

# **Saint John of God Community Services clg**

(A company limited by guarantee, not having a share capital)

**ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

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## DIRECTORS AND OTHER INFORMATION

### Board of Directors

Charles Watchorn (Chairperson)  
Paul Robinson (Retired 31 March 2022)  
Gerard Boyle  
William Forkan (Retired 30 July 2022)  
Eimer O'Rourke  
James Hussey  
Peter O'Halloran  
Theresa Ghalaieny  
Elma Clancy (Appointed 14 February 2022)  
Shane Hill (Appointed 14 February 2022)  
Gerard O'Sullivan (Appointed 14 February 2022)  
Kieran Carolan (Appointed 14 February 2022)

### Solicitors

Porter Morris and Co.  
10 Clare Street  
Dublin 2  
  
Arthur Cox & Co  
10 Earlsfort Terrace  
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  
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 2022.

### 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 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).

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 with mental health support needs. The services are provided in accordance the tradition, values and ethos of Saint John of God.

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.

### 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.

### 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 Financial review section of the trustees' report on pages 20 and 21.

## DIRECTORS REPORT

### 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.

The Directors have considered and accepted the terms of the Memorandum of Understanding with the HSE governing the Sustainability Impact Assessment, which commenced at end Quarter 1 2022 and with the agreement of both parties its expected completion date has been extended to 31 October 2023 at which time the final report will be presented to the Board and to the HSE. Having also considered the company's budgets and projected cash flows prepared for the period to December 2024 and the separate letter of support provided by the HSE to the directors to facilitate their signing of the 2022 financial statements, the directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future.

### Regions

The organisation operates from five regions offering services to people with intellectual disability and mental health support needs with support provided by a central administrative office. Details of these regions are set out in Note 4 (p) of the financial statements.

### 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.

### 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. 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 2022 are set out below. Unless indicated otherwise they served as directors for the entire year.

Charles Watchorn (Chairperson) Paul Robinson (retired 31 March 2022) Gerard Boyle William Forkan (Brother Donatus) (retired 30 July 2022) Eimer O'Rourke James Hussey	Peter O Halloran Theresa Ghalaieny Elma Clancy (appointed 14 February 2022) Shane Hill (appointed 14 February 2022) Gerard O'Sullivan (appointed 14 February 2022) Kieran Carolan (appointed 14 February 2022)
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## DIRECTORS REPORT

### Attendance at Board Meetings

The attendance of the Board of Directors at Board Committee meetings is set out as follows:

Main Board	Eligible	Attended
Charles Watchorn (Chairperson)	10	10
Paul Robinson (Retired 31 March 2022)	3	3
Gerard Boyle	10	8
William Forkan (Retired 30 July 2022)	7	5
Eimer O'Rourke	10	9
James Hussey	10	9
Peter O'Halloran	10	9
Theresa Ghalaieny	10	9
Elma Clancy (Appointed 14 Feb. 2022)	9	8
Shane Hill (Appointed 14 Feb. 2022)	9	9
Gerard O'Sullivan (Appointed 14 Feb. 2022)	9	9
Kieran Carolan (Appointed 14 Feb. 2022)	9	7

### 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 2022.

Directors continue not to receive any remuneration for their services to the company.

### Post balance sheet events

On 3rd March 2023, the Minister of Health confirmed an allocation of € 6.6m as a once off income receipt in respect of inflationary costs, which is being treated as operational income during 2023 following direction from the HSE.

### 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 continuing to improve and develop systems, procedures and controls to mitigate exposure to these risks.

There are Risk Management Policies in place which were advised by 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 the work of the organisation. The internal control policies are scheduled for review in quarter 1 2024. These policies will be subject to continuing internal audit in the next twelve months with a focus on financial controls.

## DIRECTORS REPORT

Direct access to the National Incident Management System provides staff at local service level with direct and easy access to incident data. Incident Management Data is presented to the Quality, Safety and Regulatory Compliance and the Audit Risk and Compliance Committees of the Board. Data is analysed and learning from the analysis is shared via Learning Notices. Policy and procedures are reviewed in line with best practice and learning from the review of incidents with a view to reducing the number of incidents that impact the quality and safety of service provision.

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 in the early part of 2022. 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.

### Principal risks and uncertainties

#### *Funding*

The company continues to engage and work closely with its funder, the HSE. However, despite strenuous negotiations over several years, and more recently the engagement in the SIA, the cost of operating the service remains to be fully addressed. The ongoing under-funding has resulted in both historical financial deficits and curtailments to critical expenditure, 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 2020, 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 the final draft report scheduled for completion by 31 October 2023

As part of the Memorandum of Understanding agreed with the HSE, the HSE committed to a funding allocation to keep the services operational and prevent a worsening of the accumulated deficit. A similar level of funding is agreed for 2023. Adoption of the going concern principle is supported by the continued availability of this funding.

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 able to provide high quality, safe services which meets regulatory and policy requirements.

#### *Staff Recruitment and retention*

The company continues to face difficulties in the recruitment and retention of staff, in line with other companies and organisations in the sectors we operate in.

#### *Covid-19*

Intellectual disability and mental health services continue to operate 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.

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

## DIRECTORS REPORT

The non-core sources of income e.g., donations and swimming pool income, were adversely affected by COVID-19 and have begun to recover albeit not reaching the values achieved pre-March 2020.

### *Ukraine/Russia and macroeconomic environment*

The global inflationary environment has been amplified by the geopolitical volatility caused by the invasion of Ukraine. This has resulted in macroeconomic uncertainty and inflation has adversely impacted energy pricing, and other costs. Senior management are closely monitoring the situation and continue to demonstrate agility and an ability to take appropriate mitigating actions to manage costs and to monitor the impact of inflation.

### 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 final draft report with recommendation for implementation over the period 2023-2026 is scheduled for completion by October 2023. The HSE has committed to seeking the funding to develop these high quality services through the annual Estimates process.

### 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 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 in respect of 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 2022, 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. It is acknowledged these arrangements can only provide reasonable assurance of compliance in all material respects with those obligations. At the request of the Board, the executive maintains a compliance register to monitor the range of the company's statutory and regulatory compliance requirements.

### Auditors

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

### Approved on behalf of the Board

Charles Watchorn

Eimer O'Rourke

Charles Watchorn  
(Chairperson)

Eimer O'Rourke  
(Director)

Date 19 October 2023



**TRUSTEES REPORT**

**1. OBJECTIVES AND ACTIVITIES**

**1.1 Mission and objectives**

Saint John of God Community Services clg is established to facilitate the mission of the Hospitaller Order of Saint John of God, a religious Order within the Catholic Church.

The focus of work is to assist the weak, the sick and those in need, with a preference for the poorest, in the alleviation of their suffering and without any type of discrimination.

Hospitality, Compassion and Respect



The Mission is to work collaboratively and through the provision of Person Centred, Rights Based services we empower and support children and adults with intellectual disability and mental health support needs to enjoy valued, meaningful and inclusive lives.

The Vision is Individuals living a life of their choosing as equal citizens of our society.

The philosophy of work is based on the beliefs and values of Saint John of God which hold that all people are the creation of God, with intrinsic dignity.

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 2022 in overview - Service provision**

In 2022 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 at its regional services in 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 Southeast Services
- St John of God Liffey Services
- St John of God Northeast 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.

## **TRUSTEES REPORT**

### **2. ACHIEVEMENTS AND PERFORMANCE**

#### **2.1 Strategic Objectives 2023-2025**

During the first quarter of 2023 The Board adopted and published their Strategic Plan 2023 -2025. This plan set the following as their key objectives:

- ✓ Further develop and deliver high quality, person centred, human rights-based services and supports,
- ✓ Individual supported by services, with their families and circle of support being active participants in the delivery of services,
- ✓ Maintain and develop a culture, structure, and identity to deliver on the Vision and Mission in accordance with the Values and ethos of Saint John of God Community Services
- ✓ Achieve permanent Financial and Operational Sustainability and be the Provider of Choice for the community supported by St John of God Community Services,
- ✓ Enhance Governance and Compliance structures, systems, and processes to ensure that the provision of service is in compliance with legislative and regulatory requirements.

This Strategic Plan is supported by the development of an Annual Plan setting out the actions required to meet the key strategic goals and objectives. KPI's will be established for each goal and objective. The achievement of these KPI's will help measure performance and achievement and guide the development of plans. The implementation of this plan will be monitored by the Board through quarterly progress reports and performance reviews with the Chief Executive and members of the Executive Management and Leadership team. The Annual Report will report on progress of achievement of the key goals and objectives.

#### **2.2 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'.

The residential services provided by Saint John of God Community Services clg at Saint Mary's Northeast Services and Saint Raphael's Liffey Services are identified as accelerated sites for de-congregation as part of the national Transforming Lives Programme.

Unfortunately, in the absence of capital and revenue funding from the HSE, no residents were supported to transition from St Raphael's Celbridge or St Mary of the Angels Beaufort to Community living in 2022.

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 2022, 173 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 and at five community based residential services that meet the definition of a congregate setting as set out on the national policy- A Time to Move On.

#### **2.3 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 2022, 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 2022. At the end of 2022, 99 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 2022 HIQA completed 80 monitoring and registration inspections with a compliance level of 91% 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.

## **TRUSTEES REPORT**

### **2.3 Residential Service Provision – Registration - continued**

Enhanced governance and oversight systems are developed and implemented arising from the review and analysis of the factors giving rise to the Section 51 Proposed Notice to Cancel Registration.

The Board Sub Committee on Quality, Safety and Regulatory Compliance continues to maintain oversight of compliance with the Regulations and the implementation of actions to achieve full compliance.

### **2.4 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 2022 was curtailed by virtue of the restrictions imposed by the COVID-19 pandemic. While day services remained operational as an essential service, some services were curtailed for short periods because of the impact of Covid on staffing levels. Day Services staff continued to respond to the needs of adults with the provision of a range of educational and recreational programmes delivered to individuals via Zoom. The delivery of programmes utilising technology will continue to feature as part of day service provision into the future.

### **2.5 Person Centred Planning**

St John of God Community Services Person-Centred Planning Framework is centred on the Nine Outcome Domains identified by the National Disability Authority. The Outcome Domains reflect the areas of life that are important to all of us. These guide the services and supports we provide to people, which 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 wellbeing,
- Achieving best possible health,
- Safety, security, and freedom from abuse.

### **2.6 Assisted Decision Making**

The Assisted Decision-Making Capacity Act 2015 commenced in April 2023. The provisions of the Act are welcomed from a human rights perspective and will have significant challenges for our day to day practice and the culture of our organisation. The SJOGCS National Oversight Committee and Regional Implementation Committees which are fully operational have received ADM training and are working on plans for the implementation of this legislation.

Key achievements in 2022

- All organisational policies have or are currently in the process of being reviewed to align everyday practice to ADM principles.
- Communication has taken place with all families with regard to the main changes relating to ADM legislation which also includes information from the Decision Support Service.
- ADM coordinators have been appointed in two Regional Services and play a key role in the Regional ADM committees.
- A dedicated ADM site is available on the Staff Intranet which contains all up to date information and training information.
- Bespoke ADM training was provided to circa 250 staff and 30 self-advocates to date.

## **TRUSTEES REPORT**

### **2.6 Assisted Decision Making - continued**

Key priorities for Q3 & 4 2023 include;

- Continuation of ongoing bespoke training to managers, front line staff and self- advocates
- Provision of an ADM Awareness Event in November 2023 for staff across SJOGCS with input from Decision Support Service and HSE Equality & Human Rights Office
- Participation of staff in HSE Mentor and Mentee National ADM Programme
- Embedding the principles of ADM into practice across SJOGCS services supported by Regional ADM Implementation Committees who feed into the National ADM Oversight Committee

### **2.7 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 a 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 provide 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 50% compared to pre-pandemic referrals. Referrals of young people with eating disorders has increased by 400% in the same period. Referrals to adult mental health services increased by 45%.

Additional funding and posts were allocated by the HSE in 2022 for development of specialist services to meet the needs of children and young people and adults. These developments include:

#### **Child and Adolescent Mental Health Services**

- Early Detection and Intervention of Psychosis
- Eating Disorders Services
- Crisis Response
- Crisis Café

#### **Adult Mental Health Services**

- Rehabilitation Service
- Mental Health Intellectual Disability Teams
- Crisis Resolution Service

Additional funding and posts were also allocated by the HSE to further develop DETECT, the Early Intervention Service for Psychosis, for adults and Team Co-ordinators and additional post to reduce waiting times for children and young people to access services. Additional posts were allocated under the CAMHS Waitlist initiative these include psychiatry, social work and psychology on one year contracts.

The Mental Health Commission completed a review of Lucena Child and Adolescent Mental Health Services in July 2022 as part of its remit to review all Child and Adolescent Mental Health Services as a response to the publication of the Maskey Report of Child and Adolescents Mental Health Services in North Kerry. The Report of the Review of Child and Adolescent Mental Health Services was published in July 2023 and acknowledged the many positive aspect of service provision at Lucena Child and Adolescent Mental Health Services.

## **TRUSTEES REPORT**

### **2.8 Driving quality and continuous improvement**

Saint John of God Community Services clg believes that a commitment to continuous improvement in quality at all levels is essential across all aspects of service provision and delivery. The organisation maintains Quality and Safety Committees at both Executive and Regional level to monitor and maintain that commitment. In 2022, those groups focused their attention on the development, implementation and monitoring of systems, policy, and procedures to advance the quality agenda.

The implementation of the Quality & Safety Action plan was significantly impacted by the assignment of personnel to the SIA process and the requirement to focus on the continued 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 2022:

- i. Standard Operating Procedure Intellectual Disability and Mental Health Services for HSE Child Protection and Welfare Policy 2019
- ii. Child Safeguarding Statement
- iii. Integrated Risk Management Policy and Standard Operating Procedure – COVID 19 Addendum updated.
- iv. Food Safety Policy and Procedures for Individuals Supported, Staff and Visitors (Intellectual Disability and Mental Health Services)
  - a. Visitors Policy
- v. Person-Centred Medicines Management Policy for Disability and Community Mental Health Services
- vi. Policy on Education for Children in Respite in Intellectual Disability Services
- vii. Policy on the Management of Urinary Catheters
- viii. Policy on Stakeholder Feedback and Complaints in line with HSE "Your Service Your Say" (Intellectual Disability and Mental Health Services)
- ix. Policy on the Prevention and Management of Work-Related Aggression and Violence 2018 (HSE) Standard Operating Procedure including the Protection of Staff
- x. CCTV Policy
- xi. Data Protection Policy
- xii. Code of Conduct

The Board approved an extension to the provision of a number of current policies pending their review with the primary focus on their alignment to the requirements of the Assisted Decision Making legislation.

## **TRUSTEES REPORT**

### **2.9 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 2022 including:

- The installation of a new data centre enhanced the organisations data management and storage capabilities ensuring better data security reliability and accessibility.
- Microsoft 365 was rolled out across community services enabling the services to streamline communication, collaboration and data sharing processes and supports staff to work more effectively and productively.
- Microsoft 365 also provides access to data and tools anywhere at any time and supports remote working. Microsoft 365 has also significantly enhanced data security and data compliance
- A comprehensive CIS (Centre for Internet Security) cyber review completed in 2022. Systems and data were analysed by an independent team of expert cybersecurity professionals, using the CIS controls v8 framework to evaluate security measures against industry standards. The audit recorded good scores in some areas and identified areas for improvement in other domains. A comprehensive plan is in place to improve our cybersecurity practices.
- The ICT team is committed to implementing this plan and ensuring that we maintain the highest standards of security. Cybersecurity practices will be monitored continuously to safeguard the organisation against potential threats and aligning cybersecurity practices with industry standard guidelines.
- The use of various forms of digital platforms to support the provision of clinical and day service programmes and activities throughout the pandemic.
- Remote online engagement activities continued, allowing individuals to connect with services and enabling greater collaboration across services.
- Investment in sensory experience technology, including the introduction of Tovertafel Magic Tables throughout the services. These and other sensory assistive technologies support many of the individuals we support to participate as active citizens of society.
- The CREATE Assistive Technology grant provided a significant boost to the Assistive Technology (AT) Eco System in Ireland. In conjunction with the Global Report on Assistive Technology by the WHO and UNICEF, St John of God Community Services partnered with Enable Ireland, MS Ireland, Headway, DFI, and Microsoft to co-design the AT Passport and support 17 people from our services to obtain the Assistive Technology necessary for Access, Education, Independent Living, Entertainment, Life Skills, and Employment.
- Continued roll-out of Iplanit Person Centred Planning Service at Liffey Services providing all adults with access to electronic person-centred plans.
- Reconfiguration and further development of Advanced Business Solutions accounts system to optimise functionality and reporting mechanisms.

ICT is a shared service between Community Services and Hospitaller Services Group. The Report of an independent review of ICT services issued in 2021. ICT services were further independently reviewed as part of the SIA process. An implementation plan to give effect to the recommendations of the review is prepared for implementation.

### **2.10 Engaging with community.**

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

As part of the continued roll out of National Transforming Lives and New Directions Policies, many aspects of services have been reconfigured 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 2022.

## **TRUSTEES REPORT**

### **2.11 Staff**

Saint John of God Community Services employs an average of 2,493 staff to provide services to the people they 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 2022 their continued dedication, commitment, and flexibility to maintain safe services to support individuals through the period of the pandemic and the focus post the pandemic restrictions to support people as active citizens of the community in which they live.

### **2.12 Volunteering**

Close to three hundred people generously volunteer to support the work of Saint John of God Community Services clg. Volunteers work with staff to support people through various programmes of care, work, education, and leisure, to achieve enhanced personal outcomes for the individual. Volunteers provide a value added contribution in support of individuals, through fundraising initiatives and 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. Post pandemic, focus of attention is required on rebuilding the volunteer body in recognition of the valuable contribution that volunteers make to the lived experience of individuals and the enhancement of facilities.

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

### **2.13 Funding**

As noted in the Director's Report and throughout the "achievements and performance" section of this Trustees report, the adequacy of funding to meet the needs of people supported continues to be the substantive challenge facing the Board of Saint John of God Community Services clg. The need to continue with the provision, development, and enhancement of safe and effective services – in line with regulatory requirements 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. This funding commitment continued in 2022.

With the allocation of supplementary funding, and the provision made for depreciation costs, Saint John of God Community Services operated with a surplus of € 0.8m in 2022. Despite operating with a surplus in 2022, the Board is concerned with the underlying underfunding of services and the investment required to maintain service provision aligned to legislation, regulation, and national policy. The Board is anticipating that the Sustainability Impact Assessment Report will identify the level of funding required to financially and operationally sustain service delivery and notes the commitment of the HSE to seek the required funding through the annual estimates process. The accumulated deficit at Dec 2022 of €31.55m (2021: €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.

The Minister of Health allocated additional once off funding to address inflationary costs in 2022. This allocation is managed as a deferred income, with income being allocated against 2023 costs.

### **2.14 Compliance**

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

A Compliance Register is 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 singular post for Internal Audit falls far short of the requirements for the completion of a comprehensive programme of Internal Audit. Due to staff changes the position of internal audit was vacant for much of 2022, however there has been a new appointment in June 2023. The requirements for a fully functioning Audit, Risk and Compliance function are set out in the report of the SIA.

## TRUSTEES REPORT

### 2.14 Compliance - continued

A report on the management of accruals issued to the Audit, Risk and Compliance Committee in Q1 2022. 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.

There was a strong focus in 2022 on improving consistency, financial controls and accruals accounts across all Regions of the company. An action plan is prepared for implementation to address the findings of the previous internal audit.

The Internal Control Questionnaire and the Annual Assurance Statement has been completed by senior managers across Community Services in respect of 2022. 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 Climate Action and Low Carbon Development (Amendment) Act 2021.

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. The Code of Governance of the Charities Regulator is reviewed annually.

### 2.15 Energy efficiency

The Sustainable Energy Authority of Ireland (SEAI) was established as Ireland's national energy authority under the Sustainable Energy Act all public sector bodies are required to report details of their energy performance directly to SEAI each year. While improvements are recorded for 2022 in electrical and transport categories, it is recognised that a strong strategy and a focus of attention, together with the requisite funding is required to meet the targets between now and 2030.

The financial difficulties and uncertain future impeded the organisations opportunity to engage in any capital projects relating to energy management. However, many Services engaged in Reduce Reuse Recycle projects, and a modest reduction in usage of 6.5% was achieved in the period up to 2020.

An Energy Management Governance structure has been put in place in 2023 and the organisation is working with SEAI consultants and HSE Energy Performance Officers, in relation to commencing Energy audits and developing a Register of Opportunities for projects which will create energy efficiencies. Success will depend on the availability of external funding for such projects.

### 2.16 Our impact

#### Statistical Analysis

Saint John of God Community Services clg. supports children and adults with intellectual disability, and mental health support needs. 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.

#### SJOG Community Services Intellectual Disability Statistics

Detail of Service provided	Dublin South-East Services	Kerry Services	North-East Services	Liffey Services
	No. of service users	No. of service users	No. of service users	No. of service users
<b>Residential</b>	172	99	207	249
<b>Day Services</b>	541	171	152	555
<b>Respite of Adults</b>	92	5	-	106
<b>Respite children for</b>	26	42	-	44



**TRUSTEES REPORT**

**SJOG Community Services Intellectual Disability Statistics - continued**

**SJOG Community Services Community Mental Health Statistics**

	Cluain Mhuire (Adult Service)	Lucena (Childrens Service)
	<b>No. of service users</b>	<b>No. of service users</b>
Total Referrals	1,825	3,048
Referrals Accepted	1,573	2,040
Referrals Declined	252	1,008

**TRUSTEES REPORT**

**2.17 Our Geographical Impact Review**

**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.

**Saint John of God Kerry Services**

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



**Saint John of God North East Services:**

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

**Dublin South East Services**

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

**Saint John of God Community Mental Health Services:**

Cluain Mhuire provides community mental health programmes for the adult population of Dun Laoghaire-Rathdown.

Lucena Clinic provides child and adolescent mental health programmes in Dublin South, parts of Dublin West and County Wicklow.

**3. FINANCIAL REVIEW**

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 2022 funding of €214.2m (2021: €193.1m) was received to meet pay and non-pay costs of €213.3m (2021: €193.0m).

2022 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. Compliance with all relevant aspects of legislation and regulations is challenging.

The Board entered a Memorandum of Understanding with the HSE to enable its participation in the Sustainability Impact Assessment process. This process commenced in 2021 with the final report scheduled for presentation to the Board and the HSE in October 2023. The final report will include recommendations for implementation over the period 2023-2026. HSE has committed to seeking the funding associated with the implementation of the recommendations through the annual estimates process.

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 2022.

The Board is very concerned with the accumulated deficit and reserve their position on the EY report on review of the deficit published on 28 August 2023.

## **TRUSTEES REPORT**

### **3.1 Operating Activities**

In the year the company reported a net operating surplus of €0.8m (2021: €0.07m). This result reflects costs associated with the reopening of services which were closed or curtailed during the pandemic. The allocation of additional funding by the HSE to meet Covid costs and those supporting the SIA process, coupled with close monitoring of the monthly accounts.

In the year the average number of persons employed (including agency and overtime) increased by 104 whole time equivalents to 2,647(2021:2,543). The increase in pay costs excluding superannuation is €17.9m and primarily relates to the increases in pay scales as directed by HSE in February, July & October 2022, the awarding of increments plus the cost of restoring day services following their curtailment during the period of the Covid 19 pandemic. Payroll costs also reflect Pandemic Recognitions payment for those involved in working during the period of the pandemic along with Covid illness payments of €4.5m. 2022 reported an increase in agency costs which in 2022 amounted to €5.1m.

Non pay increased by €0.9m or 3%. Inflationary pressures were the primary driver of cost increases along with full restoration of services following curtailment of Covid 19 restrictions. Increases in costs of catering, computers, professional services, and transport for services were offset by savings in psychiatric in-hospital beds, drugs, medicines, surgical expenses and maintenance costs.

Income from the HSE increased by €20.5m or 11.3%, which funded the increases in pay and non-pay. There was an increase in other operating income of €0.6m across most subcategories.

The company had negative overall balance sheet reserves of €5.5m at the balance sheet date (2021: €6.3m 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 €25.3m, as well as a cumulative deficit forward on unrestricted funds of €6.3m. The Balance Sheet position and the director's assessment of going concern is set out in more detail in Note 1 to the financial statements.

### **3.2 Pension Activities**

The company are required to administer 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 2022 pension and lump sum payments of €14.4m (2021: €12.9m) were paid to retirees, funded by €8.7m (2021: €8.7m) staff pension deductions, and pension funding of €5.6m (2021: €4.2m) received from HSE.

## **4. PLANS FOR FUTURE PERIODS**

2023 will be a year of continuing change and challenge with a focus on the completion of the SIA process with the HSE.

### **(a) Planning**

The 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 induction, 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 Conduct was reviewed in 2022 and rolled out to all staff.

During the first quarter of 2023 The Board adopted and published their Strategic Plan 2023 -2025. This plan set the following as their key objectives:

- ✓ Further develop and deliver high quality, person centred, human rights-based services and supports,
- ✓ Individual supported by services, with their families and circle of support being active participants in the delivery of services,
- ✓ Maintain and develop a culture, structure, and identity to deliver on the Vision and Mission in accordance with the Values and ethos of Saint John of God Community Services
- ✓ Achieve permanent Financial and Operational Sustainability and be the Provider of Choice for the community supported by St John of God Community Services,
- ✓ Enhance Governance and Compliance structures, systems, and processes to ensure that the provision of service is in compliance with legislative and regulatory requirements.

## **TRUSTEES REPORT**

### **(b) Service Delivery**

#### **Intellectual Disability Services**

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 2023 remains dependent on funding from 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 2 new community houses in Kerry being developed by St John of God Housing Association to support the transition of 8 residents to community living later this year and early next year from St Mary of the Angels.

A plan is agreed with the HSE for the development of specialist services for six residents who currently reside at St Mary's Drumcar. The development of these specialist facilities together with the development of two purposes build houses in partnership with St John of God Housing Association will support the transition of the final group of 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.

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 with a key focus on supporting individuals to actively participate in the life of the communities in which they live.

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.

#### **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. The Primary Care building is coming towards completion. It is anticipated that this colocation of services will take place in late 2023.

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

- Eating Disorder Services for children and adolescents
- Enhancement of Detect Early Intervention of Psychosis Services
- Crisis Team Child and Adolescent Mental Health (CAMHS Hub)
- Day Hospital for children and young people
- Rehab and Recovery Team for adults
- Crisis Resolution Team at adult mental health services
- Development of Mental Health Intellectual Disability Teams for adults
- Crisis Café for adults in collaboration with a Non-Governmental Organisation (NGO)
- CAMHS Early Intervention in Psychosis to run in collaboration with Detect Early Intervention in Psychosis

In addition to the allocation of funding for the development of specialist services, the HSE have allocated additional temporary funding to address the wait list for child and adolescent services and support the provision of therapy services to children and young people.

The Board welcomes the development of these specialist services but remains concerned that the staffing level of the Community Mental Health Teams remains far short of the recommended levels set out in Vision for Change

## **TRUSTEES REPORT**

### **The voice of the person**

The Voice of the person 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. As part of the Group Advocacy Strategy an accessible survey based on the nine outcome domains was completed by adults across the disability services in 2022.

Inclusion Ireland as part of the SIA process independently validated the use of the survey tool and facilitated focus group discussions with adults at each of the regional services. Inclusion Ireland also facilitated a survey with families of people with disability. The output of this process with individuals and families is incorporated into the various aspects of the SIA and is utilised to influence the development of the strategic plan.

### **Aging**

The age profile of people attending our services has changed significantly. Over eighty percent of residents 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, it is recognised that a time may come when it is no longer appropriate for an individual to be supported in their own home. Facilities and supports will continue to be developed 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.

### **Community partnership**

The active participation of the people supported in the community in which they live is core to St John of God Community Services 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.

### **Technology**

The management of information is a key component of effective service delivery. This year, as part of the Sustainability Impact Assessment process infrastructure and systems in place were reviewed to develop and cost 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 in 2021 is continuing to be progressed.

While the provision of shared infrastructural ICT services continues with Hospitaller 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 of the Business Applications required to support service provision. The development of a Digital Strategy for Community Services will commence in 2023.

### **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 St John of God Community Services will engage with and consult with staff to identify and ascertain their view on the further development and enhancement of services and supports. The use of SIS-A, a Standardised Assessment Tool will be utilised with a representative sample of people supported by the intellectual disability services to assess the needs of individuals and the staff supports required to deliver these needs. The structure of our organisation and our governance and management systems are also reviewed with proposals developed and costed for inclusion in the SIA report.

The reconfiguration of the Human Resources function commenced in 2022 and will further develop in 2023. 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 with a particular focus on the recruitment and retention of the best talent.

## **TRUSTEES REPORT**

### **Research**

St John of God Community services have a long history of Research. With the support of the Research Foundation, many staff will be supported to continue research to inform best practice service delivery across intellectual disability and mental health services.

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

### **Volunteering**

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

### **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 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 Directors 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.

## **5 Structure Governance and Management**

The Board continues to support the following Board Sub Committees with a focus on maintaining comprehensive oversight of all aspects of the organisation.

- Audit Risk and Compliance Committee
- Finance and Human Resources Committee
- Quality, Safety and Regulatory Compliance Committee
- Nominations, Performance and Governance Committee.

The Board Committees discharge their functions in accordance with the Terms of Reference of each committee as approved by the Board.

## TRUSTEES REPORT

### 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 judgements associated therewith to ensure the balance, transparency, and integrity of the business. The Audit and Risk and Compliance Sub Committee oversees the implementation of Risk Management Policies and Risk Register Systems and reviews the scope and effectiveness of internal financial control and the internal audit function. The Committee is also responsible for the review of the external audit process.

### Finance and Human Resources Sub Committee

The purpose of the 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. The committee received finance and HR reports at each of its scheduled committee meetings in 2022.

### Quality, Safety and Regulatory Compliance Sub Committee

The purpose of the Quality, Safety and Regulatory 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.

### 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.

### Attendance at Board Sub Committee Meetings

<u>Finance and Human Resources Committee</u>	Eligible	Attended	<u>Audit, Risk and Compliance Committee</u>	Eligible	Attended
Gerard O'Sullivan (Chair) appointed 30 March 2022	8	8	Ivan Schuster (independent Chair, non-director)	10	10
Kieran Carolan - appointed 27 April 2022	7	6	Gerard Boyle	10	8
Paul Robinson retired 30 March 2022	3	3	Paul Robinson retired 22 March 2022	3	3
Charles Watchorn retired 25 May 2022	3	3	Eimer O'Rourke	10	8
James Hussey	9	8	Elma Clancy appointed 17 April 2022	7	6
			Gerard O'Sullivan appointed 17 April 2022	7	6

**TRUSTEES REPORT**

<b><u>Board Nominations, Performance, and Governance Committee</u></b>	<b>Eligible</b>	<b>Attended</b>	<b><u>Board Quality, Safety and Regulatory Compliance Committee</u></b>	<b>Eligible</b>	<b>Attended</b>
Gerard Boyle	5	5	Shane Hill Appointed 23 Mar. 2022	8	8
Eimer O'Rourke	5	5	Philomena Dunne-Independent non-director	9	7
Kieran Carolan - appointed 19 July 2022	3	3	Theresa Ghalaieny	9	8

The Board and the Board Sub Committees maintained oversight inter alia of the following in 2022: -

- Risk Management processes and systems and the management of Red Risks
- Financial and Human Resources metrics
- Quality and Safety metrics
- Sustainability Impact Assessment process with the HSE
- Submission of Reports to HSE and Regulatory Bodies
- Internal Audits and the implementation of action plans to address areas 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.
- Preparation for the development of Strategic Plan 2023-2025

**Approved on behalf of the Board**

*Charles Watchorn*

*Eimer O'Rourke*

Charles Watchorn  
(Chairperson)

Eimer O'Rourke  
(Director)

**Date** 19 October 2023





## ***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**

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#### **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 2022 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 2022;
- 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**

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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.



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## 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 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

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## Responsibilities for the financial statements and the audit

### *Responsibilities of the directors for the financial statements*

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

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

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

### *Auditors' responsibilities for the audit of the financial statements*

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

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

This description forms part of our auditors' report.



### *Use of this report*

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

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## **Other required reporting**

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### **Companies Act 2014 opinions on other matters**

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

### **Other exception reporting**

#### *Directors' remuneration and transactions*

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

*Aisling Fitzgerald*

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

20 October 2023

- 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.

**SAINT JOHN OF GOD COMMUNITY SERVICES CLG**  
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

<b>Statement of Financial Activities</b>		Restricted	Unrestricted	Endowment funds	Total
<b>Financial Year Ended 31 December 2022</b>					
	Note	2022	2022	2022	2022
		€	€	€	€
<b>Income and endowments from:</b>					
Donations and legacies	6	322,662	0	0	322,662
Earned from charitable activities	7	198,721,863	0	0	198,721,863
Earned from other trading activities	8	553,489	188,384	0	741,873
Investment Income		804	0	0	804
Pension Related Income	9	14,357,923	0	0	14,357,923
Other income		16,575	0	0	16,575
<b>Total income and endowments</b>		<b>213,973,316</b>	<b>188,384</b>	<b>0</b>	<b>214,161,700</b>
<b>Expenditure</b>					
Cost of raising funds					
Expenditure on charitable activities	10	198,779,844	181,226		198,961,070
Pension related Expenditure	9	14,357,919	0		14,357,919
<b>Total expenditure</b>		<b>213,137,763</b>	<b>181,226</b>	<b>0</b>	<b>213,318,989</b>
Net incoming resources		835,553	7,158	0	842,711
<b>Net Movement in funds</b>		<b>835,553</b>	<b>7,158</b>	<b>0</b>	<b>842,711</b>
<b>Transfers between funds</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net movements in funds</b>		<b>835,553</b>	<b>7,158</b>	<b>0</b>	<b>842,711</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		(26,129,480)	(6,265,216)	26,065,069	(6,329,627)
<b>Total funds carried forward</b>		<b>(25,293,927)</b>	<b>(6,258,058)</b>	<b>26,065,069</b>	<b>(5,486,916)</b>

**SAINT JOHN OF GOD COMMUNITY SERVICES CLG**  
ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of Financial Activities Financial Year Ended 31 December 2021	Note	Restricted	Unrestricted	Endowment funds	Total
		2021	2021	2021	2021
		€	€	€	€
<b>Income and endowments from:</b>					
Donations and legacies	6	116,163	0	0	116,163
Earned from charitable activities	7	179,606,314	0	0	179,606,314
Earned from other trading activities	8	358,364	140,036	0	498,400
Pension Related Income	9	12,883,693	0	0	12,883,693
Other income		2,290	0	0	2,290
<b>Total income and endowments</b>		<b>192,966,824</b>	<b>140,036</b>	<b>0</b>	<b>193,106,860</b>
<b>Expenditure</b>					
Cost of raising funds					
Expenditure on charitable activities	10	180,021,782	134,572	0	180,156,354
Pension related Expenditure	9	12,880,530	0	0	12,880,530
<b>Total expenditure</b>		<b>192,902,312</b>	<b>134,572</b>	<b>0</b>	<b>193,036,884</b>
Net incoming resources		64,512	5,464	0	69,976
<b>Net Movement in funds</b>		<b>64,512</b>	<b>5,464</b>	<b>0</b>	<b>69,976</b>
<b>Transfers between funds</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net movements in funds</b>		<b>64,512</b>	<b>5,464</b>	<b>0</b>	<b>69,976</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		(26,193,992)	(6,270,680)	26,065,069	(6,399,603)
<b>Total funds carried forward</b>		<b>(26,129,480)</b>	<b>(6,265,216)</b>	<b>26,065,069</b>	<b>(6,329,627)</b>

**Statement of Financial Position**  
**Financial Year Ended 31 December 2022**

	Note	2022 €	2021 €
<b>Fixed Assets</b>			
Tangible Fixed Assets	14	19,984,010	19,111,140
		<u>19,984,010</u>	<u>19,111,140</u>
<b>Current Assets</b>			
Current Investments		0	127
Stocks		0	1,954
Debtors and Prepayments	15	19,694,056	9,218,458
<b>Cash and Bank</b>		<u>1,968,590</u>	<u>3,069,630</u>
		<u>21,662,646</u>	<u>12,290,169</u>
<b>Current Liabilities - falling due in less than one year</b>			
	16	<u>(47,133,572)</u>	<u>(37,730,936)</u>
Net Current (Liabilities)		(25,470,926)	(25,440,767)
Net (Liabilities)		<u>(5,486,916)</u>	<u>(6,329,627)</u>
<b>Funds of the Charity</b>			
<b>Unrestricted funds</b>		(6,258,058)	(6,265,216)
<b>Restricted funds</b>		(25,293,927)	(26,129,480)
Restricted Capital Endowment fund		<u>26,065,069</u>	<u>26,065,069</u>
<b>Total Charity Funds</b>		<u>(5,486,916)</u>	<u>(6,329,627)</u>

**Approved on behalf of the Board**

*Charles Watchorn*

*Eimer O'Rourke*

Charles Watchorn  
(Chairperson)

Eimer O'Rourke  
(Director)

**Date** 19 October 2023

**STATEMENT OF CHANGES IN FUNDS  
FOR THE YEAR ENDED 31 DECEMBER  
2022**

	Unrestricted funds €	Restricted Funds €	Restricted Capital Endowment Fund €	Total €
Balance at 1 January 2022	(6,265,216)	(26,129,480)	26,065,069	(6,329,627)
Net incoming resources	7,158	835,553	0	842,711
Balance at 31 December 2022	<b>(6,258,058)</b>	<b>(25,293,927)</b>	<b>26,065,069</b>	<b>(5,486,916)</b>
<b>Balance at 1 January 2021</b>	(6,270,680)	(26,193,992)	26,065,069	(6,399,603)
<b>Net (resources expended)/incoming resources</b>	5,464	64,512	0	69,976
Balance at 31 December 2021	<b>(6,265,216)</b>	<b>(26,129,480)</b>	<b>26,065,069</b>	<b>(6,329,627)</b>

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER**  
**2022**

	Note	2022 €	2021 €
<b>Cash flows from operating activities:</b>			
Net cash inflow from operating activities	17	592,176	2,499,809
Cash flows from investing activities:			
Purchase of fixed asset	14	(1,694,066)	(563,992)
Sale proceeds on disposal of fixed assets		850	0
		<hr/>	<hr/>
Net cash used by investing activities		(1,693,216)	(563,992)
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the reporting period</b>		(1,101,040)	1,935,817
		<hr/>	<hr/>
Cash and cash equivalents at the beginning of the reporting period		3,069,630	1,133,813
		<hr/>	<hr/>
Change in cash and cash equivalents		(1,101,040)	1,935,817
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the reporting period</b>		1,968,590	3,069,630
		<hr/>	<hr/>



## **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. While the company generated an operating surplus of €0.8m (2021: €0.07m surplus) the financial position remains to report net current liabilities exceeding current assets by 25.5m at 31 December 2022.

Based on the 2023 income allocation from HSE and the company's own forecast, the company will require to curtail costs in 2023 and secure the additional funding committed by the HSE through the SIA process to reach a break-even position in 2023.

The company remains dependent on the Health Service Executive (HSE) to fund its activities. Securing funding 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 including the funding of legacy deficits. The directors, by formal agreement, passed a Resolution at an Extraordinary Board Meeting (EBM) on 3 August 2021 to enter a Memorandum of Understanding (MOU) with the HSE to facilitate participation in the completion of a Sustainability Impact Assessment (SIA). The final report is due for completion by October 2023.

The directors also formally resolved to defer the original Notice of Termination of the Service Arrangement, which had been issued on 30 September 2020. The deferral of notice has been and will continue to be reviewed and the Board fully reserves its position regarding reinstatement of its notice to the HSE. If at some point, the termination notice is reinstated, a further notice period would follow before services would terminate. Given the goodwill on both sides in signing up to the MOU, the board considers it unlikely that such a decision would be taken until at least the end of the SIA process, and there would be a further notice period of at least 12 months following that before any decision to terminate would be enacted.

As part of the MOU agreement, the HSE have committed, with the support of the Department of Health to continue to provide sufficient additional resources to Saint John of God Community Services 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 repayment of the €18.6m liability due to the HSE for the duration of the SIA.

Furthermore, with respect to prior year accumulated deficits, which have given rise to the 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."

The company has prepared detailed cash projections for the Services covering the period of at least 12 months from the date of approval of the financial statements. Based on these cash projections, including adoption of prudent cost containment, the company is projecting that it shall report a break-even position. These considerations include the full value of additional funds made available by the HSE, through the SIA process for both 2022 and 2023.

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 2022 financial statements. The board are satisfied that the HSE will honour that commitment.

After considering the various facts and circumstances, the directors have concluded that it is appropriate to prepare the financial statements on a going concern basis, having had regard to the following matters:

- the company is expected to reach a breakeven position for 2023 and beyond through the provision all sources of funding currently being made available by the HSE including the additional funding supplied as part of the SIA process accompanied by a programme of cost containment.
- Although a net current liability situation of €25.5m remains on 31 December 2022, the MOU has set a platform for agreement and resolution of this legacy deficit, while providing cashflow support in the interim,
- payments to creditors and suppliers were made in accordance with contractual requirements and on a timely basis during 2022 and into 2023,

- the terms of the MOU with the HSE have been formally agreed by the board on 3 August 2021, with the final report scheduled for completion by October 2023. Having made enquiries and considering the proposed actions and sustainability impact assessment described above, the directors have a reasonable expectation that implementation of a proposals arising from the sustainability impact assessment will be underway during the first quarter of 2024, with a view to ensuring that the implementation will be adequately funded and substantially complete within 3 years.

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 HSE (Health Service Executive) funded services 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 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.

## **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) and with the Statement of Recommended Practice for Charity, "Charity SORP, FRS 102" 2015.

## **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.

### **(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 currency**

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**

Contributions from Saint John of God Hospitaller Ministries which are recognised on basis of amounts received and receivable.

- (i) Donations are recognised based on amounts received and receivable.
- (ii) 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 and will continue to be based on the values received.

- (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.

Grant income is considered restricted income and has been designated as such in the Statement of Financial Activities.

**Additional Superannuation Contribution' (ASC)**

Additional Superannuation Contribution, previously called Pension levy, income relates to the pension levy introduced by the government in 2010. Additional Superannuation Contribution' income is recognised as it is deducted from employees' pay.

**Residential Support Services Maintenance and Accommodation Contributions (RSSMACs)**

RSSMAC income relates to statutory contribution paid by service users towards maintenance and/or accommodation costs required to be paid under section 67C by recipients of residential support services for accommodation. This income is to be received directly from the resident.

**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.

**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 from 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 Gods 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 permanent restricted endowment funds.

The balance on each restricted fund at the end of the year represents the asset held by the organisation for 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 pension related salary 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 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 supported plans for the purposes of FRS 102.

**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 understand 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.

Contributions, which are deducted through payroll from members of the scheme, are recorded as income when received and are ring fenced for pension pay payments. Payments in respect of pensions salaries and lump sum payments are charged Income and Expenditure account as amounts become payable. Surplus or deficit funding of the balance is dealt with as part of HSE 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. New employees from this date, with a limited number of exceptions, 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**

With the exception of plant and machinery along with fixture fittings and equipment all other 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.

Expenditure on plant and machinery along with fixture fittings and equipment are expensed in the year when these costs are incurred where costs are funded by income allocations.

***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. Land is not depreciated.

**Depreciation**

Depreciation on other assets is calculated, using the straight-line method over their estimated useful lives, as follows:

- ✓ Freehold buildings                      Over 40-50 years
- ✓ Motor vehicles                              5 to 10 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.

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.

**(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.

**(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, and 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 because 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. 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 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.

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**

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

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.

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

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

- ✓ Head Quarters - Operations, Hospitaller House, Stillorgan, Co. Dublin
- ✓ Head Quarters - Pension Transactions, Hospitaller House, Stillorgan, Co. Dublin
- ✓ Saint John of God Community Services Northeast Services
- ✓ Saint John of God Community Services Liffey Region
- ✓ Saint John of God Community Services Dublin Southeast
- ✓ Saint John of God Community Services Kerry Region
- ✓ 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 financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

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 16 for the net carrying amount of the debtors and the impairment loss recognised in the financial year.

***Valuation of non-exchange transactions***

Transactions where Saint John of God Community Services clg have benefited from the donation of time and other goods and services. 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 a key estimate, typically not material.

**Fair value of properties transferred**

On 22 December 2015, the West European Province of Saint John of God transferred several 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.



### 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 14 for the carrying amount of the tangible fixed assets.

### Going concern

As reported under Note 1 the directors have identified some uncertainties in relation to going concern and funding and have concluded that despite these 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.

<b>6 Donations and legacies</b>	<b>Restricted</b>	<b>Unrestricted</b>	<b>Total</b>
	€	€	€
<b>2022</b>			
Donations and fundraising	322,662	0	322,662
	<u>322,662</u>	<u>0</u>	<u>322,662</u>
<b>2021</b>			
Donations and fundraising	116,163	0	116,163
	<u>116,163</u>	<u>0</u>	<u>116,163</u>

	Restricted	Unrestricted	Total
<b>7 Earned from charitable activities</b>	€	€	€
<b>2022</b>			
Health Service Executive Allocation	183,677,967	0	183,677,967
Health Service Executive Income	12,232,890	0	12,232,890
RSSMAC income	1,950,713	0	1,950,713
Shared Services	119,581	0	119,581
Dept of Social Protection Income	314,012	0	314,012
Dublin & Dun Laoghaire Education and Training Board	351,515	0	351,515
Grant Income Health Research Board	32,076	0	32,076
Dept of Education	43,109	0	43,109
	<b>198,721,863</b>	<b>0</b>	<b>198,721,863</b>
<b>2021</b>			
Health Service Executive Allocation	171,730,025	0	171,730,025
Health Service Executive Income	5,181,978	0	5,181,978
RSSMAC income	1,808,733	0	1,808,733
Shared Services	119,226	0	119,226
Dept of Social Protection Income	436,363	0	436,363
Dublin & Dun Laoghaire Education and Training Board	277,566	0	277,566
Grant Income Health Research Board	12,224	0	12,224
Dept of Education	40,199	0	40,199
	<b>179,606,314</b>	<b>0</b>	<b>179,606,314</b>

<b>8 Earned from other trading activities</b>	Restricted	Unrestricted	Total
	€	€	€
<b>2022</b>			
Canteen receipts	0	51,306	51,306
Sundry income	553,489	0	553,489
Workshop income	0	2,440	2,440
Swimming pool	0	134,638	134,638
	<u>553,489</u>	<u>188,384</u>	<u>741,873</u>
<b>2021</b>			
Canteen receipts	0	34,953	34,953
Sundry income	357,875	0	357,875
Workshop income	489	2,419	2,908
Swimming pool	0	102,664	102,664
	<u>358,364</u>	<u>140,036</u>	<u>498,400</u>

## 9 Pension related income and expenditure

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)

NHASS is a 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, 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 understand 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.

The following reports income arising from pension receipt provide by deduction from employees along with funding provided from the HSE income allocation to pay the associated pension related payroll costs.

	2022	2021
	€	€
Pension related income		
Apportionment of HSE allocation	5,610,893	4,161,813
Nominated Health Agencies Superannuation Scheme	4,849,363	5,056,692
Additional Superannuation Contribution income	3,897,667	3,665,188
Total income	<u>14,357,923</u>	<u>12,883,693</u>
Pension related expenditure		
Pay expenditure		
NHASS / SPSPS	14,357,919	12,880,530
Total pay expenditure	<u>14,357,919</u>	<u>12,880,530</u>
Surplus	<u>4</u>	<u>3,163</u>
	2022	2021
Average number of Pensioners	917	877

**SAINT JOHN OF GOD COMMUNITY SERVICES CLG**  
**ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

<b>10 Expenditure on charitable activities</b>	Restricted	Unrestricted	Total 2022	Total 2021
	€	€	€	€
<b>Pay</b>	162,813,482	0	162,813,482	145,377,674
<b>Non-Pay</b>				
Drugs medical support	1,489,619	0	1,489,619	2,166,062
Catering	2,022,388	6,830	2,029,218	1,618,963
Heat, power, and light	2,376,045	36,141	2,412,186	2,087,739
Cleaning and washing	1,365,980	12,448	1,378,428	1,199,207
Furniture, Crockery and Hardware	755,675	0	755,675	784,197
Bedding and clothing	150,993	0	150,993	142,224
Maintenance	3,323,066	3,088	3,326,154	4,015,265
Transport and travel	371,213	0	371,213	247,783
Transport Patients	2,587,170	0	2,587,170	2,250,513
Vehicles Purchased	1,020	0	1,020	0
Bank Charges	24,928	0	24,928	27,589
Insurances	274,882	0	274,882	215,850
Rent and rates	1,717,541	0	1,717,541	1,584,575
Computer and Office Equipment	452,439	0	452,439	427,611
Professional services	689,021	122,719	811,740	554,632
Education and training	562,125	0	562,125	333,585
Psychiatric In-Hospital beds	6,355,822	0	6,355,822	7,104,572
Recruitment and Advertising	12,922	0	12,922	7,890
Office Expenses	1,167,269	0	1,167,269	1,133,271
Nursing Diploma	375,792	0	375,792	331,992
Charges from Group Entities	711,000	0	711,000	811,452
Fire and security alarms	711,809	0	711,809	592,596
Depreciation	818,802	0	818,802	629,608
Breakaway for clients	67,605	0	67,605	82,614
Donations Expenses	2,875	0	2,875	1,505
Miscellaneous	627,952	0	627,952	504,733
Support costs (Note 11)	6,775,589	0	6,775,589	5,772,824
Governance costs (Note 11)	174,822	0	174,822	149,828
	<b>198,779,846</b>	<b>181,226</b>	<b>198,961,072</b>	<b>180,156,354</b>

11 Analysis of governance and support costs	Charitable activities	
	Support cost	Governance cost
	€	€
<b>2022</b>		
Pay - finance	2,240,079	0
Pay - human resources	1,552,480	0
Pay - information and communications technology	840,518	0
Computers and office expenses	1,228,708	0
Professional services	284,173	171,832
Transport and travel	66,620	2,750
Other support costs	563,011	240
	<u>6,775,589</u>	<u>174,822</u>
<b>2021</b>		
Pay - finance	1,954,238	0
Pay - human resources	1,379,267	0
Pay - information and communications technology	843,241	0
Computers and office expenses	844,317	0
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>

*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.*

<b>12 Operating expenses</b>	2022	2021
	€	€
The following operating expenses have been recognised:		
Directors' remuneration	0	0
Emoluments:		
- For services as directors	0	0
- For other services	0	0
Pension:		
- For services as directors	0	0
- For other services	44,075	52,368
Income shared services	(119,581)	(119,226)
Depreciation (note 14)	<u>818,803</u>	<u>629,608</u>

The pension for other services, are in respect of pensions to past employees, which relate to their period of employment.

#### **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:

	<b>2022</b>	<b>2021</b>
	€	€
Audit of entity financial statements	132,639	143,065
Other non-audit services	0	0
	<u>132,639</u>	<u>143,065</u>

### 13 Employees and directors

(i) Employees

The average number of persons employed by the company during the financial year was 2,493 (2021: 2,481), the average number of agency staff used by the company during the financial year was 94.9 (2021: 66.7).

	<b>2022</b>	<b>2021</b>
	€	€
Operating Staff costs comprise:		
Wages and salaries	143,717,548	128,531,510
Social insurance costs	15,118,760	14,008,726
Agency staff costs	8,610,251	3,507,092
Total Operating Staff costs	<u>167,446,559</u>	<u>146,047,328</u>

The average number of full-time equivalent persons employed by the company during the financial year was 2,493 (2021:2,481).

	<b>2022</b>	<b>2021</b>
	€	€
Management/administration	179	170
Medical/dental	49	45
Nursing	527	527
Health and social care professionals	717	702
General support services	126	120
Other Patient and Client Care	895	917
	<u>2,493</u>	<u>2,481</u>



**Employees and directors continued**

	Number of employees 2022	Number of employees 2021
<b>Salary range (excluding pension contributions):</b>		
60,000 – 69,999	401	342
70,000 – 79,999	220	122
80,000 - 89,999	75	48
90,000 – 99,999	23	12
100,000 – 109,999	11	3
110,000 – 119,999	2	3
120,000 – 129,999	2	3
130,000 - 139,999	3	0
140,000 - 149,999	0	2
150,000 - 159,999	0	0
160,000 - 169,999	1	0
170,000 - 179,999	0	0
180,000 - 189,999	0	1
190,000 - 199,999	0	2
200,000 – 209,999	2	4
210,000 - 219,999	4	1
220,000 - 229,999	3	6
230,000 – 239,999	5	0
240,000 - 249,999	1	1
250,000-259,999	1	0
260,000 - 269,999	0	1
270,000 - 279,999	1	1
290,000 - 299,999	1	0
300,000 – 310,000	0	0
	756	552

In calculating the average number of full-time equivalent persons (FTE), 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.

**13 Employees and directors continued.**

(ii) CEO Remuneration

Saint John of God Community Services, CEO, Clare Dempsey was paid an annual salary in 2022 of €132,646 (2021: €125,945), in accordance with approved Department of Health salary scale CEO band social care.

(iii) Directors/trustees

Directors received no remuneration (2021: €Nil) and incurred expenses of €2,749 (2021: €451) 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 2022.

(iv) Key management compensation

Key management have been assessed as Board of Directors, who receive no compensation and the management team that includes five Regional Directors of Service along with seven members of the executive team led by the Chief Executive office. The compensation paid or payable to key management for employee services is shown below:

	2022 €	2021 €
Salaries and other short-term benefits	1,473,646	1,239,963
Post-employment benefits	0	0
Total key management compensation	<u>1,473,646</u>	<u>1,239,983</u>

<b>14 Tangible fixed assets</b>	Land and buildings	Motor vehicles	Total
	€	€	€
<b>Cost</b>			
At 1 January 2022	20,577,936	1,758,853	22,336,789
Additions	0	1,694,066	1,694,066
Disposals	0	(14,554)	(14,554)
At 31 December 2022	<u>20,577,936</u>	<u>3,438,365</u>	<u>24,016,301</u>
<b>Accumulated depreciation</b>			
At 1 January 2022	2,469,352	756,297	3,225,649
Charge for year	411,558	407,245	818,803
Accum depreciation on disposal of asset	0	(12,161)	(12,161)
At 31 December 2022	<u>2,880,910</u>	<u>1,151,381</u>	<u>4,032,291</u>
<b>Net book value</b>			
At 31 December 2021	<u>18,108,584</u>	<u>1,002,556</u>	<u>19,111,140</u>
At 31 December 2022	<u>17,697,026</u>	<u>2,286,984</u>	<u>19,984,010</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 2022, 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 18 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.

<b>15 Debtors and prepayments</b>	2022 €	2021 €
Amounts falling due within one year:		
Debtors and prepayments	3,605,661	1,742,887
Bad debt provision	(115,656)	(30,872)
Amounts due from Department of Health	6,600,233	0
Amounts due from HSE	9,478,873	7,502,086
Amounts owed by affiliates and related parties (note 21(a))	124,945	4,357
	<u>19,694,056</u>	<u>9,218,458</u>

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

Department of Health Funding of €6,600,233 was receivable as at 31 December 2022 in recognition of inflationary cost increases incurred over the course of 2022.

<b>16 Creditors - amounts falling due in less than one year</b>	2022 €	2021 €
Amounts falling due within one year – Operating activities:		
Trade creditors	2,633,535	1,479,358
Amounts in advance from HSE	18,593,522	15,493,523
Deferred funding from Department of Health	6,600,233	0
Amounts owed to affiliates and related parties (note 22(a))	1,015,527	1,605,132
PAYE and PRSI payables	6,551,112	4,327,667
VAT payable	0	3,963
Other Creditors and accruals	5,418,564	6,858,113
Deferred income	3,460,880	6,097,401
	<u>44,273,373</u>	<u>35,865,157</u>
Amounts falling due within one year - Pension activities:		
PAYE and PRSI payables	228,603	151,254
Pension Related Accruals	2,062,784	1,517,287
Pension Related Deductions	568,812	197,238
	<u>2,860,199</u>	<u>1,865,779</u>
	<u>47,133,572</u>	<u>37,730,936</u>

The amount receivable from the Department of Health in respect of funding for energy inflation in 2022 of €6,600,233 has been deferred to 2023.

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

<b>17 Reconciliation of net incoming resources to net cash outflow from operating activities</b>	2022	2021
	€	€
Net Incoming resources	842,711	69,976
Adjustments for:		
Loss on sale of vehicle	1,543	0
Depreciation	818,803	629,608
(Increase)/Decrease in debtors	(10,475,598)	8,093
Increase in creditors	9,402,636	1,398,335
Write off of Investment	127	0
(Increase)/Decrease in bad debt provision	(84,783)	392,572
Decrease in Stocks	1,954	1,225
Net cash inflow from operating activities	<u>592,176</u>	<u>2,499,809</u>

#### **18 Contingent liabilities, commitments and guarantees.**

As detailed in Note 14 in 2015, assets were 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 2022 with an historical cost of €20,577,936 (Net Book Value 31 December 2022, €17,697,026), properties with an historical cost value of €5,298,384 (Net Book Value 31 December 2022, €4,556,610) are encumbered by liens attaching to these assets securing the capital grants received. As at 31 December 2022 the unamortised value of these liens totals €897,488. 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.

#### **19 Public Juridic Person (PJP)**

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

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

## 19 Public Juridic Person (PJP) - continued

The Charities Regulator registered Saint John of God Hospitaller Services Group 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.

## 20 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

## 21 Related party transactions and year end balances

Note 21 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.

### a) Related party year end balances

	2022	2021
	€	€
<b>Amounts receivable from related parties:</b>		
Saint John of God Housing Association clg	37,357	4,240
Hospitaller Order of Saint John of God West Europe Province	87,588	0
Saint John of God Foundation clg	0	117
	<u>124,945</u>	<u>4,357</u>
<b>Amounts payable to related parties:</b>		
Hospitaller Order of Saint John of God West Europe Province	0	36,916
Saint John of God Hospitaller Services Group	72,714	492,387
St John of God Research Foundation	5,555	0
Saint John of God Hospital clg	937,258	1,075,829
	<u>1,015,527</u>	<u>1,605,132</u>

21 (b) Related party transactions

<u>Transactions with Saint John of God Hospital clg</u>	Hospital charge to Community Services 2022 €	Community Services charge to Hospital 2022 €
Purchase of beds at Hospital by Community Services	5,745,370	0
Provision of Specialist Nursing Care at Hospital to Community Services patients	173,976	0
Provision of Nursing Education Programme by Hospital on behalf of the State inclusive of Covid related payment to student nurses	375,792	0
Provision of Pension Administration by Community Services to Hospital	0	34,554
Portion of work completed for Hospital by medical staff paid for by Community Services	0	24,773
Portion of work completed for Hospital by medical staff in relation to Mental Health Act Administration for Community Services	58,520	0
NHASS is administered by Community Services as agent for HSE/Department of Health	0	1,479,052
Re-imburement of costs incurred by Community Services on behalf of Hospital	0	23,878
<b>Total for 2022</b>	<b>6,353,658</b>	<b>1,562,257</b>
Total for 2021	7,561,463	2,461,161

<u>Transactions with Hospitaller Order of Saint John of God – West European Province</u>	Order charge to Community Services 2022 €	Community Services charge to Order 2022 €
Charge for salaries by Community Services to Order	0	104,173
Provision of administration by Community Services for Order (including retirement gifts)	0	71,121
<b>Total for 2022</b>	<b>0</b>	<b>175,294</b>
Total for 2021	0	164,119

<b><u>Transactions with Employ Ability clg</u></b>	<b>Employ Ability charge to Community Services 2022 €</b>	<b>Community Services charge to Employ Ability 2022 €</b>
Sub lease of property by Community Services to Employ Ability	0	1,400
<b>Total for 2022</b>	<b>0</b>	<b>1,400</b>
Total for 2021	0	2,440

<b><u>Transactions with Saint John of God Housing Association clg</u></b>	<b>Housing charge to Community Services 2022 €</b>	<b>Community Services charge to Housing 2022 €</b>
Provision of Shared Services by Community Services to Housing Association	0	1,450
Provision of Shared Services by Housing Association to Community Services	15,302	0
<b>Total for 2022</b>	<b>15,302</b>	<b>1,450</b>
Total for 2021	81,410	4,848

<b><u>Transactions with Saint John of God Hospitaller Services Group</u></b>	<b>HSG charge to Community Services 2022 €</b>	<b>Community Services charge to HSG 2022 €</b>
Provision of Shared Services by HSG to Community Services	711,000	0
Provision of Shared Services by Community Services to HSG		321,785
	<b>711,000</b>	<b>321,785</b>
Total for 2021	811,452	316,501



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

	<b>Research charge to Community Services 2022 €</b>	<b>Community Services charge to Research 2022 €</b>
Provision of Shared Services by Research to Community Services	<b>54,981</b>	0
Research Grant provided by Research Foundation to Community Service	0	5,000
<b>Total for 2022</b>	<b>54,981</b>	<b>5,000</b>
Total for 2021	11,231	0

**Transactions with Saint John of God Schools**

	<b>Schools charge to Community Services 2022 €</b>	<b>Community Services charge to Schools 2022 €</b>
Saint John of Gods Schools provide their own accounting and payroll services in 2022	<b>0</b>	0
	0	0
<b>Total for 2022</b>	<b>0</b>	<b>0</b>
Total for 2021		32130

**22 Prior year comparatives**

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

**23 Post Balance Sheet Event**

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

**24 Approval of financial statements**

The financial statements were approved by the Board of Directors on 19 October 2023 and were signed on its behalf on that date.