>	<u>312,682</u>	<u>1,958,917</u>
<b>Net book value</b>			
At 31 December 2018	<u>19,343,260</u>	<u>646,518</u>	<u>19,989,778</u>
At 31 December 2019	<u>18,931,701</u>	<u>695,057</u>	<u>19,626,758</u>

Up until December 2015 the Hospitaller Order of Saint John of God, West European Province held the beneficial ownership of all of the land and buildings used by Saint John of God Community Services clg. The legal title of these assets is held by the Saint John of God Trust (Ireland). During the year ended 31 December 2017, the Hospitaller Order of Saint John of God, West European Province has continued to allow the use of certain of its fixed assets by Saint John of God Community Services clg.

On 22 December 2015, a number of directions were signed between the Order, the Trust and Saint John of God Community Services clg which transferred the beneficial ownership of various properties which were previously in the beneficial ownership of the Order to Saint John of God Community Services clg for a nominal consideration.

In advance of transferring the assets across from West European Province to Community Services, management of West European Province considered whether there were any related grants, loans or other obligations attaching to the various assets, which might impact on the future use of the assets within Community Services. This review indicated that a significant element of the assets being transferred had been funded by grants which had no specific performance conditions attaching to them.

NOTES TO THE FINANCIAL STATEMENTS - continued

17 Tangible fixed assets - continued

There were some restrictions noted in relation to the grants, principally around the fact that a future sale of the asset within a specific time period would trigger an obligation to repay the grant to the funder. It was agreed as part of the directions transferring the assets, that Community Services would take over the obligation in relation to any future clawbacks arising as a result of any decision to sell the assets. These obligations are considered to be contingent liabilities and are disclosed as same in Note 23 of these financial statements.

The properties were valued by CBRE Ireland on the basis of Fair Value on an existing use basis, as at 31 December 2015.

Saint John of God Community Services continues to use certain assets which are owned by the Hospitaller Order of St John of God, West European Province free of charge. In relation to the motor vehicles purchased the funding has been provided primarily by donations.

18 Investments	Total €
Cost at 1 January 2018	127
Cost at 31 December 2018	<u>127</u>
Cost at 1 January 2019	127
Cost at 31 December 2019	<u>127</u>

19 Stocks	2019 €	2018 €
Raw materials and consumables	<u>3,316</u>	<u>4,509</u>

20 Debtors and prepayments	2019 €	2018 €
Amounts falling due within one year:		
Debtors and prepayments (including provisions of 2019: €311,070 (2018: €387,376))	1,628,929	2,652,054
Amounts due from HSE	1,065,370	1,062,244
Amounts owed by affiliates and related parties (note 27)	<u>222,357</u>	<u>513,684</u>
	<u>2,916,656</u>	<u>4,227,982</u>

Amounts owed by related parties are unsecured, interest free, have no fixed date of repayment and are payable on demand.

NOTES TO THE FINANCIAL STATEMENTS - continued

<b>21 Creditors - amounts falling due in less than one year</b>	2019	2018
	€	€
Amounts falling due within one year:		
Trade creditors	2,374,505	1,521,803
Amounts in advance from HSE	4,939,771	3,455,900
Amounts owed to affiliates and related parties (note 27)	1,023,983	463,909
Income tax deducted under PAYE and PRSI	5,704,086	5,792,429
Income tax deducted under VAT	3,358	614
Other Creditors	241,688	157,149
Accruals	11,634,221	10,457,182
Deferred income	1,628,803	1,172,255
Bank overdraft	2,447,362	3,048,170
	<u>29,997,777</u>	<u>26,069,411</u>

Creditors for tax and social insurance are payable in the timeframe set down in the relevant legislation.

Amounts due to related parties are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

<b>22 Reconciliation of surplus to net cash outflow from operating activities</b>	2019	2018
	€	€
Deficit	(5,603,905)	(6,504,950)
<i>Adjustments for:</i>		
Depreciation	522,615	551,636
Decrease/(increase) in debtors and current investments	1,311,326	(1,498,966)
Increase in creditors	4,529,174	7,319,470
Decrease in stocks	1,193	813
Net cash outflow from operating activities	<u>760,403</u>	<u>(131,997)</u>

**23 Contingent liabilities, commitments and guarantees**

As detailed in Note 17 in 2015 a number of assets transferred from Hospitaller Order of Saint John of God, West European Province to Community Services at a nominal consideration. The assets transferred related only to assets which had previously been grant funded by a grant awarding body or capital donation. In advance of transferring the assets across from Hospitaller Order of Saint John of God, West European Province to Community Services, management considered whether there were any related grants, loans or other obligations attaching to the various assets, which might impact on the future use of the assets within Community Services.

There were some restrictions noted in relation to the grants, principally around the fact that a future sale of the asset within a specific time period would trigger an obligation to repay the grant to the funder. It was agreed as part of the directions transferring the assets, that Community Services would take over the obligation in relation to any future clawbacks arising as a result of any decision to sell the assets. These obligations are considered to be contingent liabilities and are therefore disclosed as same in this note to the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 24 Post Balance Sheet Event – COVID-19

Coronavirus disease 2019 (COVID-19) is an infectious disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). The disease was first identified in 2019 in Wuhan, the capital of China's Hubei province, and has since spread globally, resulting in the ongoing 2019–20 coronavirus pandemic. The earliest known infection occurred on 17 November 2019 in Wuhan, China. The World Health Organization (WHO) declared the 2019–20 coronavirus outbreak a Public Health Emergency of International Concern (PHEIC) on 30 January 2020 and a pandemic on 11 March 2020. The virus started having an impact in Ireland in February 2020.

In line with government policy, Day and Respite Services to children and adults with intellectual disability and outpatient services to children, adolescents and adults with mental ill health were curtailed with effect from mid-March 2020. Residential services and urgent mental health consultations continue to operate with the systems, processes and procedures put in place in accordance with Public Health Guidelines to manage the transmission of the virus and keep the individuals we support and staff safe.

The impact of COVID-19 on the risks and uncertainties faced by the organisation are set out in detail in the directors report. COVID-19 is considered to be a non-adjusting post balance sheet event.

There have been no other significant or material events affecting the Company since the year end.

### 25 Public Juridic Person (PJP)

In July 2012, Saint John of God Hospitaller Ministries was established by the Holy See of the Roman Catholic Church as a public juridic person of pontifical right (a "PJP"). The PJP is a canonical body and civil structures are being put in place to implement the new canonical structures in civil law. The new Church body (PJP) has a Board of Sponsors which comprises religious Brothers and lay people.

The Saint John of God Hospitaller Services Group was incorporated in 2015 to put into civil legal effect the structures anticipated by the establishment of the PJP and to secure the long term continuation of the services provided by the Order. The Saint John of God Hospitaller Services Group constitution mirrors the objectives of Saint John of God Hospitaller Ministries and has the same membership as the PJP thus ensuring that the canonical responsibilities which reflect the ethos and purpose of the Order are carried out in the Civil structure.

The Charities Regulator registered the company as a charity on 30 April 2018, Registered Charity number (RCN): 20106515.

The Saint John of God Hospitaller Services Group took over the activities in relation to the provision of health and social care, public education particularly with regard to mental health, disability and social needs to the poor and marginalised in Ireland, Great Britain, and Africa; the provision of health and social services in developing countries; and sponsoring education and training of staff who work in these service areas from the Hospitaller Order of Saint John of God, West European Province with effect from 01 January 2019.

Saint John of God Community Services clg effectively became a subsidiary of that organisation with effect from 01 January 2019.

### 26 Ultimate Parent Company

The directors consider the Saint John of God Hospitaller Services Group to be the Ultimate Parent Company of the company.

NOTES TO THE FINANCIAL STATEMENTS - continued

27 Related party transactions

Note 26 above sets out the Group Structure. The following entities are deemed related parties as they avail of the central management function provided by the Saint John of God Community Services clg. At the end of the year, Saint John of God Community Services clg had the following balances with related parties.

	2019 €	2018 €
Amounts receivable from related parties:		
Hospitaller Order of Saint John of God – West European Province	36,329	195,592
Saint John of God Housing Association clg	185,326	318,092
Saint John of God Research Foundation clg	702	-
	<u>222,357</u>	<u>513,684</u>
Amounts payable to related parties:		
Saint John of God Hospitaller Services Group	280,097	-
Saint John of God Research Foundation clg	-	5,506
Saint John of God Hospital clg	743,886	458,403
	<u>1,023,983</u>	<u>463,909</u>

**Transactions with Saint John of God Hospital clg**

Saint John of God Hospital clg provides beds for Saint John of God Community Services clg (Community Mental Health Services) and the costs are charged from Saint John of God Hospital clg to Saint John of God Community Services clg. The cost of this is €6,689,379 (2018: €6,683,154). The Health Service Executive funds a nursing education programme and the Saint John of God Hospital clg are involved in delivering aspects of this at a cost of €331,992 (2018: €331,981).

Certain costs incurred in the running of the company, including maintaining ICT system and software are shared and administered by Saint John of God Community Services clg, the portion of these costs allocated to Saint John of God Hospital clg in the year amounted €263,488 (2018: €819,912).

Saint John of God Community Services clg charges or receives from related parties the cost, primarily of salaries, to reflect the portion of work done for/by the other entities and the amount charged to Saint John of God Hospital clg was €233,048 (2018: €221,842)

A number of posts on the Saint John of God Hospital clg payroll covering Clinical Research and Mental Health Act administration also provide service to Saint John of God Community Services clg and the charge for these services was €155,931 (2018: €150,376).

Non consultant hospital doctors participate in a national training scheme (Basic Specialist Training Scheme in Psychiatry) requiring periods of training in both companies, also staff may re-deploy temporarily to other the other company to cover staff or skill shortages. The charge from Saint John of God Hospital clg to Saint John of God Community Services clg to recoup salaries in this category was €15,236 (2018:€44,920)

To obtain economies of scale the Procurement Department of Saint John of God Community Services clg arranges a limited number of contracts on behalf of other Saint John of God companies. The purchases under these deals charged to the Saint John of God Hospital clg amounted to €146,157 (2018: €42,563).

Saint John of God Community Services clg is the group remitter for VAT. During the year €57,271 (2018: €57,160) was remitted on behalf of and reclaimed from Saint John of God Hospital clg.

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 27 Related party transactions - continued

The NHASS is administered, funded and underwritten by the HSE\Department of Health. The directors believe that the company operates as an agent in the operation of the scheme. The company is agent both for itself and for Saint John of God Hospital clg. In the year the Saint John of God Hospital clg remitted employee and employer contributions amounting to €1,786,971 (2018: €1,972,503). The administration of the Single Public Service Pension Scheme (SPSPS) scheme is operated by the Department of Public Expenditure and Reform.

#### **Transactions with Saint John of God Research Foundation clg**

Transactions with Saint John of God Research Foundation clg relate to reimbursement of salary expenses which amount to €35,378 (2018: €34,881).

Saint John of God Community Services clg is the group remitter for VAT. During the year €231 (2018: €263) was remitted on behalf of and reclaimed from Saint John of God Research Foundation clg.

#### **Transactions with Hospitaller Order of Saint John of God – West European Province**

Certain costs incurred in the running of the company are shared and administered by Saint John of God Community Services clg, the portion of these costs allocated to Hospitaller Order of Saint John of God – West European Province in the year amounted €217,856 (2018: €458,797).

The Hospitaller Order of Saint John of God, West European Province has provided a subsidy to the company to support its activities in providing a service to children with life limiting conditions in the amount of €77,753 (2018: €49,484).

#### **Transactions with Employ Ability clg**

Saint John of God Community Services clg sub leases a property to Employ Ability and charges rent at a pro-rate basis of the amount it is charged amounting to €20,000 (2018: €20,000).

#### **Transactions with Saint John of God Foundation**

Saint John of God Foundation raised €10k (2018: €12.6k). for Saint John of God Community Services and was remitted as a restricted donation for the benefit of Saint John of Community Services

#### **Transactions with Saint John of God Housing Association clg**

Saint John of God Community Services clg pays for repairs and maintenance on properties used by tenants of Saint John of God Housing Association clg which are then recharged to the Housing Association. The amount recharged during the year was €Nil (2018: €45,406).

Certain costs incurred in the running of the company are shared and administered by Saint John of God Community Services clg, the portion of these costs allocated to Saint John of God Housing Association clg in the year amounted €55,868 (2018: €70,050).

Saint John of God Community Services clg is the group remitter for VAT. During the year €78,312 (2018: €64,060) was remitted on behalf of and reclaimed from Saint John of God Housing Association clg.

#### **Transactions with Saint John of God Hospitaller Services Group**

The Saint John of God Hospitaller Services Group took over the activities in relation to the provision of health and social care, public education particularly with regard to mental health, disability and social needs to the poor and marginalised in Ireland, Great Britain, and Africa; the provision of health and social services in developing countries; and sponsoring education and training of staff who work in these service areas from the Hospitaller Order of Saint John of God, West European Province with effect from 01 January 2019. The Saint John of God Hospitaller Services Group charged a management fee for the year

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 27 Related party transactions - continued

of €350,000 (2018: €nil). The main other transaction relates to repairs paid by Saint John of God Community Services and charged to Saint John of God Hospitaller Services Group €64,910 (2018: €nil).

#### Transactions with Saint John of God Schools

There are seven Saint John of God Schools, the accounting and payroll functions for these schools are primarily provided by Saint John of God Community Services clg for which it charges a fee of €132,348 (2018: €131,162).

### 28 Reserves

#### Restricted funds

Income is treated as restricted where the donor has specified that it may only be used for a particular purpose or where it has been raised for a particular purpose. All other income is treated as unrestricted. Expenditure is treated as being made out of restricted funds to the extent that it meets the criteria specified by the donor or the terms under which it was raised. All other expenditure is treated as unrestricted. Saint John of God Community Services clg considers that the revenue allocation received from the Health Service Executive in accordance with the service level agreements between the various Saint John of God services and the HSE is restricted income. In the case of certain Service users, Saint John of God Community Services clg invoices the HSE separately for specific charges and increments relating to the individual. This income also forms part of restricted funds. The designation as restricted is based on an agreed assessment of same with the HSE.

#### Unrestricted funds

All other income is treated as unrestricted and relates to the core objective of providing services in accordance with the overall charity objectives.

#### Endowment funds

Endowment funds are a permanent fund whereby the initial capital amount invested will not be accessed but rather the return on the initial investment will provide funding or access to fixed assets on an annual basis. The properties transferred from Hospitaller Order of Saint John of God, West European Province are considered to be restricted endowment funds.

The balance on each restricted fund at the end of the year represents the asset held by the organisation for particular purposes specified by the donors. The balance of the unrestricted fund at the end of the year represents the assets held by the organisation for general use in furtherance of its work. Endowment funds represent amounts held for investment or specific charitable purpose. Income from these principal amounts will either be (a) unrestricted and used for general purposes, or (b) restricted by the donor or by the Board.

### 29 Prior year comparatives

Certain prior year comparatives have been re-stated in line with current year presentation formats.

### 30 Approval of financial statements

The financial statements were approved by the Board of Directors on 20 July 2020.

**UNAUDITED DETAILED INCOME AND EXPENDITURE**

**(The following pages do not form part of the  
audited financial statements)**

**SUMMARY INCOME AND EXPENDITURE ACCOUNT**  
**Financial Year Ended 31 December 2019**

	2019 Restricted €	2019 Unrestricted €	2019 Total €	2018 Restricted €	2018 Unrestricted €	2018 Total €
<b>Ordinary expenditure</b>						
Pay	(154,467,857)	(200,136)	(154,667,993)	(149,697,447)	(248,559)	(149,946,006)
Non pay	<u>(29,296,997)</u>	<u>(173,922)</u>	<u>(29,470,919)</u>	<u>(29,865,878)</u>	<u>(195,177)</u>	<u>(30,061,055)</u>
	(183,764,854)	(374,058)	(184,138,912)	(179,563,325)	(443,736)	(180,007,061)
<b>Ordinary income</b>						
Other operating income	<u>13,716,000</u>	<u>430,501</u>	<u>14,146,501</u>	<u>17,170,587</u>	<u>464,356</u>	<u>17,634,943</u>
<b>Deficit on ordinary activities</b>	(170,048,854)	56,443	(169,992,411)	(162,392,738)	20,620	(162,32,118)
HSE Revenue allocation	160,358,807	-	160,358,807	151,056,596	-	151,056,596
HSE direct income	<u>4,029,699</u>	<u>-</u>	<u>4,029,699</u>	<u>4,810,572</u>	<u>-</u>	<u>4,810,572</u>
Total HSE income	164,388,506	-	164,388,506	155,867,168	-	155,867,168
<b>Operating deficit</b>	<u>(5,660,348)</u>	<u>56,443</u>	<u>(5,603,905)</u>	<u>(6,525,570)</u>	<u>20,620</u>	<u>(6,504,950)</u>

**DETAILED INCOME AND EXPENDITURE ACCOUNT**  
**Year Ended 31 December 2019**

	2019 Restricted €	2019 Unrestricted €	2019 Total €	2018 Restricted €	2018 Unrestricted €	2018 Total €
<b>Pay expenditure</b>						
Administration	8,832,370	-	8,832,370	8,860,960	10,850	8,871,810
Medical and dental	6,657,921	-	6,657,921	6,443,129	-	6,443,129
Nursing	31,168,860	-	31,168,860	30,749,832	-	30,749,832
Para-medical	37,173,898	-	37,173,898	34,866,229	-	34,866,229
Support services	45,724,641	200,136	45,924,777	45,912,988	237,709	46,150,697
Social Welfare costs	12,686,104	-	12,686,104	12,030,026	-	12,030,026
NHASS	12,224,063	-	12,224,063	10,834,283	-	10,834,283
<b>Total pay expenditure</b>	<b>154,467,857</b>	<b>200,136</b>	<b>154,667,993</b>	<b>149,697,447</b>	<b>248,559</b>	<b>149,946,006</b>

**DETAILED INCOME AND EXPENDITURE ACCOUNT - continued**  
**Financial Year Ended 31 December 2019**

	2019 Restricted €	2019 Unrestricted €	2019 Total €	2018 Restricted €	2018 Unrestricted €	2018 Total €
<b>Non-pay expenditure</b>						
Drugs medicines and surgical	2,277,706	124	2,277,830	2,932,068	-	2,932,068
Catering	1,698,135	42,351	1,740,486	1,678,103	104,057	1,782,160
Heat, power and light	2,097,871	39,778	2,137,649	2,139,919	41,963	2,181,882
Cleaning and washing	1,263,064	27,535	1,290,599	1,256,631	14,935	1,271,566
Furniture crockery and hardware	460,033	392	460,425	583,013	49	583,062
Bedding and clothing	76,860	-	76,860	80,022	-	80,022
Maintenance	2,858,132	57,102	2,915,234	3,824,614	26,734	3,851,348
Transport and travelling	685,952	-	685,952	739,817	-	739,817
Transport patients	2,326,709	-	2,326,709	2,152,262	-	2,152,262
Vehicles purchase	6,204	-	6,204	30,468	-	30,468
Bank charges	43,443	-	43,443	59,501	-	59,501
Insurances	204,666	50	204,716	293,421	73	293,494
Rent and rates	1,531,792	-	1,531,792	1,381,944	-	1,381,944
Computer and office equipment	1,011,243	-	1,011,243	857,187	-	857,187
Professional services	1,077,658	-	1,077,658	933,710	-	933,710
Education and training	742,899	-	742,899	788,549	-	788,549
Psychiatric In-Hospital beds	6,750,787	-	6,750,787	6,391,557	-	6,391,557
Recruitment and advertising	144,840	-	144,840	181,113	-	181,113
Office expenses	1,389,638	249	1,389,887	1,453,723	-	1,453,723
Nursing diploma	331,992	-	331,992	331,981	-	331,981
Fire and security alarms	350,000	-	350,000	636,945	-	636,945
Deprecation	673,359	-	673,359	551,637	-	551,637
Breakaway for clients	522,615	-	522,615	84,318	-	84,318
Swimming pool hire	80,369	-	80,369	-	-	-
Miscellaneous	691,030	6,341	697,371	503,375	7,312	510,687
<b>Total non-pay expenditure</b>	<b>29,296,997</b>	<b>173,922</b>	<b>29,470,919</b>	<b>29,865,878</b>	<b>195,177</b>	<b>30,061,055</b>
<b>Gross expenditure</b>	<b>183,764,854</b>	<b>374,058</b>	<b>184,138,912</b>	<b>179,563,325</b>	<b>443,736</b>	<b>180,007,061</b>

**DETAILED INCOME AND EXPENDITURE ACCOUNT - continued**  
**Financial Year Ended 31 December 2019**

	2019 Restricted €	2019 Unrestricted €	2019 Total €	2018 Restricted €	2018 Unrestricted €	2018 Total €
<b>Income</b>						
NHASS income	5,294,979	-	5,294,979	5,608,913	-	5,608,913
Pension levy income	4,069,730	-	4,069,730	5,224,241	-	5,224,241
Management charges	510,583	-	510,583	1,302,389	-	1,302,389
Canteen receipts	-	108,219	108,219	-	116,563	116,563
Sundry income	333,738	8,500	342,238	243,120	1,148	244,268
RSSMAC income	2,139,764	-	2,139,764	2,385,150	-	2,385,150
Department of Social Protection Income	900,931	-	900,931	1,005,191	-	1,005,191
Department of Education	58,319	-	58,319	73,719	-	73,719
Donations and fundraising	215,101	-	215,101	633,472	-	633,472
Swimming pool income	-	252,965	252,965	-	286,349	286,349
Rental income	-	36,333	36,333	-	40,584	40,584
Out Patients Income	26,152	-	26,152	19,073	-	19,073
Workshop sales	-	24,484	24,484	-	19,712	19,712
Grant Income - Genio	-	-	-	507,308	-	507,308
Grant Income – Health Research Board	87,048	-	87,048	64,358	-	64,358
Grant Income - National Lottery	1,902	-	1,902	51,226	-	51,226
Contribution from Hospitaller Order of Saint John of God	77,753	-	77,753	52,427	-	52,427
<b>Total income</b>	<b>13,716,000</b>	<b>430,501</b>	<b>14,146,501</b>	<b>17,170,587</b>	<b>464,356</b>	<b>17,634,943</b>

**HEAD QUARTERS**

**Financial Year Ended 31 December 2019**

	2019 Restricted €	2019 Unrestricted €	2019 Total €	2018 Restricted €	2018 Unrestricted €	2018 Total €
<b>Income</b>						
Apportionment of HSE allocation	6,320,162	-	6,320,162	5,669,087	-	5,669,087
Nominated Health Agencies Superannuation Scheme	5,294,979	-	5,294,979	5,608,913	-	5,608,913
Pension levy income	4,069,730	-	4,069,730	2,568,742	-	2,568,742
Management charges	510,583	-	510,583	1,302,389	-	1,302,389
Sundry income	93,569	-	93,569	120,345	-	120,345
Rental income	-	1,212	1,212	-	-	-
Donations and Fundraising	6,892	-	6,892	-	-	-
Grant Income – National Lottery	-	-	-	447	-	447
<b>Total income</b>	<b>16,295,915</b>	<b>1,212</b>	<b>16,297,127</b>	<b>15,269,923</b>	<b>-</b>	<b>15,269,923</b>
<b>Expenditure</b>						
<b>Pay expenditure</b>						
Administration	2,392,533	-	2,392,533	2,639,635	-	2,639,635
Nursing	70,941	-	70,941	63,272	-	63,272
Para-medical	268,746	-	268,746	323,485	-	323,485
Support services	18,448	-	18,448	18,206	-	18,206
Social Welfare costs	283,723	-	283,723	307,458	-	307,458
NHASS	12,224,063	-	12,224,063	10,834,283	-	10,834,283
<b>Total pay expenditure</b>	<b>15,258,454</b>	<b>-</b>	<b>15,258,454</b>	<b>14,186,339</b>	<b>-</b>	<b>14,186,339</b>

**HEAD QUARTERS -continued**  
**Financial Year Ended 31 December 2019**

	2019 Restricted €	2019 Unrestricted €	2019 Total €	2018 Restricted €	2018 Unrestricted €	2018 Total €
<b>Non-pay expenditure</b>						
Drugs medicines and surgical	150	-	150	-	-	-
Catering	9,007	-	9,007	9,174	-	9,174
Heat, power and light	50,114	-	50,114	50,970	-	50,970
Cleaning and washing	43,044	-	43,044	44,138	-	44,138
Furniture crockery and hardware	822	-	822	195	-	195
Bedding and clothing	-	-	-	179	-	179
Maintenance	18,307	-	18,307	21,044	-	21,044
Transport and travelling	45,077	-	45,077	59,041	-	59,041
Bank charges	28,092	-	28,092	44,201	-	44,201
Insurances	11,086	-	11,086	28,817	-	28,817
Rent and rates	880	-	880	1,320	-	1,320
Computer and office equipment	292,710	-	292,710	291,127	-	291,127
Professional services	748,463	-	748,463	561,412	-	561,412
Education and training	14,948	-	14,948	13,172	-	13,172
Recruitment and advertising	18,000	-	18,000	5,955	-	5,955
Office expenses	103,219	-	103,219	112,956	-	112,956
Charges from Hospitaller Services Entities	350,000	-	350,000	-	-	-
Depreciation	411,559	-	411,559	411,559	-	411,559
Fire and security alarms	8,154	-	8,154	10,241	-	10,241
Miscellaneous	1,127	-	1,127	2,277	-	2,277
<b>Total non-pay expenditure</b>	<b>2,154,759</b>	<b>-</b>	<b>2,154,759</b>	<b>1,667,778</b>	<b>-</b>	<b>1,667,778</b>
<b>Surplus/(deficit)</b>	<b>(1,117,298)</b>	<b>1,212</b>	<b>(1,116,086)</b>	<b>(584,194)</b>	<b>-</b>	<b>(584,194)</b>

**LIFFEY REGION**  
**Financial Year Ended 31 December 2019**

	2019 Restricted €	2019 Unrestricted €	2019 Total €	2018 Restricted €	2018 Unrestricted €	2018 Total €
<b>Income</b>						
Apportionment of HSE allocation	49,066,826	-	49,066,826	45,665,302	-	45,665,302
Health Service executive income	1,508,974	-	1,508,974	1,199,193	-	1,199,193
Pension Levy Income	-	-	-	1,163,763	-	1,163,763
Canteen receipts	-	10,829	10,829	-	28,251	28,251
Sundry income	24,294	7,549	31,843	34,430	-	34,430
RSSMAC income	481,677	-	481,677	776,850	-	776,850
Dept. of Social Protection	457,909	-	457,909	676,217	-	676,217
Dept. of Education	47,441	-	47,441	73,719	-	73,719
Donations and fundraising	79,785	-	79,785	450,458	-	450,458
Swimming pool	-	113,493	113,493	-	150,626	150,626
Grant Income - Genio	-	-	-	507,308	-	507,308
Grant Income - National Lottery	1,902	-	1,902	50,780	-	50,780
Contribution from Hospitaller Order of Saint John of God	77,753	-	77,753	51,507	-	51,507
<b>Total income</b>	<b>51,746,561</b>	<b>131,871</b>	<b>51,878,432</b>	<b>50,649,527</b>	<b>178,877</b>	<b>50,828,404</b>
<b>Expenditure</b>						
<b>Pay expenditure</b>						
Administration	1,706,727	-	1,706,727	1,560,180	10,850	1,571,030
Medical and dental	222,395	-	222,395	228,787	-	228,787
Nursing	8,111,958	-	8,111,958	8,095,622	-	8,095,622
Para-medical	15,892,310	-	15,892,310	13,932,255	-	13,932,255
Support services	15,545,758	62,088	15,607,846	15,943,925	103,648	16,047,573
Social Welfare costs	3,883,609	-	3,883,609	3,548,551	-	3,546,551
<b>Total pay expenditure</b>	<b>45,362,757</b>	<b>62,088</b>	<b>45,424,845</b>	<b>43,307,320</b>	<b>114,498</b>	<b>43,421,818</b>

**LIFFEY REGION - continued**  
**Financial Year Ended 31 December 2019**

	2019 Restricted €	2019 Unrestricted €	2019 Total €	2018 Restricted €	2018 Unrestricted €	2018 Total €
<b>Non-pay expenditure</b>						
Drugs medicines and surgical supplies	550,648	124	550,772	498,940	-	498,940
Catering	588,623	-	588,623	600,564	33,319	633,883
Heat, power and light	733,998	16,997	750,995	728,024	19,028	747,052
Cleaning and washing	391,320	23,533	414,853	412,369	11,567	423,936
Furniture crockery and hardware	105,525	22	105,547	192,823	49	192,872
Bedding and clothing	37,893	-	37,893	46,496	-	46,496
Maintenance	805,186	44,335	849,521	1,390,773	18,729	1,409,502
Transport and travelling	174,459	-	174,459	200,815	-	200,815
Transport patients	1,215,341	-	1,215,341	1,160,313	-	1,160,313
Vehicles purchased	5,251	-	5,251	29,595	-	29,595
Bank charges	4,159	-	4,159	4,848	-	4,848
Insurances	67,949	-	67,949	95,047	-	95,047
Rent and rates	383,327	-	383,327	357,752	-	357,752
Computer and office equipment	103,151	-	103,151	166,287	-	166,287
Professional services	100,824	-	100,824	274,584	-	274,584
Education and training	130,669	-	130,669	172,538	-	172,538
Recruitment and advertising	34,720	-	34,720	68,604	-	68,604
Office expenses	439,654	209	439,863	474,140	-	474,140
Depreciation	-	-	-	33,198	-	33,198
Fire and security alarms	236,536	-	236,536	290,439	-	290,439
Miscellaneous	253,321	5,377	258,698	35,408	6,127	41,535
<b>Total non-pay expenditure</b>	<b>6,362,554</b>	<b>90,597</b>	<b>6,453,151</b>	<b>7,233,557</b>	<b>88,819</b>	<b>7,322,376</b>
<b>Surplus/(deficit)</b>	<b>21,250</b>	<b>(20,814)</b>	<b>436</b>	<b>108,650</b>	<b>(24,440)</b>	<b>84,210</b>

**DUBLIN SOUTH EAST**  
**Financial Year Ended 31 December 2019**

	2019 Restricted €	2019 Unrestricted €	2019 Total €	2018 Restricted €	2018 Unrestricted €	2018 Total €
<b>Income</b>						
Apportionment of HSE allocation	23,417,702	-	23,417,902	22,802,881	-	22,802,881
Health Service executive income	1,013,687	-	1,013,687	1,053,582	-	1,053,582
Canteen receipts	-	60,247	62,247	-	62,302	62,302
Sundry income	-	951	951	6,076	1,148	7,224
RSSMAC income	92,233	-	92,233	72,309	-	72,309
Donations and fundraising	91,707	-	91,707	58,420	-	58,420
Rental income	-	4,796	4,796	-	27,584	27,584
Swimming pool	-	139,472	139,472	-	135,723	135,723
Workshop sales	-	8,701	8,701	-	7,112	7,112
<b>Total income</b>	<b>24,615,529</b>	<b>214,167</b>	<b>24,829,696</b>	<b>23,993,268</b>	<b>233,869</b>	<b>24,227,137</b>
<b>Expenditure</b>						
<b>Pay expenditure</b>						
Administration	1,114,984	-	1,114,984	1,143,598	-	1,143,598
Medical and dental	97,707	-	97,707	94,261	-	94,261
Nursing	3,269,459	-	3,269,459	3,301,216	-	3,301,216
Para-medical	9,024,983	-	9,024,983	8,350,126	-	8,350,126
Support services	5,903,570	104,575	6,008,145	5,966,231	100,457	6,066,688
Social Welfare costs	2,030,503	-	2,030,503	1,936,079	-	1,936,079
<b>Total pay expenditure</b>	<b>21,441,206</b>	<b>104,575</b>	<b>21,545,781</b>	<b>20,791,511</b>	<b>100,457</b>	<b>20,891,968</b>

**DUBLIN SOUTH EAST - continued**  
**Financial Year Ended 31 December 2019**

	2019 Restricted €	2019 Unrestricted €	2019 Total €	2018 Restricted €	2018 Unrestricted €	2018 Total €
<b>Non-pay expenditure</b>						
Drugs medicines and surgical	124,254	-	124,254	105,524	-	105,524
Catering	247,516	-	247,516	205,993	37,458	243,451
Heat, power and light	267,709	22,162	289,871	287,206	21,968	309,174
Cleaning and washing	142,672	2,483	145,155	132,835	2,292	135,127
Furniture crockery and hardware	99,391	-	99,391	99,805	-	99,805
Bedding and clothing	3,795	-	3,795	3,519	-	3,519
Maintenance	390,805	12,767	403,572	679,708	7,406	687,114
Transport and travelling	126,656	-	126,656	137,904	-	137,904
Transport patients	348,392	-	348,392	286,266	-	286,266
Bank charges	6,055	-	6,055	5,070	-	5,070
Insurances	35,297	-	35,297	51,368	-	51,368
Rent and rates	493,402	-	493,402	418,516	-	418,516
Computer and office equipment	205,850	-	205,850	153,446	-	153,446
Professional services	106,572	-	106,572	112,023	-	112,023
Education and training	113,745	-	113,745	130,942	-	130,942
Recruitment and advertising	36,543	-	36,543	62,182	-	62,182
Office expenses	236,334	-	236,334	241,774	-	241,774
Depreciation	18,185	-	18,185	11,977	-	11,977
Fire and security alarms	197,224	-	197,224	134,348	-	134,348
Miscellaneous	173,138	964	174,102	180,635	1,185	181,820
<b>Total non-pay expenditure</b>	<b>3,373,535</b>	<b>38,376</b>	<b>3,411,911</b>	<b>3,441,041</b>	<b>70,309</b>	<b>3,511,350</b>
<b>Surplus/(deficit)</b>	<b>(199,212)</b>	<b>71,216</b>	<b>(127,996)</b>	<b>(239,284)</b>	<b>63,103</b>	<b>(176,181)</b>

**NORTH EAST SERVICES**  
**Financial Year Ended 31 December 2019**

	2019 Restricted €	2019 Unrestricted €	2019 Total €	2018 Restricted €	2018 Unrestricted €	2018 Total €
<b>Income</b>						
Apportionment of HSE allocation	36,081,281	-	36,081,281	33,358,639	-	33,358,639
Health Service executive income	606,309	-	606,309	1,482,680	-	1,482,680
Pension levy income	-	-	-	1,053,920	-	1,053,920
Sundry income	250,750	-	250,750	123,469	-	123,469
RSSMAC income	947,571	-	947,571	985,584	-	985,584
Donations and fundraising	1,885	-	1,885	2,375	-	2,375
Rental income	-	30,325	30,325	-	13,000	13,000
Workshop sales	-	15,328	15,328	-	11,180	11,180
Department of Education	10,878	-	10,878	-	-	-
<b>Total Income</b>	<b>37,898,674</b>	<b>45,653</b>	<b>37,944,327</b>	<b>37,006,667</b>	<b>24,180</b>	<b>37,030,847</b>
<b>Expenditure</b>						
<b>Pay expenditure</b>						
Administration	905,281	-	905,281	991,593	-	991,593
Medical and dental	211,268	-	211,268	214,366	-	214,366
Nursing	12,180,970	-	12,180,970	11,883,807	-	11,883,807
Para-medical	4,508,614	-	4,508,614	4,640,797	-	4,640,797
Support services	15,263,813	32,334	15,296,147	15,511,384	32,323	15,543,707
Social Welfare costs	3,343,981	-	3,343,981	3,222,888	-	3,222,888
<b>Total pay expenditure</b>	<b>36,413,927</b>	<b>32,334</b>	<b>36,446,261</b>	<b>36,464,835</b>	<b>32,323</b>	<b>36,497,158</b>

**NORTH EAST SERVICES - continued**  
**Financial Year Ended 31 December 2019**

	2019 Restricted €	2019 Unrestricted €	2019 Total €	2018 Restricted €	2018 Unrestricted €	2018 Total €
<b>Non-pay expenditure</b>						
Drugs medicines and surgical	522,710	-	522,710	843,046	7,459	843,046
Catering	412,515	5,950	418,465	428,904	770	436,363
Heat, power and light	548,850	619	549,469	535,892	1,076	536,662
Cleaning and washing	309,369	1,519	310,888	311,828	-	312,904
Furniture crockery and hardware	160,119	370	160,489	223,269	-	223,269
Bedding and clothing	21,771	-	21,771	22,130	-	22,130
Maintenance	1,104,287	-	1,104,287	1,196,448	599	1,197,047
Transport and travelling	154,351	-	154,351	151,498	-	151,498
Transport patients	453,248	-	453,248	418,977	-	418,977
Vehicles purchased	758	-	758	873	-	873
Bank charges	2,971	-	2,971	3,398	-	3,398
Insurances	49,337	50	49,387	63,881	73	63,954
Rent and rates	206,066	-	206,066	195,058	-	195,058
Computer and office equipment	82,098	-	82,098	58,192	-	58,192
Professional services	64,499	-	64,499	33,022	-	33,022
Education and training	130,393	-	130,393	156,629	-	156,629
Recruitment and advertising	8,822	-	8,822	11,848	-	11,848
Office expenses	231,551	40	231,591	247,869	54	247,923
Depreciation	69,901	-	69,901	76,503	-	76,503
Fire and security alarms	69,039	-	69,039	71,610	-	71,610
Breakaway for clients	80,369	-	80,369	84,318	-	84,318
Miscellaneous	127,829	-	127,829	165,833	-	165,833
<b>Total non-pay expenditure</b>	<b>4,810,853</b>	<b>8,548</b>	<b>4,819,401</b>	<b>5,301,026</b>	<b>10,031</b>	<b>5,311,057</b>
<b>(Deficit)</b>	<b>(3,326,106)</b>	<b>4,771</b>	<b>(3,321,335)</b>	<b>(4,759,194)</b>	<b>(18,174)</b>	<b>(4,777,368)</b>

**KERRY SERVICES**

Financial Year Ended 31 December 2019

	2019 Restricted €	2019 Unrestricted €	2019 Total €	2018 Restricted €	2018 Unrestricted €	2018 Total €
<b>Income</b>						
Apportionment of HSE allocation	17,040,421	-	17,040,421	16,483,996	-	16,483,996
Health service executive income	900,730	-	900,730	404,994	-	404,994
Pension levy income	-	-	-	437,817	-	437,817
Canteen receipts	-	29,907	29,907	-	18,563	18,563
Sundry income	1,599	-	1,599	4,249	-	4,249
RSSMAC income	532,912	-	532,912	480,259	-	480,259
Donations and fundraising	33,466	-	33,466	110,766	-	110,766
Contribution from Hospitaller Order of Saint John of God	-	-	-	920	-	920
<b>Total income</b>	<b>18,509,128</b>	<b>29,907</b>	<b>18,539,035</b>	<b>17,923,001</b>	<b>18,563</b>	<b>17,941,564</b>
<b>Expenditure</b>						
<b>Pay expenditure</b>						
Administration	805,330	-	805,330	713,470	-	713,470
Nursing	3,880,657	-	3,880,657	4,048,826	-	4,048,826
Para-medical	2,405,039	-	2,405,039	2,520,563	-	2,520,563
Support services	8,276,745	-	8,276,745	7,812,718	-	7,812,718
Social Welfare costs	1,506,305	-	1,506,305	1,449,586	-	1,449,586
<b>Total pay expenditure</b>	<b>16,874,076</b>	<b>-</b>	<b>16,874,076</b>	<b>16,545,163</b>	<b>-</b>	<b>16,545,163</b>

**KERRY SERVICES - continued**  
**Financial Year Ended 31 December 2019**

	2019 Restricted €	2019 Unrestricted €	2019 Total €	2018 Restricted €	2018 Unrestricted €	2018 Total €
<b>Non-pay</b>						
Drugs medicines and surgical	239,116	-	239,116	246,826	-	246,826
Catering	334,877	29,907	364,784	334,395	18,563	352,958
Heat, power and light	317,200	-	317,200	338,314	-	338,314
Cleaning and washing	193,817	-	193,817	160,866	-	160,866
Furniture crockery and hardware	62,797	-	62,797	50,415	-	50,415
Bedding and clothing	8,809	-	8,809	5,730	-	5,730
Maintenance	458,228	-	458,228	427,829	-	427,829
Transport and travelling	63,148	-	63,148	65,546	-	65,546
Transport patients	208,279	-	208,279	176,866	-	176,866
Vehicles purchased	195	-	195	-	-	-
Bank charges	1,884	-	1,884	1,830	-	1,830
Insurances	20,895	-	20,895	29,580	-	29,580
Rent and rates	161,564	-	161,564	155,073	-	155,073
Computer and office equipment	82,712	-	82,712	65,181	-	65,181
Professional services	97,039	-	97,039	34,412	-	34,412
Education and training	77,870	-	77,870	66,337	-	66,337
Recruitment and advertising	25,662	-	25,662	19,475	-	19,475
Office expenses	107,970	-	107,970	106,646	-	106,646
Depreciation	22,970	-	22,970	18,400	-	18,400
Fire and security alarms	117,865	-	117,865	67,522	-	67,522
Miscellaneous	62,614	-	62,614	57,361	-	57,361
<b>Total non-pay expenditure</b>	<u>2,665,511</u>	<u>29,907</u>	<u>2,695,418</u>	<u>2,428,604</u>	<u>18,563</u>	<u>2,447,167</u>
<b>(Deficit)</b>	<u>(1,030,459)</u>	<u>-</u>	<u>(1,030,459)</u>	<u>(1,050,766)</u>	<u>-</u>	<u>(1,050,766)</u>

**COMMUNITY MENTAL HEALTH SERVICES**  
**Financial Year Ended 31 December 2019**

	2019 Restricted €	2019 Unrestricted €	2019 Total €	2018 Restricted €	2018 Unrestricted €	2018 Total €
<b>Income</b>						
Apportionment of HSE allocation	28,432,215	-	28,432,215	27,104,770	-	27,104,770
Health Service executive income	-	-	-	670,123	-	670,123
Canteen receipts	-	7,691	7,691	-	8,867	8,867
Sundry income	51,467	-	51,467	48,555	-	48,555
RSSMAC income	85,370	-	85,370	70,149	-	70,149
Department of Social protection	443,022	-	443,022	328,974	-	328,974
Donations and fundraising	1,365	-	1,365	11,454	-	11,454
Grant income - HRB	87,048	-	87,048	64,358	-	64,358
<b>Total income</b>	<b>29,100,487</b>	<b>7,691</b>	<b>29,108,178</b>	<b>28,298,383</b>	<b>8,867</b>	<b>28,307,250</b>
<b>Expenditure</b>						
<b>Pay expenditure</b>						
Administration	1,920,195	-	1,920,195	1,819,039	-	1,819,039
Medical and dental	6,126,552	-	6,126,552	5,905,715	-	5,905,715
Nursing	3,654,875	-	3,654,875	3,357,089	-	3,357,089
Para-medical	5,074,206	-	5,074,206	5,099,005	-	5,099,005
Support services	716,307	1,139	717,446	660,524	1,281	661,805
Social Welfare costs	1,638,692	-	1,638,692	1,568,170	-	1,568,170
<b>Total pay expenditure</b>	<b>19,130,827</b>	<b>1,139</b>	<b>19,131,966</b>	<b>18,409,542</b>	<b>1,281</b>	<b>18,410,823</b>

**COMMUNITY MENTAL HEALTH SERVICES- continued**  
**Financial Year Ended 31 December 2019**

	2019 Restricted €	2019 Unrestricted €	2019 Total €	2018 Restricted €	2018 Unrestricted €	2018 Total €
<b>Non-pay expenditure</b>						
Drugs medicines and surgical	840,829	-	840,829	1,237,732	-	1,237,732
Catering	105,596	6,494	112,090	99,073	7,258	106,331
Heat, power and light	180,000	-	180,000	199,514	197	199,711
Cleaning and washing	182,843	-	182,843	194,596	-	194,596
Furniture crockery and hardware	31,379	-	31,379	16,506	-	16,506
Bedding and clothing	4,593	-	4,593	1,968	-	1,968
Maintenance	81,319	-	81,319	108,812	-	108,812
Transport and travelling	123,985	-	123,985	127,543	-	127,543
Transport patients	99,727	-	99,727	107,310	-	107,310
Bank charges	283	-	283	154	-	154
Insurances	20,102	-	20,102	24,727	-	24,727
Rent and rates	286,554	-	286,554	254,225	-	254,225
Computer and office equipment	244,723	-	244,723	122,956	-	122,956
Professional services	8,660	-	8,660	14,008	-	14,008
Education and training	275,273	-	275,273	248,932	-	248,932
Psychiatric In-Hospital beds	6,750,787	-	6,750,787	6,391,557	-	6,391,557
Recruitment and advertising	21,092	-	21,092	13,050	-	13,050
Office expenses	270,910	-	270,910	270,338	-	270,338
Nursing Diploma	331,992	-	331,992	331,981	-	331,981
Fire and security alarms	44,541	-	44,541	62,785	-	62,785
Miscellaneous	73,003	-	73,003	61,863	-	61,863
<b>Total non-pay</b>	<b>9,978,191</b>	<b>6,494</b>	<b>9,984,685</b>	<b>9,889,630</b>	<b>7,455</b>	<b>9,897,085</b>
<b>(Deficit)</b>	<b>(8,531)</b>	<b>58</b>	<b>(8,473)</b>	<b>(789)</b>	<b>131</b>	<b>(658)</b>