ST. MICHAEL'S HOUSE
Services For People With Disabilities

FINANCIAL REPORT 2024

My Life, My Rights, My Choices....

St. Michael’s House
(a Company limited by guarantee and not having a share capital)

Reports and Financial Statements for the financial year ended 31 December 2024

Company Register Number 27628

ST. MICHAEL'S HOUSE

REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

CONTENTS

ST. MICHAEL'S HOUSE

GENERAL INFORMATION

CURRENT DIRECTORS	Ciarán Bolger (Chairperson) Ray McKenna (Vice Chair) Ken Gormley Eoin McVey Dr. Jean Lane Denis O'Connor Pat Flynn (appointed 24/10/24) Gerry Keenan (appointed 10/12/24) Mary Walshe (appointed 26/8/25) Kevin Wilson (appointed 28/10/25) Lorna Mackey (appointed 28/10/25) Anthony Staines (resigned 4/9/24) Liam O'Donohue (resigned 4/9/24) Tom Casey (resigned 4/9/24) Deirdre Moran (resigned 3/9/25) Dr. Susan Kent (resigned 25/2/25) Shahla Sabetnia (resigned 28/4/25) Sarah Judge (appointed 22/10/2024, resigned 11/6/25) Máirtín MacAodha (resigned 10/12/25)
SECRETARY AND REGISTERED OFFICE	Karl Wren St Michael's House Administration Building Ballymun Road Dublin 9 D09 DX37
AUDITORS	Crowleys DFK Limited Chartered Accountants and Statutory Audit Firm 16/17 College Green Dublin 2 D02 V078
SOLICITORS	Gore & Grimes 3 Haddington Building's Percy Place Dublin 2 D04 T253

BANKERS	Allied Irish Banks p.l.c. 60 Clonskeagh Road Dublin 14 D14 Y582
COMPANY REGISTRATION NUMBER	27628
CHARITY REGISTRATION NUMBER	CHY 5692
CHARITY REGULATOR NUMBER	20008932

ST. MICHAEL'S HOUSE

DIRECTORS' REPORT

The Directors present their annual report on the affairs of the Company, together with the financial statements and auditors' report, for the financial year ended 31 December 2024.

PRINCIPAL ACTIVITY

The main source of funding for services and supports provided by St. Michael's House ("SMH") is the Health Service Executive (HSE).

The principal activity of the Company continued to be the provision of a comprehensive service to persons with intellectual disabilities and their families, including the operation of special schools, adult day services, vocational training, social and recreational supports, community residential houses, early services and clinical services.

RESULTS FOR THE YEAR

	2024	2023
	€	€
(Deficit)/Surplus for the financial year	**(4,190,654)**	251,432

The very significant challenges of retaining and recruiting front line staff resulted in an increase of €8,986,864 in payroll costs in 2024 when compared to 2023. Additionally, agency costs continue to be significant, increasing by €2,351,284 to €9,238,608 in 2024. While we received additional once off funding from the HSE of €2,794,501 in 2024, the net result was a deficit at year end of €4,190,654.

The increasing costs of providing services to an ageing population of residential service users is being regularly discussed with the HSE. The HSE continues to fund accumulated deficits from a cash flow viewpoint, by means of annual cash advances.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

Strategic Plan 2022- 2026

The revised Strategic plan was launched in 2022 after much consultation with stakeholders. The Strategic Plan 2022-2026 is a rights-based approach to service delivery for service users. SMH is committed to ensuring that we are an organisation that delivers services to people with disabilities based on rights - as detailed in the United Nations Convention on the Rights of People with Disabilities (UNCRPD). We worked on building the foundations of a rights-based service over 2017-2021 through the implementation of person centredness in all aspects of our service delivery and where feasible, by providing services on an individualised basis.

The Value, Mission and Values of St Michael's House are set out below

1. Vision – A society in which people of every ability live the life of their choosing
2. Mission – SMH works with service users to understand their needs and wishes and help them achieve their goals. 'Your Life, Your Rights, Your Choices'
3. Values – Respect, Kindness, Honesty, Excellence, Creativity

BUSINESS REVIEW AND FUTURE DEVELOPMENTS (CONTINUED)

St. Michael's House has four Key Goals and four Strategy Enablers to support the delivery of these strategic goals.

Strategy implementation will be managed by annual plans that will operate within a performance achievement framework. We have annual organisational Service Plans further devolved to departments. Also, our Service Arrangement with the HSE will support the successful implementation of the Strategic Plan. Outputs will be monitored by the Executive Management Team with periodic reporting to the Board.

Goal 1: A Rights Based Service for service users
Goal 2: Participation of Service Users and Families/Supporters

Goal 3: Valuing and Investing in Staff

Goal 4: Learning from and influencing the Sector, Government and Society

We have four Strategy Enablers to support the delivery of the Strategic Goals

Enabler 1: Structures and Resourcing

Enabler 2: Homes and premises

Enabler 3: Information, IT and Data Management

Enabler 4: Quality Enhancement, Integrity and Regulatory Compliance

Estates 2024

In keeping with the Enablers and KPI's of the 2022-2026 Strategic Plan, a 5-year Housing Plan, and a 5-year Properties Plan were implemented in 2024. These plans mapped out a process of investing in our estate, acquiring new properties, and disposing of some of our unsuitable properties, to secure funds to facilitate these works.

In 2024, SMH disposed of a property at Limewood raising approximately €450k in funds following the clearing of a mortgage. In addition, a further €718,000 was received from the HSE through minor works capital (€623K from HSE Estates and €95K in energy grants from the HSE Climate Action Bureau).

This funding was reinvested into various projects, including:

- The upgrading of various local centres to increase capacity.
- Fire safety upgrade projects, including our head offices at Ballymun Road.
- Roof replacement at Templeogue.
- Light and Energy upgrade projects including LED lighting and insulation to the building fabric.
- The development of a new day ASD centre in Templeogue.
- The completion of the development of a new premises for the Children's Disability Network Team in Kilbarrack.

Other capital projects were implemented via applications and funding through the HSE Capital Works process. These are directly funded by the HSE. In 2024, €1,416,573- was received (€1,316,572 through rental income across our residential units and €100,000 through HSE Grants). €1,394,816 was invested back into these houses for adaption works, bathroom and kitchen upgrades, fire alarm, fire doors and emergency lighting upgrades and other essential repairs. This resulted in a surplus of €21,756, which was taken from the Approved Housing Body sinking fund.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS (CONTINUED)

Children & Young People's Services 2024 (CYP)

- The four SMH Children's Disability Network Teams (CDNTs) supported 1,898 children in 2024, comprising 1,397 active cases and 501 on the waiting list at year end.
- Waiting lists reduced by 111 cases, from 612 in January to 501 in December, with 309 new referrals and 258 discharges, resulting in a net increase of 47 service users.
- Staffing activity remained significant, with 66 staff commencements and 51 departures during the year.
- Respite services supported approximately 160 children and adults, including temporary support for children living away from home while awaiting full-time residential placements.
- Specialist pre-school services were provided to 30 children.
- Community Support and Horizons programmes supported 38 individuals to live independently, while 48 adult day service users across four services participated in Horizons skills development courses.
- Family engagement included 12 family forums, with feedback from families showing 99% willing to recommend the forums to other parents.
- In September 2024, Grattan House opened to provide office and clinic accommodation for the Kilbarrack CDNT.

IT Focus in 2024

- Lobbied for and had approved significant investment in infrastructure and cyber security to maintain a focus on cyber security, disaster recovery and business continuity. Solutions to be implemented in 2025.
- Migrated the SMH antivirus to cloud-based management with updated policies and client software.
- Consolidated Mobile Device Management under one system resulting in an annual saving.
- Migrated SMH away from Zoom to MS Teams for video conferencing resulting in an annual saving.
- Replaced Firewalls in large satellite sites to maintain a high level of security and business continuity.
- Engaged in a governance review of SharePoint and launched the framework for the pilot HR Hub.

GOING CONCERN

The Company recorded a Deficit for the financial year of €4,190,654 (2023: Surplus €251,432) and had net current liabilities of €15,601,799 (2023: €10,522,176), and an accumulated deficit on the Company's revenue reserve account of €8,383,360 (2023: €4,426,026) at 31 December 2024. The HSE provided additional funding in 2024 to address the Company's increasing cost base, in relation to payroll and agency staff costs.

The Company's unaudited management accounts for the financial year ended 31 December 2025 report a total income position inclusive of the HSE allocation of €135.0m. This includes income received from HSE in respect of the Pension Levy of €2.64m and superannuation income of €2.15m. This results in a surplus of €0.10m in the unaudited management accounts for 2025.

The Directors have reviewed management's cash flow forecasts for a period of twelve months from the date of approval of these financial statements together with the details of bank overdraft funding available and HSE cash acceleration funding requests.

The Company is entirely dependent on the HSE to continue to fund its operations. This reliance on a single funder indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors continue to engage in ongoing and regular discussions with the HSE regarding analysis of the increased costs and understanding of the various complex cost drivers in St. Michael's House and the need for an agreement to ensure ongoing sustainable funding for a period of at least twelve months from the date of approval of these financial statements. Additionally, the Directors continue to engage with the HSE to address the historic revenue reserve account deficit and the net current liability position. As of the date of approval of the financial statements, no agreement has been reached with the HSE in relation to these matters. The Directors are confident that the continuing discussions with the HSE will result in the provision of the necessary funding to discharge the Company's liabilities and continue as a going concern for a period of at least twelve months from the date of approval of these financial statements.

In assessing the adoption of the going concern basis of accounting in the company, the Directors have also considered and note the following:

- The Company provides a key service for very vulnerable people in our society.
- The history of how the HSE has allocated funding and/or cash advances to St. Michael's House in prior financial years and since the balance sheet date.
- The HSE has not given any indication that it will withdraw its financial support from the Company.
- The funding arrangement with the HSE is under-pinned by an annual Service Level Agreement (SLA).
- Negotiations on the SLA for 2026 were concluded shortly before the date of approval of these financial statements.

Therefore, the Directors are of the opinion that it is appropriate to prepare the financial statements on a going concern basis for a period of at least twelve months from the date of approval of these financial statements. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

CORPORATE GOVERNANCE

Board of Directors

The Board ensures that the vision, mission and core values of St. Michael's House as expressed in its constitutional documents are upheld and realized in practice through the adoption and implementation of strategic plans and through regular oversight of their implementation. The Board is responsible for exercising all the powers of the organisation, other than those reserved to its members, and has collective responsibility for all its operations.

As an organisation with professional staff, where Directors have no role in the day-to-day running of the Company, the Board of St. Michael's House operates by devolving responsibility for the conduct of its business to the CEO and in turn through her to other staff. The members of the Board serve on a voluntary basis and understand and identify with the mission and values of St. Michael's House.

The Board appointed three new Directors in 2024. All appointees are selected in line with the criteria set out in the Competency Framework of the Corporate Governance Manual. The Framework aims to create a diverse Board which includes men and women of independent mind who are familiar with and are sensitive to the work of St. Michael's House, understand its operating environment, and are familiar with the lived experience of service users.

All Directors receive Induction Training on Corporate Governance. A Code of Conduct outlines the responsibility of each Director and includes procedures for dealing with any potential conflict of interest which may arise between their responsibilities as Directors and their outside interests. The Chairperson sets the agenda for each Board meeting. Executive management attend Board meetings and make regular presentations on the strategies and operations of the organisation. In 2024, the Board had 8 scheduled meetings.

The organisation's Corporate Governance Manual identifies those matters which are specifically reserved for decision by the Board. The Board delegates to the CEO the authority to manage the operation of the organisation and in 2020 the Board adopted a Scheme of delegation of accountability to the CEO.

The Board and Management are committed to maintaining a high standard of corporate governance in accordance with the organisation's Corporate Governance Manual, the HSE Annual Compliance Statement for Section 38 Bodies and have used the Code of Practice for the Governance of State Bodies 2016 as a guide in drawing up the Corporate Governance Manual.

Audit Committee: The Directors confirm that the company has established an Audit and Finance Committee in accordance with the requirements of Section 167 of the Companies Act 2014

Risk Management: The Board is committed to ensuring that managing risks is an integral part of the organisation's activities. The principal risks identified at this time relate to the increasing costs at adult residential units driven by the increasing needs of an ageing population of service users and the ability to fund these costs. The Audit & Finance Committee and the Quality, Safety and Risk Committee, receive regular Risk Management Reports and have developed a policy to ensure that it is advised of significant events which require attention. In addition, the Board receives regular reports on the systems, policies and procedures in place to ensure that services are delivered to a high standard and risks are anticipated and managed. The St. Michael's House corporate Risk Register is reviewed at every Board meeting.

CORPORATE GOVERNANCE (CONTINUED)

Board of Directors (continued)

Internal Controls: The Board has established structures, policies and procedures to review and report on internal controls including financial, operational and compliance controls. The operation of these controls has been delegated to the Executive Management Team. The Board approved the Executive Governance Structure which set out the key committees and team members who are charged with responsibility for undertaking, completing and monitoring the work necessary to ensure good governance of all services and supports provided by St Michael's House.

Quality Assurance: Services provided by St. Michael's House are developed, planned and delivered based on the needs and goals of people with disabilities and their families. Service users' life choices and wishes are at the core of service delivery and development. The Health Information and Quality Authority (HIQA) is responsible for the registration and inspection of all residential services for children and adults with disabilities, including respite services, run by the HSE and private and voluntary services. St. Michael's House has appointed a Director of Quality, Safety and Service Improvement with expertise in occupational health, fire safety, quality and risk centred planning, incidents and complaints, service user advocacy and engagement.

As of the 31st of December 2024, the organisation had 77 registered Centres.

Health and Safety: St. Michael's House is committed to ensuring the health and safety of service users, their families, staff and members of the public. The organisation takes account of legislative obligations under the Safety, Health and Welfare at Work (General Application) Regulations 2007 and all associated legislation; the organisation's Safety Statement describes the management system and details of its structure and how it is resourced. In addition, it provides a framework for the development of site-specific safety arrangements in all Centres. The organisation's Safety Statement details the responsibilities that staff at all levels have in relation to safety matters. In addition, Safety Representatives form an active part of the organisation's consultation arrangements, bringing employee representations on staff health and safety matters through the forum of the Health & Safety Committee, chaired by the Health& Safety Manager. The organisation's Annual Health and Safety Audit Programme, completed by the Health & Manager and informed by the Fire Officer, monitors compliance with safety standards across the organisation. The Health and Safety Manager makes an annual report to the Quality and Safety Committee.

Board of Directors & Sub-Committees:

Board of Directors: St. Michael's House is governed by a voluntary Board of Directors two of whom have a lived experience of a person with a disability. Board members work on a voluntary basis and do not receive any remuneration.

Board Members (2024): Ciarán Bolger (Chairperson), Ray McKenna (Vice Chair), Dee Moran, Dr. Susan Kent, Eoin McVey, Ken Gormley, Liam O 'Donohoe (resigned 4/09/2024), Máirtín MacAodha, Prof. Anthony Staines (resigned 4/09/2024), Shahla Sabetnia, Tom Casey (resigned 4/09/2024), Dr. Jean Lane, Denis O'Connor, Sarah Judge (appointed 22/10/24), Pat Flynn (appointed 24/10/2024). Gerry Keenan (appointed 10/12/2024)
The Board would like to express its sincere appreciation of the commitment and dedication of management and staff to maintaining the quality of existing services in a pandemic and for developing new services for people with a disability and their families. The Directors are satisfied with the operational performance of the organisation in what is a very challenging situation with such economic constraints and increasing demands.

CORPORATE GOVERNANCE (CONTINUED)

Board of Directors (continued)

Fees & Expenses: No fees or expenses are paid to the directors of St. Michael's House.

The terms of reference of the Board Sub-committees are set out in the Corporate Governance Manual. Each Committee adopted a schedule of meetings and work plan for 2024 and made regular reports to the Board on their work. The Committees keep their terms of reference under annual review and bring any recommendations for changes to the terms of reference forward to the Board for approval. There are several members of sub- committees who are Ex Board members who thankfully continue to support St. Michael's House by serving on board Sub- committees.

Audit & Finance Committee: monitors and reviews all aspects of the financial performance of St. Michael's House. The Committee keeps under review the management accounts including the cash flow position of the Company. All property transactions are reviewed by the Audit & Finance committee. Additionally, this Committee keeps under review the scope and effectiveness of the Company's internal financial controls, the process for monitoring compliance with legislation and regulations associated with financial reporting. The Committee considers and recommends the appointment, re-appointment and removal of the External Auditor and the agreement of the audit fee. The Committee ensures that risks are properly identified, assessed, reported and controlled. It receives reports on the implementation of the organisation's Procurement Policy.

Committee Members at Dec 2024**:** Deirdre Moran (Chairperson),Eoin McVey, Denis O'Connor.

Quality, Safety & Risk Committee: provides assurance to the Board that there are appropriate and effective systems, structures and processes in place that cover all aspects of clinical, social care and occupational safety, and sets and monitors the delivery of key performance indicators for the quality and safety function at executive and local levels. The Committee ensures that St. Michael's House is operating within the provisions and standards set out in the legislation or regulation which is material to the work of the Company. The Quality, Safety & Risk Committee absorbed the risk management aspects of the former Audit and Risk committee from 1 January 2023**.**

Committee Members at Dec 2024:Kenneth Gormley, Dr. Susan Kent, Dr. Jean Lane (Chair).

Governance Committee: The Governance Committee maintains the constitution of the Company under regular review and provides recommendations to the Board as appropriate. It keeps under review the Competency Framework and ensures that the identification and nomination of candidates for approval by the Board for appointment as Directors is carried out in line with the Framework. The Committee acts as a support to the Chairperson in making decisions in emergency circumstances and takes responsibility for the process of recruiting and agreeing contract terms with the Chief Executive Officer for approval by the Board. It acts as the Remuneration Committee ensuring compliance with requirements of regulation.

Committee Members at Dec 2024: Ciarán Bolger (Chairperson), Máirtín McAodha, Kenneth Gormley.

Properties Committee This Committee was established in 2021 by the Board of St. Michael's House to manage and control all properties in the organisation, including those facilities that are occupied by service users under S.38 of a Care Organisation and Approved Housing Bodies. The Committee supports the Board in developing a Property Asset Management Strategy.

Committee Members at Dec 2024: Kenneth Gormley (Chairperson), Shahla Sabetnia.

CORPORATE GOVERNANCE (CONTINUED)

Schools Patron Committee: St. Michael's House is patron to six special National schools and this committee gives guidance and support to ensure schools operate in compliance with the Education Act 1998.

Committee members at Dec 2024: Máirtín MacAodha (Chairperson)

Executive Approvals Committee: Their role is to approve issues (that do not require an emergency board meeting) on behalf of the Board that cannot wait until the scheduled Board meetings. All decisions are emailed to the Board and go on the agenda of the next Board meeting.

Committee members at Dec 2024 Ciarán Bolger (Chair), Ray McKenna, Dee Moran, Shahla Sabetnia

Nominations Committee: The role of this committee is to interview potential new directors and bring recommendations to the Board for approval.

Committee members at Dec 2024: Ciarán Bolger (Chair), Ray McKenna, Deirdre Moran, Shahla Sabetnia

A total of 8 Board meetings were held in 2025. Individual attendance at the Board and Committee meetings is set out in the following table:

	SMH Board Meetings		**Quality, Safety & Risk Committee**		**Audit & Finance Committee**		**Governance Committee**		**Patron Committee**		**Properties & Estates Committee**		**Approvals Committee**	
	A	B	A	B	A	B	A	B	A	B	A	B	A	B
Mr Ciarán Bolger (Chair)	8	8					2	2					5	5
Mr Ray McKenna (Vice Chair)	8	8											5	4
Ms Dee Moran	8	7			7	7							5	2
Dr Susan Kent	8	7	6	1										
Mr Eoin McVey	8	6			7	5								
Mr Kenneth Gormley	8	5	6	1			2	2			4	4		
Mr Liam O'Donohoe	8	6	6	4										
Mr Máirtín Mac Aodha	8	8					2	1	7	7				
Prof Anthony Staines	8	4	6	4										
Ms Shahla Sabetnia	8	3									4	2	5	0
Mr Tom Casey	8	6					2	1						
Dr Jean Lane	8	7	6	6										
Mr Denis O' Connor	8	8			**7**	**7**								

A Represents the number of meetings held during the period the Director was a member of the Board/Committee.

B Represents the number of meetings attended during the period.

CORPORATE GOVERNANCE (CONTINUED)

DIRECTORS AND SECRETARY OF THE COMPANY

The Directors, and secretary, who served at any time during the financial year as Directors of the Company:
Ciarán Bolger (Chairperson)
Ray McKenna (Vice Chair)
Ken Gormley
Eoin McVey
Dr. Jean Lane
Denis O'Connor
Pat Flynn (appointed 24/10/24)
Gerry Keenan (appointed 10/12/24)
Mary Walshe (appointed 26/8/25)
Kevin Wilson (appointed 28/10/25)
Lorna Mackey (appointed 28/10/25)
Anthony Staines (resigned 4/9/24)
Liam O'Donohue (resigned 4/9/24)
Tom Casey (resigned 4/9/24)
Deirdre Moran (resigned 3/9/25)
Dr. Susan Kent (resigned 25/2/25)
Shahla Sabetnia (resigned 28/4/25)
Sarah Judge (appointed 22/10/2024, resigned 11/6/25)
Máirtín MacAodha (resigned 10/12/25)

Company Secretary:
Karl Wren

The current Directors and Secretary are listed on page 2.

DIRECTORS COMPLIANCE STATEMENT

The Directors acknowledge that they are responsible for securing the Company's compliance with the Company's "relevant obligations" within the meaning of section 225 of the Companies Act 2014 (described below as the "Relevant Obligations"). The Directors confirm that they have:

- drawn up a compliance policy statement setting out the Company's policies (that are, in the opinion of the Directors, appropriate to the Company) in respect of the Company's compliance with its Relevant Obligations;
- put in place appropriate arrangements or structures that, in the opinion of the Directors, provide a reasonable assurance of compliance in all material respects with the Company's Relevant Obligations; and
- during the financial year to which this report relates, conducted a review of the arrangements or structures that the Directors have put in place to ensure material compliance with the Company's Relevant Obligations

POLITICAL CONTRIBUTIONS

St. Michael's House does not make contributions to political parties. The Directors have satisfied themselves that there were no political contributions during the year, which require disclosure under the Electoral Act, 1997.

COMPLIANCE WITH PUBLIC PAY POLICY

As a publicly funded body, St. Michael's House is required to comply with Public Pay Policy. The Directors have satisfied themselves that St. Michael's House is in compliance with this policy.

EVENTS AFTER THE BALANCE SHEET DATE

There were no material events which require adjustment or disclosure in the financial statements between the balance sheet date and the date of approval of these financial statements.

ACCOUNTING RECORDS

The measures that the Directors have taken to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the engagement of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The Company's accounting records are maintained at the Company's registered office at St. Michael's House, Administration Building, Ballymun, Dublin 9.

APPROVAL OF REDUCED DISCLOSURES

The Company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 102 paragraph 1.12. The Company's ultimate parent Company has been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received.

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each of the persons who are Directors at the time the Directors' report and financial statements are approved:

a) So far as the Director is aware, there is no relevant audit information of which the Company's statutory auditors are unaware; and
b) Each Director has taken all steps that ought to have been taken by the Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 330 of the Companies Act 2014.

AUDITORS

The auditors, Crowleys DFK Limited, Chartered Accountants and Statutory Audit Firm, 16/17 College Green, Dublin 2, D02 V078 were appointed to the office in accordance with Section 383(2) of the Companies Act 2014.

Approved by the Board and signed on its behalf by:

DocuSigned by:

81E756366B0544D...

Ciarán Bolger
Director

DocuSigned by:

Ray Mckenna

562F2CCAD25D4CB...

Ray McKenna
Director

Date: 30 June 2026

ST. MICHAEL'S HOUSE

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with the Companies Act 2014.

Irish Company law requires the Directors to prepare financial statements for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council* ("relevant financial reporting framework"). Under Company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

In preparing those financial statements, the Directors are required to:

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

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

Approved by the Board and signed on its behalf by:

DocuSigned by:	DocuSigned by:
Ciarán Bolger	Ray McKenna
81E756366B0544D...	562F2CCAD25D4CB...
Ciarán Bolger	Ray McKenna
Director	Director

Date: 30 June 2026

SCOPE OF RESPONSIBILITY

The Board of St. Michael's House acknowledge its responsibility for ensuring that an effective system of internal control is maintained and operated. While SMH is not a State Body, this responsibility takes account of the requirements of the *Code of Practice for the Governance of State Bodies* as best practice.

PURPOSE OF SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or detected in a timely way.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform, has been in place in St. Michael's House for the financial year ended 31 December 2023 and up to the date of approval of the financial statements.

CAPACITY TO MANAGE RISK

St. Michael's House has a Quality, Safety and Risk Committee comprising one Board member, Chairperson, and two external members with relevant experience. This committee met 6 times in 2024.

St. Michael's House has outsourced its internal audit function using a third-party service provider which conducts a programme of work agreed with the Audit and Finance Committee. There were no internal audit inspections completed during the financial year ended 31 December 2024.

St. Michael's House has developed a risk management framework, defined related policies and procedures, and set out its risk appetite. The risk management procedures include details on the roles and responsibilities of staff in relation to risk management. The appropriate elements of the risk management policies and procedures have been issued to all personnel in St. Michael's House. This is to alert everyone and management in particular, about emerging risk and control weaknesses, highlighting the requirement for them to take ownership within their own areas of work. St. Michael's House has a Director of Quality, Safety and Service Improvement with operational responsibility for administering the risk management framework.

RISK AND CONTROL FRAMEWORK

St. Michael's House has implemented a risk management system which identifies and reports key risks and management actions being taken to address and, to the extent possible and appropriate, mitigate those risks.

Risk management processes have identified key risks facing St. Michael's House and there are risk registers in place which record these risks. The risks have been evaluated and graded according to their significance. The registers are reviewed at all Board meetings. The outcome of these assessments is used to plan and allocate resources to ensure, insofar as is practicable, that risks are managed to an acceptable level.

RISK AND CONTROL FRAMEWORK (CONTINUED)

The Board confirms that a control environment containing the following elements is in place:

- Procedures for all key business processes have been documented;
- Financial responsibilities have been assigned at management level with corresponding accountability;
- There is an appropriate budgeting system with an annual budget which is kept under review by senior management and the Board;
- There are systems aimed at ensuring the security of the information and communication technology systems;
- There are systems in place to safeguard the assets; and control procedures over expenditure to ensure adequate control, approval, monitoring and review and that the expenditure has been applied for the purpose intended.

ON-GOING MONITORING AND REVIEW

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action, and to management and the Board. The Board confirms that the following on-going monitoring systems are in place;

- Key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies;
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned; and
- There are regular reviews by senior management of periodic and annual performance and financial reports which indicate performance against budgets/forecasts.

PROCUREMENT

The Board confirms that there are procedures in place to ensure compliance with current procurement rules and guidelines and that during 2024 St. Michael's House reviewed procurement policies and are compliant with the current procurement policy.

SERVICE USERS

St. Michael's House provided a comprehensive range of necessary services to its service users in 2024.
Controls in delivery of services include the following:

- Enhancing the quality of life for service users and in particular assisting them in achieving their full potential;
- Comprehensive identification of needs of service users on an individual basis;
- Communicating closely with service users and their families to ensure that service provision matches expectations
- Monitoring service provision against recognised best practice:
- Identifying lessons learned and incorporating these in future service provision;
- Suitable administrative processes and systems.
- Infection prevention and control measures to ensure the safety of staff and service users post COVID-19.

RESOURCES

St. Michael's House employed 1,674 average whole-time equivalents ("WTE") in 2024. Controls over resources include the following**:**

- Ensuring the recruitment of staff with appropriate qualifications and with a strong affinity with the aims and ethos of St. Michael's House.
- Efficient and effective processes and systems.
- Supporting staff through implementation of Training programmes and continued professional development.
- Delivery of effective performance management.
- Making best use of resources.
- Promoting and supporting high levels of morale.
- Project ongoing to implement electronic rostering, HR processes and information.

STRATEGIC PLANS AND FINANCE

Controls in relation to the Strategic Plan and finance include the following:

- Focus on recruitment of frontline vacancies so that dependency on expensive back fill in the form of agency or overtime costs are minimized.
- Continue review and monthly approval of staff allocation at the front line.
- Optimal use of properties to increase future capacity and mitigate risk.
- Ensuring value for money in all expenditure incurred.
- Ensuring efficient and effective processes and systems are in place including the procurement process.
- Continual management monitoring and review of financial performance.
- Implementation of IFMS (HSE Finance (SAP) system) is expected to go live in 2026.

REVIEW OF EFFECTIVENESS

The Board confirms that St. Michael's House has procedures to monitor the effectiveness of its risk management and control procedures. St. Michael's House monitoring and review of the effectiveness of the system of internal control is informed by the work of the internal and external auditors, the Audit and Finance Committee which oversees their work and the senior management within St. Michael's House responsible for the development and maintenance of the internal control framework.

INTERNAL CONTROL ISSUES

No material weaknesses in internal control were identified in relation to 2024 that require disclosure in the financial statements.

Approved by the Board and signed on its behalf by:

DocuSigned by:	DocuSigned by:
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Ciarán Bolger	Ray McKenna
Director	Director

Date: 30 June 2026

ST MICHAEL'S HOUSE

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST MICHAEL'S HOUSE

Report on the audit of the financial statements
Opinion

We have audited the financial statements of St Michael's House (the 'Company') for the year ended 31 December 2024, which comprise the Income Statement, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Equity and the notes to the financial statements, including a summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish law and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued in the United Kingdom by the Financial Reporting Council.

In our opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2024 and of its result for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty related to Going Concern

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.

We draw attention to note 2 to the financial statements concerning the company's ability to continue as a going concern. As at the balance sheet date the company had net current liabilities of €15,601,796. The company is almost entirely dependent on the HSE to continue to fund its operations. There is no firm commitment at the date of signing our report from the HSE regarding permanent additional funding to meet historic and expected current year deficits or to address the net current liability situation. As stated in note 2, these events or conditions, along with the other matters as set forth in note 2, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST MICHAEL'S HOUSE (CONTINUED)

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinion on other matters prescribed by the Companies Act 2014

In our opinion, based on the work undertaken in the course of the audit, we report that:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are 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, and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the 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.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

Respective responsibilities and restrictions on use
Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 15, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as the directors 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 management either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST MICHAEL’S HOUSE (CONTINUED)

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.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding on internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST MICHAEL'S HOUSE (CONTINUED)

The purpose of our audit work and to whom we owe our responsibilities

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

DocuSigned by:

Natalie Kelly

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Natalie Kelly
for and on behalf of
Crowleys DFK Limited
Chartered Accountants and Statutory Audit Firm
16/17 College Green
Dublin 2
Date: 30 June 2026

ST. MICHAEL'S HOUSE

INCOME STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Notes	**2024** **€**	2023 €
INCOME	*3*	**139,008,036**	133,373,781
EXPENDITURE		**(143,198,690)**	(133,122,349)
(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR	*6*	**(4,190,654)**	251,432

The outturn for the current and prior financial year arises from continuing operations. There are no other recognised gains or losses other than those listed above for the current and prior financial year.

ST. MICHAEL'S HOUSE

BALANCE SHEET
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Notes	**2024** **€**	2023 €
FIXED ASSETS			
Tangible Assets	*10*	**44,726,166**	46,409,515
CURRENT ASSETS			
Receivables and prepayments	*11*	**3,302,270**	4,392,876
Cash at Bank		**690,506**	1,480,222
		3,992,776	5,873,098
CREDITORS: Amounts falling due within one year			
Creditors and accruals	*12*	**(19,360,824)**	(15,963,803)
Term Loans	*15*	**(233,748)**	(431,471)
		(19,594,572)	(16,395,274)
NET CURRENT LIABILITIES		**(15,601,796)**	(10,522,176)
TOTAL ASSETS LESS CURRENT LIABILITIES		**29,124,370**	35,887,339
CREDITORS: Amounts falling due after more than one year			
Term Loans	*15*	**(616,946)**	(851,167)
NET ASSETS		**28,507,424**	35,036,172
CAPITAL AND RESERVES			
Capital reserves	*16*	**36,890,782**	39,462,198
Revenue deficit		**(8,383,358)**	(4,426,026)
		28,507,424	35,036,172

The financial statements were approved and authorised for issue by the Board of Directors on 30 June 2026 and signed on its behalf by:

DocuSigned by:
81E756366B0544D...
Ciaran Bolger
Director

DocuSigned by:
Ray McKenna
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Ray McKenna
Director

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Capital Reserve	Revenue (Deficit)	Total
		€	**€**	**€**
Balance at 1 January 2023		40,704,947	(4,478,263)	36,226,684
Surplus for the financial year		-	251,432	251,432
Grants amortised in the year		(2,500,292)	-	(2,500,292)
Grants received in the year		1,058,352	-	1,058,352
Transfers between reserves		199,193	(199,193)	-
At 31 December 2023		39,462,200	(4,426,024)	35,036,176
Deficit for the financial year		-	(4,190,654)	(4,190,654)
Grants amortised in the year	*16*	(2,533,892)	-	(2,533,892)
Grants received in the year	*16*	195,794	-	195,794
Transfers between reserves	*17*	(233,320)	233,320	-
At 31 December 2024		**36,890,782**	**(8,383,358)**	**28,507,424**

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Notes	2024 €	2023 €
NET CASH (USED IN) / FROM OPERATING ACTIVITIES	***13***	**881,059**	(2,184,329)
CASHFLOWS USED IN INVESTING ACTIVITIES			
Payments to acquire tangible fixed assets	***10***	**(1,743,734)**	(2,076,867)
Proceeds from disposal of tangible fixed assets		**588,828**	557,023
Net cash flows used in investing activities		**(1,154,906)**	(1,519,844)
CASHFLOWS USED IN FINANCING ACTIVITIES			
Net interest payable	***6***	**(83,925)**	(72,979)
Term loan repaid		**(431,944)**	(467,594)
Net cash flows used in financing activities		**(515,869)**	(540,573)
Net (decrease) / increase in cash and cash equivalents		**(789,716)**	4,244,746
Cash and cash equivalents at beginning of the financial year		**1,480,222**	5,724,968
Cash and cash equivalents at end of the financial year		**690,506**	1,480,222

Net Cash Reconciliation

		2024 €	2023 €
Cash at bank		**690,506**	1,480,222
Cash at end of the financial year		**690,506**	1,480,222

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the current and preceding financial year.

General Information and Basis of Accounting

St. Michael's House is a Company incorporated and registered in the Republic of Ireland under the Companies Act 2014 (company number 27628). The address of the registered office is St. Michael's House, Administration Building, Ballymun Road, Ballymun, Dublin 9, D09 DX37. The nature of the Company's operations and its principal activities are set out in the Directors' report.

The financial statements have been prepared on a going concern basis, under the historical cost convention, except for the measurement of certain financial instruments at fair value, and in accordance with the Companies Act 2014 and Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. Where appropriate, comparative balances have been re-classed in line with current year classifications.

The functional currency of St. Michael's House is the euro (€).

These financial statements are separate financial statements.

St Michael's House meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. St Michael's House is consolidated in the financial statements of its ultimate parent, St Michael's House Group. Exemptions have been taken in these separate Company financial statements in relation to related party transactions, financial instruments and remuneration of key management personnel.

Going Concern

The Company recorded a Deficit for the financial year of €4,190,654 (2023: Surplus €251,432) and had net current liabilities of €15,601,799 (2023: €10,522,176), and an accumulated deficit on the Company's revenue reserve account of €8,383,360 (2023: €4,426,026) at 31 December 2024. The HSE provided additional funding in 2024 to address the Company's increasing cost base, in relation to payroll and agency staff costs.

The Company's unaudited management accounts for the financial year ended 31 December 2025 report a total income position inclusive of the HSE allocation of €135.0m. This includes income received from HSE in respect of the Pension Levy of €2.64m and superannuation income of €2.15m. This results in a surplus of €0.10m in the unaudited management accounts for 2025.

The Directors have reviewed management's cash flow forecasts for a period of twelve months from the date of approval of these financial statements together with the details of bank overdraft funding available and HSE cash acceleration funding requests.

The Company is entirely dependent on the HSE to continue to fund its operations. This reliance on a single funder indicates the existence of a material uncertainty that may cast significant doubt on the

Company's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors continue to engage in ongoing and regular discussions with the HSE regarding analysis of the increased costs and understanding of the various complex cost drivers in St. Michael's House and the need for an agreement to ensure ongoing sustainable funding for a period of at least twelve months from the date of approval of these financial statements. Additionally, the Directors continue to engage with the HSE to address the historic revenue reserve account deficit and the net current liability position. As of the date of approval of the financial statements, no agreement has been reached with the HSE in relation to these matters. The Directors are confident that the continuing discussions with the HSE will result in the provision of the necessary funding to discharge the Company's liabilities and continue as a going concern for a period of at least twelve months from the date of approval of these financial statements.

In assessing the adoption of the going concern basis of accounting in the company, the Directors have also considered and note the following:

- The Company provides a key service for very vulnerable people in our society.
- The history of how the HSE has allocated funding and/or cash advances to St. Michael's House in prior financial years and since the balance sheet date.
- The HSE has not given any indication that it will withdraw its financial support from the Company.
- The funding arrangement with the HSE is under-pinned by an annual Service Level Agreement (SLA).
- Negotiations on the SLA for 2026 were concluded shortly before the date of approval of these financial statements.

Therefore, the Directors are of the opinion that it is appropriate to prepare the financial statements on a going concern basis for a period of at least twelve months from the date of approval of these financial statements. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

1. ACCOUNTING POLICIES (CONTINUED)

Going Concern (continued)

On the basis of the going concern review, the Directors are of the opinion that it is appropriate to prepare the financial statements on a going concern basis for a period of at least twelve months from the date of approval of these financial statements. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Financial assets and liabilities
All financial assets and liabilities are initially measured at transaction price (including transaction costs). Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

Taxation

There is no charge to taxation as the Company has been granted charitable status by the Revenue Commissioners.

Government Grants - Capital

Government grants specifically received for capital purposes are credited to the capital grants reserve. This reserve is amortised over the expected useful life of the asset to which it relates.

Revenue Grants – HSE Funding

The HSE provides funding towards the running costs of the Company in accordance with the Service Level Agreement. These revenue grants are recognized in income on a systematic basis over the periods in which the related costs are recognized (accrual basis).

Other Revenue

Other revenue is accounted for using the accruals basis of accounting.

1. ACCOUNTING POLICIES (CONTINUED)

Fund Raising

Fundraising income and donations are recognised on an accruals basis when the charity is entitled to the income, it is probable that the income will be received and the amount can be measured reliably. Donations are recognised when receivable. Donations and fundraising income subject to conditions are recognised only when the conditions are met; amounts received in advance of meeting conditions are included within deferred income. Fundraising income is presented gross. Costs of raising funds are recognised as expenditure as incurred and are presented separately within expenditure. A significant proportion of fundraising and donations income may be designated by the Board for capital purposes and appropriated to a capital reserve. Such designation reflects the intended use of funds and does not affect the timing of income recognition. Income designated or restricted for specific capital or revenue purposes is recognised in the income statement when receivable and is reflected within the appropriate reserve until applied for its intended purpose.

Capital Grants Reserve

Government grants specifically received for capital purposes are credited to the capital grants reserve. This reserve is amortised over the expected useful lives of the assets to which it relates.

Capital Expenditure Reserve/European Social Fund Grant Reserve

Income and grants designated for capital purposes, excluding Government Grants dealt with above, are credited to the Capital Expenditure Reserve. The Capital Expenditure Reserve is amortised over a period of 20 years, and the European Social Fund grant reserve is amortised over a period of 40 or 10 years, as appropriate.

Fixed Assets and Depreciation

Fixed assets are stated in the balance sheet at cost less accumulated depreciation and in the case of assets donated in kind, at the best estimate of cost at the date of receipt less accumulated depreciation. Depreciation is calculated to write off the cost of tangible fixed assets over their expected useful lives, where all assets have a residual value of nil, as follows:

Freehold and long leasehold property	40 years
Furniture, equipment and computers	5 - 10 years
Motor vehicles	5 years

A half year's charge for depreciation is made in the year of acquisition and year of disposal.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell, which is equivalent to the net realisable value. Cost includes all expenditure that has been incurred in the normal course of business in bringing them to their present location and condition. We do not hold / value stocks as consumables are procured at residential units and consumed.

Leasing

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Pensions

Nominated Health Agencies and Voluntary Hospitals Superannuation Schemes are in operation for the employees of St. Michael's House. No provision has been made in respect of the benefits payable under the scheme as the liability is underwritten by the Minister for Health and Children.

Contributions from the employees who are members of the scheme are credited to the income statement account when received. Pension payments under the scheme are charged to the income statement when paid.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in Note 1, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimates that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

- ***Critical Accounting Judgement:*** The Directors have prepared the financial statements on a going concern basis of accounting. This assumption is subject to judgement and the Company being able to meet its liabilities as they fall due. Further details of the Directors judgement are set out in the "going concern" section of note 1 to these financial statements.
- ***Key source of Estimation Uncertainty:*** The depreciation rates associated with tangible fixed assets are based on expected useful lives of the relevant assets. The estimates and underlying assumptions are reviewed on an ongoing basis and could have a material impact on the result for the financial year and the financial position of the Company, if altered.
- ***Key source of Estimation Uncertainty:*** Certain accruals are subject to estimate, and the final cash outflow may not equate to the existing carrying value of the accrual should estimation inputs change.

3. INCOME

	2024	2023
	€	€
HSE Allocation for service provision (S38 Health Act funding)	**119,517,445**	114,216,644
HSE Allocation Superannuation Funding (S38 Health Act funding)	**1,786,516**	1,799,479
HSE Meath for service provision (S38 Health Act funding)	**-**	682,032
HSE Dublin North East Invoiced services (S38 Health Act funding)	**5,816,659**	5,064,327
HSE Training and Travel Grant	**-**	(28,762)
Superannuation Contributions to NHASS / VHASS	**2,446,939**	2,301,105
Public Service Pension Levy (Section 38 Health Act funding)	**2,187,766**	2,195,281
Department of Education & Skills - Schools Vocational Training Grants	**-**	74,996
Dublin City Council – School Meals in Special National Schools	**16,092**	13,085
Sub Total State Funding	**131,771,417**	126,318,187
Rent	**1,316,572**	1,348,290
RSSMAC's	**805,074**	789,952
Open Training College Course Fee Income	**1,149,584**	871,319
Sundry	**915,592**	1,100,756
Sub Total Income	**135,958,239**	130,428,504
Fundraising Income	**515,905**	347,833
Gift from St. Michael's House Properties	**-**	97,152
Capital Reserve Amortization	**2,533,892**	2,500,292
Total Available for Revenue Expenditure	**139,008,036**	133,373,781

4. STAFF NUMBERS, COSTS AND BANDS

The whole time equivalent of all staffing employed in providing the services of St. Michael's House including overtime, additional hours and agency at 31 December 2024 was 1,674 (2023: 1,672).

The average number in whole-time equivalents of persons employed by the Company during the year, analysed by category is as follows:

	2024 Number	2023 Number
Management and administrative	**121**	119
Medical	**10**	10
Nursing	**346**	341
Clinical	**789**	778
Support services	**388**	383
	1,654	1,631

The aggregate payroll costs of these employees were as follows:

	2024 €	2023 €
Wages and salaries	**95,933,674**	90,570,528
Severance costs	**-**	97,152
Social welfare costs	**10,192,547**	9,497,565
Retirement benefit costs (Note 20)	**7,182,899**	6,508,295
Total employee costs	**113,309,120**	106,673,540
Agency sourced staff costs	**9,238,608**	6,887,324
	122,547,728	113,560,864

4. STAFF NUMBERS, COSTS AND BANDS (CONTINUED)

Bands of wages and salaries over €60,000

To ensure complete transparency in relation to salary bands and staff numbers the following information on staff aggregate remuneration is presented. Staff salaries inclusive of basic pay, overtime, allowances, additional hours worked (i.e. Night duty, weekends etc.), arrears and excluding Employer PRSI expressed in bands of €10,000 are as follows:

	2024	2023
	Number	Number
€60000 - €70000	**239**	204
€70001 - €80000	**164**	128
€80001 - €90000	**87**	71
€90001 - €100000	**57**	42
€100001 - €110000	**27**	18
€110001 - €120000	**11**	8
€120001 - €130000	**2**	3
€130001 - €140000	**2**	1
€140001 - €150000	**4**	1
€150001 - €160000	**0**	-
€160001 - €170000	**3**	1
€170001 - €180000	**-**	-
€180001 - €190000	**-**	-
€190001 - €200000	**-**	-
€200001 - €210000	**-**	1
€210001 - €220000	**-**	-
€220001 - €230000	**-**	-
€230001 - €240000	**-**	-
€240001 - €250000	**-**	-
€250001 - €260000	**-**	1
€260001 - €270000	**1**	-
€270001 - €280000	**-**	-
€280001 - €290000	**1**	2
€290001 - €300000	**-**	1
€300001 - €310000	**-**	-
€310001 - €320000	**2**	-
	600	**482**

The Salary of the Chief Executive is determined by the HSE and is currently €144,775 (2023: €138,799).

Management Team Salaries

The St Michael's House management team comprises the twelve staff as follows:
The Chief Executive, The Directors of Operations, Finance, Human Resources, 4 Service Directors, Director of Adult Clinical Services, Director of Open Training College, Director of Psychiatry, Director of Nursing, Director of Quality Improvement and Safety Development. The Annual cost (total salary cost excl. Employer's PRSI) of Management team salaries in 2024 was €1,520,854 (2023 €1,558,176).

5. SUMMARY PAY ANALYSIS

	2024	2023
	€	€
Management Administration	**9,106,072**	7,563,566
Medical Dental (Consultants)	**2,430,584**	2,175,933
Nursing	**23,767,921**	21,313,532
Paramedical	**8,831,831**	8,240,786
Catering, Housekeeping and Support Services	**71,228,421**	67,758,752
Pensions	**5,157,801**	4,628,403
Lump Sums	**2,025,098**	1,879,892
	122,547,728	113,560,864

This includes salaries attributable to agency sourced staff costs of €9,238,608.

6. (DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES

	2024	2023
	€	€
The (deficit)/surplus on ordinary activities is stated after charging:		
-Depreciation: Owned Assets	**2,990,999**	2,986,442
-Interest payables: bank loans and overdrafts due within 5 years	**73,405**	13,716
-Interest payables: long term loans	**10,520**	59,263
-Hire and rentals payable under operating leases	**643,619**	657,775
Auditors remuneration (incl. VAT and expenses)		
- Audit services	**66,000**	61,500
- Tax compliance services	**20,083**	25,013
and after crediting:		
-Grants amortised	**2,533,892**	2,500,292
-Surplus on disposal of assets	**152,744**	403,576

7. DIRECTORS' REMUNERATION AND TRANSACTIONS

The Directors of St. Michael's House undertake their roles in a voluntary capacity. They do not receive any benefit from the holding of the post.

8. LEGAL, CONSULTANCY AND PROFESSIONAL FEES, TRAVEL AND HOSPITALITY

	2024	2023
	€	€
Legal	**72,168**	17,095
Other (e.g., IT, architects, projects)	**743,764**	919,057
Travel and subsistence – staff mileage	**203,138**	208,968
Travel and subsistence – staff travel	**11,521**	11,494
	1,030,591	1,156,614

No expenditure on international travel was incurred

9. TAX ON PROFIT ON ORDINARY ACTIVITIES

St. Michael's House is a registered charity and is exempt from Corporation tax.

10. TANGIBLE ASSETS

	Freehold & Long Leasehold Property	**Motor Vehicles**	**Furniture, Equipment & Computers**	**Total**
	€	**€**	**€**	**€**
Cost:				
1 January 2024	**80,554,812**	**7,876,779**	**11,609,053**	**100,040,644**
Additions	1,276,919	138,006	328,809	1,743,734
Disposals	(725,193)	-	-	(725,193)
31 December 2024	**81,106,538**	**8,014,785**	**11,937,862**	**101,059,185**
Depreciation				
1 January 2024	**38,432,649**	**6,580,527**	**8,617,953**	**53,631,129**
Charge for the financial year	1,980,322	483,439	527,238	2,990,999
Disposals	(289,109)	-	-	(289,109)
31 December 2024	**40,123,862**	**7,063,966**	**9,145,543**	**56,333,019**
Net book value:				
31 December 2024	**40,982,676**	**950,819**	**2,792,671**	**44,726,166**
Net book value:				
31 December 2023	42,122,162	1,296,252	2,991,100	46,409,515

10. TANGIBLE ASSETS (CONTINUED)

Certain buildings included under property above, are built on land owned by the State or its related agencies. Such buildings may not be sold or used other than for their current purpose.

Mortgages have been registered, or title deeds have been deposited with lenders in respect of certain properties costing approximately €3,826,934 (2023: €4,551,787) as security for long term loans. The current value of these loans is €850,593 (2023: €1,282,638) of which €233,748 (2023: €431,471) is payable within one year. The balance of these will be payable within the next 10 years with an approximate interest rate of 3.3% (2023: 3.3%).

In respect of certain properties costing approximately €29,516,513 (2023: €29,516,513) for which grants have been received from the Department of the Environment via the relevant public authority, there is a contingency to repay those amounts if the properties are sold. The related contingency is disclosed in Note 22.

11. RECEIVABLES AND PREPAYMENTS

	2024	**2023**
	€	**€**
Other prepayments and receivables	**2,196,274**	2,489,605
Amounts due to group companies	**1,105,996**	1,903,271
	3,302,270	4,392,876

Amounts due from group companies are advanced interest free, unsecured and receivable on demand.

12. CREDITORS: Amounts falling due within one year

	2024	2023
	€	€
Health Service Executive advance	**2,661,341**	-
PAYE and PRSI	**3,150,582**	2,899,662
Trade and other creditors	**1,524,347**	1,553,131
Accruals	**6,364,817**	6,618,724
Deferred income	**3,909,771**	3,050,520
Amounts owing to Group Companies	**1,749,966**	1,841,766
	19,360,824	15,963,803

Amounts owing to group companies are advanced interest free, unsecured and repayable on demand. Included in deferred income is an amount of €1,826,801 (2023: €1,924,650) which arises on fundraising for capital expenditure where the fundraising is not yet complete, or the asset has not yet been purchased.

13. CASH FLOW STATEMENT

Reconciliation of surplus for the financial year to cash (outflow) / inflow from operating activities

	2024	2023
	€	€
(Deficit)/Surplus for financial year	**(4,190,654)**	251,432
Adjustment for:		
Depreciation of tangible fixed assets	**2,990,999**	2,986,442
Profit on disposal of tangible fixed assets	**(152,744)**	(403,576)
Interest paid	**83,925**	72,979
Grants amortised	**(2,533,892)**	(2,500,292)
Capital grants received	**195,794**	1,058,352
Operating cash flows before movement in working capital:	**(3,606,572)**	1,465,337
Decrease / (increase) in receivables and prepayments	**1,090,605**	1,822,254
(Decrease) / increase in creditors and accruals	**3,397,026**	(5,471,920)
Cash (outflow) / inflow from operating activities	**881,059**	(2,184,329)

14. BANK OVERDRAFT

The bank overdraft facility of the parent Company (St. Michael's House Group) is secured by a registered deposit of leasehold interests in a number of properties held by St. Michael's House.

AIB Hold the following securities;

Mortgage Property over - Prospect Hall Roebuck.
Mortgage Property over – 1 Beach lawn Golf link Road.
Mortgage Property over – Adare Green, Coolock.
Company guarantee - € 4,842,000

15. TERM LOANS

Bank loans are repayable as follows:

	2024	2023
	€	€
Within one year (Included in current liabilities)	**233,748**	431,471
From two to five years (Included in long term liabilities)	**606,426**	812,142
Over five years (Included in long term liabilities)	**10,520**	39,025
	850,694	1,282,638

16. CAPITAL RESERVES

	Capital Expenditure Reserve	E.S.F. Grant Reserve	Capital Grants Reserve	Total
	€	€	€	€
Balance at 1 January 2024	**3,192,600**	**662,620**	**35,606,980**	**39,462,200**
Transfer from Income and Expenditure Account	(233,320)	-	-	(233,320)
Grants amortised during year	(567,582)	(152,968)	(1,813,342)	(2,533,892)
Grants received during year	-	-	195,794	195,794
Balance at 31 December 2024	**2,391,698**	**509,652**	**33,989,432**	**36,890,782**

The transfer from income to reserves was (€233,320) (2023: €199,193).

In the financial statements all fundraising monies are reflected in income; however, the amount of monies raised in respect of capital projects is transferred separately to the Capital Expenditure Reserve Fund.

17. FUND RAISING INCOME

	2024	2023
	€	€
Fund raising income comprises:		
-Unit and central fund raising	**130,148**	246,838
-Bequests and donations	**239,058**	217,192
-Parents' subscriptions	**-**	-
Total fundraising income for the financial year	**369,206**	464,030
Movement in deferred expenditure	**146,699**	(116,197)
Total fundraising income recognised in the financial year	**515,905**	347,833
Fundraising used for revenue related expenditure	**(282,585)**	(148,640)
Fundraising transferred to capital expenditure reserve	**233,320**	199,193

Note: The Fundraising income figure is inclusive of €17,395 received from City of Dublin ETB as part of their Reach funding programme.

18. LEASE COMMITMENTS

	2024	2023
	€	€
Operating lease commitments:		
Total future contracted lease commitments which exist under non-cancellable operating leases are as follows		
- within one financial year	**1,342,890**	643,619
- between two and five financial years	**3,284,009**	2,351,699
- after five financial years	**3,203,469**	1,139,211
	7,830,368	4,134,529

19. CAPITAL COMMITMENTS

There were no capital commitments at the year-ended 31 December 2024 (2023: €nil).

20. RETIREMENT BENEFIT SCHEMES

The Company operates the following pension schemes:

Nominated Health Agencies and Voluntary Hospitals Superannuation Schemes
The employees of St. Michael's House are members of the Nominated Health Agencies and Voluntary Hospitals Superannuation Schemes. No provision has been made in respect of the benefits payable under the scheme as the liability is administered and underwritten by the Minister for Health. The scheme is a contributory scheme and is non-funded in common with other public sector schemes. Contributions from employees who are members of the scheme are credited to the income statementwhen received. Pension payments under the scheme are charged to the income statement when paid.

In the year ending 31 December 2024, Superannuation income of €2,187,766 (2023: €2,301,105) was retained and treated as income and €7,182,899 (2023: €6,508,295) paid to pensioners. The Company has credited €1,786,516 (2023: €1,799,479) of HSE allocation income as funding received to fund the superannuation deficit.

Single Public Service Pension Scheme
The Single Public Service Pension Scheme (SPSPS) applies to all employees who are joining the public sector as new entrants after January 2013. In line with the guidance of this scheme, all employee contributions are paid over to the state pension account and not included in the income statement. The Department of Public Expenditure and Reform ('DPER') is responsible for the SPSPS and under the Public Service Pensions (Single Scheme and Other Provisions) Act 2012, Section 44(1) (b), payments arising under this Single Scheme to retiring employees shall be paid from funds provided by the Oireachtas for that purpose.

21. RELATED PARTY TRANSACTIONS

The Directors have availed of the exemption available under Section 33 FRS 102 "Related Party Disclosures", which permits subsidiaries 100% of whose voting rights are controlled within the group, not to disclose transactions with other wholly owned entities of the group.

22. CONTINGENT LIABILITY

There is a contingent liability to repay capital grants relating to CAS funded properties amounting to €9,785,671 (2023: €11,565,365) if the Company does not adhere to the terms and conditions of the grant agreements, which include provision for the use of the assets as originally intended. This liability expires after 30 years.

23. EVENTS AFTER THE BALANCE SHEET DATE

There were no material events which require adjustment or disclosure in the financial statements between the balance sheet date and the date of approval of these financial statements.

24. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Board on 30 June 2026.