



# St. Michael's House


Services for People with Disabilities



**FINANCIAL REPORT**  
2021


## OUR MISSION

Support individuals with intellectual disabilities to achieve their potential and live as independently as possible in ordinary places in the community connected to natural support networks.



St. Michael's House Group  
(a company limited by guarantee and  
not having a share capital)

Reports and Consolidated Financial Statements for the  
financial year ended  
31 December 2021





**ST. MICHAEL'S HOUSE GROUP**

**REPORTS AND CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

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**CONTENTS**

	<b>PAGE</b>
GENERAL INFORMATION	2
DIRECTORS' REPORT	3 - 13
DIRECTORS' RESPONSIBILITIES STATEMENT	14
INDEPENDENT AUDITOR'S REPORT	15 - 17
CONSOLIDATED INCOME STATEMENT	18
CONSOLIDATED BALANCE SHEET	19
COMPANY BALANCE SHEET	20
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	21
CONSOLIDATED STATEMENT OF CASHFLOWS	22
NOTES TO THE FINANCIAL STATEMENTS	23 - 41

**ST. MICHAEL'S HOUSE GROUP**  
**(A company limited by guarantee and not having a share capital)**

**GENERAL INFORMATION**

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<b>CURRENT DIRECTORS</b>	Prof. Anthony Staines (Chairperson) Tom Casey Pat Cullen Dr. Ailis Quinlan Kenneth Gormley
<b>SECRETARY AND REGISTERED OFFICE</b>	Karl Wren St. Michael's House Administration Building Ballymun Road Dublin 9.
<b>AUDITORS</b>	Deloitte Ireland LLP Chartered Accountants and Statutory Audit Firm Deloitte & Touche House Earlsfort Terrace Dublin 2.
<b>SOLICITORS</b>	Gore & Grimes Cavendish House Arran Court Smithfield Dublin 7.
<b>BANKERS</b>	Allied Irish Banks p.l.c. 60 Clonskeagh Road Clonskeagh Dublin 14.
<b>CHARITY REGISTRATION NUMBER</b>	CHY 20166
<b>COMPANY REGISTRATION NUMBER</b>	511121

## ST. MICHAEL'S HOUSE GROUP

### DIRECTORS' REPORT

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The Directors present their annual report on the affairs of the companies within the St Michael's House Group, together with the financial statements and auditors' report, for the financial year ended 31 December 2021.

#### PRINCIPAL ACTIVITY

The Group consists of a number of companies with the same objective, whose operation is overseen by the St Michael's House Group Company. The principal activity of all of the companies in the Group 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.

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

#### CONSOLIDATED RESULTS FOR THE YEAR

	2021 €	2020 €
Surplus on ordinary activities	4,557,413	1,897,335

The complexity of managing Covid and the challenges of redeploying staff and closing Day Services in a pandemic continued to have a significant adverse impact in 2021. We sold two vacant properties which were in need of significant investment. These sales were the main driver of the group surplus in 2021.

In 2021 we initiated a project to upgrade our rostering software to include full HR Information System functionality to allow more efficient management of HR processes and headcount in our large organisation. Our cost base is increasing particularly in Adult Residential driven partly by increasing demands of our ageing service users who require additional supports to deal with their changing needs.

The issue of accumulated prior year carried forward deficit is being reviewed, also the increasing costs of providing services is being regularly discussed with HSE. Longer term sustainable funding has been subject of discussions with HSE who continue to fund accumulated deficits from a cash flow viewpoint, by means of annual but repayable cash advances.

#### BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The main activity across the Group is carried out by (a) St. Michael's House, which is a Section 38 Body under the terms of the Health Act 2004 and (b) St. Michael's House Housing Association which is an approved housing body under the terms of Memorandum 2/2002: Capital Funding Schemes for the Provision of Rental Accommodation by Approved Housing Bodies.



**BUSINESS REVIEW AND FUTURE DEVELOPMENTS (CONTINUED)**

St. Michael's House mission is to 'Support individuals with intellectual disabilities to achieve their potential and live as independently as possible in ordinary places in the community connected to natural support networks'.

The Strategic Plan 2017 – 2021 is founded on six high level goals which are designed to carry our mission forward in a structured and measurable manner. While the scope is broad the underlying objectives feed through to every aspect of the lives of the people who St. Michael's House support. Each goal is underpinned by a set of high level key performance indicators and measures of success which ensure that there is clarity about the progress with each one.

The six high level goals are:

1. Ensure that People will be supported to have services and supports that meet their needs;
2. Ensure service change, customisation and reconfiguration to make best use of allocated resources;
3. Ensure St Michael's House achieves measurable standards of excellence;
4. Ensure that individuals, families, employees and volunteers are skilled, competent and resilient;
5. Develop Strategic alliances to bridge resource and competency gaps;
6. Ensure St Michael's House achieves measurable standards of excellence.

St. Michael's House has identified the following list of key strategic challenges and opportunities which face the organisation during the period of the plan:

1. To manage, maintain and renew existing services;
2. To manage day, residential and respite service waiting lists and residential emergencies in collaboration with the HSE;
3. To manage, maintain and reconfigure existing services in accordance with the National Policy Framework and operate within allocated resources;
4. To respond to unmet need and individual emergencies in the absence of a National Disability Strategy with an accompanying multi-annual investment fund;
5. To deliver on the national policy Progressing Reconfiguration of Disability Services for Children and Young People as Lead Agency for a number of Network Teams whilst maintaining adequate clinical supports for those over 18 years;
6. To progress our decongregation programme to community life for men and women presently resident at St Mary's Baldoyle and the Glens Complex, Ballymun;
7. To be compliant with the provisions of the Health Act Regulations (2013) whilst presenting a balanced budget;
8. To reconfigure existing day services and develop new day services and supports in accordance with the Interim Standards for New Directions (HSE 2015);
9. To meet the needs of young people leaving school and training centres as they grow into adulthood and achieve their potential for independence, further education, health and occupation;
10. To redesign our services for men and women over 18 years enabling them to access leisure, education, occupation and supported living;
11. To meet the changing needs of adult service users over 50 years of age who require increased medical and behavioural supports and retirement programmes;
12. To implement a funded workforce plan including the development of a targeted volunteering programme bringing added value to individuals supported;



**BUSINESS REVIEW AND FUTURE DEVELOPMENTS (CONTINUED)**

13. To maintain our housing and premises infrastructure ensuring it is fit for purpose and develop strategic partnerships with other housing providers and agencies. St. Michael's House Housing Association, a fellow group company, has made significant progress in 2020.
14. To develop a robust information communications and technology infrastructure to support the delivery of real time business information including an electronic person record system making best use of time and resources
15. To create and maintain a structured meaningful stakeholder consultation and engagement forum ensuring we are connected with the men, women and families we support;
16. To create and deliver a financially sustainable operating business model over the period 2017 – 2021.
17. To maintain our housing and premises infrastructure ensuring it is fit for purpose and develop strategic partnerships with other housing providers and agencies.
18. To develop a robust information communications and technology infrastructure to support the delivery of real time business information including an electronic person record system making best use of time and resources
19. To create and maintain a structured meaningful stakeholder consultation and engagement forum ensuring we are connected with the men, women and families we support;
20. To create and deliver a financially sustainable operating business model over the period 2017 – 2021.

The Strategic Plan, with its goals and tangible objectives, addresses these challenges and opportunities. The plan was drawn up following a very wide consultation process and it is designed to realise the maximum gain from the resources available. In meeting these challenges the organisation's financial resources and the built environment are important but the skills, experience and creativity of our staff is the most valuable asset which the organisation has.

The Strategic Plan provided the framework and guidance for all the activities of the organisation in 2021. The Strategic Plan Year End Review 2021 showed a high level of completion of objectives demonstrating that the plan is built on solid foundations and is being implemented effectively by the Management Team, despite the very significant challenges in 2021.

**These achievements in particular stood out as building blocks for future developments:**

**1 Development of Strategic plan for 2022 and beyond**

Following the completion of the 2017 – 2021 Strategy, planning commenced, during 2021, on the development of the new Strategy to run from 2022-2027.

To help shape the new five year strategy a comprehensive consultation process was undertaken with all stakeholders. In particular significant contributions to the new plan were received from service users and families. In addition to the consultation processes, key learnings from the 2017-2021 strategy were identified and used to inform the new plan and a revised Vision, Mission and Values (VMV) articulated.

**BUSINESS REVIEW AND FUTURE DEVELOPMENTS (CONTINUED)**

The process also identified a service delivery concept that reinforces service users at the core of all we do and recognises the key role of families (and broader supporters), staff, Government, and broader society. Foundations of the new strategy are

- a rights based approach to service delivery for service users
- planning that focusses on the Lifecycle as service users progress through services with a particular focus on transitions
- Excellence in service delivery.

Four Key Goals and Four Enablers have been identified for the new Strategy:

**Strategic Goals**

1. A Rights Based Service for Service Users.
2. Participation of Service Users and Families/Supporters
3. Valuing and Investing in Staff
4. Learning from and Influencing Government and Society

**Strategic Enablers**

1. Structures and Resourcing
2. Homes and premises
3. Information, IT and Data Management
4. Quality Enhancement, Integrity and Regulatory Compliance

**2 IT Focus in 2021**

- In 2021 we completed our Windows 10 rollout project to cover all laptops and desktops in use. The combination of Windows 10 desktops and laptops along with Virtual Desktops on Chromebook devices has effectively eliminated one of the biggest IT security concerns within the organisation. This is relevant as many staff are now working from home or remote locations using laptops or chrome books.
- In response to the HSE Ransomware attack in May 2021 we carried out extensive security reviews of our servers and systems, including an external security audit on our main Service User Information System (CIS- Client Information system), which recommended a replacement of the system which is almost complete.
- Implemented encryption of all e-mail traffic between ourselves, HSE and other providers. Improved malware scanning on e-mail and internet traffic in general.
- Implemented complete ban on the use of all external USB devices on staff PCs and Laptops.

**BUSINESS REVIEW AND FUTURE DEVELOPMENTS (CONTINUED)**

- Implemented an Intrusion Prevention System (IPS) which stops malicious traffic and attacks based on vulnerabilities and exposures that have been publicly disclosed.
- New IT infrastructure implemented to meet the needs of the new Progressing Disabilities CDNT services including solutions that allows agencies who are part of Progressing Disability Initiative to have secure access to their SMH e-mail.
- We increased network traffic capability to meet increasing demands

**3 Governance and Compliance**

A review of our Housing Associations set up and governance in 2021 concluded that we should only have one Approved Housing Body in Saint Michaels House Group and therefore we simplified governance and closed the separate company at year end 2021 and merged the activities. This will reduce complexity, save costs and ensure better alignment and focus going forward. A newly formed Sub Committee of the board with a focus on Properties and Housing will ensure expertise and focus on these areas.

**4 Children & Young People's Services**

St Michaels House CYP Service underwent significant changes in 2021 in line with the National Policy Program Progressing Disability Services. (PDS).A reorganisation consisting of 12 Networks took place for all children and staff employed in CYP Services across CHO9. SMH ceased the provision of CYP clinical services on the Southside CHO6 & 7 Staff employed by CYP Services were reconfigured onto Network teams in CHO6.

This reconfiguration brings with it a significant change to core service provision and catchment area for services provided by SMH CYP. SMH now operates as a Lead Agency for the provision of Disability Services for children with complex needs across 4 networks: Kilbarrack, Ballymun, Coastal and Coolock. In addition, respite, preschool and support services & CAMHSID are provided to children across the existing catchment. Driven by the change in the criteria of children accessing SMH CYP services, it is expected that the number of children accessing services will increase significantly over the next few years. SMH CYP Services has prepared for the changes under PDS with the development of a new Governance framework incorporating revised structures, processes, policies & procedures.

**5 ST MICHAEL'S HOUSE HOUSING ASSOCIATION**

Following a review of the structure of the housing association structure within the Saint Michaels House Group, the decision was taken in 2021 to absorb the activities of the Housing Association into Saint Michael House, itself an Approved Housing Body (AHB). We have wound down the Saint Michaels Housing Association company and operate as an Approved Housing Body within the legal entity of Saint Michaels House whilst ensuring Housing Regulator compliance. The ambitions and regulatory compliance as a Housing Association will be overseen by a newly established sub-committee of the board responsible for property and housing management.

The Approved Housing body (AHB) will continue to facilitate independent living among those with intellectual disabilities.

**BUSINESS REVIEW AND FUTURE DEVELOPMENTS (CONTINUED)**

Stemming from the core values, Saint Michael's House as an Approved housing Body will:

1. Respect the highest standards of governance and integrity
2. Provide fair access to accommodation.
3. Maintain its accommodation to high standards of comfort and safety consistent with the needs of its Tenants.
4. Work with partners to leverage its resources to the most cost-effective outcomes.
5. Ensure the long-term sustainability and viability of the Approved Housing Body
6. Ensure a stream of new properties, increasing the number of Tenants.

Saint Michaels house Housing Association has signed up to the Voluntary Regulation Code for AHBs and has put in place a programme of actions to ensure compliance with the Code. Statutory Regulation will commence in January 2022, and the Board are working towards meeting that standard.

All tenancies are registered with the Residential Tenancies Board as required by the Residential Tenancies (Amendment) Act 2015.

**DEVELOPMENT PROJECTS**

The company has no projects under development at present.

**GOING CONCERN**

As at the balance sheet date, the Group had net current liabilities of €9,370,163 (2020: €12,026,028).

The Group is almost entirely dependent on the HSE to continue to fund its operations. There is no firm commitment at this stage from the HSE regarding permanent additional funding to meet historic and expected current year deficits and address the net current liability situation. The Directors are hopeful that continuing discussions with the HSE will result in the provision of necessary funding in 2022 and subsequent years.

As at the date of approval of the financial statements, the company has not received any commitments to fund a reduction in its net current liabilities at the balance sheet date. This indicates the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. While the HSE has provided additional funding in 2021, there is no firm commitment received by the Directors at this stage from the HSE regarding additional funding to meet historic and current year deficits.

On the basis of Management's forecast of the Group's cash requirements and on the basis that funding will be made available to meet these cash requirements, the Directors believe they have adequate resources to continue as a going concern for the foreseeable future. The Directors are therefore of the opinion that it is appropriate to prepare the financial statements on a going concern basis. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

## CORPORATE GOVERNANCE

The members of the Boards of Directors for all the companies in the Group serve on a voluntary basis and encompass a wide range of relevant skills, expertise, backgrounds and experience to ensure effective leadership, direction, and control of the Group. The Boards and Management of the Group are committed to maintaining a high standard of corporate governance in accordance with the organisation's Corporate Governance Manual.

Under the provisions of the constitution the St. Michael's House Group Board appoints Directors guided by the Board Competency Framework which forms part of the Governance Manual. Directors are selected so as to create a diverse Board which includes men and women of independent mind who are familiar with the works of St. Michael's House Group, 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 to the Group 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 of St. Michael's House and St. Michael's House Housing Association attend Board meetings and make regular presentations on the strategies and operations of the organisation. In 2021, the Saint Michaels House Group Board had three scheduled meetings. Under the organisation's Corporate Governance Policies and Procedures there are a number of matters specifically reserved for decision by the Board. St Michael's House, a subsidiary company which is a Section 38 Body under the terms of the Health Act 2004, has a separate board and it had 14 meetings during the year.

**Risk Management:** The Board is committed to ensuring that managing risks is an integral part of the organisation's activities. The principal risks faced by the Group relate to the activities of St. Michael's House, and primarily they concern having sufficient funding to provide on-going services and ensuring sufficient resources and personnel are available to meet service requirements. The Board established an Audit & Risk Committee in 2018 which includes in its terms of reference the requirement to ensure that risks are properly identified, assessed, reported and controlled. 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.

**Internal Controls:** Structures, policies and procedures have been established to review and report on internal controls including financial, operational and compliance controls in the Group. The operation of these controls has been delegated to the CEOs of St. Michael's House and St. Michael's House Housing Association. The Board of Directors has appointed an external provider of internal audit services in support of the internal control processes.

**Quality Assurance:** Services provided by St. Michael's House Group are developed, planned and delivered based on the needs and goals of people with intellectual disabilities and their families. Service users' life choices and wishes are at the core of service delivery and development. Providing services in this way ensures that the Group is focused on delivering services to best international standards.

HIQA is responsible for the registration and inspection of all residential services for children and adults with disabilities, including respite services, run by the Health Service Executive (HSE) and private and voluntary services. As of 31st of December 2021 the organisation has 77 designated centres.

**CORPORATE GOVERNANCE (CONTINUED)**

The Housing Regulator is responsible for the Voluntary Regulation Code for Approved Housing Bodies and the Board of St. Michael's House Housing Association signed up to the Voluntary Regulation Code for AHBs and put in place a programme of actions to ensure compliance with the Code. During 2021 the Association submitted the Annual Regulatory Return 2020, and commenced engagement with the Housing Regulator.

St. Michael's House Board is fully committed to achieving compliance with the Voluntary Code and with the regulated environment currently being implemented for AHBs and expects to build on the progress made in 2020 to attain this end.

**Health and Safety:** St. Michael's House Group 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 Act 2005; General Applications 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 Safety Committee. The organisation's Annual Health and Safety Audit Programme monitors compliance with safety standards across the organisation. The Health and Safety Manager makes an annual report to the St. Michael's House Quality and Safety Committee on the Health and Safety Programme. This report is provided to the St. Michael's House Board as an addendum to the Quality and Safety Report.

**Board of Directors & Sub-Committees:** St. Michael's House Group Company is governed by a voluntary Board of Directors two of whom are parents of a person with an intellectual disability. Board members work on a voluntary basis and do not receive any remuneration.

**Current Board Members:** (Chairperson) Anthony Staines, Tom Casey, Pat Cullen and Ailis Quinlan, Ken Gormley.

The Directors would like to express their sincere appreciation of the commitment and dedication of management and staff of St. Michael's House and St. Michael's House Housing Association to maintaining the quality of existing services in a very difficult pandemic situation and for developing new services for people with an intellectual disability.

The Directors are satisfied with the operational performance of the organisation 2020 in what was a very challenging Covid pandemic environment with increasing demands and constrained funding.

The Corporate Governance Manual sets out the terms of reference of the following Board Sub-committees.

**Finance Committee:** There are 2 Finance Committees, one overseeing all group companies and a separate Finance committee overseeing the affairs of the Housing Association.

They reviewed all aspects of the financial performance of St. Michael's House Group of companies. The Committees reviewed and recommended for approval the annual overall operating budgets for the companies in the Group and kept under review the management accounts including the cash flow position of the Companies.

## ST. MICHAEL'S HOUSE GROUP

### DIRECTORS' REPORT (CONTINUED)

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#### CORPORATE GOVERNANCE (CONTINUED)

**Saint Michaels House Committee Members at 31<sup>st</sup> Dec 2021:** Pat Cullen (Chairperson), Dee Moran, Laura Beausang, and, Anthony Staines

**Audit & Risk Committee:** The Audit & Risk Committee keeps under review the scope and effectiveness of the internal financial controls and risk management systems and 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 audit fee. The Committee ensures that risks are properly identified, assessed, reported and controlled. The Committee receives reports on the implementation of the organisation's Procurement Policy and reviews the policy on an annual basis.

**Committee Members at 31<sup>st</sup> Dec 2021** Dee Moran (Chairperson), Jim Cuddy, Rosemary Ryan.

**Governance Committee:** The Governance Committee maintains the constitution of the group under regular review and provides recommendations to the Board as appropriate. It ensures proper governance across the Group, including the recruitment of Directors and the closing and opening of entities by the Group. The Committee also provides oversight of remuneration of senior personnel and acts as a support to the Chairperson in making decisions in emergency circumstances.

**Committee Members at 31<sup>st</sup> Dec 2020 were:** Anthony Staines (Chairperson), Tom Casey, Máirtín MacAodha, Gerry Fallon, Ken Gormley

#### DIRECTORS AND SECRETARY

The directors, and secretary, who served at any time during the financial year as directors of the Group except as noted, were as follows:

Anthony Staines (Chairperson)  
Tom Casey  
Gerry Fallon resigned 31.07.2021  
Pat Cullen  
Ailis Quinlan  
Noel Beecher resigned 20.04.2021  
Ken Gormley appointed on 28.07.2021

#### Secretary:

Katherina Mc Caul resigned as company secretary on the 10<sup>th</sup> August 2021,  
Karl Wren was appointed as company secretary on the 10<sup>th</sup> August 2021

The current directors and secretary are listed on page 2.

#### POLITICAL CONTRIBUTIONS

St. Michael's House Group 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



## ST. MICHAEL'S HOUSE GROUP

### DIRECTORS' REPORT (CONTINUED)

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#### 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.

#### EVENTS AFTER THE BALANCE SHEET DATE

There were no significant events after the balance sheet date. Directors, Chief Executive Officer, management team and staff are continually evaluating the situation and taking necessary actions to ensure the safety of the service users and staff and minimise any potential risk exposure to the Group throughout the Covid 19 pandemic.

#### 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 group's accounting records are maintained at the group's registered office at St. Michael's House, Administration Building, Ballymun, Dublin 9.

#### 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 group'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.

**ST. MICHAEL'S HOUSE GROUP**

**DIRECTORS' REPORT (CONTINUED)**

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**AUDITORS**

The auditors, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, continue in office in accordance with Section 383(2) of the Companies Act 2014.

Approved by the Board and signed on its behalf by:

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Anthony Staines  
Director

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Pat Cullen  
Director

Date:

**DIRECTORS' RESPONSIBILITIES STATEMENT**

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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

Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
St. Michael's House Group (a company limited by guarantee and not having a share capital)**

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

**Opinion on the financial statements of St. Michael's House Group (a company limited by guarantee and not having a share capital) (the 'company')**

In our opinion the group and parent company financial statements:

- give a true and fair view of the assets, liabilities and financial position of the group and parent company as 31 December 2021 and of the surplus of the group for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

the group financial statements:

- the Consolidated Income Statement;
- the Consolidated Balance Sheet;
- the Consolidated Statement of Changes in Equity;
- the Consolidated Statement of Cash Flows; and
- the related notes 1 to 26, including a summary of significant accounting policies as set out in note 1.

the parent company financial statements:

- the Balance Sheet; and
- the related notes 1 to 26, including a summary of significant accounting policies as set out in note 1.

The relevant financial reporting framework that has been applied in the preparation of the group financial statements is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council (the relevant financial reporting framework").

**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 described below in the "*Auditor's responsibilities for the audit of the financial statements*" section of our report.

We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, 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 Group's ability to continue as a going concern. As at the balance sheet date the Group had net current liabilities of €9,370,163. The Group is dependent on the HSE to continue to fund its operations. As at the date of approval of the financial statements, the Group has not received any commitments to fund historic and expected current year deficits and address the net current liability situation. As stated in note 2, these events or conditions, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable 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.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
St. Michael's House Group (a company limited by guarantee and not having a share capital)**

**Other information**

The other information comprises the information included in the Reports and Consolidated Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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.

**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, 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 group and parent 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 group and parent company or to cease operations, or have no realistic alternative but to do so.

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

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at: [http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf).

This description forms part of our auditor's report.

**Report on other legal and regulatory requirements**

**Opinion on other matters prescribed by the Companies Act 2014**

Based solely on the work undertaken in the course of the audit, we report that:

- 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 parent company were sufficient to permit the financial statements to be readily and properly audited.
- The parent company financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements and the directors' report has been prepared in accordance with the Companies Act 2014.

*/Continued from previous page*

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
St. Michael's House Group (a company limited by guarantee and not having a share capital)**

**Auditor's responsibilities for the audit of the financial statements (Continued)**

**Matters on which we are required to report by exception**

Based on the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

**Use of our report**

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 auditor's 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.

For and on behalf of Deloitte Ireland LLP  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House, Earlsfort Terrace, Dublin 2

Date:

ST. MICHAEL'S HOUSE GROUP

CONSOLIDATED INCOME STATEMENT  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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	<i>Notes</i>	<b>2021</b> €	2020 €
<b>INCOME</b>	4	116,773,028	111,160,292
<b>EXPENDITURE</b>		(114,982,967)	(109,266,634)
<b>SURPLUS ON ORDINARY ACTIVITIES</b>	6	<u>1,790,061</u>	<u>1,893,658</u>
<b>PROFIT ON DISPOSAL OF FIXED ASSETS</b>		2,767,352	3,677
<b>SURPLUS FOR THE YEAR</b>		<u><u>4,557,413</u></u>	<u><u>1,897,335</u></u>

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**ST. MICHAEL'S HOUSE GROUP**

**CONSOLIDATED BALANCE SHEET  
AS AT 31 DECEMBER 2021**

	<i>Notes</i>	<b>2021</b> €	2020 €
<b>FIXED ASSETS</b>			
Tangible assets	11	52,327,917	53,032,429
		<u>52,327,917</u>	<u>53,032,429</u>
<b>CURRENT ASSETS</b>			
Grants receivable and prepayments	13	1,263,264	3,436,729
Cash at bank and in hand		5,545,296	2,951,921
		<u>6,808,560</u>	<u>6,388,650</u>
<b>CREDITORS: (Amounts falling due within one year)</b>			
Creditors and accruals	14	(15,810,221)	(17,261,962)
Bank overdraft	17	-	(819,633)
Term loan	18	(368,502)	(333,083)
		<u>(16,178,723)</u>	<u>(18,414,678)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(9,370,163)</u>	<u>(12,026,028)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>42,957,754</u>	<u>41,006,401</u>
<b>CREDITORS: (Amounts falling due after more than one year)</b>			
Term loan	18	(1,691,851)	(2,112,999)
<b>NET ASSETS</b>		<u>41,265,903</u>	<u>38,893,402</u>
<b>CAPITAL RESERVES</b>	19	41,120,950	43,043,406
<b>REVENUE DEFICIT</b>		144,953	(4,150,004)
		<u>41,265,903</u>	<u>38,893,402</u>

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

\_\_\_\_\_  
Anthony Staines  
Director

\_\_\_\_\_  
Pat Cullen  
Director

ST. MICHAEL'S HOUSE GROUP

COMPANY BALANCE SHEET  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	<i>Notes</i>	<b>2021</b> €	2020 €
<b>FIXED ASSETS</b>			
Financial Assets	12	103	103
		<u>103</u>	<u>103</u>
<b>CURRENT ASSETS</b>			
Cash at bank and in hand		340,060	377,005
Amounts due from subsidiary undertakings		471,034	471,034
		<u>811,094</u>	<u>848,039</u>
<b>CREDITORS: (Amounts falling due within one year)</b>			
Creditors and accruals	14	(4,921)	(4,921)
Amounts due to subsidiary undertakings		(84,715)	(18,132)
		<u>(89,636)</u>	<u>(23,053)</u>
<b>NET CURRENT ASSETS</b>		<u>721,458</u>	<u>824,986</u>
<b>NET ASSETS</b>		<u>721,561</u>	<u>825,089</u>
<b>REVENUE SURPLUS</b>			
		721,561	825,089
		<u>721,561</u>	<u>825,089</u>

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

\_\_\_\_\_  
Anthony Staines  
Director

\_\_\_\_\_  
Pat Cullen  
Director

**ST. MICHAEL'S HOUSE GROUP**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

	<i>Note</i>	<b>Capital Reserve</b> €	<b>Revenue</b> <b>Deficit</b> €	<b>Total</b> €
Balance at 1 January 2020		44,839,034	(5,649,386)	39,189,648
Surplus for the financial year		-	1,897,335	1,897,335
Grants amortised in the year		(2,343,581)	-	(2,343,581)
Grants received in the year		150,000	-	150,000
Transfers between reserves	20	397,953	(397,953)	-
<b>At 31 December 2020</b>		<u>43,043,406</u>	<u>(4,150,004)</u>	<u>38,893,402</u>
Balance at 1 January 2021		43,043,406	(4,150,004)	38,893,402
Surplus for the financial year			4,557,413	4,557,413
Grants amortised in the year	19	(2,391,992)		(2,391,992)
Grants received in the year	19	207,080		207,080
Transfers between reserves	20	262,456	(262,456)	
<b>At 31 December 2021</b>		<u>41,120,950</u>	<u>144,953</u>	<u>41,265,903</u>

ST. MICHAEL'S HOUSE GROUP

CONSOLIDATED STATEMENT OF CASHFLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	<i>Notes</i>	<b>2021</b> €	2020 €
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	<i>16</i>	3,329,630	3,009,346
<b>CASHFLOWS FROM INVESTING ACTIVITIES</b>			
Payments to acquire tangible fixed assets	<i>11</i>	(2,378,167)	(1,723,109)
Net interest payable		(41,001)	(67,762)
Cash proceeds from Sale of Assets		2,888,275	10,794
<b>Net cashflows from investing activities</b>		<u>469,107</u>	<u>(1,780,077)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Term loan repaid		(385,729)	(367,708)
<b>Net increase in cash and cash equivalents</b>		3,413,008	861,261
<b>Net cash at beginning of financial year</b>		2,132,288	1,271,027
<b>Net cash at end of financial year</b>		<u>5,545,296</u>	<u>2,132,288</u>
<b>Reconciliation of net cash</b>			
Cash at bank		5,545,296	2,951,921
Overdrafts		-	(819,633)
<b>Net cash at end of financial year</b>		<u>5,545,296</u>	<u>2,132,288</u>

**1. ACCOUNTING POLICIES**

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

**General Information and Basis of Accounting**

St. Michael's House Group is a company incorporated in Ireland under the Companies Act 2014. The address of the registered office is St. Michael's House, Administration Building, Ballymun Road, Ballymun, Dublin 9. The nature of the company's operations and its principal activities are set out in the directors' report.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with the Companies Act 2014 and Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

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

**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**

As a registered charity, St. Michael's House Group has been granted a charitable tax exemption by the Revenue Commissioners.

**Government Grants**

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.

1. ACCOUNTING POLICIES (CONTINUED)

**Revenue Grants**

Revenue grants received and amounts receivable within one year of the balance sheet date are taken to the income and expenditure account.

**Income - Sales**

Sales are accounted for using the accruals basis of accounting.

**Income - Fund Raising**

Fund raising and donations income are accounted for on a cash receipts basis and are stated net of costs incurred in raising that income. A significant proportion of fund raising and donations income, determined by the Board, is designated for capital purposes and is credited to a capital expenditure reserve. Funds raised for specific capital projects and not spent at year end are deferred to match the related expenditure in the following year. Where fund raising income is designated for specific revenue-based expenditure, the income is credited to the income and expenditure account and matched with the related revenue expenditure.

**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.

**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.

1. ACCOUNTING POLICIES (CONTINUED)

**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.

**Investments in subsidiaries**

The investments are stated at cost less impairment.

St. Michael's House Group avails of the exemption from preparing an income statement in accordance with section 304 of the Companies Act 2014.

**Pensions**

Nominated Health Agencies and Voluntary Hospitals Superannuation Schemes are in operation for the employees of St. Michael's House and St. Mary's Hospital, Baldoyle. 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 and expenditure account when received. Pension payments under the scheme are charged to the income and expenditure account when paid.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

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**2. GOING CONCERN**

As at the balance sheet date, the Group had net current liabilities of €9,370,163 (2020: €12,026,028).

The Group is almost entirely dependent on the HSE to continue to fund its operations. There is no firm commitment at this stage from the HSE regarding permanent additional funding to meet historic and expected current year deficits and address the net current liability situation. The Directors are hopeful that continuing discussions with the HSE will result in the provision of necessary funding in 2022 and subsequent years.

As at the date of approval of the financial statements, the Group has not received any commitments to fund a reduction in its net current liabilities at the balance sheet date. This indicates the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. While the HSE has provided additional funding in 2021, there is no firm commitment received by the Directors at this stage from the HSE regarding additional funding to meet historic and current year deficits.

On the basis of Management's forecast of the Group's cash requirements and on the basis that funding will be made available to meet these cash requirements, the Directors believe they have adequate resources to continue as a going concern for the foreseeable future. The Directors are therefore of the opinion that it is appropriate to prepare the financial statements on a going concern basis. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

**3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the group'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 group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

- The depreciation rates 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 both result for the year and financial position if altered
- Certain accruals are subject to estimate and judgement and the final cash outflow may not equate to the existing carrying value of the accrual
- The Directors have prepared the financial statements on a going concern basis of accounting. This assumption is subject to judgement and the group being able to meet its liabilities as they fall due.

## ST. MICHAEL'S HOUSE GROUP

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

4. INCOME	2021 €	2020 €
HSE allocation (net of superannuation deficit funding)	96,741,487	91,448,157
HSE superannuation deficit funding	3,757,741	3,379,021
Other HSE income	6,116,022	6,633,384
Superannuation income	2,116,499	2,233,871
Pension levy retained	1,806,074	1,775,176
Department of Education	159,587	129,856
Dublin City Council	14,845	18,337
Capital grants amortised	2,391,992	2,343,581
Sundry income	3,331,335	2,491,660
Fund raising income	337,446	707,249
	<u>116,773,028</u>	<u>111,160,292</u>

### 5. 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 was 1,649 (2020: 1,587).

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

	2021 Number	2020 Number
Management and administrative	110	111
Medical	10	10
Nursing	324	287
Clinical	752	696
Support services	387	414
	<u>1,583</u>	<u>1,518</u>

The aggregate payroll costs of these employees were as follows:

	2021 €	2020 €
Wages and salaries	81,263,710	77,996,227
Social welfare costs	8,629,096	8,093,506
Retirement benefit costs (Note 23)	4,705,473	4,277,564
	<u>94,598,279</u>	<u>90,367,297</u>
Agency payroll costs	3,904,187	1,949,927
	<u>98,502,466</u>	<u>92,317,224</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

**5. 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 overtime, additional hours as per their individual P35, expressed in bands of €10,000 are as follows:

	<b>2021</b>	2020
	<b>Number</b>	Number
€60,000 - €70,000	183	161
€70,001 - €80,000	85	76
€80,001 - €90,000	40	31
€90,001 - €100,000	14	7
€100,001 - €110,000	8	7
€110,001 - €120,000	3	1
€120,001 - €130,000	2	-
€130,001 - €140,000	1	3
€140,001 - €150,000	-	1
€150,001 - €160,000	2	-
€160,001 - €170,000	-	-
€170,001 - €180,000	-	-
€180,001 - €190,000	-	-
€190,001 - €200,000	-	-
€200,001 - €210,000	-	1
€210,001 - €220,000	1	1
€230,001 - €240,000	-	1
€240,001 - €250,000	1	-
€250,001 - €260,000	1	-
€280,001 - €290,000	-	1
€300,001+	-	1
Total number of staff	<u>341</u>	<u>292</u>

## ST. MICHAEL'S HOUSE GROUP

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

<b>6. SURPLUS ON ORDINARY ACTIVITIES</b>	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>
The surplus on ordinary activities is stated after charging:		
- Depreciation	2,961,756	2,866,621
- Auditors' remuneration; Audit fee for the company	5,000	5,000
Audit fee for the group and subsidiary audits	40,000	40,000
- Directors' emoluments	-	-
- Hire and rentals payable under operating leases	705,622	713,459
- Interest payable:		
- On bank loans and overdrafts repayable within five years	29,518	52,235
- On long-term loans	11,483	15,527
And after crediting:		
- Grants amortised	2,391,992	2,343,581

### 7. AUDITORS' REMUNERATION

The fee for the audit of St. Michael's House Group is paid by St. Michael's House.

### 8. DIRECTORS' REMUNERATION AND TRANSACTIONS

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

### 9. LEGAL, CONSULTANCY AND PROFESSIONAL FEES, TRAVEL AND HOSPITALITY

	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>
PR and Advertising	-	385
Legal	40,140	93,337
Other (e.g. IT, architects, investigations)	643,920	563,382
Travel and subsistence – staff mileage	131,202	171,263
Travel and subsistence – staff travel*	5,234	3,714
Hospitality	-	-

\*No expenditure on international travel was incurred.

## ST. MICHAEL'S HOUSE GROUP

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

#### 10. TAX ON PROFIT ON ORDINARY ACTIVITIES

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

#### 11. TANGIBLE ASSETS

GROUP	Freehold & Long Leasehold Property	Motor Vehicles	Furniture, Equipment & Computers	Total
	€	€	€	€
<b>Cost:</b>				
1 January 2021	87,887,160	6,441,820	10,423,296	104,752,276
Additions	593,074	346,550	1,438,543	2,378,167
Disposals	(726,589)	-	(656,835)	(1,383,424)
<b>31 December 2021</b>	<b>87,753,645</b>	<b>6,788,370</b>	<b>11,205,004</b>	<b>105,747,019</b>
<b>Depreciation:</b>				
1 January 2021	38,028,605	5,414,267	8,276,975	51,719,847
Charge for year	2,184,884	324,149	452,723	2,961,756
Disposals	(639,241)	-	(623,260)	(1,262,501)
<b>31 December 2021</b>	<b>39,574,248</b>	<b>5,738,416</b>	<b>8,106,438</b>	<b>53,419,102</b>
<b>Net book value:</b>				
<b>31 December 2021</b>	<b>48,179,397</b>	<b>1,049,954</b>	<b>3,098,566</b>	<b>52,327,917</b>
Net book value:				
31 December 2020	49,858,555	1,027,553	2,146,321	53,032,429

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 €7,874,172 (2020: €7,874,172) as security for long term loans. The current value of these loans is €2,060,353 (2020: €2,446,082) of which €368,502 (2020: €333,083) is payable within one year. The balance of these will be payable within the next 10 years with an approximate interest rate of 1.1% (2020: 1.1%)

In respect of certain properties costing approximately €32,059,326 (2020: €32,059,326) 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 25.

## ST. MICHAEL'S HOUSE GROUP

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

12. FINANCIAL ASSETS - INVESTMENT IN SUBSIDIARIES	2021 €	2020 €
The historical cost and provisions for permanent diminutions in value based on historical cost are as follows:		
Original cost	63,587	63,587
Provisions for permanent diminution in value	(63,484)	(63,484)
	103	103
	103	103

*Investment in subsidiaries is represented by a 100% interest in each of the following subsidiaries, all of which have their registered address at Ballymun Road, Dublin 9.*

<b>Name</b>	<b>Principal Activity</b>
St. Michael's House	Provision of services to intellectually disabled persons
St. Michael's House Housing Association	Provision of housing and associated amenities for persons in deprived or necessitous circumstances
St. Michael's House Leisure Complex DAC	Operation of swimming pool and leisure centre
St. Michael's House Properties	holding of properties

13. GRANTS RECEIVABLE AND PREPAYMENTS	2021 €	2020 €
<b>GROUP</b>		
Other prepayments and receivables	1,260,984	3,372,763
VAT receivable	2,280	63,966
	1,263,264	3,436,729
	1,263,264	3,436,729

ST. MICHAEL'S HOUSE GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

14. CREDITORS: Amounts falling due within one year	2021	2020
	€	€
<b>GROUP</b>		
Health Service Executive advance	722,574	4,553,888
PAYE and PRSI	2,631,236	2,476,533
Trade and other creditors	1,816,065	1,110,187
Accruals	6,538,397	6,772,077
Deferred income	4,101,949	2,349,277
	<u>15,810,221</u>	<u>17,261,962</u>
<b>COMPANY</b>		
	<b>2021</b>	<b>2020</b>
	€	€
PAYE and PRSI	-	-
Accruals	4,921	4,921
	<u>4,921</u>	<u>4,921</u>

15. FINANCIAL INSTRUMENTS

The carrying values of the group and company's financial assets and liabilities are summarised by category below:

<b>GROUP</b>	<b>2021</b>	<b>2020</b>
	€	€
<b>Financial assets</b>		
<i>Measured at undiscounted amount receivable</i>		
Trade and other debtors (Note 13)	1,260,984	3,372,763
	<u>1,260,984</u>	<u>3,372,763</u>
<b>Financial liabilities</b>		
<i>Measured at undiscounted amount payable</i>		
Trade and other payables (Note 14)	2,538,639	5,664,075
	<u>2,538,639</u>	<u>5,664,075</u>



ST. MICHAEL'S HOUSE GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

15. FINANCIAL INSTRUMENTS (CONTINUED)

COMPANY

	2021	2020
	€	€
<b>Financial assets</b>		
<i>Measured at undiscounted amount receivable</i>		
Amounts due from subsidiaries	471,034	471,034
	<u>471,034</u>	<u>471,034</u>
<b>Financial liabilities</b>		
<i>Measured at undiscounted amount payable</i>		
Trade and other payables (Note 14)	4,921	4,921
Amounts due to subsidiary undertakings	84,715	18,132
	<u>89,636</u>	<u>23,053</u>

16. CASH FLOW STATEMENT

	2021	2020
	€	€
<i>Reconciliation of surplus to cash generated by operations</i>		
<b>Surplus for the financial year adjustment for:</b>	4,557,413	1,897,563
Depreciation	2,961,756	2,866,621
Profit on disposal of fixed assets	(2,767,352)	(3,677)
Interest paid	41,001	67,762
Grants amortised	(2,391,992)	(2,343,581)
Capital grants received	207,080	150,000
	<u>2,607,906</u>	<u>2,634,688</u>
<b>Operating cash flows before movement in working capital:</b>		
Increase/(Decrease) in debtors	2,173,465	(1,708,425)
(Decrease)/Increase in creditors	(1,451,741)	2,083,083
	<u>721,724</u>	<u>374,666</u>
<b>Cash generated by operations</b>	<u>3,329,630</u>	<u>3,009,346</u>

17. BANK OVERDRAFT

The bank overdraft facility of the group is secured by a registered deposit of leasehold interests in a number of properties. This deposit of title deeds is separate from those outlined in Note 11.

ST. MICHAEL'S HOUSE GROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

18. TERM LOANS	2021 €	2020 €
Loans wholly repayable	2,060,353	2,446,082
Included in current liabilities	368,502	333,083
Included in long term liabilities	1,691,851	2,112,999

Bank loans amounting to €2,060,353 (2020: €2,446,082) are repayable as follows:

	2021 €	2020 €
Within one year	368,502	333,083
From two to five years	1,379,324	1,332,333
Over five years	312,527	780,666
	2,060,353	2,446,082

19. CAPITAL RESERVES

	Capital Expenditure Reserve €	E.S.F. Grant Reserve €	Capital Grants Reserve €	Total €
<b>GROUP</b>				
Balance at 1 January 2021	4,053,182	1,121,524	37,868,700	43,043,406
Transfer from Income and Expenditure Account	262,456			262,456
Grants amortised during year	(519,249)	(152,968)	(1,719,775)	(2,391,992)
Grant received during the year			207,080	207,080
<b>Balance at 31 December 2021</b>	<b>3,796,389</b>	<b>968,556</b>	<b>36,356,005</b>	<b>41,120,950</b>

The transfer from income to reserves of €262,456 (2020: €397,953) is made up of fundraising income.

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 (see Note 20).

## ST. MICHAEL'S HOUSE GROUP

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

20.	FUND RAISING INCOME	2021	2020
		€	€
	Fund raising income comprises:		
	- Unit and central fund raising	436,078	513,608
	- Bequests and donations	1,635	15,000
	- Parents' subscriptions	402	591
	Total fundraising income for year	<u>438,115</u>	<u>529,199</u>
	Net increase in deferred expenditure	(67,319)	178,050
	Total fundraising income recognised in year	<u>370,796</u>	<u>707,249</u>
	Fundraising used for revenue related expenditure	(108,340)	(309,295)
	Fundraising transferred to capital expenditure reserve	<u>262,456</u>	<u>397,954</u>

21.	LEASE COMMITMENTS	2021	2020
		€	€

#### GROUP

Analysis of lease commitments in respect of:

#### Operating leases:

Amounts payable during the next twelve months in respect of operating leases which expire:

- within one year	672,572	666,273
- between two and five years	2,348,095	1,923,017
- after five years	2,084,784	2,505,038
	<u>5,105,451</u>	<u>5,094,328</u>

The leases in respect of land and buildings are both cancellable and non-cancellable lease agreements and are for a period of 3 to 25 years with the final agreement expiring in 2033.

#### 22. CAPITAL COMMITMENTS

There were no capital commitments at the year-end 31 December 2021 (2020: €nil).

### 23. RETIREMENT BENEFITS

The group operates the following pension schemes:

#### *Nominated Health Agencies and Voluntary Hospitals Superannuation Schemes*

The employees of St. Michael's House Group and 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 and expenditure account when received. Pension payments under the scheme are charged to the income and expenditure account when paid.

In the year ending 31 December 2021, €2,116,499 (2020: €2,233,871) was retained and treated as income and €4,705,473 (2020: €5,124,733) paid to pensioners. The group has credited €3,757,741 (2020: €3,379,021) of HSE allocation income as funding the superannuation deficit in 2021.

#### *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 and expenditure account. 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.

### 24. RELATED PARTY TRANSACTIONS

Total compensation paid to key management during the year amounted to €1,331,487 (2020: €1,295,078).

Key management has been assessed as being the Board of Directors, who receive no compensation and the executive management team which comprises of eleven staff as follows; the Chief Executive, the Directors of Operations, Finance, Human Resources and Organisational Development, Service Directors, Clinic Manager, College Director, Director of Psychiatry, Director of Nursing and Director of Quality Improvement and Safety Development.

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.

**25. CONTINGENT LIABILITY**

There is a contingent liability to repay capital grants amounting to €57,627,583 (2020: €57,420,503) 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.

**26. EVENTS AFTER THE BALANCE SHEET DATE**

There are no reportable events post balance sheet date.

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# NOTES

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# NOTES

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# NOTES







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## CHILDREN'S SERVICES



## ADULT SERVICES

