

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

Directors' Report and Financial Statements

Financial Year Ended 31 December 2021

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DIRECTORS AND OTHER INFORMATION

Board of Directors

William Forkan (Retired 30 July 2022)
Anne Gunning (Retired 25 November 2021)
Paul Robinson (Retired 31 March 2022)
Gerard Boyle
Charles Watchorn
Eimer O'Rourke
James Hussey
Peter O'Halloran
Theresa Ghalaieny (appointed 25 March 2021)
Elma Clancy (appointed 14 February 2022)
Shane Hill (appointed 14 February 2022)
Ger O'Sullivan (appointed 14 February 2022)
Kieran Carolan (appointed 14 February 2022)

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

Independent 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 2021. 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 health support needs. The services are provided in the tradition values and ethos 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 outturn 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 18.

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 it is appropriate to prepare the financial statements on a going concern basis. Having considered and accepted the terms of the Memorandum of Understanding with the HSE covering a sustainability assessment, which commenced at end Quarter 1 2022 with an interim report on phase one of the project scheduled for issue in September 2022 and final report scheduled for publication by December 2022, and having considered the letter of support provided by the HSE to the directors to facilitate their signing of the 2021 financial statements, the directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future. 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 seven regions offering services to people with intellectual disability and mental health support needs, 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 participates in ongoing health and social care research and the Board has approved a suite of policies aligned to national policy 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 2021 are set out below. Unless indicated otherwise they served as directors for the entire year.

William Forkan (Brother Donatus)
Paul Robinson
Gerard Boyle
Charles Watchorn
Eimer O'Rourke
James Hussey
Peter O Halloran
Anne Gunning (resigned 25 November 2021)
Theresa Ghalaieny (appointed 25 March 2021)

Attendance at Board and Board Committee Meetings

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

Main Board	Eligible	Attended
William Forkan	12	10
Anne Gunning	12	7
Gerard Boyle	12	12
Paul Robinson	12	12
Eimer O'Rourke	12	12
Charles Watchorn	12	12
James Hussey	12	11
Peter O'Halloran	12	12
Theresa Ghalaieny	9	9
Board finance committee	Eligible	Attended
Paul Robinson	10	10
Charles Watchorn	10	10
James Hussey	10	9
Board Audit, Risk and Compliance Committee	Eligible	Attended
Ivan Schuster (independent Chair, non-director)	10	10
Gerry Boyle	10	10
Paul Robinson	10	9
Charles Watchorn (resigned 16 November 2021)	9	9
Eimer O'Rourke (appointed 16 November 2021)	1	1
Board nominations, performance and governance committee	Eligible	Attended
Gerry Boyle	5	5
Anne Gunning	5	3
Eimer O'Rourke	5	5
Board quality and safety committee	Eligible	Attended
Anne Gunning (resigned 17 November 2021)	10	7
Philomena Dunne (independent non-director)	10	10
Theresa Ghalaieny (appointed 21 April 2021)	7	6

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 2021.

Review of business and results

The results for the year are included in the Statement of Financial Activities. Net incoming resources amounted to €0.07m in 2021 (2020 net incoming resources €1.1m).

Post balance sheet events

There are no known Post Balance Sheet events at the time of finalising the Annual Financial Statements.

Principal risks and uncertainties

Funding

The company continues to engage and work closely with its funder, the HSE. However, despite strenuous negotiations over a number of years, the cost of operating the service has not been fully met. The ongoing under-funding has resulted in both carried forward financial deficits and cuts to critical expenditure on maintenance, vehicle fleet, ICT and physical infrastructure, impacting the quality and safety of service provision. The directors consider the continued underfunding and its impact on the delivery of safe and effective services to be the principal risk.

Following the Notice of Termination of the Service Arrangement to the HSE in September 2021, the Secretary General of the Department of Health in April 2021 requested the HSE to complete a Sustainability Impact Assessment with Saint John of God Community Services. The Sustainability Impact Assessment is in progress with an interim report on phase one to be issued in September 2022.

Subsequent to the serving of the Notice of Termination to the HSE in 2020, the HSE agreed a funding allocation to keep the services operational and prevent a worsening of the accumulated deficit. A similar level of funding is agreed for 2022 in accordance with the Memorandum of Understanding (MoU) agreed with the HSE in August 2021 to support the completion of the Sustainability Impact Assessment.

The Board welcomes the opportunity to participate with the HSE on the completion of the SIA with a view to agreeing a plan to address the accumulated deficit and developing a plan for the provision and development of high quality services in line with, legislation, regulation best practice and national policy.

The plan that emerges from the SIA process will be fully costed. The HSE has committed to seeking the additional funding required to deliver these services through the annual estimates process.

Full cost funding of service provision by the HSE is critical to ensure the company continues as a going concern and is in a position to provide high quality, safe services which meets regulatory and policy requirements.

Covid-19

We have considered the risks that coronavirus disease (COVID-19) has and continues to pose to the organisation and the actions we have taken and continue to take to mitigate the impact of the virus. Although all non-essential services closed temporarily at various stages throughout 2020 and 2021 in line with Government restrictions, the services provided by Saint John of God Community Services are deemed to be essential services.

Residential services and urgent mental health consultations continued to operate throughout the pandemic with the required 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.

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 health support needs were closed or curtailed for extended periods throughout 2021. Services continued with a variety of programmes and supports to maintain people safely and developed a range of online activities, programmes and clinical supports to maintain service provision to individuals.

Staff who ordinarily worked in the areas which were closed or curtailed were reassigned to residential services or provided services and supports to individuals at home via various digital platforms. Those staff who could work from home were facilitated to do so and continued where possible throughout 2021 to work from home.

The introduction of the provision of services and supports via digital platforms and technology has proved successful and beneficial to many people during the pandemic. The programmes and services developed over these platforms in response to the pandemic will continue as a feature of service provision into the future.

Individuals supported by our services and staff were prioritised for vaccination in 2021. As we enter into 2022, while all services are operational physical attendance at day and respite services continues to be impacted by the very high levels of community

DIRECTORS' REPORT - continued

transmission. It is highly likely that digital service provision where appropriate will be a feature of service provision throughout 2022

In 2021 we have had a number of suspected and confirmed cases of COVID-19. 157 individuals we support and 911 staff contacted Covid or were identified as close contacts at various stages throughout the year. One resident passed away from COVID-19.

From the outset of the pandemic a Covid Leadership Team convened to oversee the management of and the implementation of HSPC and HSE guidelines and procedures to manage the transmission of COVID-19 with the key focus on doing all we can to provide safe services and keep our workplace as safe as possible.

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 additional 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 affected by COVID-19 and we expect it will be late 2022 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.

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 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.

Future developments

The company is participating with the HSE on the completion of the Sustainability Impact Assessment (SIA) with a view to developing an agreed plan for the provision and development of high quality services. The first phase of the SIA project is scheduled for completion by September 2022 with the final report scheduled for December 2022 with provision for the implementation of recommendations of the assessment between 2023 and 2025. The HSE has committed to seeking the funding to develop these high quality services through the Budget Estimates process.

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 2021, 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. At the request of the Board the executive prepared a compliance register a to monitor the range of the company's statutory and regulatory compliance requirements. An action plan is in place to address identified areas on non-compliance. The Executive Management Team monitors and reviews this action plan quarterly.

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.

DIRECTORS' REPORT - continued

There are Risk Management Policies in place which were developed in accordance with the HSE Safety Management Policy and the HSE Integrated Risk Management Policy and the Health, Safety and Welfare at Work Act 2005. The Electronic Risk Register is fully operational across Saint John of God Community Services.

The organisation's internal control systems are supported by policies, procedures, protocols and guidelines covering most aspects of the work of the organisation. The internal control policies are scheduled for further review in 2022. These policies will be subject to continuing internal audit in the next twelve months with a focus on financial controls and the application of RSSMAC legislation.

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 conducts an analysis of incident data. Accordingly, strategies to address the factors giving rise to incidents have been implemented and there is evidence of a stabilisation of incidents relating to self-injurious and behaviours of concern. However, there is a 10% increase in slips, trips and falls which is the subject of a detailed review in 2022.

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 and the pandemic continued to dominate service provision throughout 2021. The implementation of measures to provide safe care and safe systems of care and work continued as a focus of attention at all service locations throughout the year.

Residential Services continued to operate throughout the period of the pandemic. Day and Respite Services for people with intellectual disability and outpatient services for those with mental health support needs closed or were curtailed for extended periods throughout 2021.

There is evidence of increasing referrals to our mental health services, particularly the child and adolescent mental health services as the most significant impacts of the pandemic and the restrictions abate. The HSE has indicated a positive response to the development of the child and adolescent services in 2022 to enable a response to these increasing referrals.

Coronavirus has challenged Community Services to review many aspects of how it operates during the periods of restrictions. 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. 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 continues to impact service provision into 2022.

Audit, Risk and Compliance committee

The Audit, Risk and Compliance Committee has responsibility for the review of the output of the 2021 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



29 September 2022

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 health support needs 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 HSE. However, despite negotiations over a number of years, the cost of operating the service has not been fully met. The ongoing under-funding has resulted in both carried forward financial deficits and cuts to critical expenditure on maintenance, vehicle fleet, ICT and physical infrastructure, impacting the quality and safety of service provision. The directors consider the continued underfunding of services to be the principal risk.

Following the Notice of Termination of the Service Arrangement to the HSE in September 2020, the HSE agreed to a funding allocation to keep the

services operational without incurring any further deficits.

In August 2021, the Board resolved to enter into a Memorandum of Understanding (MOU) with the HSE to complete a Sustainability Impact Assessment at Saint John of God Community Services. The Memorandum of Understanding with the HSE commits to the provision of a comparable level of funding for 2022.

The directors also formally resolved to defer the Notice of Termination of the Service Arrangement until at least 31 March 2022. The deferral of notice will be reviewed each quarter thereafter and the Board fully reserves its position regarding reinstatement of its notice to the HSE of 30 September 2020. At the Board meeting of 30 June 2022, the directors formally resolved to defer the Notice of Termination of the Service Arrangement until 30 of September 2022.

The Board welcomes the opportunity to participate with the HSE on the completion of the SIA with a view to agreeing a plan to address the accumulated deficit and developing a plan for the provision and development of high quality services in line with best practice and national policy.

TRUSTEES' REPORT - continued

The plan that emerges from the SIA process will be fully costed. The HSE has committed to seeking the additional funding required to deliver these services through the annual estimates process.

Full cost funding of service provision by the HSE is critical to ensure the company continues as a going concern and is able to provide high quality, safe and effective services which meets regulatory and policy requirements.

1.3 2021 in overview - Service provision

In 2021 Saint John of God Community Services clg provided services and supports to over 8,000 children, adolescents and adults with intellectual disability or mental health support needs throughout Ireland.

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

Day, residential and respite services are provided to children and or adults with intellectual disability at:

St John of God Dublin South East Services
St John of God Liffey Services
St John of God North East Services
St John of God Kerry Services

St John of God Community Mental Health Services provides clinical and therapeutic services and supports to children and adolescents at Lucena Child and Adolescent Mental Health Services in Dublin and Wicklow and to adults in the Dun Laoghaire/Rathdown catchment area in South Dublin. Inpatient care for adults is provided at St John of God Hospital, Stillorgan.

2. ACHIEVEMENTS AND PERFORMANCE

2.1 Strategic Objectives 2020-2021

In light of the continuing financial difficulties and the considerations of the Board to bring resolution to these difficulties, the Board did not consider it appropriate to develop a Strategic Plan for the forthcoming period.

In the absence of the development of a strategic plan, the Board approved the following strategic objectives for 2020-2021

1. Delivering high quality, Person Centred, Services and Supports consistent with Human Rights and Regulatory Requirements.
2. Developing a Culture, Structure and Identity to deliver on the Vision and Mission in accordance with the history, heritage and Values of Saint John of God.

3. Achieving Financial Sustainability and becoming the Provider of Choice in the Provision of services and supports to persons with intellectual disability and mental health support needs
4. Enhancing Governance and Compliance, structures systems and processes to deliver on the Vision and Mission and in compliance with legislation and Regulatory requirements.

2.2 Strengthening Board Governance

The Terms of Reference of the Board sub committees were reviewed in 2021 to ensure comprehensive oversight of all aspects of the organisation.

The Board and the Board Sub Committees maintained oversight of the following in 2021: -

- Risk Management processes and systems
- Financial and Human Resources metrics
- Quality and Safety metrics
- Planning for the transfer of services to the HSE
- Submission of Reports to HSE and Regulatory Bodies
- Review of the output of the Internal Control Questionnaire and Controls Assurance Statements completed by senior managers to ascertain levels of compliance with legislation, regulation, policy and procedures and the implementation of internal controls
- Internal Audits and the implementation of action plans to address area for improvement.
- Recruitment process for appointment of directors to the Board in accordance with a competency-based framework
- Approval of Policies and Procedures to support the provision of services in accordance with best practice.

2.3 Residential Service Provision – Transforming Lives

Saint John of God Community Services clg is committed to the provision and development of community based residential services. The reconfiguration of residential 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' at St John of God North East Services in 2021.

The residential services provided by Saint John of God Community Services clg at Saint Mary's North

TRUSTEES' REPORT - continued

East Services and Saint Raphael's Liffey Services are identified as accelerated sites for de-congregation as part of the national Transforming Lives Programme. With the support of the HSE, four houses were purchased or leased and renovated for occupation to support the transition of 13 residents to community living in North East Services in 2021.

Unfortunately, in the absence of capital and revenue funding from the HSE, no residents were supported to transition from St Raphael's Celbridge to Community living in 2021.

The HSE has committed capital and revenue funding for a new community house in Kerry. Revenue funding is committed for a house being developed by St John of God Housing Association to support the transition of 4 residents to community living later this year or early next year.

At the end of 2021, 117 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. In addition to the campus based services, five community based residential services supporting 59 residents, meet the definition of a congregate setting as set out on the national policy- A Time to Move On.

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).

Designated Centres are registered for a period of three years. In 2021, 33 designated centres were successfully re registered by the Authority. Three designated centres were closed and de-registered as residents were supported to transition from campus-based services to community living. Four new designated centres were registered in 2021. At the end of 2021, 95 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 2021 HIQA completed 79 monitoring and registration inspections with a compliance level of 92% averaged across all regulations.

A Section 51 Proposed Notice to Cancel Registration issued in respect of one designated centre. An appeal to this proposed Notice to Cancel Registration was submitted to HIQA, detailing the actions undertaken and planned to achieve compliance with the Regulations. HIQA accepted the appeal and rescinded the Proposed Notice of Cancellation.

The Board Sub Committee on Quality and Safety

with the support of the Regulation Committee continues to maintain oversight of compliance with the Regulations and the implementation of actions to achieve full compliance.

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 which places a premium on making sure that being part of one's local community is a real option for adults supported by our services.

The provision and development of day services in 2021 was curtailed by virtue of the restrictions imposed by the COVID-19 pandemic. Significant numbers of day services staff were redeployed to residential services, to support residents in their home. Day Services staff responded to the needs of adults with the development of a range of educational and recreational programmes delivered to individuals via Zoom. Outreach supports were provided to high priority individuals.

As part of the response to the pandemic and the resumption of day services from September 2020, the HSE allocated additional temporary funding to increase day service locations to address social distancing requirements and the recruitment of additional staff to provide for increased physical attendance at day services where possible. This temporary allocation of funding continued through 2021.

2.6 Progressing Disability Services

Progressing Disability Services is the 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 Community Network Disability Teams. Community Services has collaborated with the HSE to co-ordinate the reconfiguration of these services to Community Network Disability Teams in Dublin. Saint John of God Community Services clg is a member of the Consortium of Services and a participating agency with responsibility for the provision of these clinical services in South and West Dublin. The reconfiguration of these services completed in Q4 2021, with employees of Community Services assigned to the Community Network Disability Teams.

2.7. Person Centred Planning

Our Person-Centred Planning Framework is centred on the Nine Outcome Domains identified by the National Disability Authority. The Outcome

TRUSTEES' REPORT - continued

Domains reflect the areas of life that are important to all of us.

The Nine Outcome Domains which guide the services and supports we provide to people are:

- Living in their own home in the community
- Exercising choice and control in their everyday lives
- Participating in social and civic life
- Meaningful personal relationships
- Opportunity for personal development and fulfilment of aspirations
- Have a job or other valued social role
- Enjoying a good quality of life and well being
- Achieving best possible health
- Safety, security and freedom from abuse

The Annual Report for 2021, sets out examples of personal achievements of individuals in each of the Nine Outcome Domain areas.

2.8 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 in-patient admission rates in the country.

The Adult Mental Health Services caters for a catchment area population of 172,000. The Child and Adolescent services provides for a catchment area population of 645,000.

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.

The number of referrals to Child and Adolescent and Adult Community Mental Health Services increased by 26% in 2021. This was in addition to the very significant increase in 2020 with Eating Disorders being the primary focus of the increased referrals.

Additional funding and posts were allocated by the HSE in 2021 for the enhancement of the National Gender Services and DETECT, the Early Intervention for Psychosis Service for young people and adults.

Additional funding and posts were also allocated by the HSE to develop a new Attention Deficit Hyperactive Disorder (ADHD) Team for adults. The new service commenced for young adults in the CHO 6 catchment area in November 2021, many of those referred may have previously been in receipt of care and treatment for ADHD with the Child and Adolescent services.

2.9 Strengthening the focus on person centred care and human rights

Person Centred Planning is at the core of the services we provide to both children and adults. In 2021 the Person Centred Planning Committee prepared and delivered via webinars a suite of modules to support the development of a person centred culture and the delivery of high quality services and supports to all individuals in accordance with their wishes, preferences and aspirations.

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. The Human Rights review group established in 2019 to review Human Rights prepared and continued with the implementation of the roll out of the revised Human Rights Policy and Human Right Based Approach to service provision in 2021.

2.10 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 2021, 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 2021. 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

TRUSTEES' REPORT - continued

- Governance for Quality
- Risk Management

The implementation of the Quality & Safety Action plan was significantly impacted by the emergence of COVID-19 and the requirement to focus on the implementation of Infection Prevention and Control measures aligned to HSE and HPSC guidelines to promote the provision of safe services for residents and staff.

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 2021:

- Nurse Medicinal Product Prescribing Policy, Procedures, Protocols and Guidelines
- Person Centred Medication Management Policy with COVID-19 Addendum
- Sexuality and Intimate Relationships Policy
- Policy on Equality and Human Rights (Promotion and Protection)
- Dysphagia Policy and Procedure for Adults with an Intellectual Disability
- Integrated Risk Management Policy and Standard Operating Procedures
- Incident Management Policy and Procedure
- Infection Prevention and Control Policy and Guidelines including Standard Operating Procedure for Infection Prevention and Control during COVID-19 in line with HSE/HPSC Guidance
- Person-Centred Approach – A Policy on the development of Personal Plans which include a Person-Centred Plan and a Personalised Care and Support Plan for Intellectual Disability Services
- Policy on Equality and Human Rights for Children (Promotion and Protection)
- Carers Leave Policy
- Gifts, Presentations, Hospitality Policy
- Maternity Leave Policy
- Parents Leave Policy
- Staff Supervision Policy
- Policy on Time in Lieu
- Policy on Training and Development
- Policy on the use of Agency Staff
- Safety statement
- Payroll Policy

In addition to the presentation of Policies to the Board, the Covid Leadership Team prepared, approved and revised as appropriate in accordance with HSE guidelines the revised policies, procedures and guidance in respect of the management of COVID-19.

Guidance from the HSE was circulated to regional services for incorporation into service action plans.

2.11 Innovation in the use of technology to enhance outcomes

Saint John of God Community Services clg is keen to utilise all opportunities to employ technology to enhance its mission and to enhance the delivery of services and supports. There were several achievements in that regard in 2021 including:

- The completion of remedial works to enhance the security of ICT networks and systems.
- Commencement of the rollout of Microsoft 365.
- The use of various forms of digital platforms to support the provision of clinical and day service programmes and activities throughout the pandemic.
- Completed participation in an International Saint 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.
- Continued pilot of iplanit Person Centred Planning Service at Liffey Services providing adults with access to electronic person-centred plans. Liffey Services plan to roll out this electronic person centred planning process to all individuals in 2022
- Participation on the Entilis Project, Erasmus and co funded project is rooted in policies and legislation such as the UN Convention on the Rights of Persons with Disabilities with a focus on the inclusion of persons with disabilities to be part of an inclusive education system, have equal opportunities, contribute to society and have access to high-quality services enabling them to live independently.
- Reconfiguration and further development of Advanced Business Solutions accounts system to optimise functionality and reporting mechanisms

ICT is a shared service provided to Community Services by HOSPITALER SERVICES GROUP. The Report of an independent review of ICT services issued in 2021. An implementation plan to give effect to the recommendations of the review is prepared for implementation in 2022 and 2023.

TRUSTEES' REPORT - continued

2.12 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. Progress on the development of community inclusion opportunities was impacted by COVID-19 in 2021.

2.13 Staff

Saint John of God Community Services employs an average of 2,481 staff to provide services to the people we support and their families. The contribution and commitment of each staff is vital to the organisation and the achievement of our aims and objectives. The Board acknowledges the continued commitment of staff in 2021 and notes the dedication, commitment and flexibility of staff to do all that is necessary to support individuals through the period of the pandemic.

2.14 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 pa. Like all charities and voluntary groups, the work of our volunteers was significantly impacted by the pandemic in 2021.

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.

2.15 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 continues to put extreme pressure on an already insufficient budget allocation. The requirement in accordance with the provisions of the Service Arrangement to provide services in accordance with legislation national policy and best practice is not achievable within the current funding allocation.

Subsequent to the serving of the Notice of Termination to the HSE in 2020, the HSE agreed a funding allocation to keep the services operational and address pressing red risk issues.

Saint John of God Community Services clg operated close to break -even with a surplus of €70k in 2021. Despite operating with a very marginal surplus in 2021, the Board is concerned with the underlying underfunding of services.

The Board is anticipating that the Sustainability Impact Assessment Report will identify the level of funding required to sustain service delivery and notes the commitment of the HSE to seek the required funding through the annual estimates process.

The accumulated deficit of €32.39m is also subject to review and validation as part of the Sustainability Impact Assessment process with a view to reaching agreement with the HSE for the funding of this deficit.

2.16 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 prepared 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. An action plan is in place towards achieving high levels of compliance with all legislative requirements.

Funding was allocated by the HSE in 2021 to engage an Internal Auditor. A post for Internal Audit falls far short of the requirements for the completion of a comprehensive programme of Internal Audit.

Internal Audit focused its attention on the implementation of financial controls in 2021.

The Audit, Risk and Compliance Committee oversees the preparation and implementation of action plans to address areas of non-compliance identified through internal audit.

TRUSTEES' REPORT - continued

Internal Audit conducted a detailed audit on the implementation of financial controls in 2021 with a particular focus on accrual accounting. The audit identified inconsistency and lack of standardisation of the accounting treatment for accruals. An action plan is prepared for implementation to address the findings of the audit.

The Audit, Risk and Compliance Committee maintains oversight of the action 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 2021. 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 continue to be required in relation to 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.

2.17 Energy efficiency

The Sustainable Energy Authority of Ireland (SEAI) was established as Ireland's national energy authority under the Sustainable Energy Act 2002 and 2011 all public sector bodies are required to report details of their energy performance directly to SEAI each year. While improvements are recorded for 2021 in electrical and transport categories, we recognise that a strong strategy and a focus of attention, together with the requisite funding is required to meet the targets between now and 2030.

TRUSTEES' REPORT - continued

2.18 Our impact

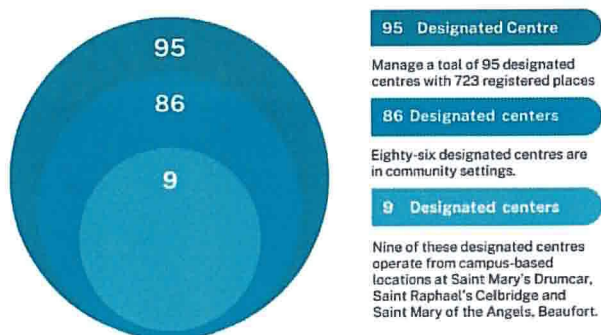
Statistical Analysis

Saint John of God Community Services clg. supports children and adults with intellectual disability, and to children, adolescents, and adults with mental health support needs. As part of Saint John of God Hospitaller Services Group, it supports approximately 8,000 children and adults annually with over 2,500 staff and volunteers.

Here is a breakdown of the statistics of the individuals we support and staff profiles across the country.

SJOG Community Services Intellectual Disability Statistics

Designated Centres



Number of people in Receipt of Day Service

1,390

Number of people availing of Residential Services

723

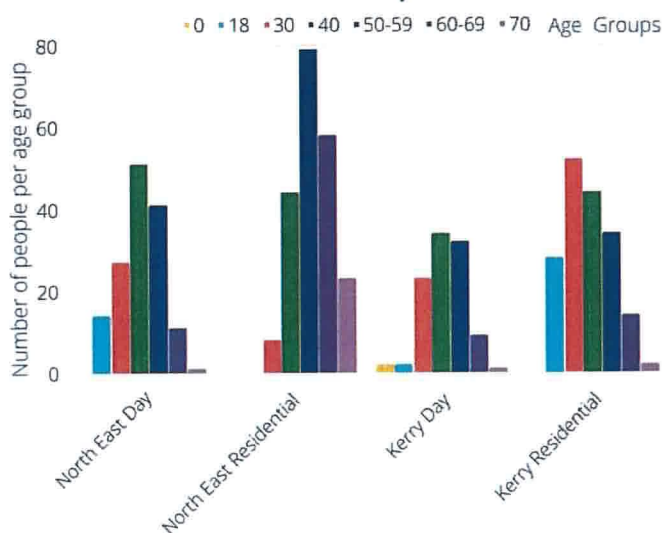
Number of respite beds

49

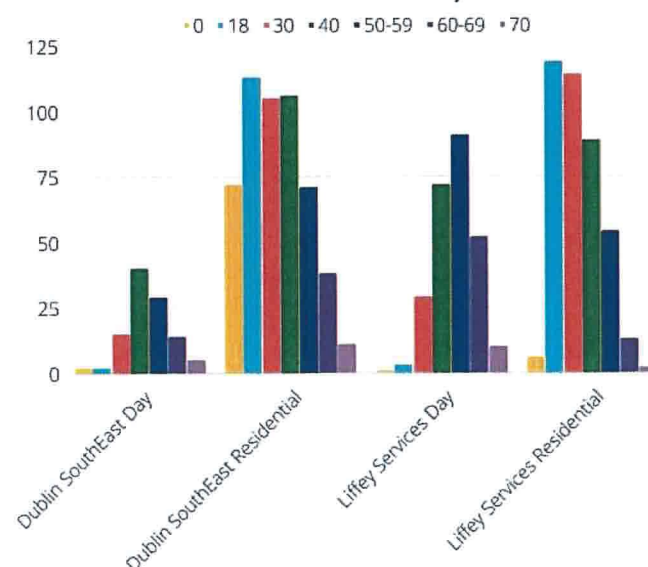
School Attendance

518

Individuals supported by Age and Location North East and Kerry Services



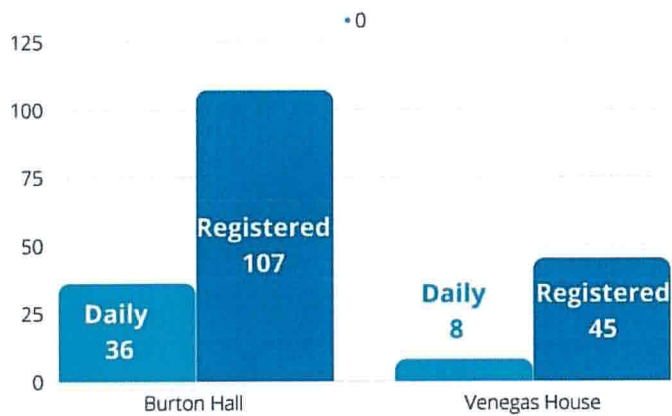
Individuals supported by Age and Location Dublin SouthEast and Liffey Services



TRUSTEES' REPORT - continued

2.18 Our impact ... continued

Individuals supported in Day Centres



School
Attendees



Outpatients Clinics

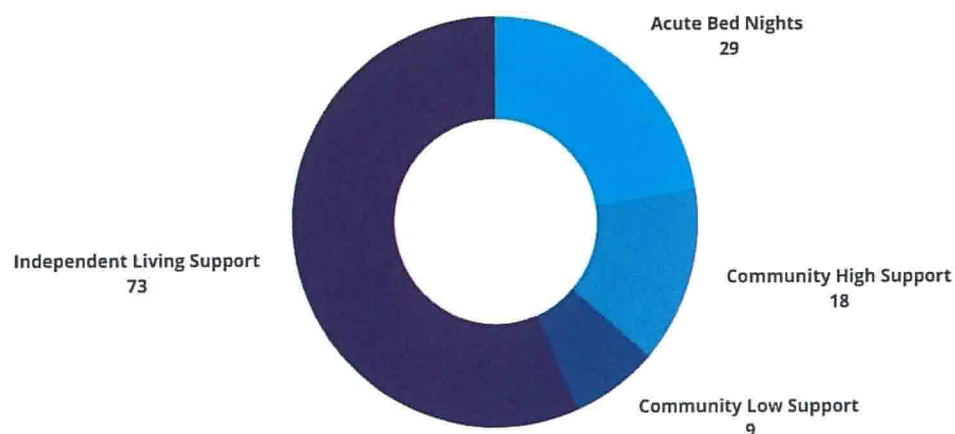
Adults
supported



Children &
adolescents
supported



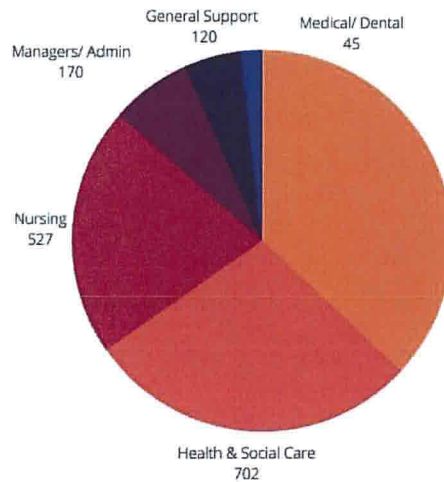
Accommodation Support - monthly average



TRUSTEES' REPORT - continued

2.18 Our impact ... continued

Staff Breakdown



SUPPORT STAFF
Including Patient and Client Care staff

HEALTH & SOCIAL CARE
Including Intellectual disability and mental health

NURSING
Working across community and mental health services

MANAGEMENT/ADMIN
Including supervisors and team leaders

GENERAL SUPPORT
Including ICT, Admin team, Maintenance

MEDICAL/DENTAL
Across community and mental health

2.19 Our Geographical Impact Review

Saint John of God North East Services:

Day and residential services to adults with intellectual disabilities in Louth, Meath and Monaghan.

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 Kerry Services Training, employment, social and residential programmes for people with intellectual disabilities in County Kerry.

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.

TRUSTEES' REPORT - continued

3. FINANCIAL REVIEW

3.1 Financial Review

2021 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, a 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 Saint John of God Community Services clg.

The Board is very concerned with the accumulated deficit and despite the level of engagement and the provision of information to the HSE the required level of annual funding for the future provision of safe and effective services was not agreed in 2021.

As outlined earlier in this report, the board have in August 2021 agreed to enter into a MOU with the HSE which gives effect to a Sustainability Impact Assessment, which has commenced in quarter 1 2022. An interim report is scheduled for issue by September 2022 and the final report due for completion by December 2022. The implementation of the recommendations over the period 2023 to 2025, with the view to putting the organisation on a sustainable funding platform over the medium term.

In the year the company had net incoming resources of €70k (2020: €1,051k). This result reflects costs associated with the closure and curtailment of services between March and September 2021, the allocation of additional funding by the HSE to meet Covid costs, coupled with close monitoring of the monthly accounts and provision of funding from the HSE to break-even.

In the year the average number of persons employed increased by fifty three to 2,481. The increase in pay costs excluding superannuation is €5.1m or 3.6%, this primarily relates to the increases in pay scales as directed by HSE in July & Oct 2021 and increments – both in compliance with Public Pay Policy. There is a marginal increase in agency costs of €0.2m. The total of pay and agency increased by €5.3m or 3.7%. The non pay increased by €0.4m or 1.2%, increases in cost of psychiatric in-hospital beds and maintenance were offset by savings in drugs, medicines and surgical expenses. Income from the HSE increased by €6.4m or 3.7%, there was a decline in other operating income of €0.9m including declines in shared services income and grants income.

The company had negative overall balance sheet reserves of €6.3m at the balance sheet date (2020: €6.4m negative), which is comprised of Restricted Capital Endowment Fund of €26.1m, (which primarily represent the Saint John of Gods Community Services share of property assets donated by the Saint John of God Order in 2015), net of a cumulative deficit forward on HSE funded restricted activities of €26.1m, as well as a cumulative deficit forward on unrestricted funds of €6.3m. The Balance Sheet position and the directors assessment of going concern is set out in more detail in Note 1 to the financial statements.

3.2 Operating and Pension Activities

Saint John of God Community Services' primary activity is the provision of Intellectual Disability and Community Mental Health Services and administrative/management support for those services. In 2021 funding of €180.2m (2020: €175.5m) was received to meet pay and non-pay costs of €180.2m (2020: €174.5m). As a secondary activity, the company administers the payment of full pensions and lump sum payments, on behalf of the State (HSE/DEPR), pension payments are inclusive of reckonable service relating to prior employment. In 2021 pension and lump sum payments of €12.9m (2020: €12.0m) was paid to retirees, funded by €8.7m (2020: €8.8m) staff pension deductions, and pension funding of €4.2m (2020: €3.2m) received from HSE. Below is a table which separately shows the Income & Expenditure for both the primary Operating Activities and the secondary Pension Payment Administration (on behalf of the HSE/DEPR).

TRUSTEES' REPORT - continued

Operating and Pension Activities

	Operating Activity	Pension Activity	Total
Financial Year Ended 31 December 2021	2021	2021	2021
	€	€	€
Income and endowments from:			
Donations and legacies	116,163	-	116,163
Earned from charitable activities	179,606,314	-	179,606,314
Earned from other trading activities	498,400	-	498,400
Nominated Health Agencies Superannuation Scheme	-	5,056,692	5,056,692
Other Pension related income	-	7,827,001	7,827,001
Rental income	2,290	-	2,290
Total income and endowments	180,223,167	12,883,693	193,106,860
Expenditure:			
On charitable activities	180,156,354	-	180,156,354
Pension related expenditure	-	12,880,530	12,880,530
Total expenditure	180,156,354	12,880,530	193,036,884
 Net incoming resources	 66,813	 3,163	 69,976
Transfers between funds	-	-	-
Net movement in funds	66,813	3,163	69,976
	Operating Activity	Pension Activity	Total
Financial Year Ended 31 December 2020	2020	2020	2020
	€	€	€
Income and endowments from:			
Donations and legacies	197,441	-	197,441
Earned from charitable activities	174,928,875	-	174,928,875
Earned from other trading activities	401,276	-	401,276
Nominated Health Agencies Superannuation Scheme	-	5,351,501	5,351,501
Other Pension related income	-	6,676,545	6,676,545
Rental income	10,190	-	10,190
Total income and endowments	175,537,782	12,028,046	187,565,828
Expenditure:			
On charitable activities	174,493,532	-	174,493,532
Pension related expenditure	-	12,020,979	12,020,979
Total expenditure	174,493,532	12,020,979	186,514,511
 Net incoming resources	 1,044,250	 7,067	 1,051,317
Transfers between funds	-	-	-
Net movement in funds	1,044,250	7,067	1,051,317

TRUSTEES' REPORT - continued

4. STRUCTURE GOVERNANCE AND MANAGEMENT

4.1 Board Committees

There are four Sub Committees of the Board

1) Finance and Human Resource Sub Committee

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

2) Audit, Risk and Compliance Sub Committee

The purpose of the Audit and Risk and Compliance 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 and Compliance Sub Committee develop Risk Management Policies and Risk Register Systems and review the scope and effectiveness of internal financial control and the internal audit function. They also review the results of the external audit process.

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 Committee Chair also conducts a review of the CEOs performance.

The Board Committees discharge their functions in accordance with the Terms of Reference of each committee as approved by the Board. The Role, Purpose, Function and the Terms of Reference for the Board Sub Committees were reviewed in 2021, at the meetings held during the year as outlined on Page 4.

5. PLANS FOR FUTURE PERIODS

2022 will be a year of continuing change and challenge. COVID-19 continues to dominate the management and delivery of services.

(a) Planning

Our Values of Hospitality, Compassion and Respect 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 and awareness 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. The Code of Behaviour was reviewed in 2021 and will be rolled out to all staff in 2022.

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 2021-2023. 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. The Sustainability Impact Assessment process is expected to deliver a plan that will chart the delivery and development of our services in accordance with national policy and best practice over the forthcoming years.

(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.

The progression of the Transforming Lives programme in 2022 is dependent on the HSE to support the continued transition of residents from campus-based settings to community living.

Capital and revenue funding has been committed by the HSE for the purchase of a new community houses in Kerry being developed by St John of God Housing Association to support the transition of 4 residents to community living later this year or early next year from St Mary of the Angels.

TRUSTEES' REPORT - continued

A plan is being developed with the HSE for the development of specialist services for people for residents at St Mary's Drumcar who are medically fragile. The development of these specialist facilities will support the transition of the final 15 residents from Saint Mary's.

As part of the Sustainability Impact Assessment, plans to transition all residents from campus-based services to community living will be prepared and costed with a view to the implementation of these plans over the coming three years

(c) Service Delivery

1. Intellectual Disability Services

The Model of Service provision in line with Government Policy, Legislation and International Best Practice is being reviewed as part of the Sustainability Impact Assessment. These reviews will challenge the traditional models of service delivery and guide us towards the development of innovative practices to support the person centred wishes and the will and preference of each individual availing of our services.

The Transforming Lives programme at our campus-based services will continue at Kerry Service in 2022. A plan for the full transition of residents from St Raphael's Celbridge and St Mary of The Angels Beaufort will be incorporated into the Sustainability Impact Assessment process.

Day services will continue to align and develop in accordance with the Interim Standards for New Directions. New Directions is the national policy guiding the development and delivery of day services. The Sustainability Impact Assessment will include a plan and costings for the provision of all day services in accordance with New Directions.

2. 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. The plan to transfer an adult and a child and adolescent mental health team to the Primary Care facility in Dun Laoghaire in 2021 was impacted by Covid. It is anticipated that this colocation of services will take place in 2022.

Additional funding and posts are allocated by the HSE to Community Mental Health Services to enhance existing and develop new services to include:

- Eating Disorder Services for children and adolescents
- Day Hospital for children and young people
- Rehab and Recovery Team for adults
- Enhancement of Day Hospital for Adults to support operation at evenings and weekends
- Creation of Mental Health Intellectual Disability Teams for adults
- Crisis Café for adults in collaboration with a Non-Governmental Organisation (NGO)

(d) 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. A Group Advocacy Strategy will be complete in 2022, aiming to support the involvement of persons supported in the decision making process at the highest levels.

An engagement and consultation process is planned with individual supported by our services as part of the Sustainability Impact Assessment. The engagement process will seek feedback from the individual we support with a particular focus on the individual views on the supports received to achieve goals linked to the Nine Outcome Domains

(e) Aging

The age profile of people attending our services has changed significantly. Over fifty percent of people are over 40 years of age. People with Down 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. We will continue to develop appropriate facilities and supports to meet the specialist end of life needs of people we support. Planning has commenced with the HSE for the development of these facilities at North East Services.

(f) 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.

(g) Technology

The management of information is a key component of effective service delivery. This year, as part of the Sustainability Impact Assessment process we will review the infrastructure and systems in place with a view to developing and costing a plan to provide the infrastructure and business applications required to support effective service delivery.

An implementation plan to affect the recommendations of the independent review of ICT completed in 2021 is prepared for implementation this year.

While we will continue with the provision of shared infrastructural ICT services from Hospitalier Services Group, Community Services will create a defined ICT Structure that will develop the ICT strategy for Community Services and as part of the Sustainability Impact Assessment will set out and cost a plan for the development and implementation

TRUSTEES' REPORT - continued

of the Business Applications required to support service provision.

Liffey Service will purchase the required iPlanit licences to provide all individuals with access to their electronic personal plans.

Liffey Service will conclude their participation this year on the Erasmus+ European funded BEWATER project exploring new interventions to support multidisciplinary teams in water based activities.

Continued participation on the Entilis, Erasmus+ Project. This project scheduled to complete in early 2022 is rooted in policies and legislation such as the UN Convention on the Rights of Persons with Disabilities. This project has focused on the inclusion of persons with disabilities as part of an inclusive education system, with equal opportunities and contribution to society, with access to high-quality services enabling them to live independently.

Human Resources

The staff of Saint John of God Community Services clg are key to the provision of quality services and supports. Through the Sustainability Impact Assessment process we will engage with and consult with staff to identify and ascertain their view on the further development and enhancement of services and supports. The structure of our organisation and our governance and management systems will also be reviewed to ensure that we are appropriately resourced and structured to deliver on all aspects of service delivery.

The structure of the Human Resources function for Saint John of God Community Services will reconfigure in 2022. Under the leadership of the Director of Human Resources, the re-configuration will provide responsive efficient and effective human resource service and supports to the regional services.

(h) 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 longitudinal research project examining the positive outcomes and benefits over a twenty year period of early intervention for first episode psychosis will publish this year.

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 services and supports.

(i) Volunteering

Volunteers have and do make an invaluable contribution to our services and to supporting individuals to achieve their personal goals and aspirations. Volunteers also arrange fundraising events to support our services. 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.

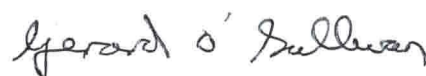
(j) Factors Relevant to Achieving the Objectives

Having the necessary resources to implement and achieve the objectives of the company requires sufficient funding from HSE and 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 Memorandum of Understanding agreed with the HSE to enable our participation in the Sustainability Impact Assessment commits to a level of funding that will permit services to operate without accumulating a further deficit. The Sustainability Assessment process will identify the funding required to deliver and develop services in line with national policy and best practice.

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



29 September 2022



Independent auditors' report to the members of Saint John Of God Community Services Company Limited By Guarantee

Report on the audit of the financial statements

Opinion

In our opinion, Saint John Of God Community Services Company Limited By Guarantee's financial statements:

- give a true and fair view of the company's assets, liabilities and financial position as at 31 December 2021 and of its net incoming resources 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 Directors' Report and Financial Statements, which comprise:

- the balance sheet as at 31 December 2021;
- 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.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Directors' Report and Financial Statements 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 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

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

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

This description forms part of our auditors' report.

Use of this report

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



Other required reporting

Companies Act 2014 opinions on other matters

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

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.

A handwritten signature in black ink, appearing to read 'Aisling Fitzgerald'.

Aisling Fitzgerald
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin
29 September 2022

- The maintenance and integrity of the Saint John Of God Community Services Company Limited By Guarantee website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.
- Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT OF FINANCIAL ACTIVITIES
Financial Year Ended 31 December 2021

		Restricted funds	Unrestricted	Restricted Capital Endowment Fund	Total
	Note	2021 €	2021 €	2021 €	2021 €
Income and endowments from:					
Donations and legacies	6	116,163	-	-	116,163
Earned from charitable activities	7	179,606,314	-	-	179,606,314
Earned from other trading activities	8	358,364	140,036	-	498,400
Pension related income	9	12,883,693	-	-	12,883,693
Rental income	10	2,290	-	-	2,290
Total income and endowments		<u>192,966,824</u>	<u>140,036</u>	<u>-</u>	<u>193,106,860</u>
Expenditure:					
On charitable activities	11	180,021,782	134,572	-	180,156,354
Pension related expenditure	9	12,880,530	-	-	12,880,530
Total expenditure		<u>192,902,312</u>	<u>134,572</u>	<u>-</u>	<u>193,036,884</u>
Net incoming resources		64,512	5,464	-	69,976
Transfers between funds		-	-	-	-
Net movement in funds		<u>64,512</u>	<u>5,464</u>	<u>-</u>	<u>69,976</u>
Reconciliation of funds:					
Total funds brought forward		(26,193,992)	(6,270,680)	26,065,069	(6,399,603)
Total funds carried forward		<u>(26,129,480)</u>	<u>(6,265,216)</u>	<u>26,065,069</u>	<u>(6,329,627)</u>

STATEMENT OF FINANCIAL ACTIVITIES - continued
Financial Year Ended 31 December 2020

		Restricted funds	Unrestricted	Restricted Capital Endowment Fund	Total
	Note	2020 €	2020 €	2020 €	2020 €
Income and endowments from:					
Donations and legacies	6	197,441	-	-	197,441
Earned from charitable activities	7	174,928,875	-	-	174,928,875
Earned from other trading activities	8	251,595	149,681	-	401,276
Pension related income	9	12,028,046	-	-	12,028,046
Rental income	10	4,550	5,640	-	10,190
Total income and endowments		<u>187,410,507</u>	<u>155,321</u>	<u>-</u>	<u>187,565,828</u>
Expenditure:					
On charitable activities	11	174,201,461	292,071	-	174,493,532
Pension related expenditure	9	12,020,979	-	-	12,020,979
Total expenditure		<u>186,222,440</u>	<u>292,071</u>	<u>-</u>	<u>186,514,511</u>
Net incoming resources/(resources expended)		1,188,067	(136,750)	-	1,051,317
Transfers between funds		-	-	-	-
Net movement in funds		<u>1,188,067</u>	<u>(136,750)</u>	<u>-</u>	<u>1,051,317</u>
Reconciliation of funds:					
Total funds brought forward		(27,382,059)	(6,133,930)	26,065,069	(7,450,920)
Total funds carried forward		<u>(26,193,992)</u>	<u>(6,270,680)</u>	<u>26,065,069</u>	<u>(6,399,603)</u>

BALANCE SHEET
As at 31 December 2021

	Note	2021 €	2020 €
Fixed assets			
Tangible Fixed assets	15	19,111,140	19,176,756
		<u>19,111,140</u>	<u>19,176,756</u>
Current assets			
Investments	16	127	127
Stocks	17	1,954	3,179
Debtors and prepayments	18	2,846,211	3,866,391
Cash and Bank		3,069,630	1,133,813
		<u>5,917,922</u>	<u>5,003,510</u>
Current liabilities - amounts falling due in less than one year	19	<u>(31,358,689)</u>	<u>(30,579,869)</u>
Net current (Liabilities)		<u>(25,440,767)</u>	<u>(25,576,359)</u>
Net (Liabilities)		<u>(6,329,627)</u>	<u>(6,399,603)</u>
Funds of the Charity			
Unrestricted funds		(6,265,216)	(6,270,680)
Restricted funds		(26,129,480)	(26,193,992)
Restricted Capital Endowment Fund		<u>26,065,069</u>	<u>26,065,069</u>
Total Charity Funds		<u>(6,329,627)</u>	<u>(6,399,603)</u>

On behalf of the Board

Gerard O' Sullivan

B. E. O'Sullivan

29 September 2022

STATEMENT OF CHANGES IN FUNDS
Financial Year Ended 31 December 2021

	Unrestricted funds	Restricted funds	Restricted Capital Endowment Fund	Total
	€	€	€	€
Balance at 1 January 2021	(6,270,680)	(26,193,992)	26,065,069	(6,399,603)
Net incoming resources	<u>5,464</u>	<u>64,512</u>	<u>-</u>	<u>69,976</u>
Balance at 31 December 2021	<u>(6,265,216)</u>	<u>(26,129,480)</u>	<u>26,065,069</u>	<u>(6,329,627)</u>
Balance at 1 January 2020	(6,133,930)	(27,382,059)	26,065,069	(7,450,920)
Net (resources expended)/incoming resources	<u>(136,750)</u>	<u>1,188,067</u>	<u>-</u>	<u>1,051,317</u>
Balance at 31 December 2020	<u>(6,270,680)</u>	<u>(26,193,992)</u>	<u>26,065,069</u>	<u>(6,399,603)</u>

CASH FLOW STATEMENT
Financial Year Ended 31 December 2021

	Note	2021 €	2020 €
Cash flows from operating activities:			
Net cash inflow from operating activities	20	2,499,809	3,768,297
Cash flows from investing activities:			
Purchase of property, plant and equipment	15	(563,992)	(187,122)
Disposal of property, plant and equipment		-	-
Net cash used by investing activities		(563,992)	(187,122)
Change in cash and cash equivalents in the reporting period		<u>1,935,817</u>	<u>3,581,175</u>
Cash and cash equivalents at the beginning of the reporting period		1,133,813	(2,447,362)
Change in cash and cash equivalents		<u>1,935,817</u>	<u>3,581,175</u>
Cash and cash equivalents at the end of the reporting period		<u><u>3,069,630</u></u>	<u><u>1,133,813</u></u>

Notes of 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 surplus for 2021 after HSE funding is taken into account amounted to €70k (2020: €1,051k surplus). The company had net current liabilities at 31 December 2021 of €25.4m (2020: €25.6m) and total net liabilities of €6.3m (2020: €6.4m). Based on the 2022 Allocation from HSE and the company's own forecast, the company is likely to break-even in 2022, but will continue to need support from the HSE by way of additional funding and out of profile cash accelerations in order to meet its obligations as they fall through. The HSE have committed to providing that support.

The company is dependent on the Health Service Executive (HSE) to fund its activities and the ongoing 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 years in relation to the overall funding situation and the funding of legacy deficits. The directors have by formal agreement passed a Resolution at an Extraordinary Board Meeting (EBM) on 3 August 2021 to enter into a Memorandum of Understanding (MOU) with the HSE to facilitate participation in the completion of a Sustainability Impact Assessment (SIA) which will take place between that date and December 2022. An interim report is scheduled for issue by September 2022 and the final report due for completion by December 2022. The implementation of the recommendations over the period 2023 to 2025, with the view to putting the organisation on a sustainable funding platform over the medium term.

The directors also formally resolved to defer the original Notice of Termination of the Service Arrangement, which had been issued on 30 September 2020 during the discussions outlined above, until at least 31 March 2022. The deferral of notice will be reviewed each quarter hereafter and the Board fully reserves its position regarding reinstatement of its notice to the HSE. At the Board meeting of 30 June 2022, the directors formally resolved to defer the Notice of Termination of the Service Arrangement until 30 of September 2022. If at some point, the termination notice is reinstated, a further notice period would follow before services would actually terminate. Given the goodwill on both sides in signing up to the MOU, the board considers it highly unlikely that such a decision would be taken until at least the end of the SIA process which is outside of the 12 month period post signing of these financial statements.

During 2021, the company received a number of cash accelerations (cash advances) from the HSE, which effectively allowed them to meet their obligations to their employees and suppliers. All cash advances received in 2021 will have to be repaid to the HSE in 2022. As part of the MOU agreement, the HSE have committed, with the support of the Department of Health to continue to provide sufficient additional cash to Saint John of God Community Services (SJOGCS) to allow it to meet its obligations as they fall due.

Furthermore, the HSE have also committed as part of the MOU that they will not require the repayment of the €16.4m liability to the HSE for the duration and implementation of the SIA. While in essence this €16.4m liability has already been repaid in 2021, and €16m of it drawn down again later in 2021 and will be subsequently repaid in 2022, it is likely that at least this amount will need to be drawn down again by way of advance before the end of the 2022 financial year, so this commitment by the HSE is relevant to the directors overall assessment.

Furthermore, with respect to prior year accumulated deficits, which have given rise to the significant net current liability position, both parties to the MOU have acknowledged that "their clear intent is to agree and set out, as part of the implementation plan within the final agreed SIA report, how the historic financial deficit in the books of SJOGCS is to be cleared and also to ensure that the circumstances which gave rise to this deficit do not reoccur."

Notes of the Financial Statements - continued

The company has prepared detailed cash projections for the Services as a whole covering the period of at least 12 months from the date of approval of the financial statements.

Based on these cash projections, the company is projecting that it will break-even in 2022 and 2023, and that any cash shortfalls created by the legacy deficits which the organisation is carrying will be fully funded by the goodwill gesture of €6.5m supplemented by further cash accelerations as required from the HSE.

The directors have modelled the likely continuing effects of COVID-19 on our cash forecast covering the period of 12 months from the date of approval of the financial statements, and 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 continue to be re-imbursed by the HSE.

In addition to the matters referred to above, the Board of Saint John of God Community Services have requested and received from the HSE a letter of support confirming their intention to provide sufficient additional cash to Saint John of God Community Services to allow it to meet its obligations as they fall due covering the period of at least 12 months from date of signing of the 2021 financial statements. The board are satisfied that the HSE will honour that commitment.

In considering the various facts and circumstances, the directors have in reaching their conclusions that it is appropriate to prepare the financial statements on a going concern basis, have had regard to the following matters:

- the surplus of €0.07m in 2021, with forecast break-even position for 2022 and beyond (Compared to substantial deficit for 2018 and 2019);
- although the substantial net current liability situation of €25.4m remains at 31 December 2021 (2020: €25.6m), the MOU has set a platform for agreement and resolution of this legacy deficit, while providing cashflow support in the interim during the period of the SIA process;
- payments to creditors and suppliers were made on a timely basis during 2021 and into 2022;
- the terms of the MOU with the HSE have been formally agreed by the board on 3 August 2021, and an interim report is scheduled for issue by September 2022 and the final report scheduled for completion by December 2022;
- Cash flow projection indicates that an additional €18m may be required from HSE in the period June to December 2022 to continue to provide services without curtailment. The directors are satisfied based on the MOU and letter of support received from the HSE, that the necessary cash will be received to address this shortfall.

Having made enquiries and considering the proposed actions and sustainability impact assessment described above, the directors have a reasonable expectation that implementation of a final sustainability impact assessment will be underway by 31 December 2022, with a view to ensuring that the implementation will be adequately funded and substantially complete within 3 years of the end of the interim period i.e. by no later than December 2025. For the above reasons, the Directors continue to adopt the going concern basis in preparing the directors' report and financial statements of the company.

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.

Notes of 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 the Statement of Financial Activities, 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 5

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

(b) Accounting convention

The functional and 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.

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 accounted for as revenue once the performance conditions relating to their recognition have been satisfied.
- (ii) Other revenue grants are accounted for as revenue once the performance conditions relating to their recognition have been satisfied.

Notes of the Financial Statements - continued

4 Summary of significant accounting policies – continued

(c) Revenue recognition - continued

Grant income - continued

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.

Residential Support Services Maintenance and Accommodation Contributions (RSSMACs)

RSSMAC income relates to statutory contribution towards maintenance and/or accommodation costs required to be paid under section 67C by recipients of residential support services for accommodation. This income is received directly from the resident 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's 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. Saint John of God Community Services clg invoice the HSE separately for agreed charges relating to service provision. 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, albeit minimal, is treated as unrestricted and relates to the core objective of providing services in accordance with the overall charity objectives.

Capital 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 permanent restricted endowment funds.

Notes of the Financial Statements - continued

4 Summary of significant accounting policies – continued

Capital endowment funds - continued

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. Depreciation relating to these restricted assets has been dealt with as restricted expenditure in the financial statements. This is in recognition of the fact that the depreciation of these assets represents a core cost associated with the execution of the HSE restricted activities.

(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 Gods 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 Gods 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 of 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 Statement of Financial Activities 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 15) 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 15) 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 of 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) 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.

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

Notes of the Financial Statements - continued

4 Summary of significant accounting policies - continued

(n) Financial instruments - continued

(i) *Financial assets - continued*

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) *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 of 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 - Operations, Hospitaller House, Stillorgan, Co. Dublin
- (ii) Head Quarters - Pension Transactions, Hospitaller House, Stillorgan, Co. Dublin
- (iii) Saint John of God Community Services North East Services
- (iv) Saint John of God Community Services Liffey Region
- (v) Saint John of God Community Services Dublin South East
- (vi) Saint John of God Community Services Kerry Region
- (vii) 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 18 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.

(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 of the Financial Statements - continued

5 Critical accounting judgements and estimation uncertainty - continued

(iv) 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 15 for the carrying amount of the tangible fixed assets.

The significant judgements made by the trustees include:

(v) Going concern

The trustees have identified some uncertainties in relation to going concern and funding and have concluded that despite these uncertainties which are not considered material uncertainties, 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.

6 Donations and legacies	Restricted €	Unrestricted €	Total €
2021			
Contribution from Hospitaller Order of Saint John of God	-	-	-
Donations and fundraising	116,163	-	116,163
	<u>116,163</u>	<u>-</u>	<u>116,163</u>
2020			
Contribution from Hospitaller Order of Saint John of God	22,595	-	22,595
Donations and fundraising	174,846	-	174,846
	<u>197,441</u>	<u>-</u>	<u>197,441</u>

Notes of the Financial Statements - continued

7 Earned from charitable activities	Restricted €	Unrestricted €	Total €
2021			
Health Service Executive Allocation	171,730,025	-	171,730,025
Health Service Executive Income	5,181,978	-	5,181,978
RSSMAC income	1,808,733	-	1,808,733
Shared Services	119,226	-	119,226
Dept of Social Protection	436,363	-	436,363
Dublin & Dun Laoghaire Education and Training Board	277,566	-	277,566
Dept of Education	40,199	-	40,199
Grant Income – National Lottery	12,224	-	12,224
	<u>179,606,314</u>	<u>-</u>	<u>179,606,314</u>
	Restricted €	Unrestricted €	Total €
2020			
Health Service Executive Allocation	165,391,009	-	165,391,009
Health Service Executive Income	6,086,362	-	6,086,362
RSSMAC income	1,892,766	-	1,892,766
Shared Services	406,260	-	406,260
Dept of Social Protection	407,749	-	407,749
Dublin & Dun Laoghaire Education and Training Board	329,785	-	329,785
Dept of Education	50,069	-	50,069
Grant Income - Genio	321,575	-	321,575
Grant Income - National Lottery	8,575	-	8,575
Out Patients Income	8,205	-	8,205
Grant Income – Health Research Board	26,520	-	26,520
	<u>174,928,875</u>	<u>-</u>	<u>174,928,875</u>
8 Earned from other trading activities	Restricted €	Unrestricted €	Total €
2021			
Canteen receipts	-	34,953	34,953
Sundry income	357,875	-	357,875
Workshop income	489	2,419	2,908
Swimming pool	-	102,664	102,664
	<u>358,364</u>	<u>140,036</u>	<u>498,400</u>
2020			
Canteen receipts	-	61,989	61,989
Sundry income	244,216	-	244,216
Workshop income	7,379	4,221	11,600
Swimming pool	-	83,471	83,471
	<u>251,595</u>	<u>149,681</u>	<u>401,276</u>

Notes of the Financial Statements - continued

9 Pension related income and expenditure

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.

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.

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.

	2021 €	2020 €
Pension related income		
Apportionment of HSE allocation	4,161,813	3,179,802
Nominated Health Agencies Superannuation Scheme	5,056,692	5,351,501
Additional Superannuation Contribution income	3,665,188	3,496,743
Total income	12,883,693	12,028,046
Pension related expenditure		
Pay expenditure		
NHASS / SPSPS	12,880,530	12,020,979
Total pay expenditure	12,880,530	12,020,979
Surplus	3,163	7,067

Notes of the Financial Statements - continued

10 Rental income	Restricted €	Unrestricted €	Total €
2021			
Rental income	2,290	-	2,290
2020			
Rental income	4,550	5,640	10,190

11 Expenditure on charitable activities	Restricted €	Unrestricted €	Total 2021 €	Total 2020 €
Pay	145,361,802	15,872	145,377,674	140,134,557
Non-Pay				
Drugs medical support	2,162,484	3,578	2,166,062	3,445,287
Catering	1,610,343	8,620	1,618,963	1,660,669
Heat, power and light	2,069,730	18,009	2,087,739	2,195,915
Cleaning and washing	1,196,292	2,915	1,199,207	1,222,559
Furniture Crockery and hardware	783,826	371	784,197	522,404
Bedding and clothing	142,224	-	142,224	95,701
Maintenance	4,001,825	13,440	4,015,265	3,355,195
Transport and travel	247,783	-	247,783	371,148
Transport Patients	2,250,513	-	2,250,513	1,973,703
Vehicles Purchased	-	-	-	221,004
Bank Charges	27,589	-	27,589	19,950
Insurances	215,850	-	215,850	204,137
Rent and rates	1,584,575	-	1,584,575	1,486,505
Computer and Office Equipment	427,611	-	427,611	347,288
Professional services	482,913	71,719	554,632	441,427
Education and training	333,585	-	333,585	546,877
Psychiatric In-Hospital beds	7,104,572	-	7,104,572	6,215,559
Recruitment and Advertising	7,890	-	7,890	41,926
Office Expenses	1,133,271	-	1,133,271	1,327,746
Nursing Diploma	331,992	-	331,992	331,992
Charges from Group Entities	811,452	-	811,452	928,681
Fire and security alarms	592,596	-	592,596	636,428
Depreciation	629,608	-	629,608	637,126
Breakaway for clients	82,614	-	82,614	113,082
Donations Expenses	1,505	-	1,505	4,645
Miscellaneous	504,685	48	504,733	452,919
Support costs (Note 12)	5,772,824	-	5,772,824	5,373,677
Governance costs (Note 12)	149,828	-	149,828	185,425
	180,021,782	134,572	180,156,354	174,493,532

Notes of the Financial Statements - continued

12 Analysis of governance and support costs

	Charitable activities	
	Support costs	Governance costs
	€	€
2021		
Pay - finance	1,954,238	-
Pay - human resources	1,379,267	-
Pay - information and communications technology	843,241	-
Computers and office expenses	844,317	-
Professional services	209,294	143,065
Transport and travel	16,454	451
Other support costs	526,013	6,312
	<u>5,772,824</u>	<u>149,828</u>
2020		
Pay - finance	1,872,423	-
Pay - human resources	1,361,427	-
Pay - information and communications technology	885,527	-
Computers and office expenses	429,857	-
Professional services	438,953	179,100
Transport and travel	26,361	228
Other support costs	359,129	6,097
	<u>5,373,677</u>	<u>185,425</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.

13 Operating expenses

	2021	2020
	€	€
The following operating expenses have been recognised:		
Directors' remuneration		
<i>Emoluments:</i>		
- For services as directors	-	-
- For other services	-	-
<i>Pension:</i>		
- For services as directors	-	-
- For other services	52,368	41,320
Income shared services	(119,226)	(406,260)
Depreciation (note 15)	629,608	637,124
Subsidy from Hospitaller Order	-	(22,595)

Notes of the Financial Statements - continued

13 Operating expenses – continued

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:

	2021 €	2020 €
Audit of entity financial statements	143,065	179,100
Other non-audit services	-	-
	<u>143,065</u>	<u>179,100</u>

14 Employees and directors

(i) Employees

The average number of persons employed by the company during the financial year was 2,481 (2020: 2,428).

	2021 €	2020 €
Operating Staff costs comprise:		
Wages and salaries	132,038,602	127,439,834
Social insurance costs	14,008,726	13,479,016
Total Operating Staff costs	<u>146,047,328</u>	<u>140,918,850</u>

	2021 €	2020 €
Pension related costs comprise:		
Other retirement benefit costs	12,880,530	12,020,979
Total pension related costs	<u>12,880,530</u>	<u>12,020,979</u>

Notes of the Financial Statements - continued

14 Employees and directors – continued

(i) Employees - continued

	Number of employees 2021	Number of employees 2020
Salary range (excluding pension contributions):		
300,000 – 310,000	-	1
290,000 - 299,999	-	-
270,000 - 279,999	1	1
260,000 - 269,999	1	2
250,000 - 259,999	-	1
240,000 - 249,999	1	1
230,000 – 239,999	-	1
220,000 - 229,999	6	2
210,000 - 219,999	1	1
200,000 – 209,999	4	1
190,000 - 199,999	2	2
180,000 - 189,999	1	2
170,000 - 179,999	-	2
160,000 - 169,999	-	1
150,000 - 159,999	-	-
140,000 - 149,999	2	1
130,000 - 139,999	-	-
120,000 – 129,999	3	3
110,000 – 119,999	3	2
100,000 – 109,999	3	5
90,000 – 99,999	12	8
80,000 - 89,999	48	29
70,000 – 79,999	122	70
60,000 – 69,999	342	319
0 – 59,999	2,653	2,713
	3,205	3,168
	2021	2020
Number of staff earning in excess of €60,000 p.a	552	455
Employer contributions (€)	Nil	Nil

The figure of 3,205 (2020: 3,168) are the total number of staff who were paid at any time in the year. In calculating the average number of full time equivalent persons, the amount of time the employee worked in the year is included in the calculation e.g. if worked for the full year they are include as 1, if they worked for six months they would be included as a 0.5 of a full time equivalent.

The salary bands from €60,000 to €310,000 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.

Notes of the Financial Statements - continued

14 Employees and directors – continued

Saint John of God Community Services, CEO, Clare Dempsey was paid an annual salary in 2021 of €125,945 (2020: €122,460), in accordance with approved Department of Health salary scale CEO band social care.

The average number of full time equivalent persons employed by the company during the financial year was 2,481 (2020: 2,428).

	2021	2020
Management/administration	170	171
Medical/dental	45	44
Nursing	527	495
Health and social care professionals	702	696
General support services	120	132
Other Patient and Client Care	917	890
	<u>2,481</u>	<u>2,428</u>

(ii) Directors/trustees

Trustees received no remuneration (2020: €Nil) and incurred expenses of €451 (2020: €3,372) 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 2021.

(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:

	2021 €	2020 €
Salaries and other short-term benefits	4,737,566	4,645,190
Post-employment benefits	-	-
Total key management compensation	<u>4,737,566</u>	<u>4,645,190</u>

Notes of the Financial Statements - continued

15 Tangible fixed assets	Land and buildings €	Motor vehicles €	Total €
Cost			
At 1 January 2021	20,577,936	1,194,861	21,772,797
Additions	-	563,992	563,992
Disposals	-	-	-
At 31 December 2021	<u>20,577,936</u>	<u>1,758,853</u>	<u>22,336,789</u>
Accumulated depreciation			
At 1 January 2021	2,057,793	538,248	2,596,041
Charge for year	<u>411,559</u>	<u>218,049</u>	<u>629,608</u>
At 31 December 2021	<u>2,469,352</u>	<u>756,297</u>	<u>3,225,649</u>
Net book value			
At 31 December 2020	<u>18,520,143</u>	<u>656,613</u>	<u>19,176,756</u>
At 31 December 2021	<u>18,108,584</u>	<u>1,002,556</u>	<u>19,111,140</u>

Up until December 2015 the Hospitaller Order of Saint John of God, West European Province held the beneficial ownership of all 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). Similar to previous years, during the year ended 31 December 2021, 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.

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 21 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 or Saint John of God Hospitaller Services Group free of charge.

Notes of the Financial Statements - continued

16 Investments	Total €
Cost at 1 January 2020	127
Cost at 31 December 2020	<u>127</u>
Cost at 1 January 2021	127
Cost at 31 December 2021	<u>127</u>

17 Stocks	2021 €	2020 €
Raw materials and consumables	<u>1,954</u>	<u>3,179</u>

18 Debtors and prepayments	2021 €	2020 €
Amounts falling due within one year:		
Debtors and prepayments (net of provisions of 2021: €30,872) (2020: €423,444)	1,712,015	1,219,556
Amounts due from HSE	1,129,839	2,646,835
Amounts owed by affiliates and related parties (note 25(a))	4,357	-
	<u>2,846,211</u>	<u>3,866,391</u>

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

19 Creditors - amounts falling due in less than one year	2021 €	2020 €
Amounts falling due within one year – Operating activities:		
Trade creditors	1,479,358	1,390,207
Amounts in advance from HSE	9,121,276	11,913,368
Amounts owed to affiliates and related parties (note 25(a))	1,605,132	988,058
PAYE and PRSI payables	4,327,667	3,955,603
VAT payable	3,963	321
Other Creditors	3,894,838	4,568,789
Accruals	2,963,275	4,545,366
Deferred income	6,097,401	1,878,889
	<u>29,492,910</u>	<u>29,240,601</u>
Amounts falling due within one year - Pension activities:		
PAYE and PRSI payables	151,254	164,509
Pension Related Accruals	1,517,287	1,028,772
Pension Related Deductions	197,238	145,987
	<u>1,865,779</u>	<u>1,339,268</u>
	<u>31,358,689</u>	<u>30,579,869</u>

Notes of the Financial Statements - continued

19 Creditors - amounts falling due in less than one year – continued

The primary activity of the company is the provision of Intellectual Disability and Community Mental Health Services and administrative/management support for those services. As a secondary activity, the company administers the payment of full pensions and lump sum payments on behalf of the State (HSE/DEPR).

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

20 Reconciliation of net Incoming resources to net cash outflow from operating activities	2021 €	2020 €
Net Incoming resources	69,976	1,051,317
<i>Adjustments for:</i>		
Depreciation	629,608	637,126
Decrease/(Increase) in debtors and current investments	1,020,180	(949,736)
Increase in creditors	778,820	3,029,453
Decrease in stocks	1,225	137
Net cash inflow from operating activities	<u>2,499,809</u>	<u>3,768,297</u>

21 Contingent liabilities, commitments and guarantees

As detailed in Note 15 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 are encumbrance's, principally liens, noted in relation to the receipt of capital grants on certain properties, 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. Of the total properties at end December 2021 with an historical cost of €20,577,936 (Net Book Value 31 December 2021, €18,108,584), properties with an historical cost value of €5,298,384 (Net Book Value 31 December 2021, €4,662,578) are encumbered by liens attaching to these assets securing the capital grants received. As at 31 December 2021 the unamortised value of these liens totals €1,095,426. It was agreed as part of the directions transferring the properties, that Community Services would take over the obligation in relation to any future claw backs 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.

22 Post Balance Sheet Event

There are no known Post Balance Sheet events at the time of finalising the Annual Financial Statements.

23 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.

Notes of the Financial Statements - continued

23 Public Juridic Person (PJP) – continued

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.

24 Ultimate Parent Company

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

HSG provides a range of shared services which includes, but is not limited to:

- Company secretarial
- ICT systems and application support
- Property management
- Office and conference facilities
- Research and library services
- Management of group contracts

25 Related party transactions and year end balances

Note 24 above sets out the Group Structure. At the end of the year, Saint John of God Community Services clg had the following balances with related parties.

25 (a) Related party year end balances

	2021 €	2020 €
Amounts receivable from related parties:		
Hospitaller Order of Saint John of God – West European Province	-	-
Saint John of God Housing Association clg	4,240	-
Saint John of God Foundation clg	117	-
	<u>4,357</u>	<u>-</u>
Amounts payable to related parties:		
Hospitaller Order of Saint John of God – West European Province	36,916	42,560
Saint John of God Hospitaller Services Group	492,387	757,296
Saint John of God Housing Association clg	-	21,856
Saint John of God Hospital clg	1,075,829	166,346
	<u>1,605,132</u>	<u>988,058</u>

Notes of the Financial Statements - continued

25 (b) Related party transactions

<u>Transactions with Saint John of God Hospital clg</u>	Hospital charge to Community Services 2021 €	Community Services charge to Hospital 2021 €
Purchase of beds at Hospital by Community Services	6,357,705	-
Provision of Specialist Nursing Care at Hospital by Community Services	632,326	-
Provision of Nursing Education Programme by Hospital on behalf of the State inclusive of Covid related payment to student nurses	382,592	-
Provision of Pension Administration by Community Services to Hospital *	-	33,021
Portion of work completed for Hospital by medical staff paid for by Community Services	-	211,383
Portion of work completed for Hospital by non-medical staff paid for by Community Services	-	2,672
Portion of work completed for Hospital by medical staff in relation to Mental Health Act Administration for Community Services	166,120	-
Provision of procured contracts to obtain economies of scale by Community Services on behalf of Hospital	-	28,744
Re-imbursement of costs incurred by Community Services on behalf of Hospital	22,720	-
NHASS is administered by Community Services as agent for HSE/Department of Health	-	2,185,341
Total for 2021	7,561,463	2,461,161
Total for 2020	6,173,000	1,552,237

Notes of the Financial Statements - continued

25 (b) Related party transactions - continued

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

	Order charge to Community Services 2021 €	Community Services charge to Order 2021 €
Charge for salaries by Community Services to Order	-	99,681
Provision of administration by Community Services for Order (including retirement gifts)	-	64,438
Subsidy from Order to Community Services to support children with life limiting conditions	-	-
Total for 2021	-	164,119
Total for 2020	-	176,705

Transactions with Employ Ability clg

	Employ Ability charge to Community Services 2021 €	Community Services charge to Employ Ability 2021 €
Sub lease of property by Community Services to Employ Ability	-	2,440
Total for 2021	-	2,440
Total for 2020	-	20,000

Transactions with Saint John of God Foundation

	Foundation charge to Community Services 2021 €	Community Services charge to Foundation 2021 €
Fundraising submitted by the Foundation to Community Services	-	33,797
Total for 2021	-	33,797
Total for 2020	-	102,856

Notes of the Financial Statements - continued

25 (b) Related party transactions - continued

<u>Transactions with Saint John of God Housing Association clg</u>			
	Housing charge to Community Services 2021	Community Services charge to Housing 2021	
	€	€	
Provision of Shared Services by Community Services to Housing Association	-	4,848	
Provision of Shared Services by Housing Association to Community Services	81,410	-	
Total for 2021	81,410	4,848	
Total for 2020	84,425	19,887	
<u>Transactions with Saint John of God Hospitaller Services Group</u>			
	HSG charge to Community Services 2021	Community Services charge to HSG 2021	
	€	€	
Provision of Shared Services by HSG to Community Services	811,452	-	
Provision of Shared Services by Community Services to HSG	-	316,501	
Total for 2021	811,452	316,501	
Total for 2020	928,681	351,015	
<u>Transactions with Saint John of God Research Foundation clg</u>			
	Research charge to Community Services 2021	Community Services charge to Research 2021	
	€	€	
Provision of Shared Services by Research to Community Services	11,231	-	
Total for 2021	11,231	-	
Total for 2020	17,192	-	

Notes of the Financial Statements - continued

25 (b) Related party transactions - continued

Transactions with Saint John of God Schools

	Schools charge to Community Services 2021 €	Community Services charge to Schools 2021 €
Provision of accounting, payroll, swimming pool and school meals by Community Services to Schools	-	32,130
Total for 2021	-	32,130
Total for 2020	-	99,947

26 Prior year comparatives

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

27 Approval of financial statements

The financial statements were approved by the Board of Directors on 29 September, 2022 and were signed on its behalf on that date.