

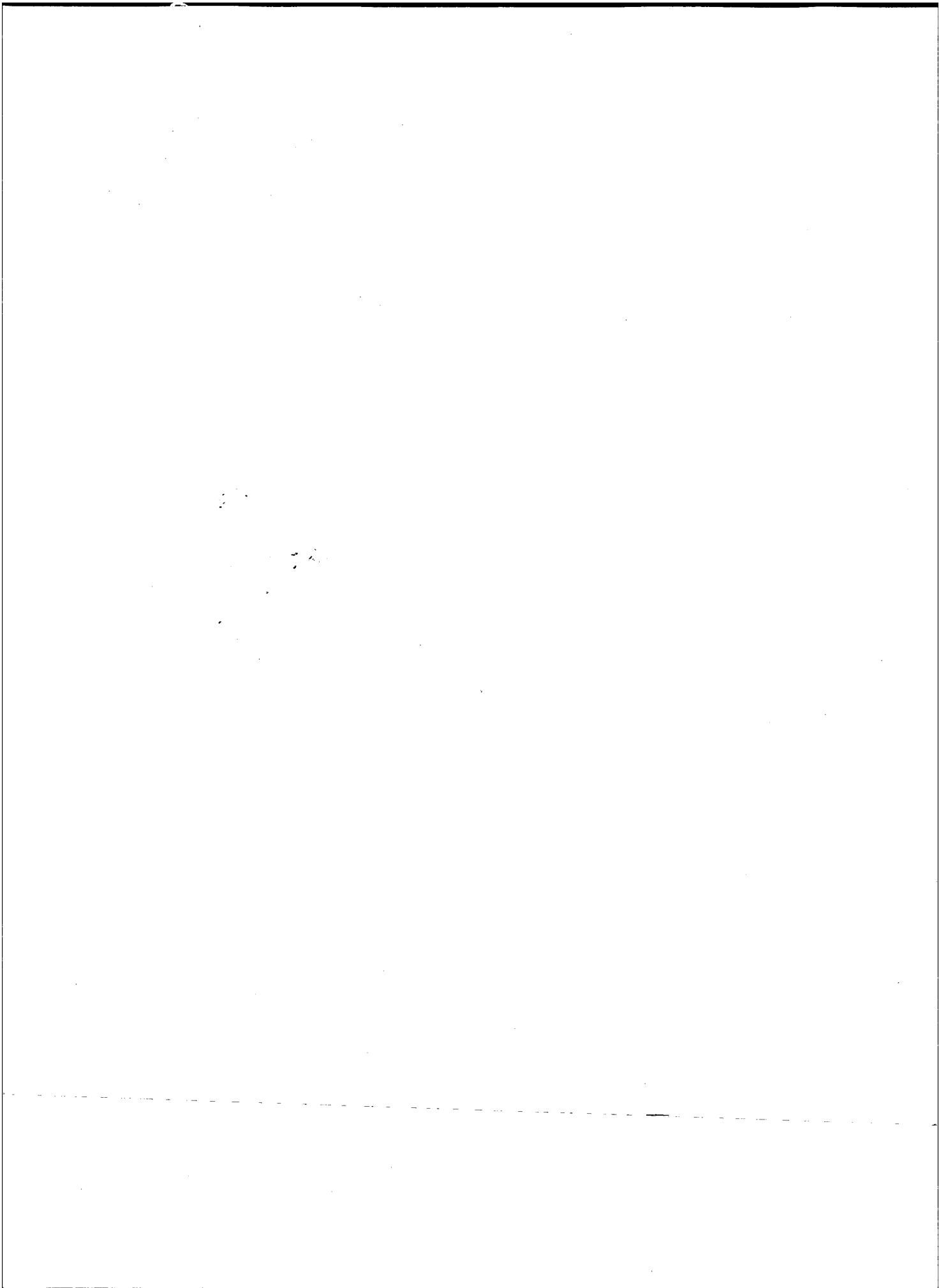


**Saint John of God Community Services Limited**  
**(A company limited by guarantee, not having a share capital)**

**Annual Report and Financial Statements**

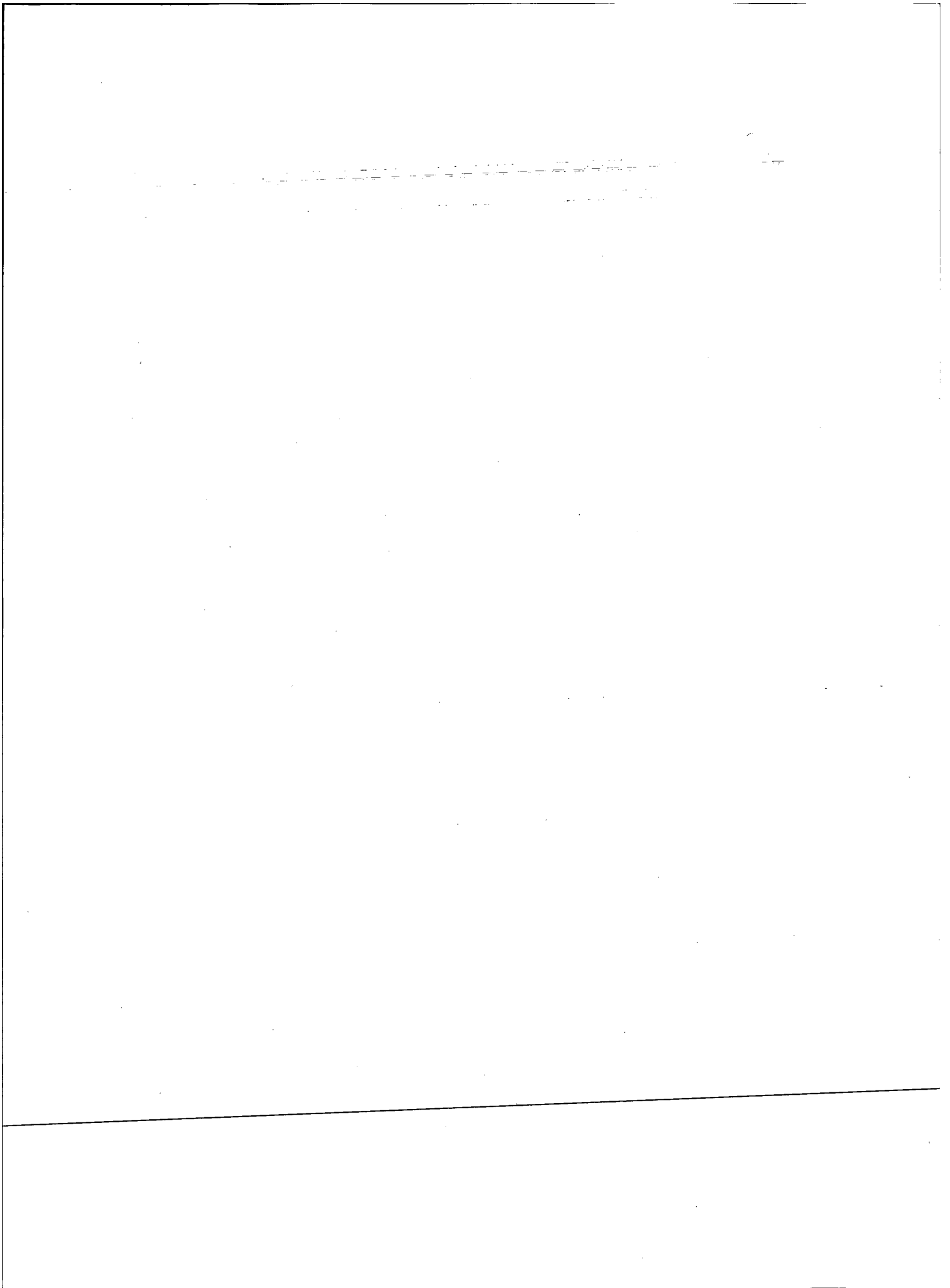
**Financial Year Ended 31 December 2015**





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**DIRECTORS AND OTHER INFORMATION**

**Board of Directors**

William Forkan (Brother Donatus)  
William Brennan-Whitmore (Brother Fintan)  
Anne Gunning  
Michael Noone  
John Pepper  
Paul Robinson  
Brid Clarke (resigned 27 April 2015)  
Maura O'Loughlin (appointed 24 March 2016)

**Solicitors**

Porter Morris and Co.  
10 Clare Street  
Dublin 2

**Secretary and Registered Office**

Thomas Durand  
"Granada"  
Stillorgan  
Co Dublin

**Bankers**

Bank of Ireland  
College Green  
Dublin 2

**Chief Executive Officer**

Clare Dempsey

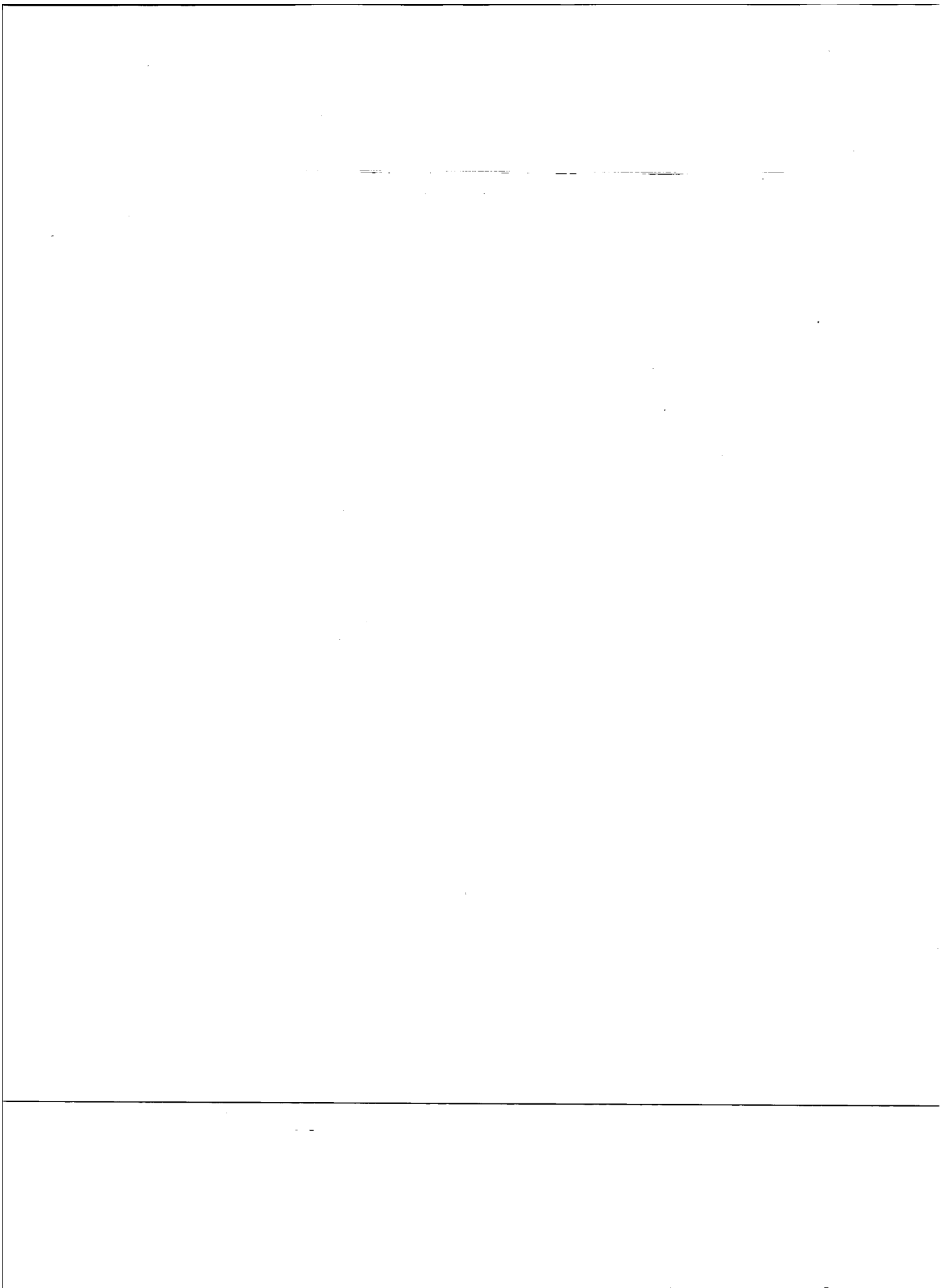
**Company Number:** 430744

**Charity Tax Exemption Number:** CHY 18284

**Charity Reg Number:** 20069865

**Auditors**

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



## **DIRECTORS' REPORT**

The directors present their report and the audited financial statements for the financial year ended 31 December 2015. The Directors confirm that the financial statements of the company comply with the current statutory requirement of the companies governing documents and with the provisions of FRS 102 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the financial reporting standard applicable in the Republic of Ireland (FRS102) hereafter denoted as the Charity SORP (FRS102). The Charity SORP (FRS102) is not yet mandatory in the Republic of Ireland and the Irish Charity Regulator has not yet prescribed accounting regulations for Irish Charities. In the absence of such prescriptive guidance this Board has adopted the Charity SORP (FRS102) as it is considered best practice.

### **Statement of directors' responsibilities**

The directors are responsible for preparing the directors' report and the financial statements in accordance with Irish law.

Irish law requires the directors to prepare financial statements for each financial year giving a true and fair view of the company's assets, liabilities and financial position at the end of the financial year and the profit or loss of the company for the financial year. Under that law the directors have prepared the financial statements in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* and promulgated by the Institute of Chartered Accountants in Ireland and Irish law), and the Charity SORP (FRS 102).

Under Irish law, the directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the company's assets, liabilities and financial position as at the end of the financial year and the profit or loss of the company for the financial year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the company;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy; and
- enable the directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

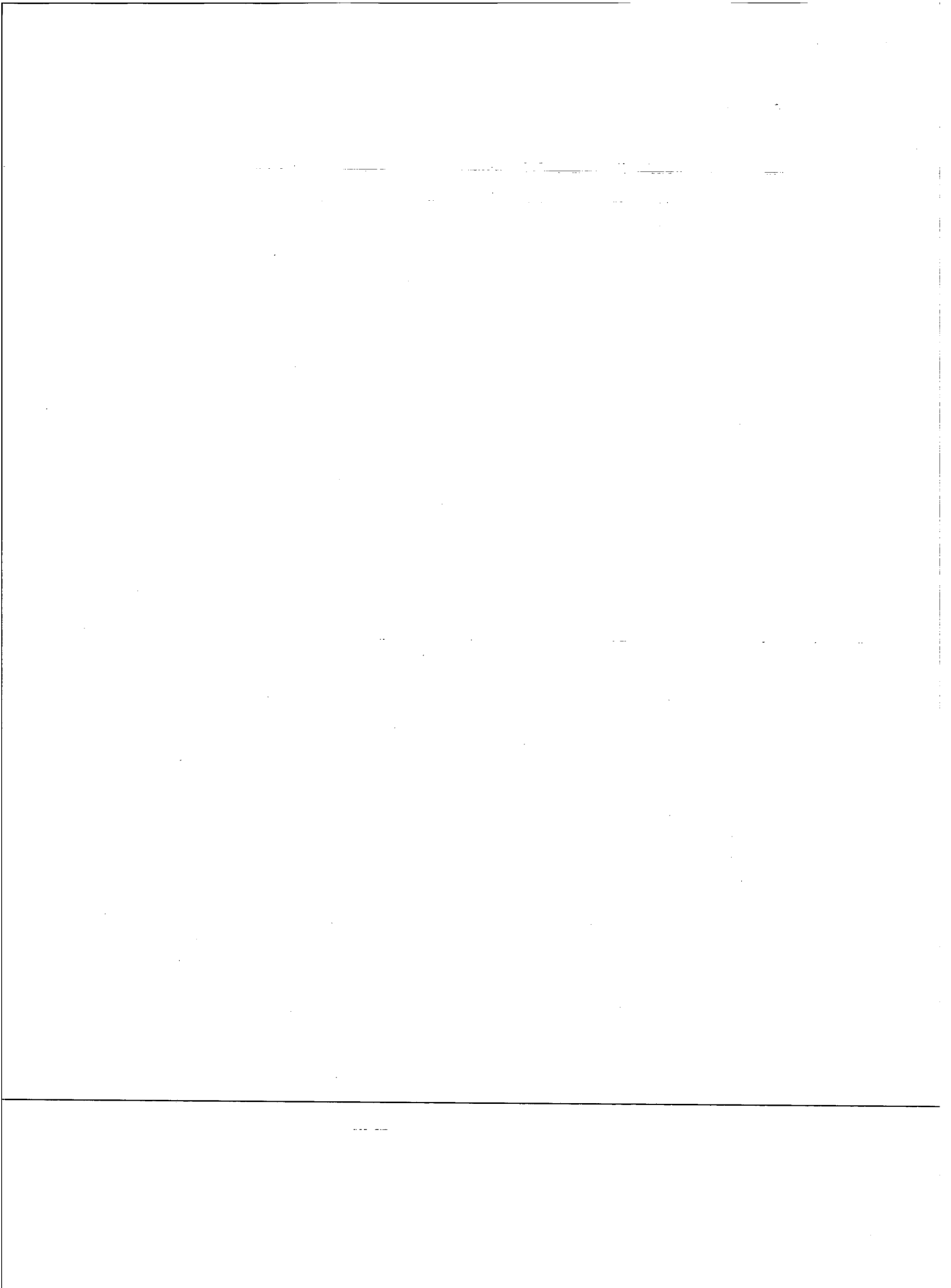
### **Principal activities and business review**

Saint John of God Community Services Limited operates HSE (Health Service Executive) funded services across intellectual disability, adult mental health and child and adult psychiatry. The services are provided in the tradition of Saint John of God. Please see Trustees' Report page 6 for more details.

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

### **Financial review**

The surplus for the year is set out on page 18.





**DIRECTORS' REPORT - continued**

**Accounting records**

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

**Events since the end of the financial year**

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

**Branches**

The organisation comprise of a number of different services, details of which are set out in note 4 (o) of the financial statements.

**Political donations**

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

**Research and development**

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

**Directors**

The names of the persons who were directors at any time during the year ended 31 December 2015 are set out below. Unless indicated otherwise they served as directors for the entire year.

William Forkan (Brother Donatus)  
William Brennan-Whitmore (Brother Fintan)  
Anne Gunning  
Michael Noone  
Paul Robinson  
John Pepper  
Brid Clarke (resigned 27 April 2015)

**Attendance at Board and Finance Committee Meetings**

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

<b>Board meeting</b>	<b>Eligible</b>	<b>Attended</b>	<b>Board Finance Committee</b>	<b>Eligible</b>	<b>Attended</b>
William M Forkan	13	13	John Pepper	9	5
William Brennan-Whitmore	13	11	Paul Robinson	9	8
John Pepper	13	13	Michael Noone	9	9
Anne Gunning	13	11			
Paul Robinson	13	12			
Michael Noone	13	12			
Brid Clarke	4	2			

**Directors' and secretary's interests**

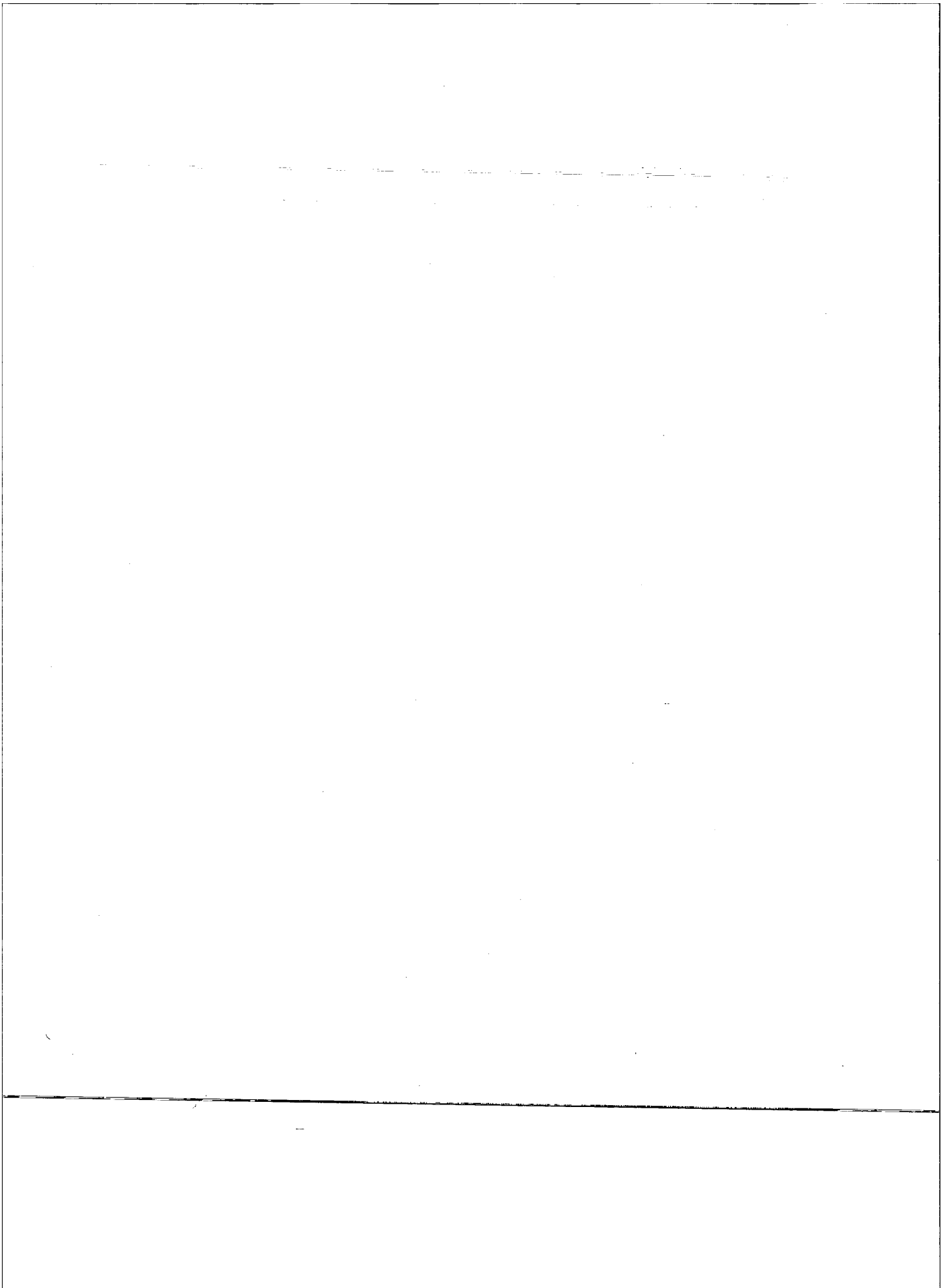
The directors and secretary and their families had no interest in the company or any other related companies at 31 December 2015.

**Review of business and results**

The results for the year are included in the Statement of Financial Activities on page 18. Net expenditure before non-recurring items amounted to (€3,501,004) (2014: (€5,586,723)). The result for the year includes the exceptional impact of the receipt of €20.58m in assets transferred from the Hospitalier Order of St. John of God West European Province and €5m in relation to waiver of a loan balance. The state of affairs of the company is considered by the directors to be satisfactory.

**Future developments**

The company plans to refine and specialise the range of health services provided to persons with intellectual disability and to persons with mental illness.



**DIRECTORS' REPORT - continued**

**Legal status**

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

**Auditors**

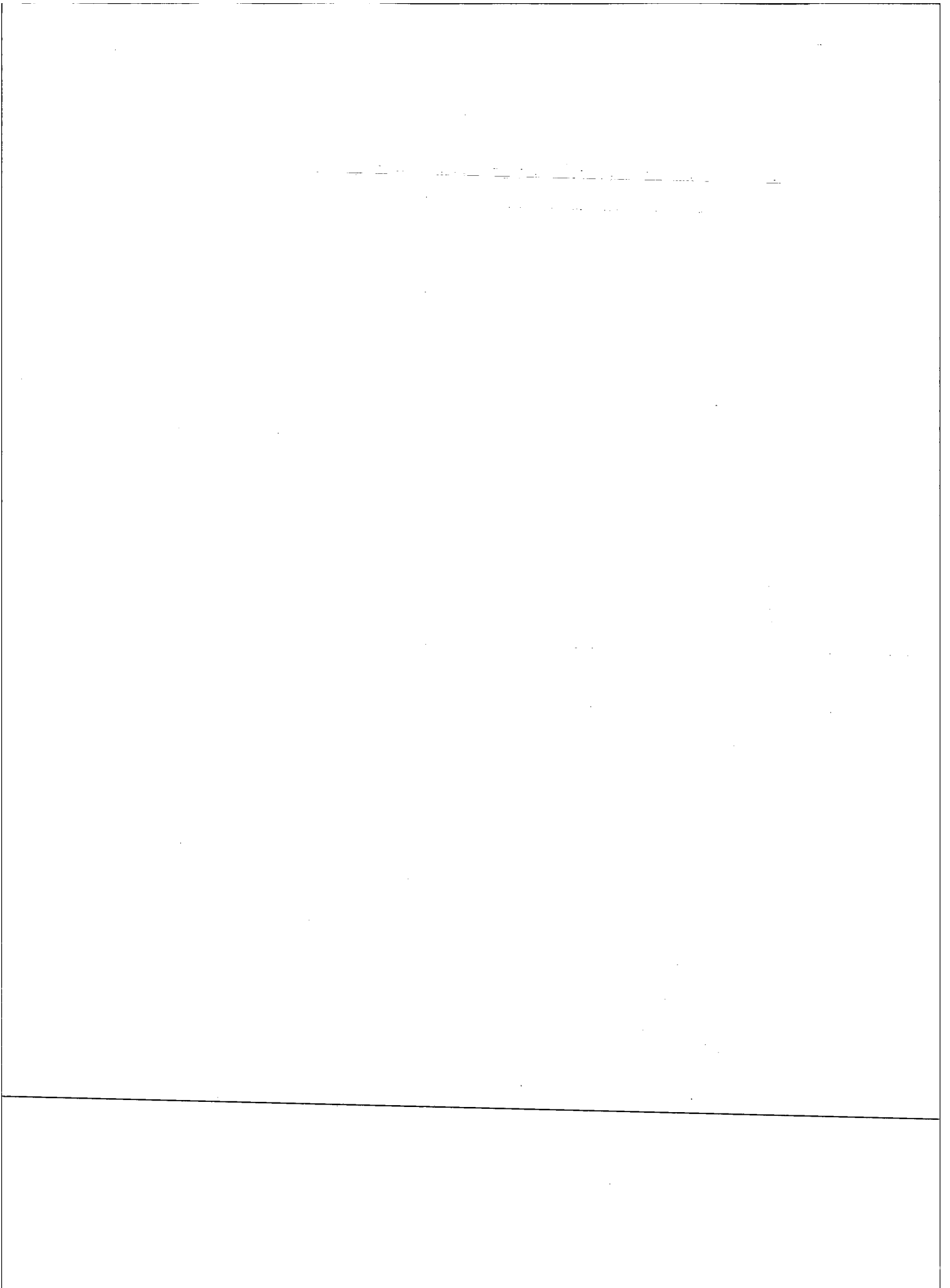
The auditors, PricewaterhouseCoopers, will continue in office in accordance with Section 383(2) of the Companies Act 2014.

**On behalf of the Board**

Anne Gunning  
Director

William Brennan-Whitmore  
Director

11 November 2016



## **TRUSTEES' REPORT**

### **Structure, Governance and Management**

#### **Constitution**

Saint John of God Community Services Limited is a not-for-profit organisation that provides services and supports to 2,412 children and adults with intellectual disability and 5,650 children, adolescents, and adults with mental illness at its services in Dublin, Louth, Kildare and Kerry. The company is governed by a Memorandum & Articles of Association.

The company is a registered Irish company limited by guarantee (reference 430744) and holds charitable status with the Revenue Commissioners (reference CHY18284).

The main object for which the Company is established is to facilitate the mission of the Hospitaller Order of the Saint John of God, a religious Order within the Catholic Church, to serve the Church in the assistance of the weak and the sick and those in need, with a preference for the poorest and without any type of discrimination, in the alleviation of their suffering and to work for the personal development, education and advancement of such people through the provision of a range of community based health related services to persons with intellectual disability, and persons with mental illness and older persons.

#### **Policy Adopted for the Induction and Training of Directors**

There is an induction programme in place for new Directors on commencement of their term of office, which includes a Board of Directors Governance Handbook.

The Directors are supported to participate in regular formation and training for the development of board management skills.

#### **Organisational Structure and Decision Making**

Saint John of God Community Services Limited is governed by the members of the Board who are appointed in accordance with the company's Memorandum and Articles of Association. The Directors receive no remunerations for their services. The Directors have a diverse range of skills, experience and expertise. The Board meets at least 10 times per year and has non- executive responsibility for the company and the services it provides.

The Board delegates the day to day management of Saint John of God Community Services Limited to the Chief Executive. The Regional Directors report to and are accountable to the Chief Executive for the management of Regional Services. The Corporate Leadership Team at Saint John of God Hospitaller Ministries provides support and advice across various functions to the Chief Executive and the Management Teams of the Regional Services.

The Board recognises the value of high standards of corporate governance and to this end has established Board Committees to oversee particular aspects of the work of the company and provide reports to the Board.

The following are the principal committees and their responsibility:

#### **Finance Sub Committee**

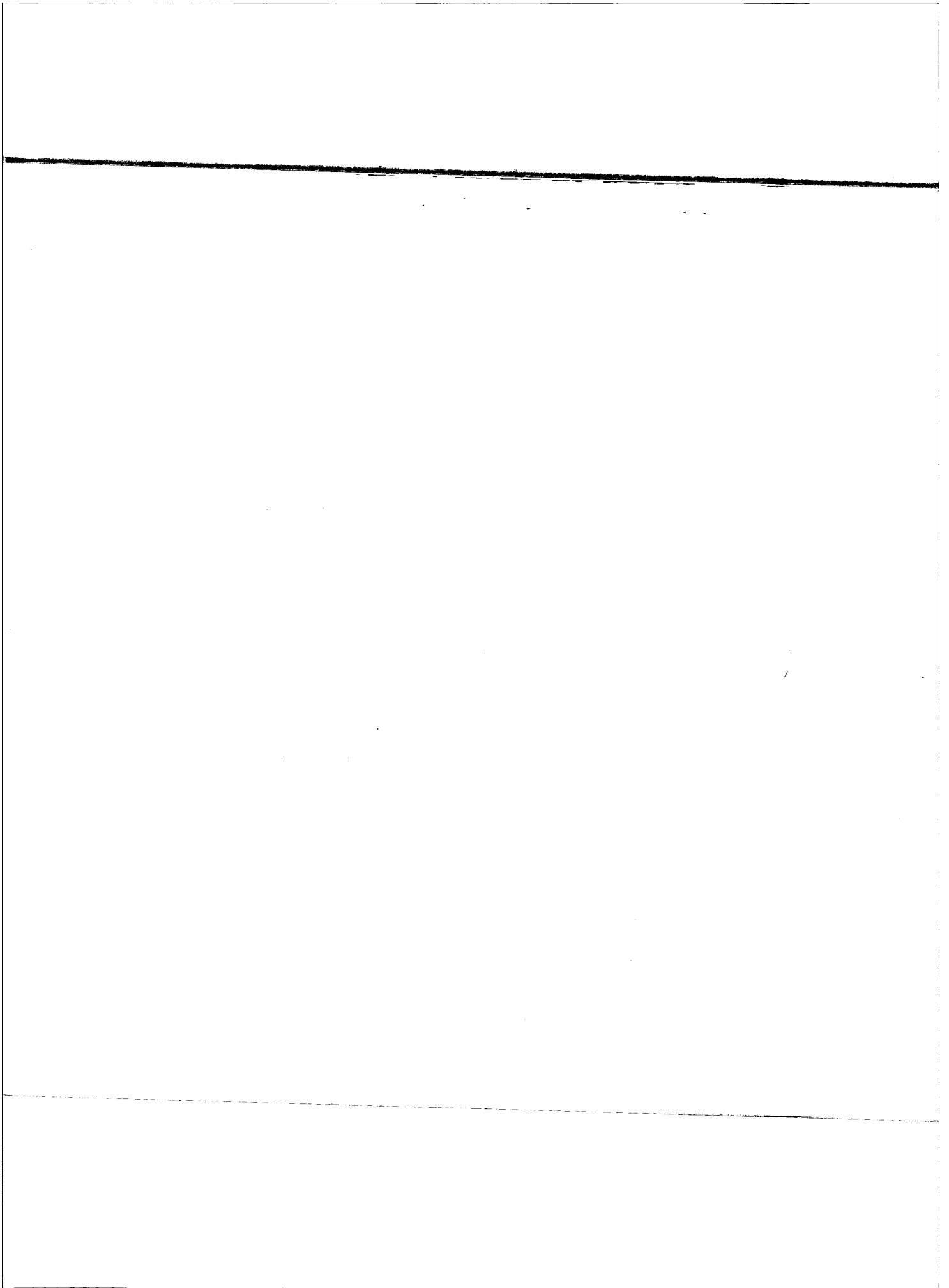
The purpose of the Board Sub Committee on Finance is to oversee the development of policies and standards relating to the financial management of Saint John of God Community Services Limited, including the system of financial controls and monitoring their implementation.

The Finance Sub Committee discharge this purpose in accordance with the Terms of Reference for the Finance Sub Committee.

#### **Audit and Risk Sub Committee**

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

Under its current constitution, only Directors of the Board can serve as members of Sub Committees. The Board is of the view that there are insufficient Directors to form this Sub Committee.



**TRUSTEES' REPORT - continued**

**Audit and Risk Sub Committee - continued**

Pending trading commencement of Saint John of God Hospitaller Services Group in 2016, the functions of the Audit and Risk Sub Committee have become the responsibility of the Finance Committee.

The Finance Committee discharge this function in accordance with the Terms of Reference of the Audit and Risk Sub Committee.

**Quality and Safety Sub Committee**

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

The Chairperson of the Quality and Safety Sub Committee resigned in 2015. A recently appointed Director to the Board has committed to Chair the Quality and Safety Sub Committee.

**Risk Management**

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

There are Risk Management Policies in place and the Board adopted the HSE Safety Management Policy in 2015.

The organisation's internal control systems are supported by policies, procedures, protocols and guidelines covering all aspects of the work of the organisation.

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

**Self Evaluation**

The Board conducted a Self Evaluation of its Governance with the assistance of an expert facilitator. The Report of the Self Evaluation identified a high level of satisfaction among Directors with the performance, operation and oversight of the functions of the Board.

Recommendations of the Self Evaluation highlighted the need to address succession planning and appoint additional Directors to the Board, so that Directors with relevant and recent experience are available for appointment to the Standing Committees of the Board and have the expertise to discharge the functions of those committees.

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**TRUSTEES' REPORT - continued**

**Objectives and Activities**

**Mission**

Our Mission is to identify, respond and support the needs of individuals, in the manner of Saint John of God.

**Vision**

Our Vision is of a society inspired by Hospitality, where the potential of each individual is achieved.

**Ethos**

Based on the beliefs and values of Saint John of God, the philosophy of the Order's work is that people are the creation of God, with intrinsic dignity.

**Strategic Plan**

The Corporate Strategic Plan 2015 – 2017 defines the five priority areas as follows:

- Heritage, identity, culture, ethos and values
- Person-centred service development and delivery
- Building capacity and relationships
- Innovation, quality and risk
- Sustainability and resilience

This strategic plan for Saint John of God Community Services Limited was reviewed in 2015 and sets out the objectives, action plans and key performance indicators to guide the delivery and development of Saint John of God Community Services Limited in 2016 and 2017.

In 2016, each Regional Management Team will develop a Business Plan to give effect to the implementation of the Strategic Plan in the Regional Services.

**Service Provision**

**Saint John of God Dublin South East/Kerry Region**

*Saint Augustine's School*

A co-educational day and boarding school providing educational, social, recreational and vocational training programmes for children and adolescents with mild general learning disabilities.

*Carmona Services*

Provide a network of day, education, training, employment, respite and residential services to children and adults with intellectual disabilities, who reside in South East Dublin and North Wicklow.

*STEP*

Supports men and women presenting with mild intellectual disabilities in the Dublin Mid-Leinster area to achieve employment, through career planning, work options, education, training and continuous learning.

*City Gate*

Supports individuals with mild intellectual disabilities in the Dublin Mid-Leinster area to access their own housing.

*Saint John of God Kerry Services*

Provides training, employment, social, respite and residential programmes to people with intellectual disabilities in County Kerry.

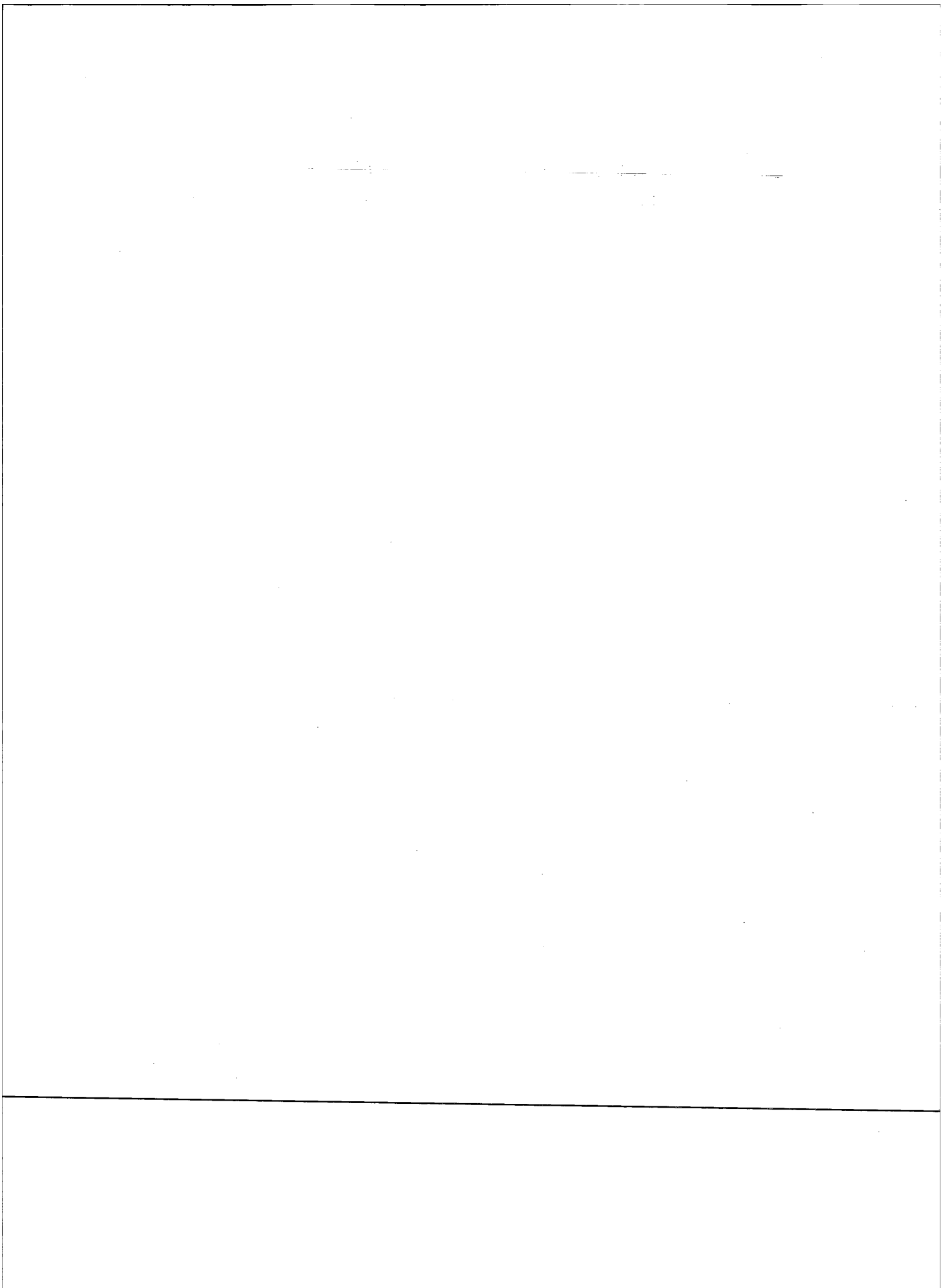
**Saint John of God Community Mental Health Services**

*Cluain Mhuire Community Mental Health Service*

Provides community mental health services to adults in the catchment area of the Dun Laoghaire-Rathdown.

*Lucena Clinics*

Provides community mental health services to children and adolescents in Dublin South, parts of Dublin West and Co. Wicklow.



**TRUSTEES' REPORT - continued**

**Liffey Region**

*Saint John of God Kildare Services*

Provide a network of day, residential and respite service to children and adults with intellectual disabilities in North Kildare.

*Menni Services*

Provide residential, respite and day services to children and adults with intellectual disabilities in Dublin South City, Dublin South West and Dublin West.

**Saint John of God North East Services**

Provide residential, respite and day services to children and adults with intellectual disabilities in Louth, Meath and Monaghan.

**Suzanne House**

Provides specialised individual respite care for children with high medical support needs in a small homelike environment.

**Looking back to 2015**

2015 was a challenging year for Saint John of God Community Services Limited.

Despite the challenges, there are many examples of innovative and exemplary service developments across the regions that focus on empowering and supporting people to be active participants of the community in which they live.

Development of My Personal Plan App to give the individual direct and immediate access to their personal plan in a format suitable to their needs.

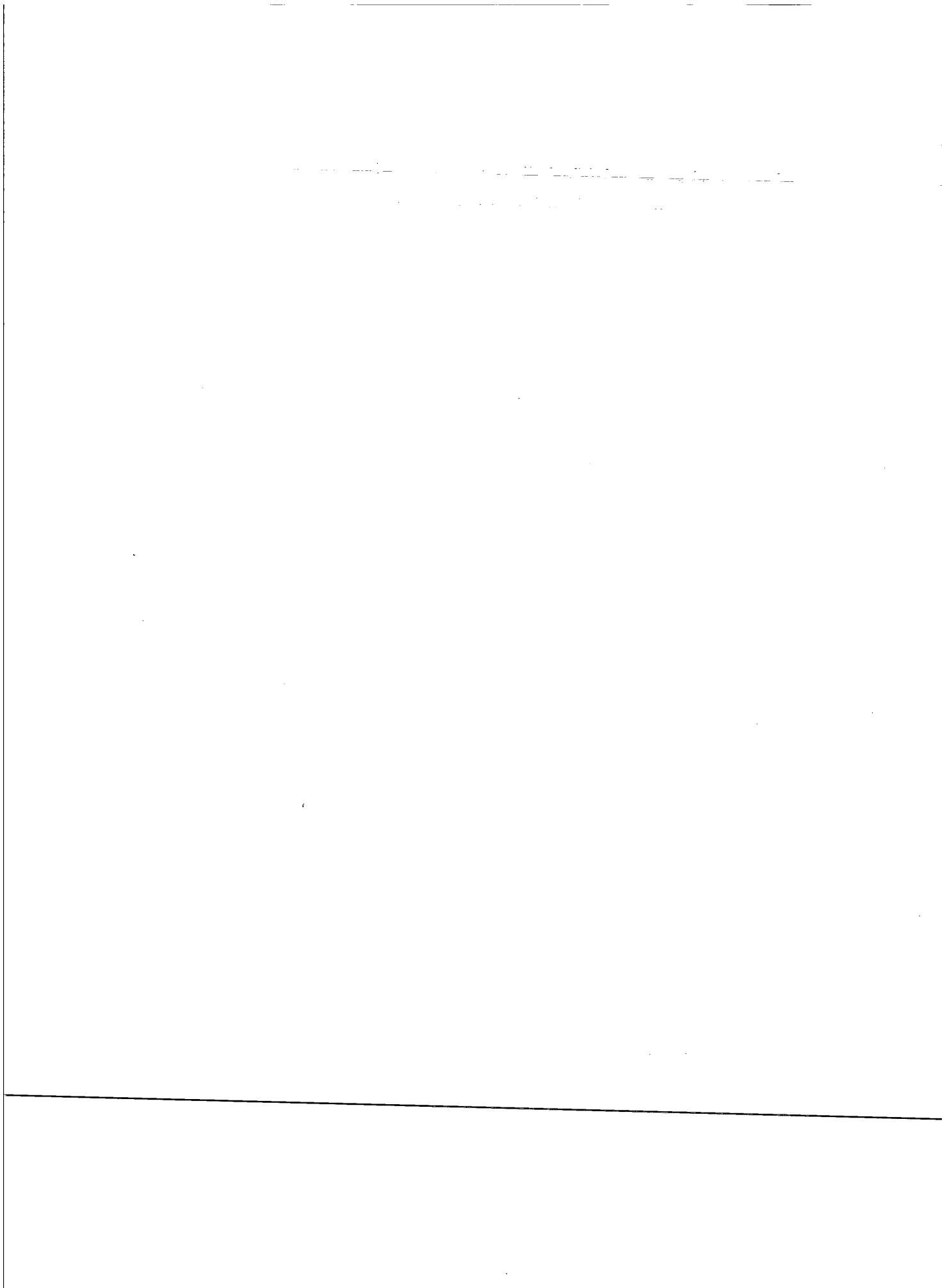
Development of Community Hubs to support people to actively engage in community activities.

- Drama and Musical Productions in the local community theatres.
- Participation in further education in Institutes of Technology and Universities.
- Individualised living arrangements for people in local communities.
- Move from campus based living to community group homes.
- Individualised programmes for graduates of School and Rehabilitative Training.
- Developing new Advocacy Initiatives.
- Village with a Vision, an initiative providing meals on wheels for the elderly and disadvantaged
- Provision of education programmes to parents and families

Inspection of residential services for children and adults with intellectual disability in accordance with Health Act 2007 (Care and Support of Residents in Designated Centres for persons with Disabilities) Regulation 2013 continued. HIQA conducted 79 monitoring and registration inspections in 59 Designated Centres. An overall level of 62% was achieved in the compliance categories. Community based residential services generally achieved high levels of compliance with the Regulations, while our campus based services were significantly challenged and in some case failed to achieve compliance with the outcomes. Inspection in many cases highlighted that staffing levels were insufficient to provide safe and effective care. The Board had no option but to respond and approve additional staff for our services at Saint Mary's Drumcar, Saint Mary of the Angels, Beaufort, and Saint Raphael's Celbridge.

In 2015, The Board reviewed the role of the Provider Nominee as set out in the Health Act 2007 (Care and Support of Residents in Designated Centres for persons with Disabilities) Regulation 2013. Subsequent to the review, the role of Provider Nominee was delegated to Regional Directors or General Managers. The Governance of Designated Centres was also reviewed to ensure that each Designated Centre has a Person in Charge and sufficient managers to support effective governance. The delegation of the Role of Provider Nominee to Regional Directors or General Managers and the allocation of additional Persons-in Charge and managers has served to enhance and strengthen Governance and Leadership of Designated Centres.

12 Designated Centres received their Certificate of Registration in 2015.



**TRUSTEES' REPORT - continued**

**Looking back to 2015 - continued**

The focus on continuous quality improvement across all services continued in 2015 and there has been a concerted commitment to improving practices and standards at all levels. The Executive and Regional Quality and Safety Committees focused their attention on the development, implementation and monitoring of systems, policy and procedures to advance the quality agenda.

By mid-2015, it became very evident to the Board of Saint John of God Community Services Limited, that the required quality of service could not be provided from within the resources available from HSE. Members of the Board met with senior HSE executives to highlight resource needs. In September the Board requested the Executive to prepare a Report for HSE, setting out the service needs and the finances required to support the provision of quality services. This Report was presented to the HSE in October 2015 and resulted in the allocation of additional funding in December 2015. The Board of Saint John of God Community Services Limited, acknowledges and appreciates the allocation of additional funding. However, the Board also notes that this additional funding falls short of that required and as set out in the Report to HSE, is likely to result in serious continuing financial pressures in 2016.

Saint John of God Community Services Limited Strategic Plan was reviewed during the year, the revised plan sets out our strategic objectives under the five priority strategic areas:

- Heritage, Identity, Culture, Ethos and Values
- Person Centred Services Development and Delivery
- Building Capacity and Relationships
- Innovation, Quality and Risk
- Sustainability and Resilience

The Board has requested the Executive and each local service to prepare an Annual Plan to give effect to the implementation of the Strategic Plan 2016-2017.

The provision of quality services and supports are guided by an organisation's Policies and Procedures. Saint John of God Community Services Limited has a diverse suite of policies and procedures to support the provision of services. The following policies and procedure were reviewed and approved by the Board in 2015:

- Positive Behaviour Supports Policy
- Policy on Education and Training for Adults
- Policy on Education for Children in Short Breaks- Respite
- Guideline for Unannounced Visits by a Registered Provider Nominee or Nominated Person

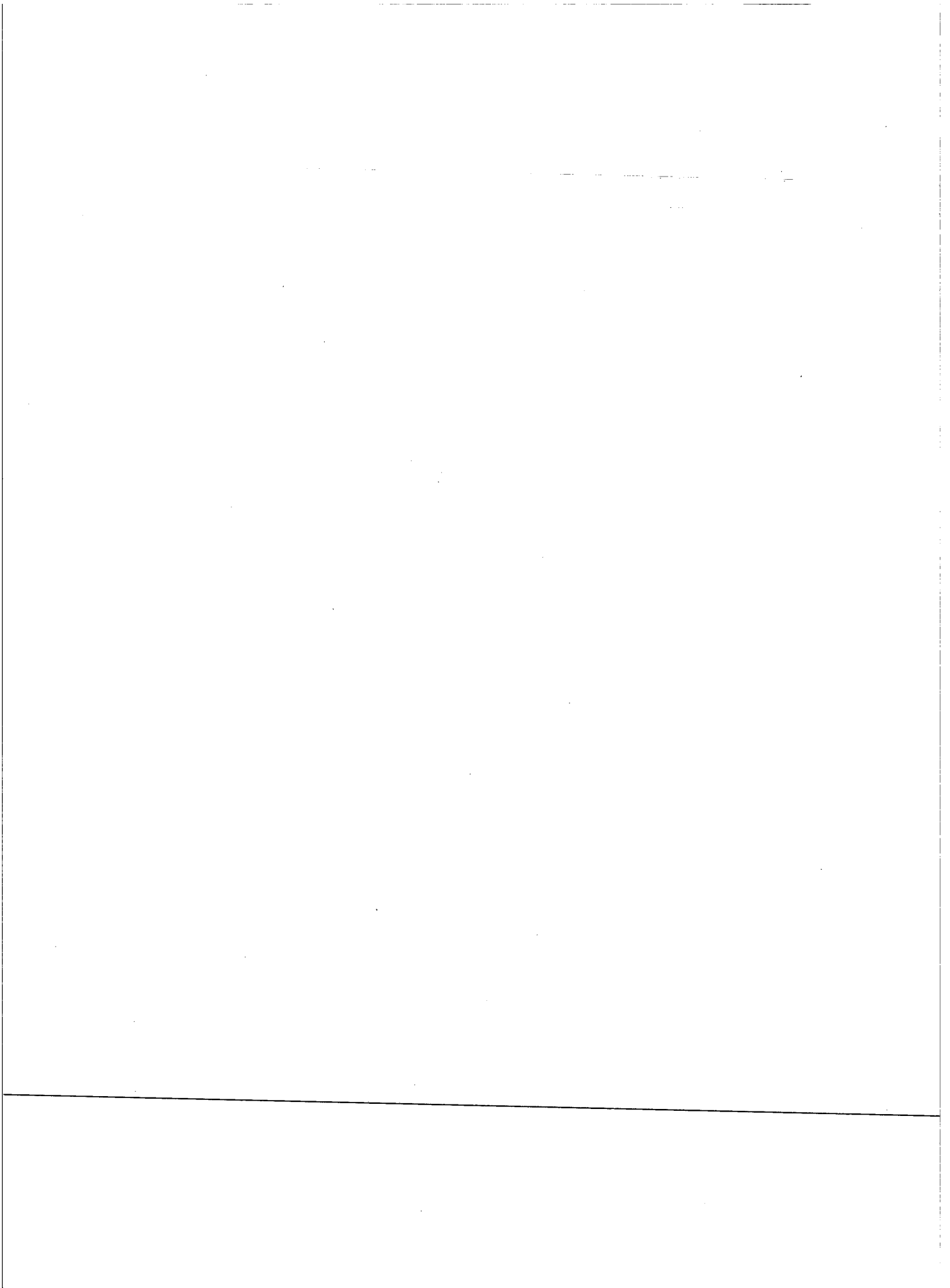
The Board also adopted the following National Policies:

- Safeguarding Vulnerable Adults at Risk of Abuse
- Safety Incident Management Policy

Of the 835 people for whom we provided residential services and supports in 2015, 308 people were living in an institutional or campus based setting at Saint Mary's Drumcar, Saint Raphael's Celbridge, Menni Services, Islandbridge and Saint Mary of the Angels, Beaufort.

Development Plans were prepared for each of these services, identifying the needs of residents, and the type of housing required to support each person to live in a community setting. The Development Plan identified the need for comprehensive Person Centred Plans and Transition Plans to support each individual to transition successfully to their new home. The Development Plans also identified the need for staff education and training to support the change from a medical model to a social care model of service provision.

A Communication Strategy is included in the Development Plan so that all associated with the move to community living are kept up-to-date with the plans to transition to community. It is anticipated that by 2020, that all residents will be supported in community accommodation of their choosing and have the necessary supports to be active participants of the community in which they live.



**TRUSTEES' REPORT - continued**

**Looking back to 2015 - continued**

New Directions is the Government Policy guiding the provision and development of Day Services to people with an intellectual disability. Services over the years have developed a range of innovative responses to the provision of day services. During the year, the Executive convened a group to review day services provision in line with the provisions of New Directions.

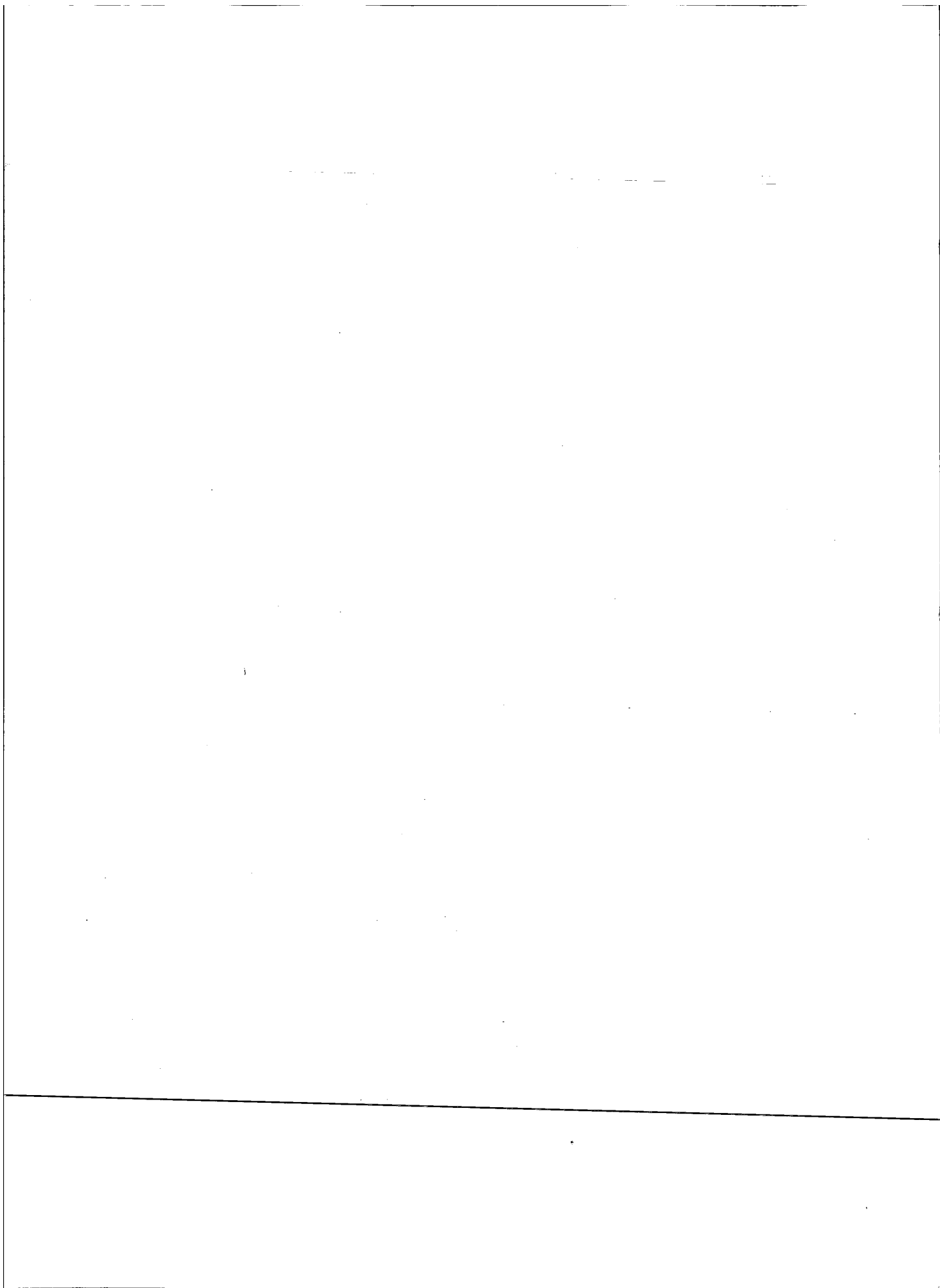
This group will report on its deliberations in 2016, with recommendations for the development of day services in accordance with New Directions Standards.

Mental Health Services are provided to children and adolescents at Lucena Clinics in South Dublin and Wicklow. Services are provided to adults in South Dublin at Cluain Mhuire Services. The Report of the Strategic Review of Community Mental Health Services was approved by the Board in November 2015. The Strategic Plan sets out the actions to develop a continuum of comprehensive community based mental health services 2016-2019, so that the needs of children, adolescents and adults with mental illness continue to be provided in accordance with best practice service delivery.

**Energy efficiency**

The Sustainable Energy Authority of Ireland (SEAI) was established as Ireland's national energy authority under the Sustainable Energy Act 2002 and since 2011 all public sector bodies are required to report details of their energy performance directly to SEAI each year. Data entered for 2015 has shown a decrease of energy consumption by Saint John of God Community Services Limited of 5%. Given that the public sector has to improve its energy savings by 33% by the year 2020 a Strategy will be developed in 2016 identifying the measures required to achieve this target.

<b>Statistics</b>	2015	2014
<b>Adult Mental Health</b>		
<b>Cluain Mhuire Community Mental Health Services</b>		
<b>Acute Bed Nights</b>		
Average Monthly Number	24	25
<b>Community accommodation</b>		
High Support Places	21	21
Low Support Places	9	9
Support to Independent Living Places	97	66
<b>Day centres</b>		
Burton Hall Average Daily Attendances	53	74
Burton Hall Number on Register	121	127
Venegas Club House Average Daily Attendances	30	55
Venegas Club House Number on Register	65	72
<b>Child and Adolescent Mental Health</b>		
<b>Saint John of God Lucena Clinic</b>		
<b>Day Hospital</b>		
No. of Places	16	16
New Referrals	120	175
<b>Total attendances (per day)</b>	12	10
<b>Total no. of persons attending</b>	170	141





**Saint John of God Community Services Limited**

**TRUSTEES' REPORT - continued**

<b>Statistics - continued</b>	2015	2014
<b>Outpatient Clinics</b>		
New Attendances	1,562	1,204
Repeat Attendances	27,429	28,019
<b>Total no. of attendances</b>	<u>28,991</u>	<u>29,223</u>

**Saint John of God Community Services Limited  
Breakdown of Staff Complement by Care Group  
Staff Complement**

	2015	2014
Management/Admin	159	166
Medical/Dental	40	38
Nursing	498	542
Health and Social Care Professionals	551	500
General Support Services	166	174
Other Patient and Client Care	763	722
<b>Total Staff</b>	<u>2,177</u>	<u>2,142</u>

**Intellectual Disability Services  
Children/Adults Attending Programmes**

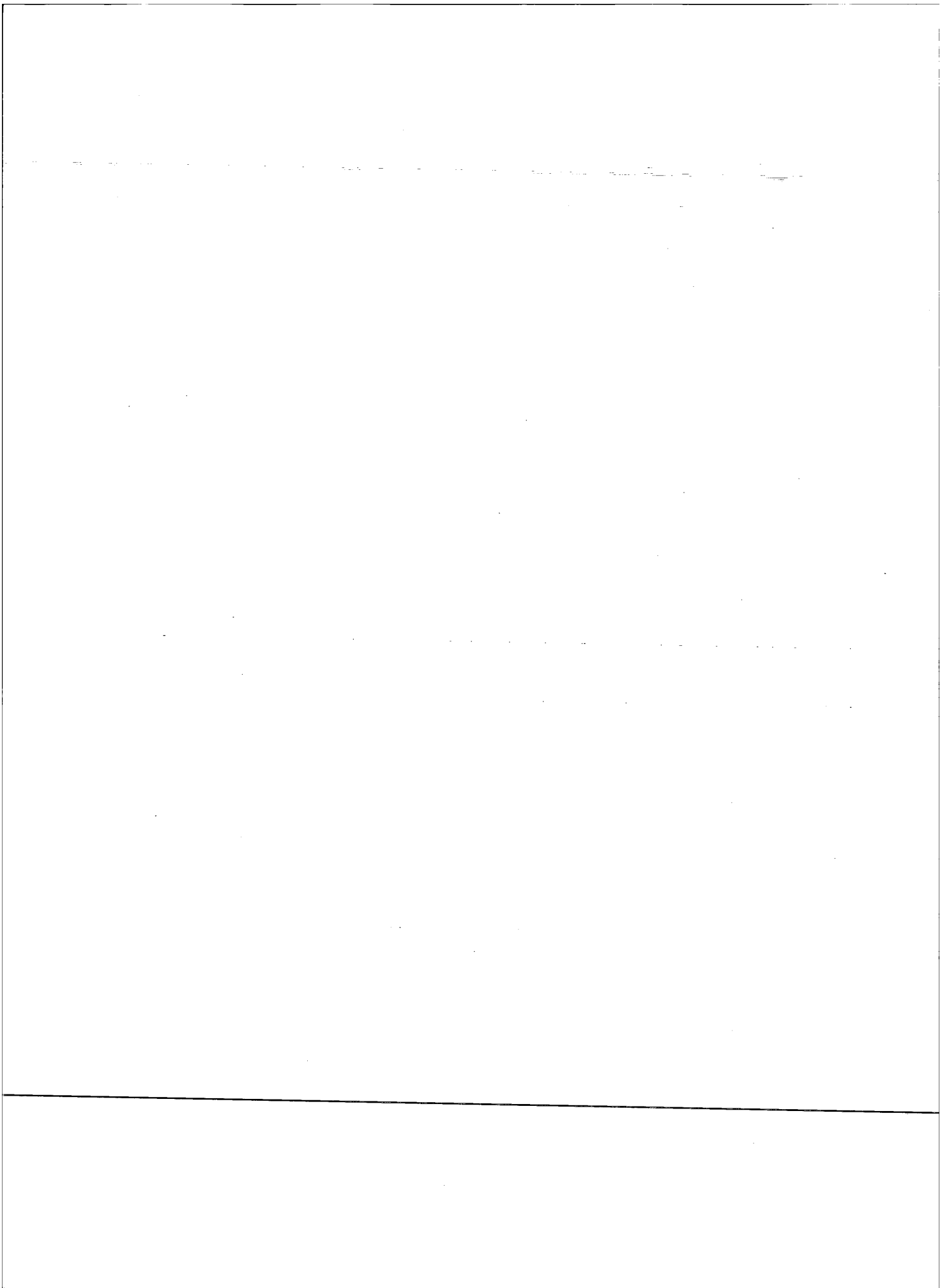
	Start of 2015	End of 2015
Children/Adults attending Day Programmes	2,379	2,332
Children/Adults in Residential Settings	859	828
Permanent Residents	89	80
Permanent Residents Receiving a Day Service	770	748
Day Attendees Only	1,609	1,584
Special School Attendees	467	448
<b>Total service users (excl. Respite)</b>	<u>2,468</u>	<u>2,412</u>

**Residential Service Users**

	2015	2014
Carmona	115	115
Menni	105	106
Kildare	187	187
Saint Augustine's	11	22
City Gate	40	49
North East Services	254	259
Kerry Services	116	116
<b>Total</b>	<u>828</u>	<u>854</u>

**Day attendees (incl. Special Schools)**

Carmona	293
Mennip	443
Kildare	410
Saint Augustine's	136
STEP	208
North East Services	430
Kerry Services	311
<b>Total</b>	<u>2,231</u>



**TRUSTEES' REPORT - continued**

**Looking Forward..... The Year Ahead**

The Review of the Strategic Plan for Saint John of God Community Services Limited in 2015 sets out our objectives and plans for 2016/2017, as we endeavour to develop day, respite and residential services of excellence for people with intellectual disability and for those children, adolescents and adults requiring care and treatment for mental illness.

We have long since identified that services to people with an intellectual disability are best provided in a community setting. This year, we aim, with the support of revenue and capital funding from HSE to transition 57 people to move from campus based services to community living.

The Management Teams at our campuses based in Saint Mary's, Drumcar, Saint Raphael's, Celbridge and Saint Mary of the Angels, Beaufort have submitted Transforming Lives Project Plans to HSE Reform Fund seeking capital and revenue funding to support this transition to community living.

Our Values of Hospitality, Compassion, Respect, Justice and Excellence are central to the manner through which we provide services and supports to people. With the support of the Institute of Hospitality, and through various education initiatives, we endeavour to ensure that all staff understand and practice the Values and that all actions and interactions are in accordance with the Values. By extension, the Board expects, that the people who we support and any person who has contact with our services experiences our unique Value of Hospitality.

Person Centred or Person Directed Planning is at the core of the services we provide to children and adults. In Autumn 2015, the Executive established a Group to review the Person Centred Planning Process with the aim of developing a process and system, that ensures that the services and supports provided to the individual are to a high quality standard and are in accordance with the wishes, preferences and aspirations of the individual.

The Review Group will finalise the Revised Person Directed Planning Process early 2016 and through a comprehensive training programme, ensure that staff have the knowledge, skill and tools to facilitate the development of quality Person Directed Plans.

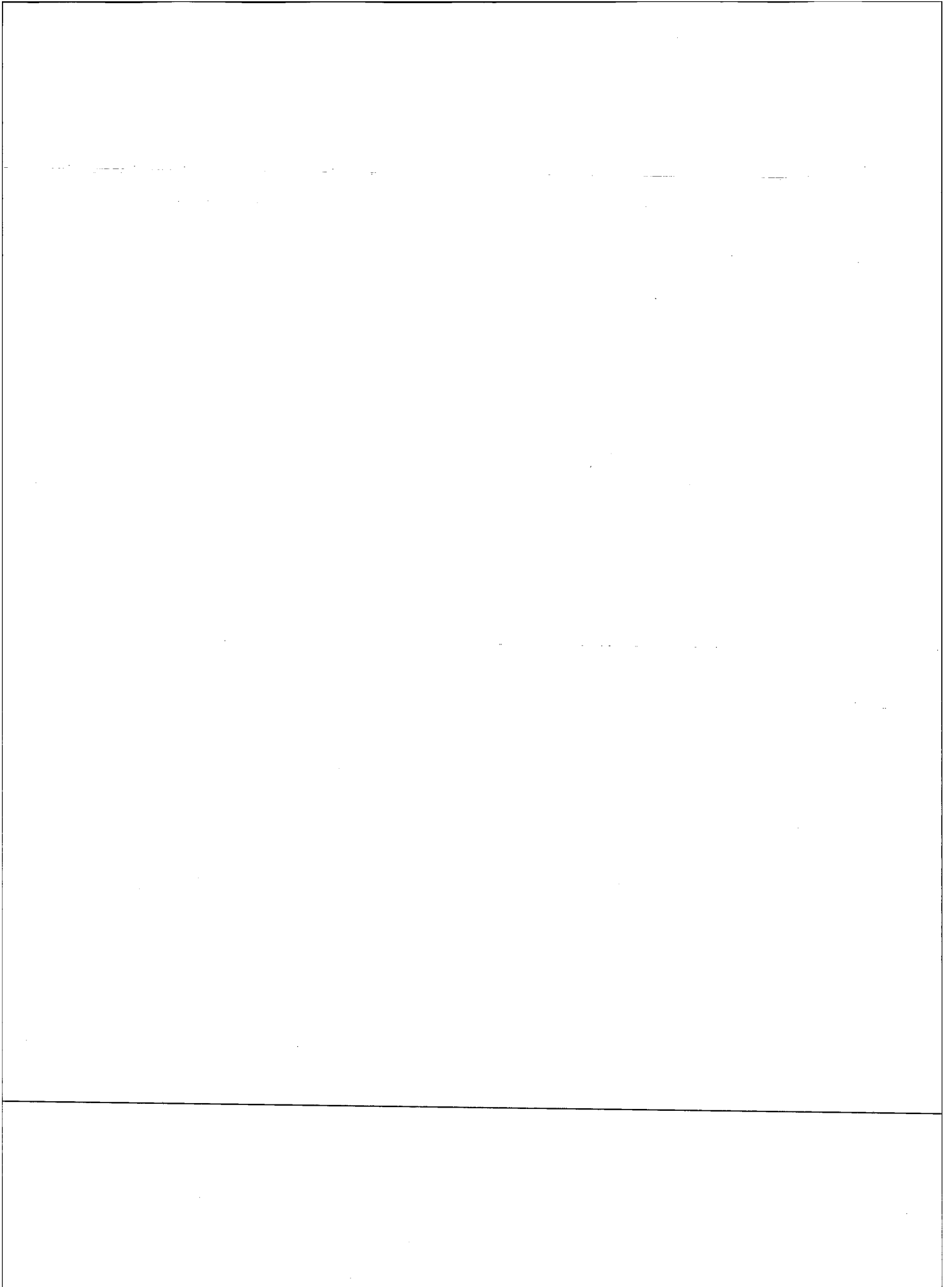
Saint John of God Community Services Limited provides services and supports to 550 children from birth to 18 years. Children are supported through Early Intervention, Pre-School, Respite, and Outreach Programmes.

Residential Respite Services are provided to children and adults at various service locations in Dublin, Louth, Kerry and Kildare. The Executive has commissioned a review of respite service provision to include the development of alternatives to residential respite.

The Voice of the person we support needs to be heard and listened to at all levels of the organisation. Services have a long tradition of supporting and facilitating the development of advocacy initiatives. In 2016, each service is required to demonstrate new initiatives to enhance the involvement of the people we support in the decision making process to ensure that service provision and development is responsive to their needs.

The age profile of people attending our services has changed significantly. Thirty eight percent of people are over 40 years of age. People with Downs Syndrome, present with a higher risk of developing Dementia. In general our policy is that people will age in place. However, we recognise that a time may come, when it is no longer appropriate for an individual to be supported in their own home. In this regard, the Executive are reviewing the End of Life Care needs of people with an intellectual disability and preparing proposals for the development of appropriate end of life services, so that the individual's needs are appropriately met in accordance with the Values of our services.

Volunteers have and do make an invaluable contribution to our services and to supporting individuals to achieve their personal goals and aspirations. In excess of 300 people (2014 in excess of 270) generously volunteer to support the work of Saint John of God community Services Limited. It is our aim this year to focus on the development and growth of volunteer numbers and provide volunteers with appropriate training to enhance their skills and the contribution they make to the lives of individuals.



**TRUSTEES' REPORT - continued**

**Looking Forward..... The Year Ahead - continued**

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

As part of our mission, we recognise the importance of empowering and enabling individuals and their families to become as independent as possible. This year we will develop a system and process focusing on the Quality of Life Domains of Independence, Social Participation and Well Being, with the aim of having quality information available to consistently guide all decisions at organisational, service and individual level.

The management of information is a key component of effective service delivery. This year, the Executive will further develop integrated information management systems to ensure that accurate relevant data is maintained, easily retrievable and is used to support the mission of the services.

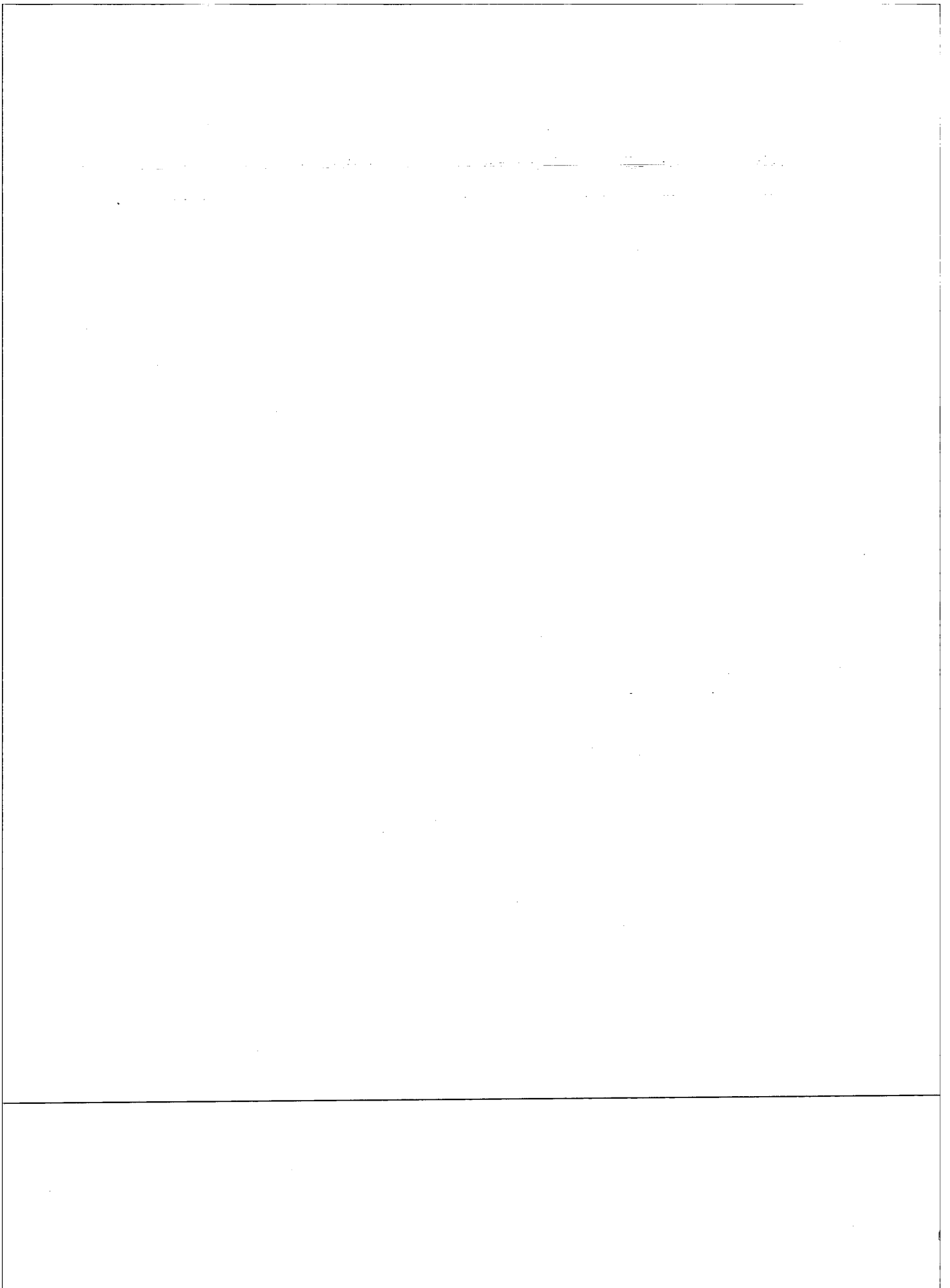
The staff of Saint John of God Community Services Limited are key to the provision of quality services. Workforce Planning Committees are established at Executive and Service levels to ensure that the right people with the right skills are in the right place at the right times to provide the appropriate and required services and supports to people and to support the transition to the provision to new and emerging models of service delivery.

Our services have a long history of Research. With the support of the Research Department at Saint John of God Hospitaller Ministries, many staff will be supported to continue research to inform best practice service delivery across intellectual disability and mental health services.

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

**Factors Relevant to Achieving the Objectives**

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





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

### **Report on the financial statements**

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#### **Our opinion**

In our opinion, Saint John of God Community Services Limited financial statements (the "financial statements"):

- give a true and fair view of the company's assets, liabilities and financial position as at 31 December 2015 and of its net income and cash flows for the year then ended;
  - have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland; and
  - have been properly prepared in accordance with the requirements of the Companies Act 2014.
- 

#### **What we have audited**

The financial statements comprise:

- the balance sheet as at 31 December 2015;
- the statement of financial activities for the year then ended;
- the statement of changes in funds for the year then ended;
- the cash flow statement for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland), including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland".

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

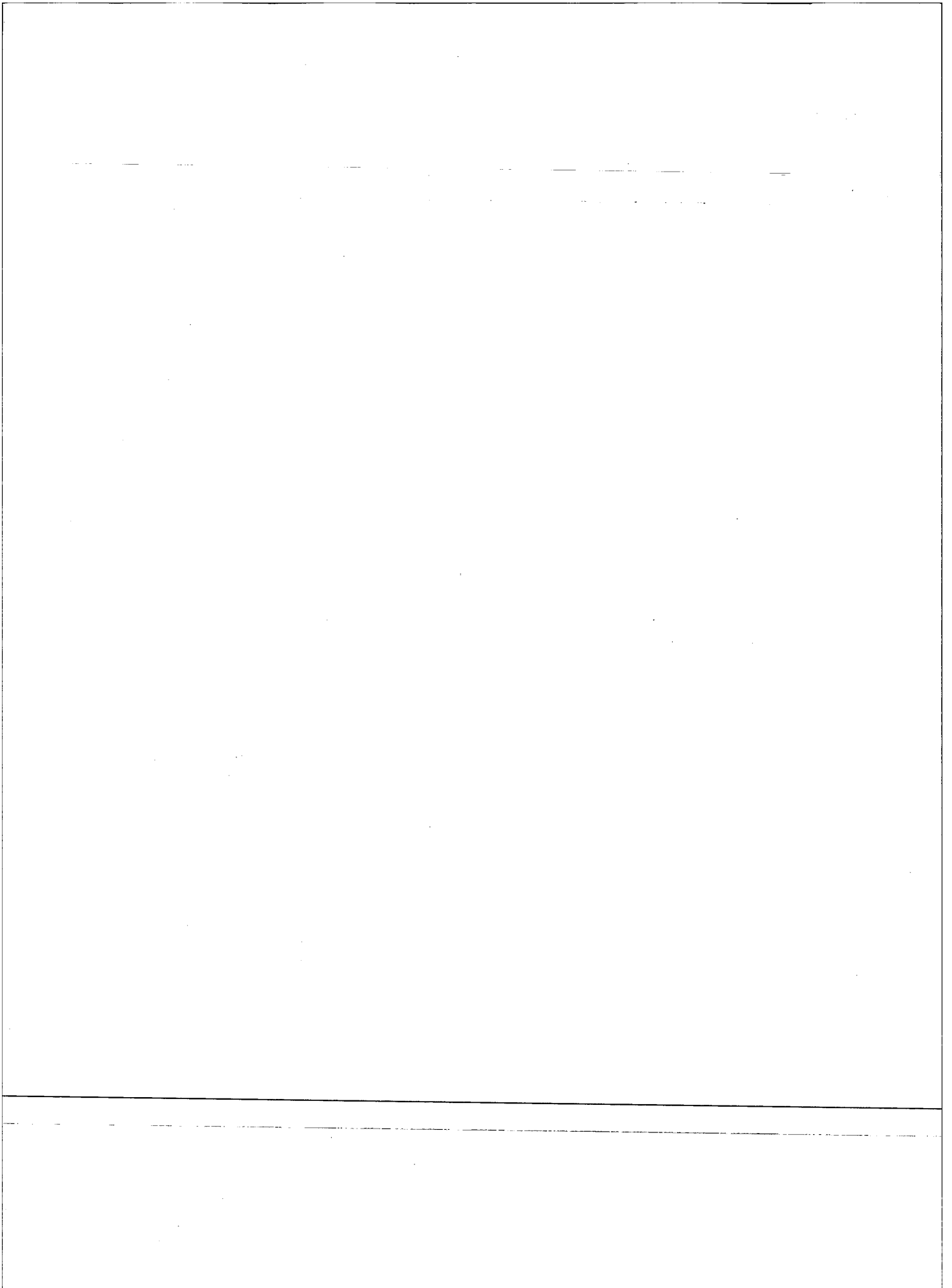
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#### **Matters on which we are required to report by the Companies Act 2014**

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

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## ***Independent auditors' report to the members of Saint John of God Community Services Limited - continued***

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### **Matter on which we are required to report by exception**

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#### **Directors' remuneration and transactions**

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

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### **Responsibilities for the financial statements and the audit**

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#### **Our responsibilities and those of the directors**

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

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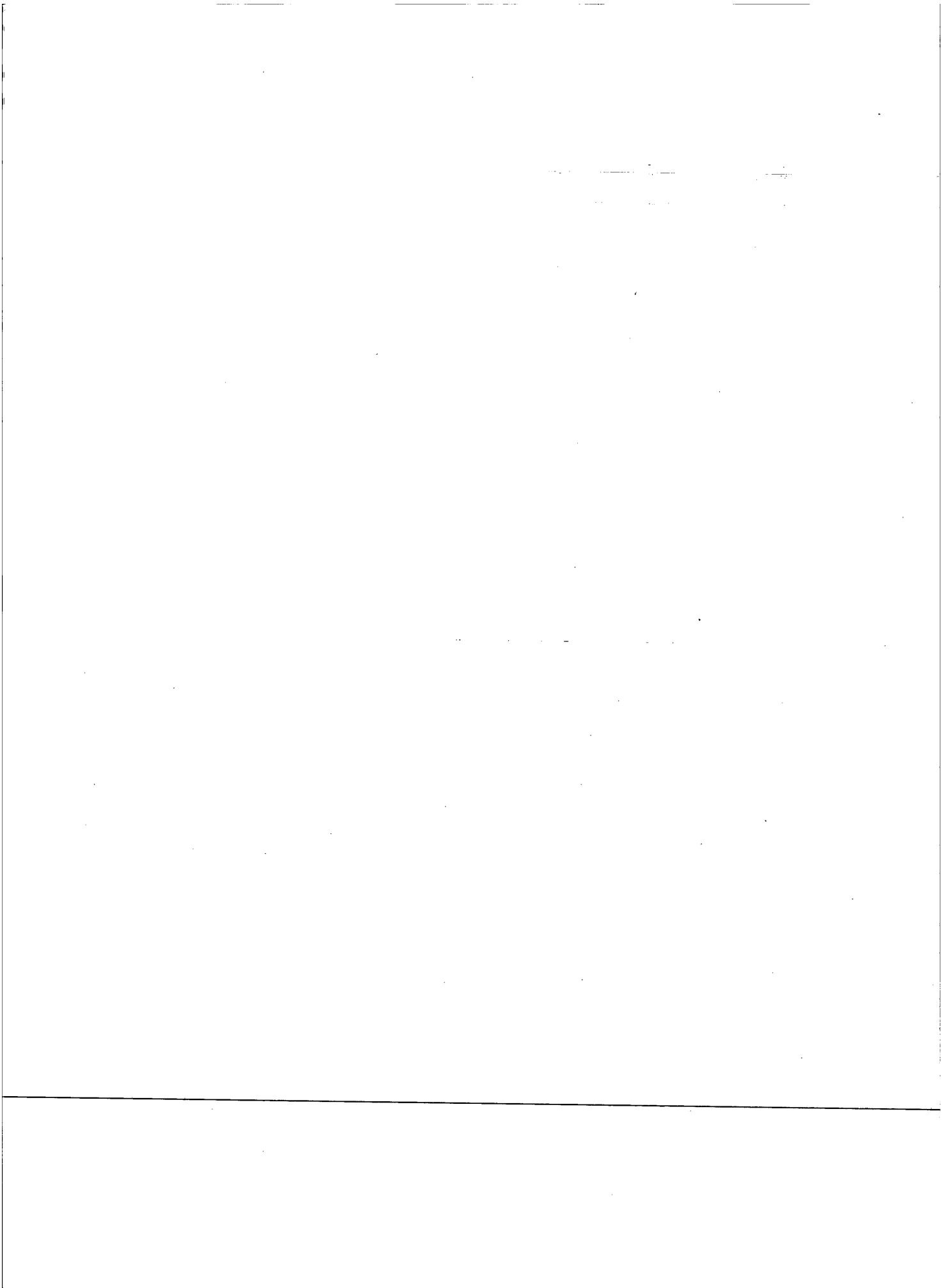
#### **What an audit of financial statements involves**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.





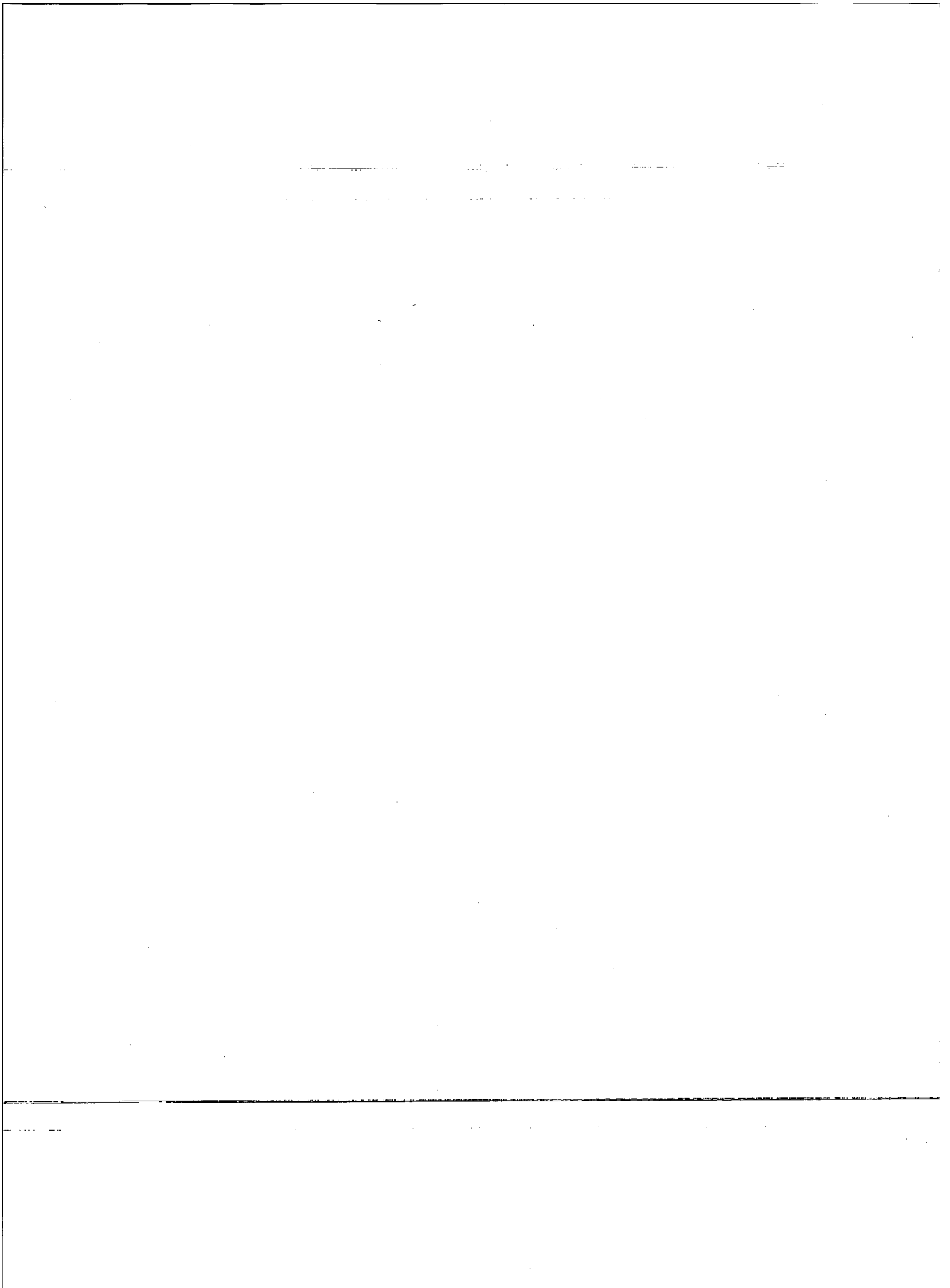
***Independent auditors' report to the members of Saint John of God Community Services Limited - continued***

In addition, we read all the financial and non-financial information in the annual report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

*Aisling Fitzgerald*

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

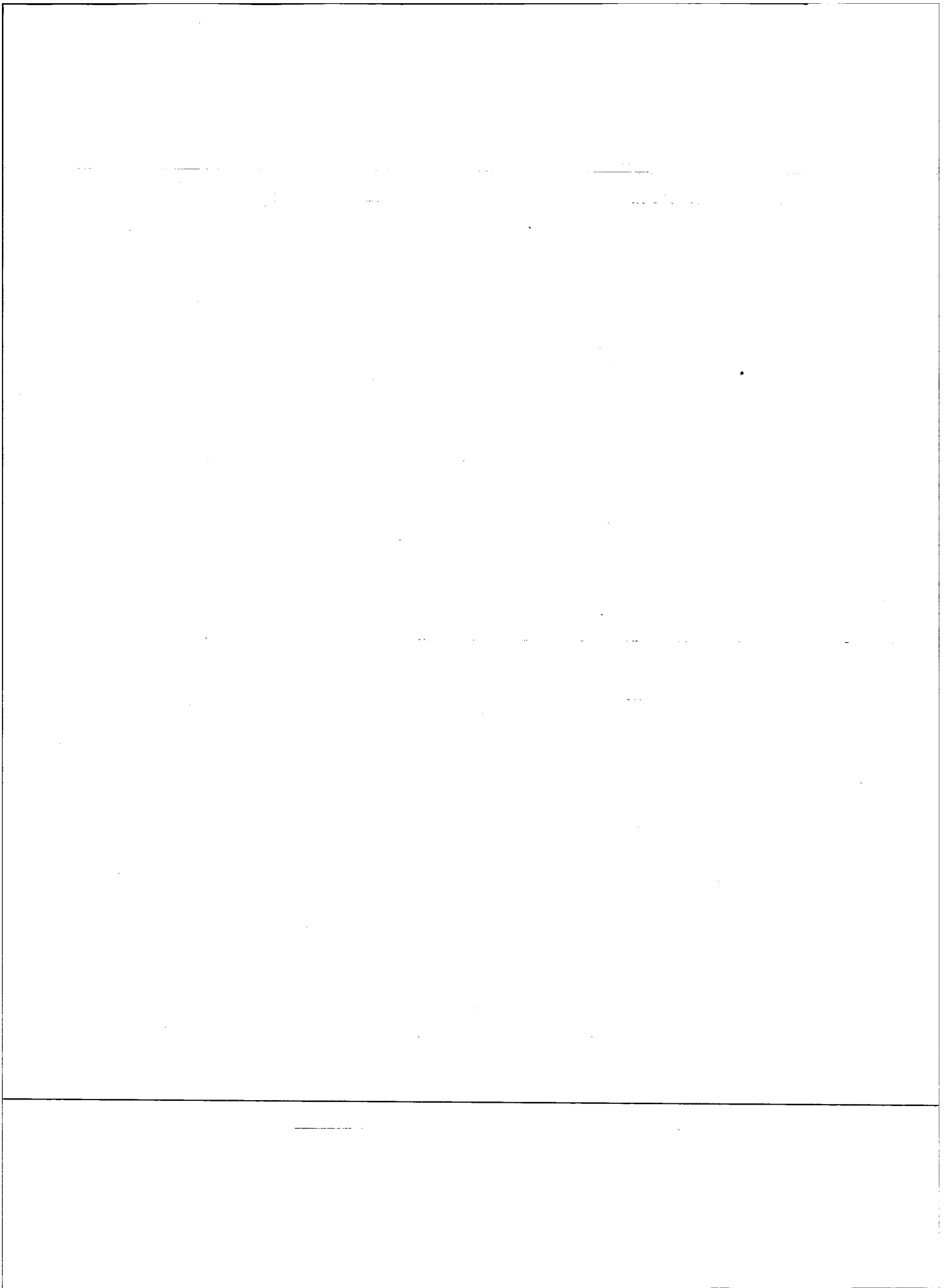
**11 November 2016**



Saint John of God Community Services Limited

**STATEMENT OF FINANCIAL ACTIVITIES**  
Financial Year Ended 31 December 2015

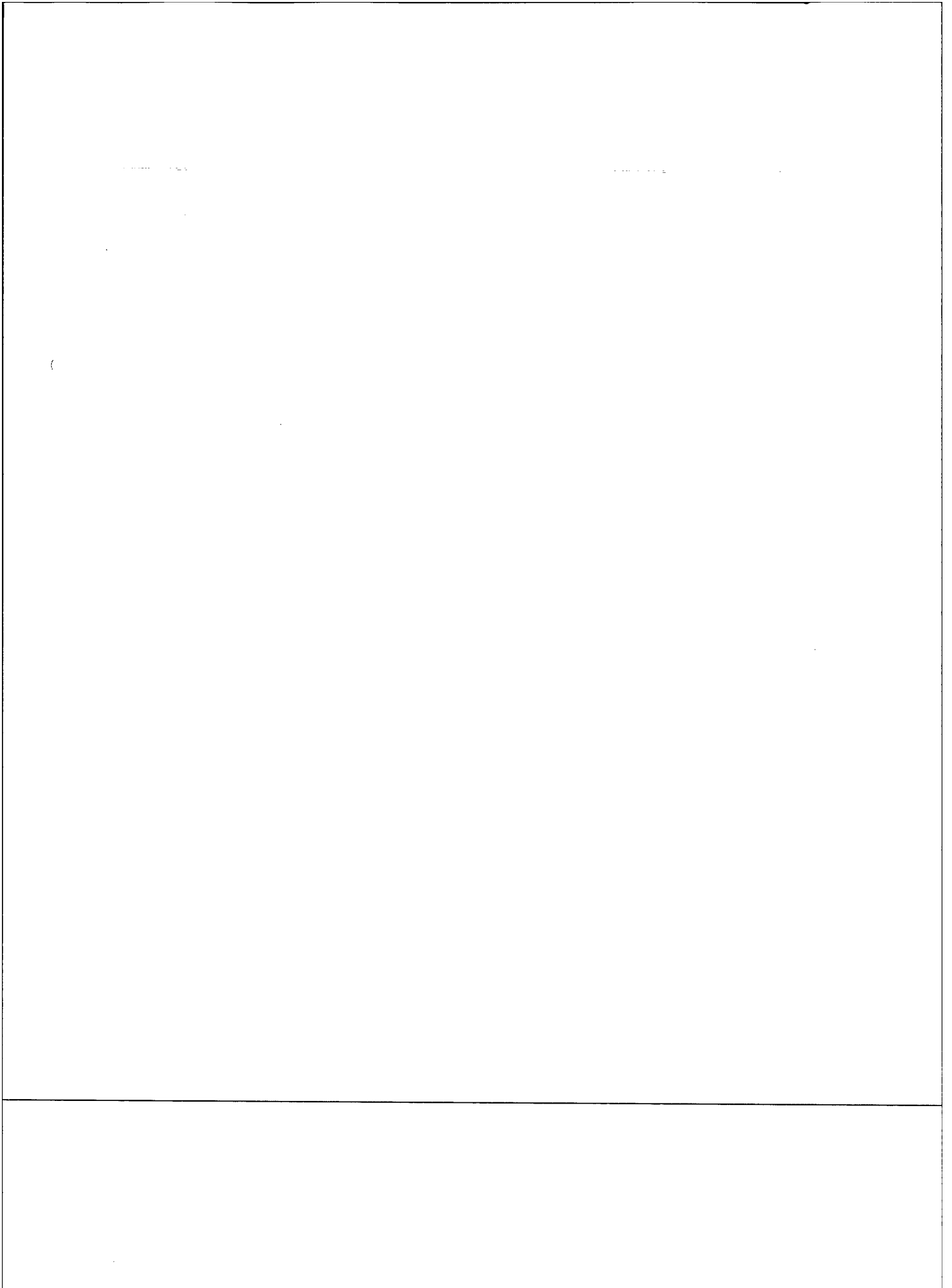
	Notes	Restricted funds 2015 €	Unrestricted funds 2015 €	Endowment funds 2015 €	Total 2015 €	Total 2014 €
<b>Income and endowments from:</b>						
Contributions, donations and legacies	6	261,644	4,119,229	-	4,380,873	2,535,285
Earned from charitable activities	7	138,131	141,424,987	-	141,563,118	136,204,809
Earned from other trading activities	8	117,139	1,680,907	-	1,798,046	2,004,472
Investment income		-	-	-	-	25,829
Other income	9	-	6,330,451	-	6,330,451	6,366,628
<b>Total income and endowments</b>		<b>516,914</b>	<b>153,555,574</b>	<b>-</b>	<b>154,072,488</b>	<b>147,137,023</b>
<b>Expenditure:</b>						
Expenditure on charitable activities	10	516,914	147,527,368	-	148,044,282	144,429,726
Other expenditure	11	-	9,529,210	-	9,529,210	8,294,020
<b>Total expenditure</b>		<b>516,914</b>	<b>157,056,578</b>	<b>-</b>	<b>157,573,492</b>	<b>152,723,746</b>
Net resources expended before investment (losses)		-	(3,501,004)	-	(3,501,004)	(5,586,723)
Net gains/(losses) on investments		-	-	-	-	-
<b>Net (expenditure) before non-recurring items</b>		<b>-</b>	<b>(3,501,004)</b>	<b>-</b>	<b>(3,501,004)</b>	<b>(5,586,723)</b>
Non-recurring transfer in of fixed assets	17	-	-	20,577,936	20,577,936	-
Non-recurring - waiver of loan balance	26	-	-	5,000,000	5,000,000	-
<b>Net income/(expenditure)</b>		<b>-</b>	<b>(3,501,004)</b>	<b>25,577,936</b>	<b>22,076,932</b>	<b>(5,586,723)</b>
<b>Transfer between funds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>-</b>	<b>(3,501,004)</b>	<b>25,577,936</b>	<b>22,076,932</b>	<b>(5,586,723)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		-	(6,066,903)	487,133	(5,579,770)	6,953
<b>Total funds carried forward</b>		<b>-</b>	<b>(9,567,907)</b>	<b>26,065,069</b>	<b>16,497,162</b>	<b>(5,579,770)</b>



Saint John of God Community Services Limited

STATEMENT OF FINANCIAL ACTIVITIES - continued  
Financial Year Ended 31 December 2014

	Notes	Restricted funds 2014	Unrestricted funds 2014	Endowment funds 2014	Total 2014
		€	€	€	€
<b>Income and endowments from:</b>					
Contributions, donations and legacies	6	301,656	2,233,629	-	2,535,285
Earned from charitable activities	7	117,174	136,087,635	-	136,204,809
Earned from other trading activities	8	26,338	1,978,134	-	2,004,472
Investment income		-	25,829	-	25,829
Other income	9	-	6,366,628	-	6,366,628
<b>Total income and endowments</b>		<b>445,168</b>	<b>146,691,855</b>	<b>-</b>	<b>147,137,023</b>
<b>Expenditure:</b>					
Expenditure on charitable activities	10	445,168	143,984,558	-	144,429,726
Other expenditure	11	-	8,294,020	-	8,294,020
<b>Total expenditure</b>		<b>445,168</b>	<b>152,278,578</b>	<b>-</b>	<b>152,723,746</b>
Net income resources (resources expended) before investment (losses)		-	(5,586,723)	-	(5,586,723)
Net gains/(losses) on investments		-	-	-	-
<b>Net (expenditure)</b>		<b>-</b>	<b>(5,586,723)</b>	<b>-</b>	<b>(5,586,723)</b>
<b>Transfers between funds</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>-</b>	<b>(5,586,723)</b>	<b>-</b>	<b>(5,586,723)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		-	(480,180)	487,133	6,953
<b>Total funds carried forward</b>		<b>-</b>	<b>(6,066,903)</b>	<b>487,133</b>	<b>(5,579,770)</b>





**Saint John of God Community Services Limited**

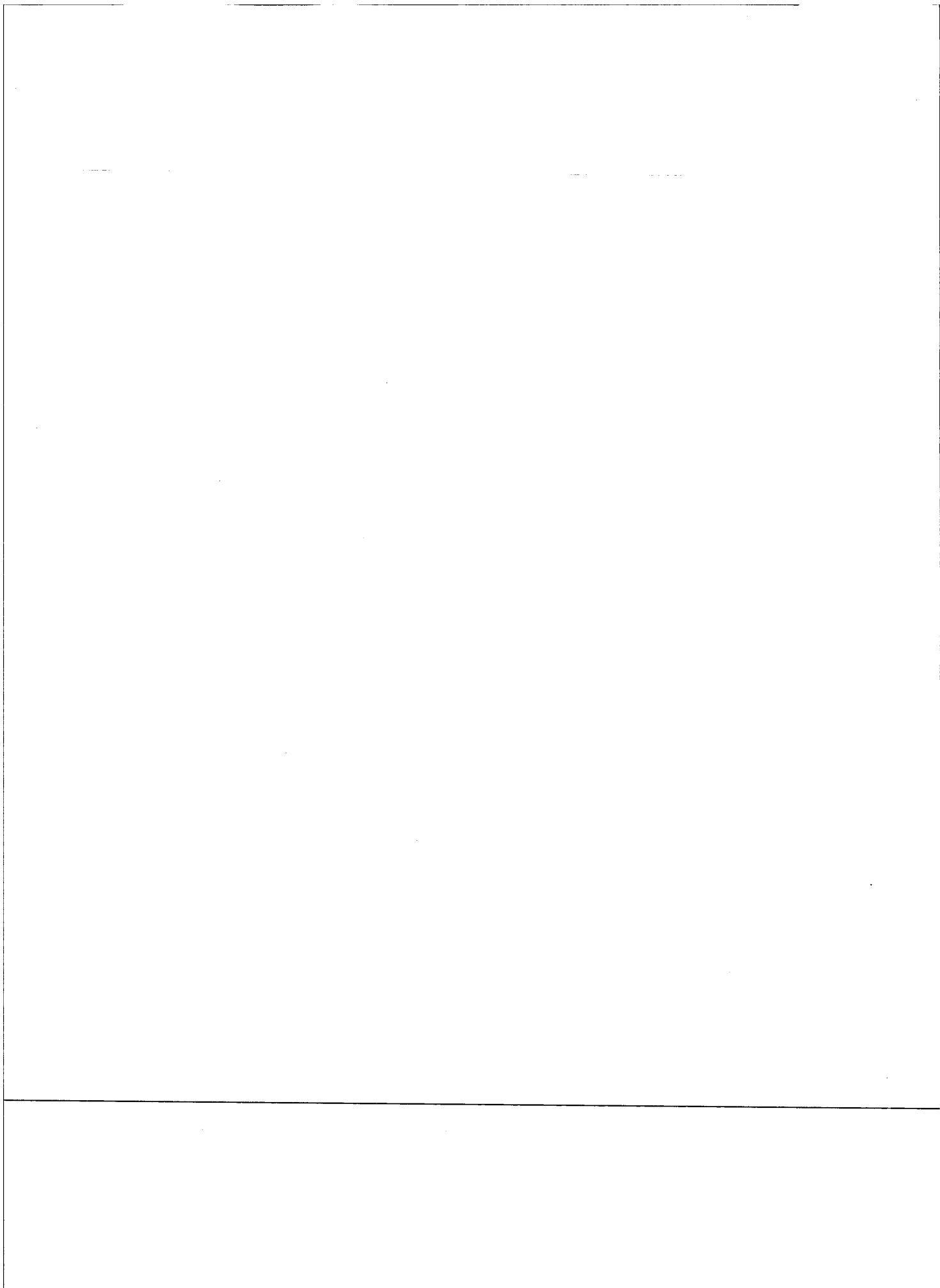
**BALANCE SHEET**  
**As at 31 December 2015**

	Notes	2015 €	2014 €
<b>Fixed assets</b>			
Tangible fixed assets	17	20,577,936	-
		<u>20,577,936</u>	<u>-</u>
<b>Current assets</b>			
Current investments	18	127	1,727
Stocks	19	218,227	177,722
Debtors and prepayments	20	9,407,216	9,558,462
Cash and bank		-	981,036
		<u>9,625,570</u>	<u>10,718,947</u>
<b>Creditors: amounts falling due in less than one year</b>	21	<u>(13,706,344)</u>	<u>(16,298,717)</u>
<b>Net current (liabilities)</b>		<u>(4,080,774)</u>	<u>(5,579,770)</u>
<b>Total assets less current liabilities</b>		<u>16,497,162</u>	<u>(5,579,770)</u>
<b>Funds of the charity</b>			
Unrestricted funds		(9,567,907)	(6,066,903)
Restricted endowment funds		<u>26,065,069</u>	<u>487,133</u>
<b>Total charity funds</b>		<u>16,497,162</u>	<u>(5,579,770)</u>

**On behalf of the Board**

Anne Gunning  
Director

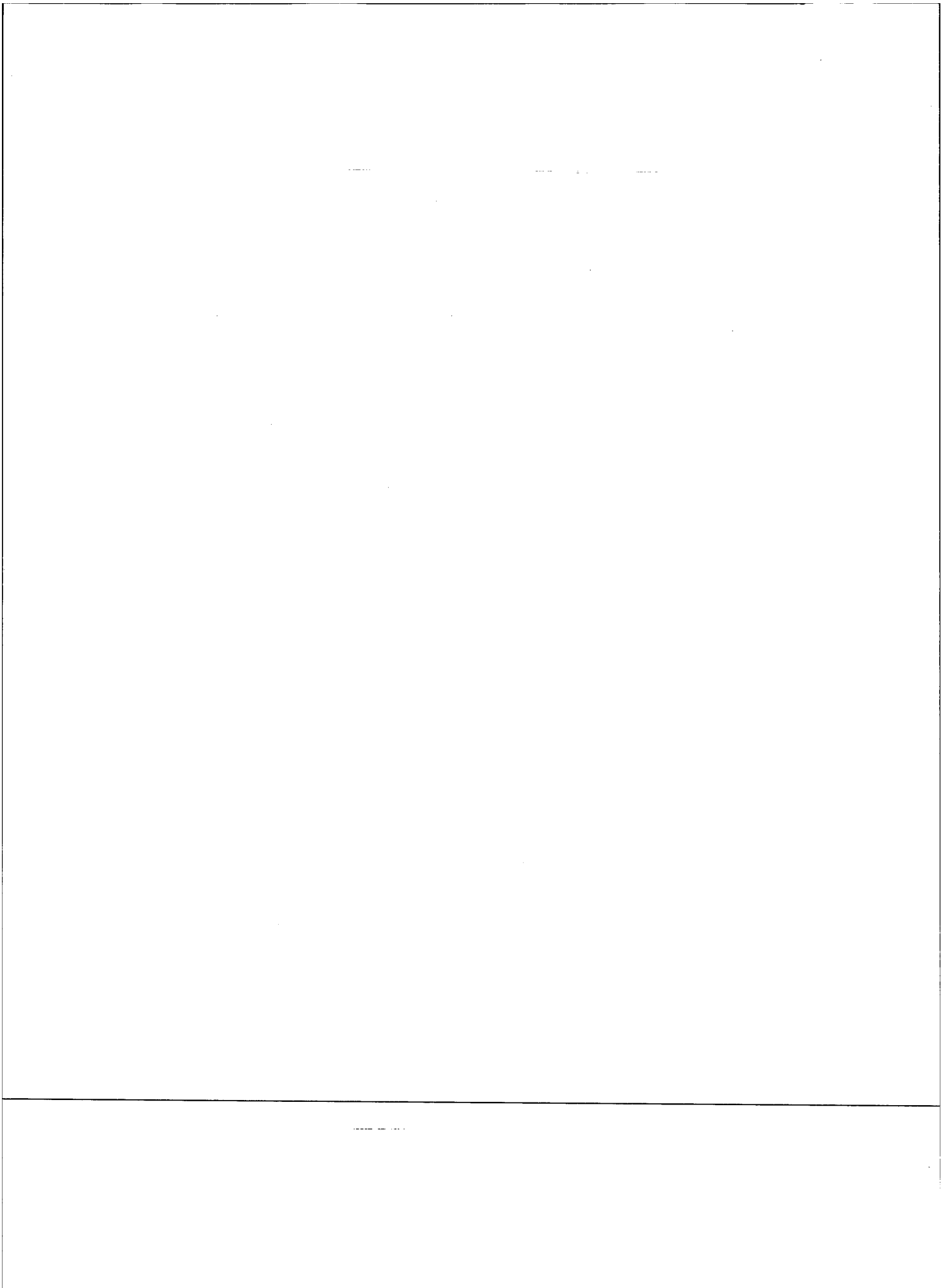
William Brennan-Whitmore  
Director



Saint John of God Community Services Limited

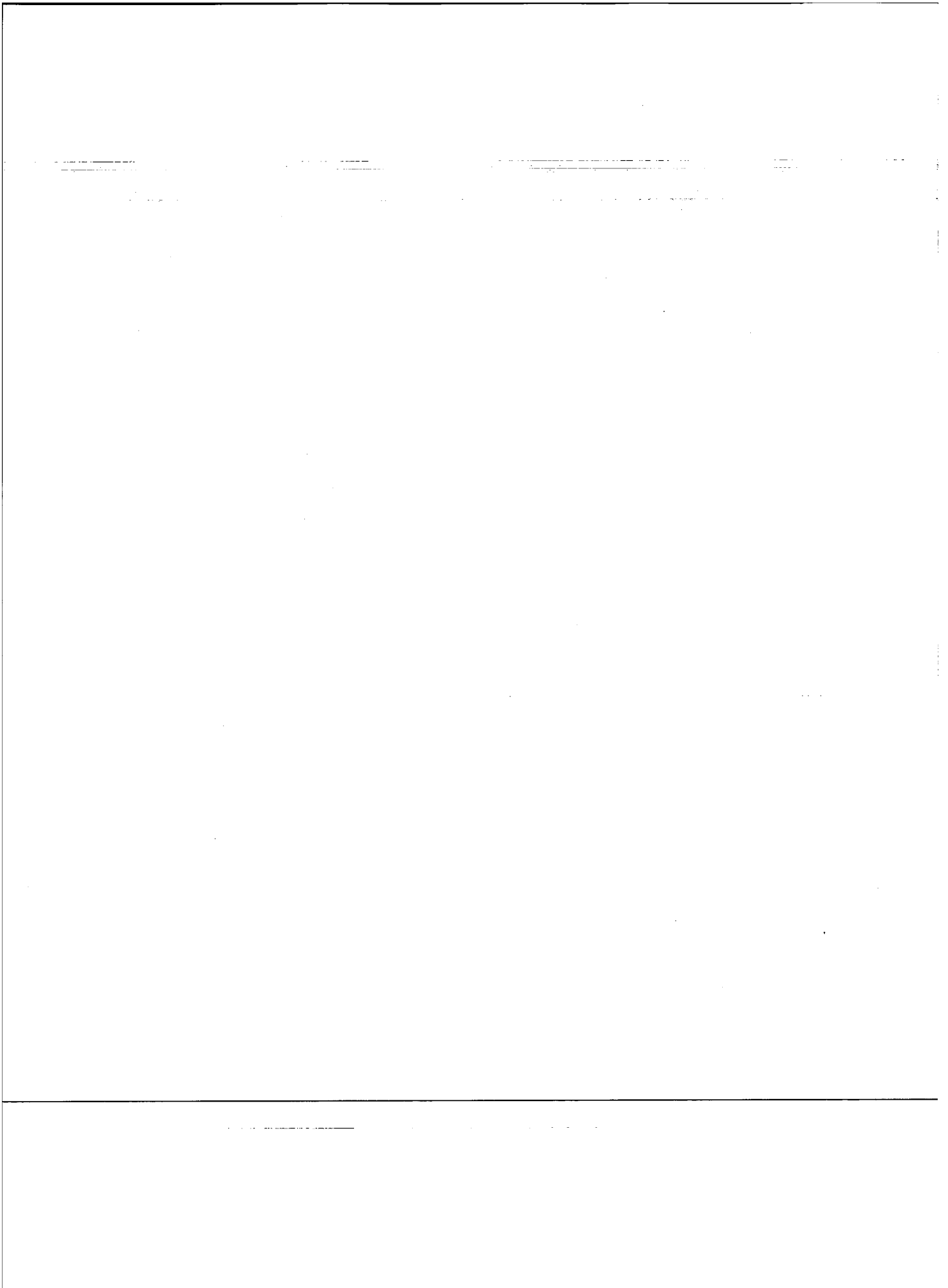
**STATEMENT OF CHANGES IN FUNDS**  
**Financial Year Ended 31 December 2015**

	Unrestricted funds €	Restricted funds €	Restricted endowment funds €	Total €
<b>Balance at 1 January 2014</b>	(480,180)	-	487,133	6,953
Net expenditure for the year	<u>(5,586,723)</u>	-	-	<u>(5,586,723)</u>
<b>Balance at 31 December 2014</b>	<u>(6,066,903)</u>	-	<u>487,133</u>	<u>(5,579,770)</u>
<b>Balance at 1 January 2015</b>	(6,066,903)	-	487,133	(5,579,770)
Net expenditure for the year	(3,501,004)	-	-	(3,501,004)
Non-recurring transfer in of fixed assets	-	-	20,577,936	20,577,936
Non-recurring waiver of loan balance	-	-	<u>5,000,000</u>	<u>5,000,000</u>
<b>Balance at 31 December 2015</b>	<u>(9,567,907)</u>	-	<u>26,065,069</u>	<u>16,497,162</u>



**CASH FLOW STATEMENT**  
**Financial Year Ended 31 December 2015**

	Note	2015 €	2014 €
<b>Cash flows from operating activities:</b>			
Net Cash (outflow) from operating activities	22	(1,715,102)	(1,414,201)
<b>Cash flows from investing activities:</b>			
Returns on investments and servicing of finance		-	-
Purchase of property, plant and equipment		-	-
Purchase of intangible assets		-	-
Proceeds from sale of investments		1,600	254
Net cash provided by investing activities		1,600	254
<b>Cash flows from financing activities:</b>			
Repayments of borrowings		-	-
Cash inflows from new borrowings		-	-
Receipt of endowment		-	-
Net cash provided by (used in) financing activities		-	-
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(1,713,502)</u>	<u>(1,413,947)</u>
Cash and cash equivalents at the beginning of the reporting period		981,036	2,394,983
Change in cash and cash equivalents	22	<u>(1,713,502)</u>	<u>(1,413,947)</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>(732,466)</u>	<u>981,036</u>



## NOTES TO THE FINANCIAL STATEMENTS

### 1 Going concern

The financial statements have been prepared on the going concern basis which assumes that the company will be able to continue in operational existence for the foreseeable future. The company continues to operate in a very challenging environment. The company is a regulated entity and additional capital and revenue funding is required to meet ongoing regulatory requirements.

The company is dependent on the Health Service Executive (HSE) to fund its activities and the on-going support of the HSE at an appropriate level is fundamental to the company's ability to continue as a going concern. The HSE has not given any indication that it will withdraw its financial support from the company in the foreseeable future. As in the past the HSE has indicated there will be no additional funding to meet core deficits. The company incurred an operating deficit of €3,501,004 (2014:€5,586,723) and had net current liabilities of €4,080,774 (2014: €5,579,770) at 31 December 2015. The company has budgeted to breakeven for the year end 31 December 2016 however current forecasts indicate that a deficit will be incurred in 2016. The company is also projecting a net cash outflow based on the existing service level for the 12 month period from signing these financial statements to November 2017.

It is likely that a number of cost curtailment measures will be required. The extent of these and the successful implementation of same will have a significant impact of the overall out-turn for the period.

Management are in active negotiations with the HSE in relation to the transition from congregated settings with a view to securing the necessary and appropriate funding to achieve this.

The directors are satisfied that the support of the HSE at an appropriate level will be forthcoming to achieve the plans under discussion and to fund ongoing services and that this together with the implementation of the agreed recommendations of the strategic review and management's cost containment plans, will ensure that the company will have sufficient resources to continue its operations for the foreseeable future. Management are also confident based on their discussions with the West European Province that short term financial support to address cash flow timing issues, will be forthcoming from the Order in the intervening period until such time as discussions with the HSE are progressed and concluded on. Accordingly, on that basis they will continue to adopt the going concern basis in preparing the financial statements.

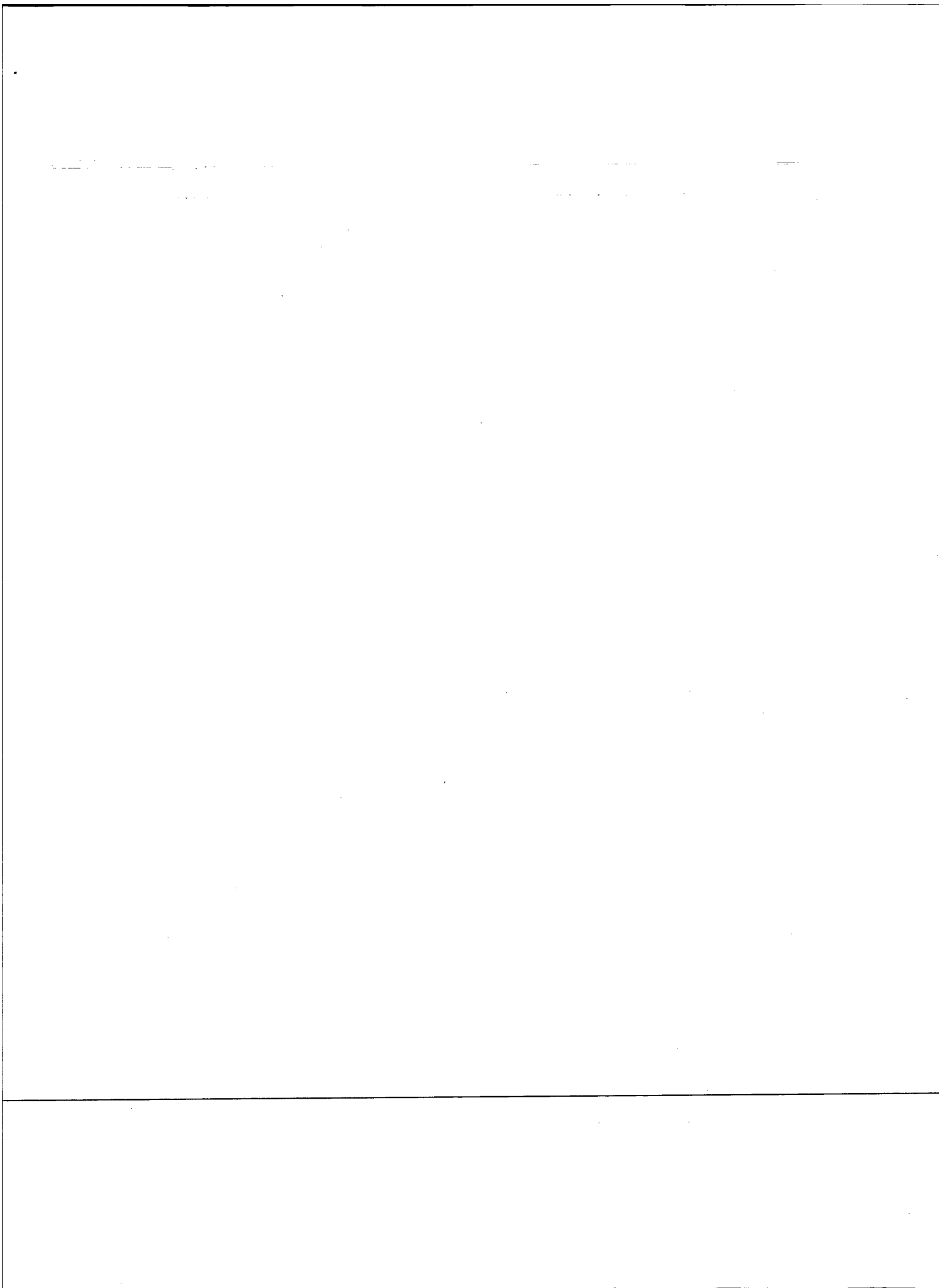
### 2 General information

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

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

The significant accounting policies used in the preparation of the entity financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated. The charity has adopted FRS 102 and Charity SORP (FRS 102) for the first time in these entity financial statements. Details of the transition to FRS 102 are disclosed in note 28.

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date. It also requires the directors to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in note 5.





**NOTES TO THE FINANCIAL STATEMENTS - continued**

**3 Statement of compliance**

The entity financial statements have been prepared on a going concern basis and in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2014.

**4 Summary of significant accounting policies**

The significant accounting policies used in the preparation of the entity financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated. The company has adopted FRS 102 and Charities SORP FRS 102 for the first time in these entity financial statements. Details of the transition to FRS 102 are disclosed in note 28.

The significant accounting policies adopted by the Company are as follows:

**(a) Basis of preparation**

The financial statements have been prepared in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2014.

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

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP (FRS 102) the restatement of comparative items was required.

**(b) Accounting convention**

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

**(c) Revenue recognition**

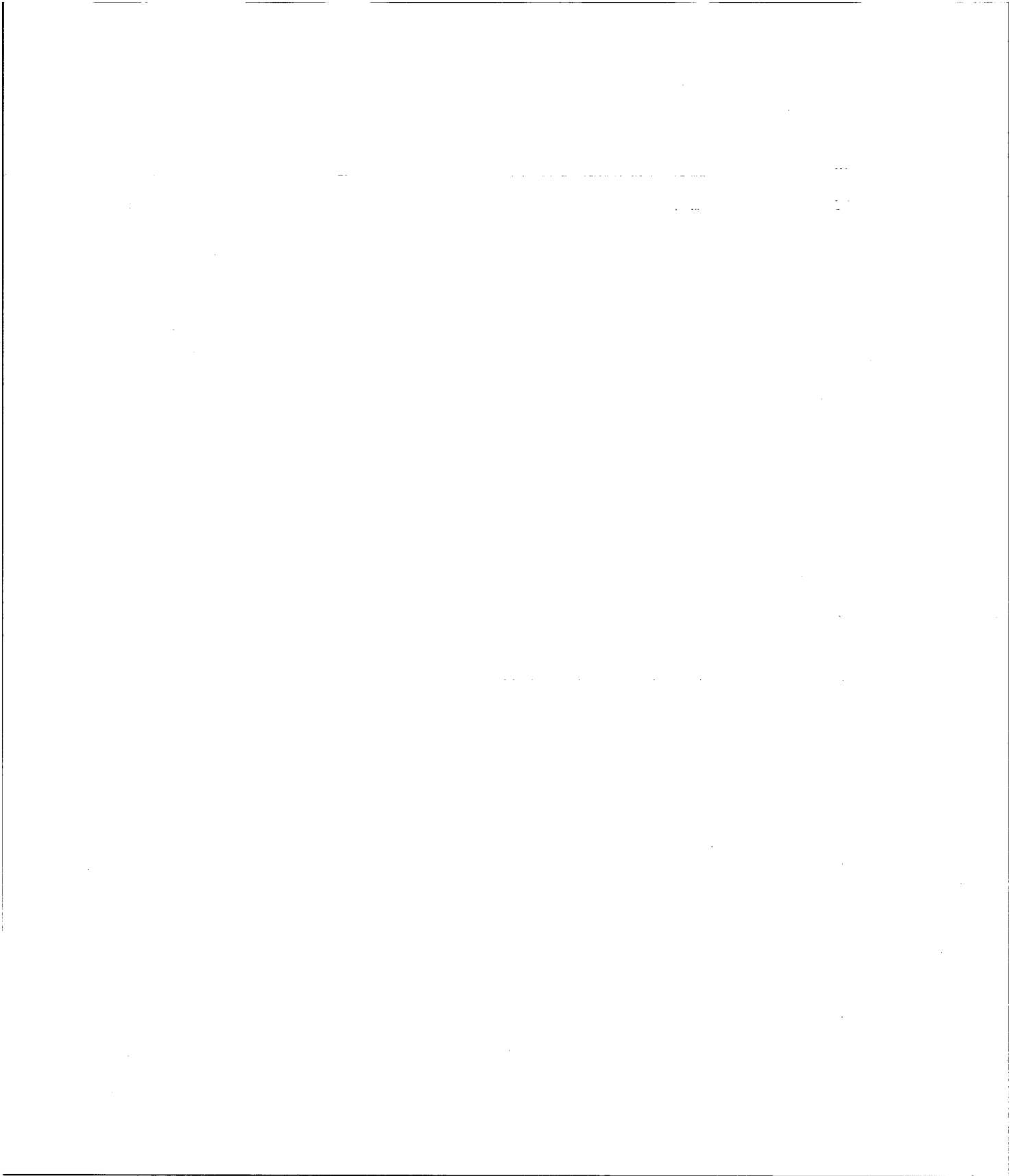
*Income*

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

*Contributions, donations and legacies*

Income earned from contributions, donations and legacies comprises of:

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



**NOTES TO THE FINANCIAL STATEMENTS - continued**

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

**(c) Revenue recognition - continued**

*Grant income*

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

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

*Pension levy income*

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

*Long stay income*

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

*Earned from other trading activities*

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

*Other income*

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

**Donated services and facilities**

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

**Deferred income**

Grants relating to expenditure to be incurred in a future accounting period received in advance are deferred and recognised in the period to which they relate.

**(d) Funds**

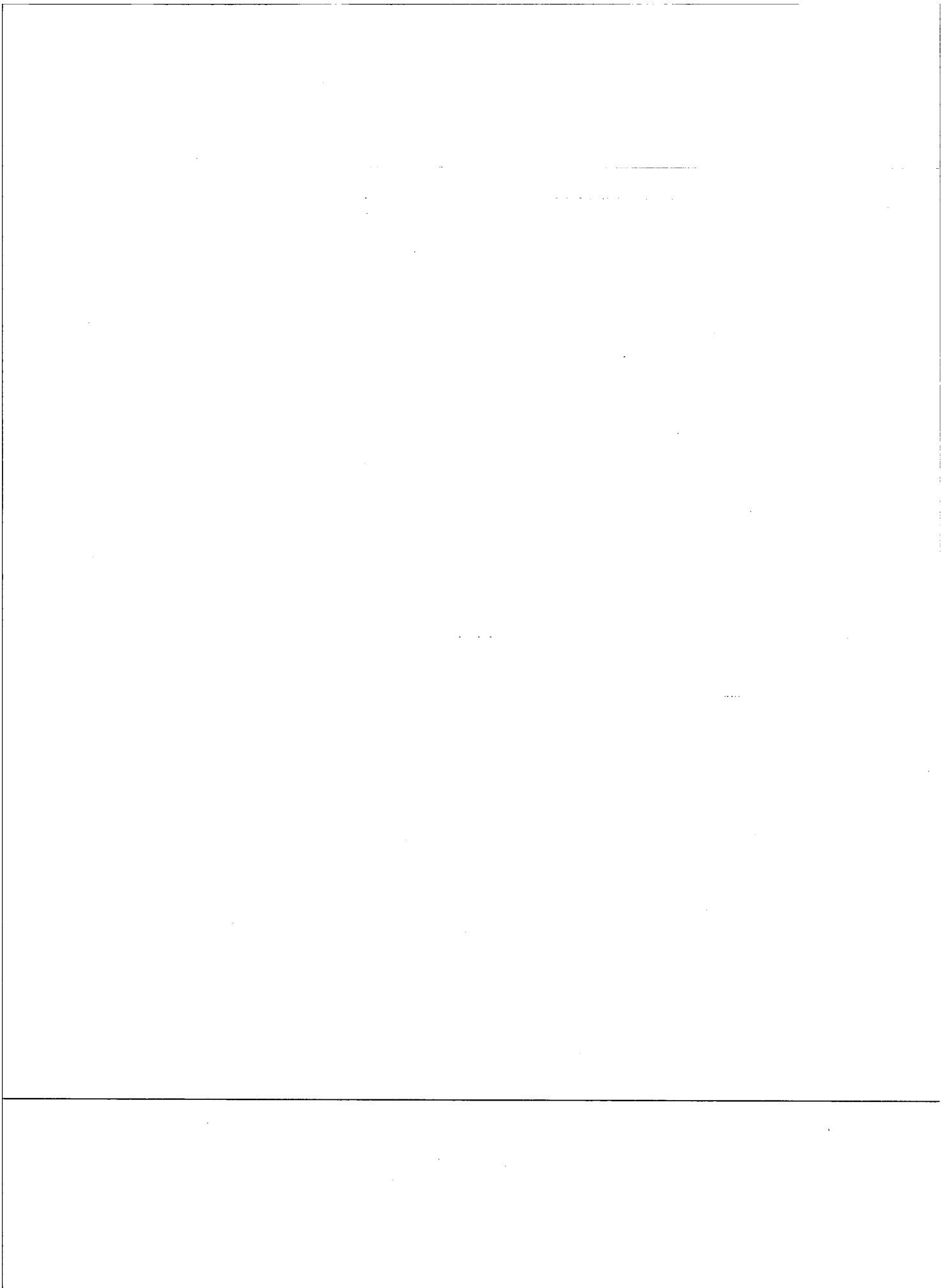
All transactions of the organisation have been recorded and reported as income into or expenditure from funds which are designated as "restricted", "endowment" or "unrestricted".

**Restricted funds**

Income is treated as restricted where the donor has specified that it may only be used for a particular purpose or where it has been raised for a particular purpose. All other income is treated as unrestricted. Expenditure is treated as being made out of restricted funds to the extent that it meets the criteria specified by the donor or the terms under which it was raised. All other expenditure is treated as unrestricted.

**Unrestricted funds**

Saint John of Gods Community Services consider that the revenue allocation received from the Health Service Executive in accordance with the service level agreements between the various Saint John of God services and the HSE is unrestricted income and relates to the core objective of providing services in accordance with the overall charity objectives and service level agreements. In the case of certain Service users patients, Saint John of God Community Services Limited invoice the HSE separately for specific charges and increments relating to the individual. This income also forms part of unrestricted funds.



**NOTES TO THE FINANCIAL STATEMENTS - continued**

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

**(d) Funds - continued**

**Endowment funds**

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

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

**(e) Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

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

**(f) Allocation of support costs**

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

**(g) Employee benefits**

The company provides a range of benefits to employees, including short term employee benefits such as paid holiday arrangements and post-employment benefits (in the form of defined contribution pension plans).

*(i) Short term benefits*

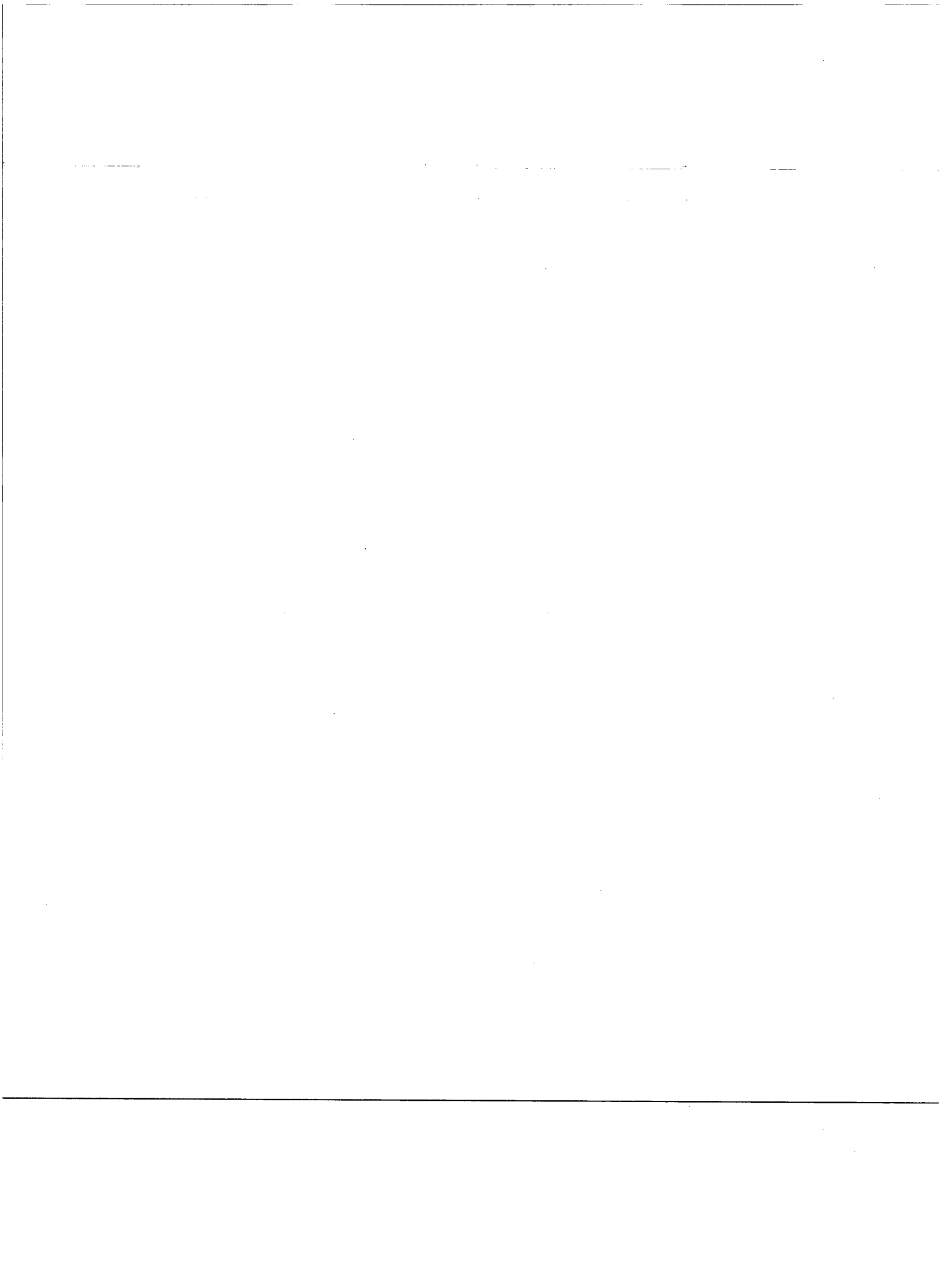
Short term employee benefits, including paid holiday arrangements and other similar non-monetary benefits, are recognised as an expense in the financial year in which employees render the related service.

*(ii) Defined contribution pension plans*

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

**NHASS**

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



**NOTES TO THE FINANCIAL STATEMENTS - continued**

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

**(g) Employee benefits - continued**

*(ii) Defined contribution pension plans - continued*

**NHASS - continued**

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

**SPSPS**

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

**(h) Income tax**

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

**(i) Current investments**

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

**(j) Stocks**

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

Stock in the company consists of both raw materials, finished goods and goods for resale.

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

**(k) Cash and cash equivalents**

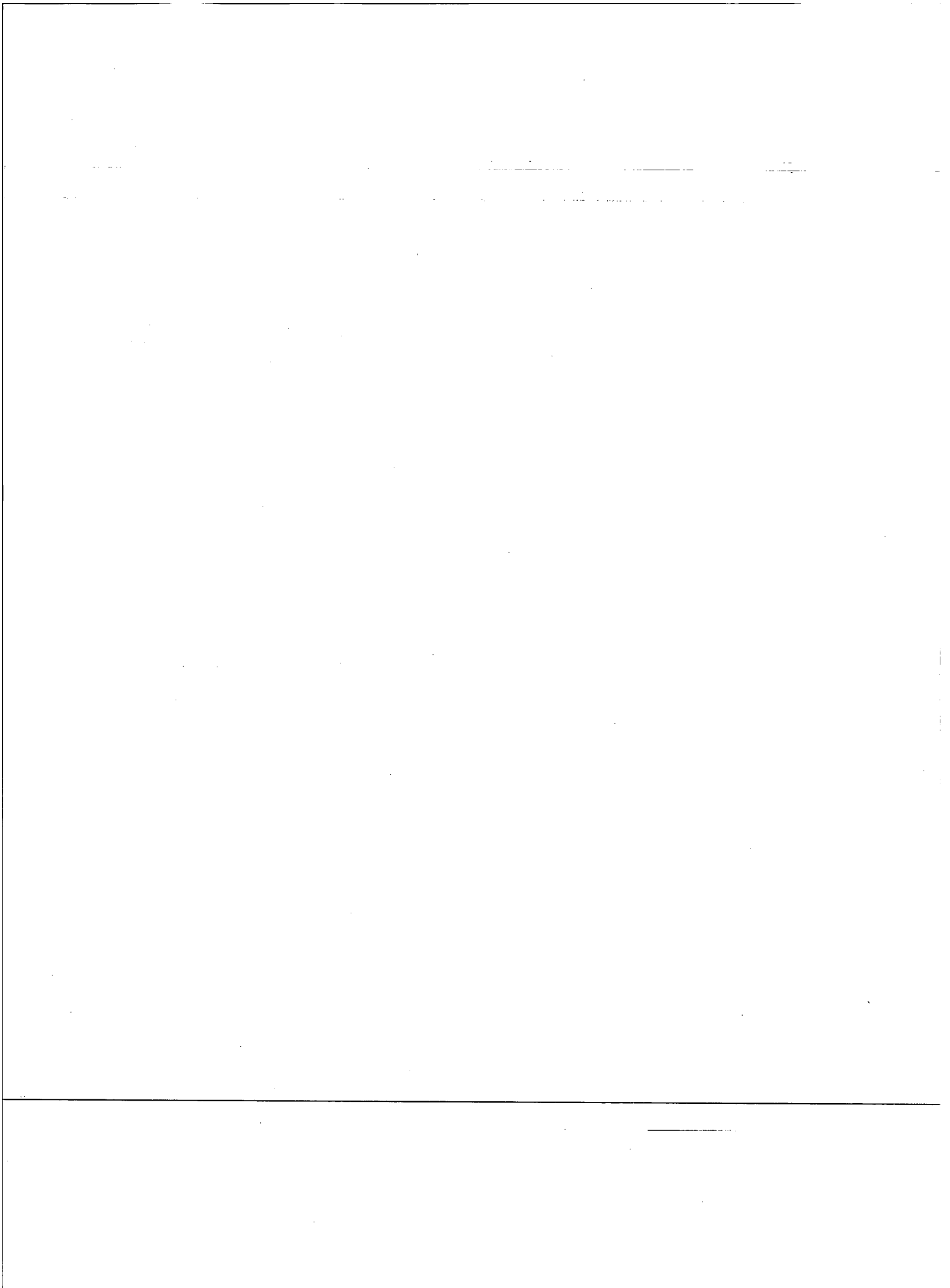
Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities. Cash and cash equivalents are initially measured at transaction price and subsequently measured at amortised cost.

Bank deposits which have original maturities of more than three months are not cash and cash equivalents and are presented as current asset investments.

**(l) Provisions and contingencies**

Provisions are liabilities of uncertain timing or amount.

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that a transfer of economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.





**NOTES TO THE FINANCIAL STATEMENTS - continued**

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

**(l) Provisions and contingencies - continued**

Contingent liabilities, arising as a result of past events, are not recognised as a liability because it is not probable that the company will be required to transfer economic benefits in settlement of the obligation or the amount cannot be reliably measured at the end of the financial year. Possible but uncertain obligations are not recognised as liabilities but are contingent liabilities. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

**(m) Financial instruments**

The company has chosen to apply the provisions of Sections 11 and 12 of FRS 102 to account for all of its financial instruments.

*(i) Financial assets*

Basic financial assets, including trade and other debtors, cash and cash equivalents, and short-term deposits, are initially recognised at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial asset is initially measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

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

At the end of each financial year financial assets measured at amortised cost are assessed for objective evidence of impairment. If there is objective evidence that a financial asset measured at amortised cost is impaired an impairment loss is recognised in profit or loss. The impairment loss is the difference between the financial asset's carrying amount and the present value of the financial asset's estimated cash inflows discounted at the asset's original effective interest rate.

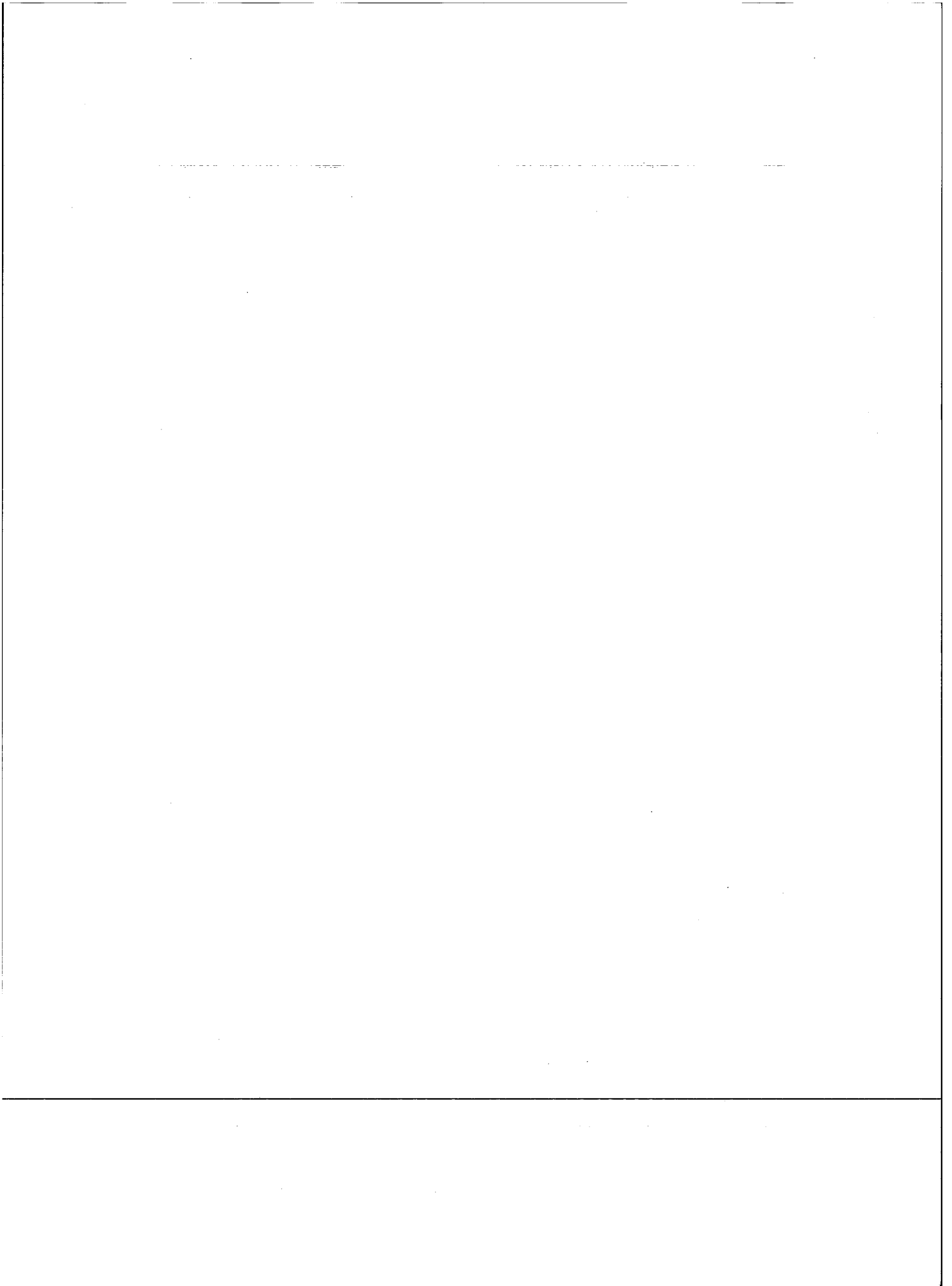
If in a subsequent financial year, the amount of an impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised the previously recognised impairment loss is reversed. The reversal is such that the current carrying amount does not exceed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

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

*(ii) Financial liabilities*

Basic financial liabilities, including trade and other creditors, bank loans, and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial liability is initially measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

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



**NOTES TO THE FINANCIAL STATEMENTS - continued**

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

**(n) Foreign currency**

*(i) Functional and presentation currency*

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

*(ii) Transactions and balances*

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

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

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

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

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

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

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

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

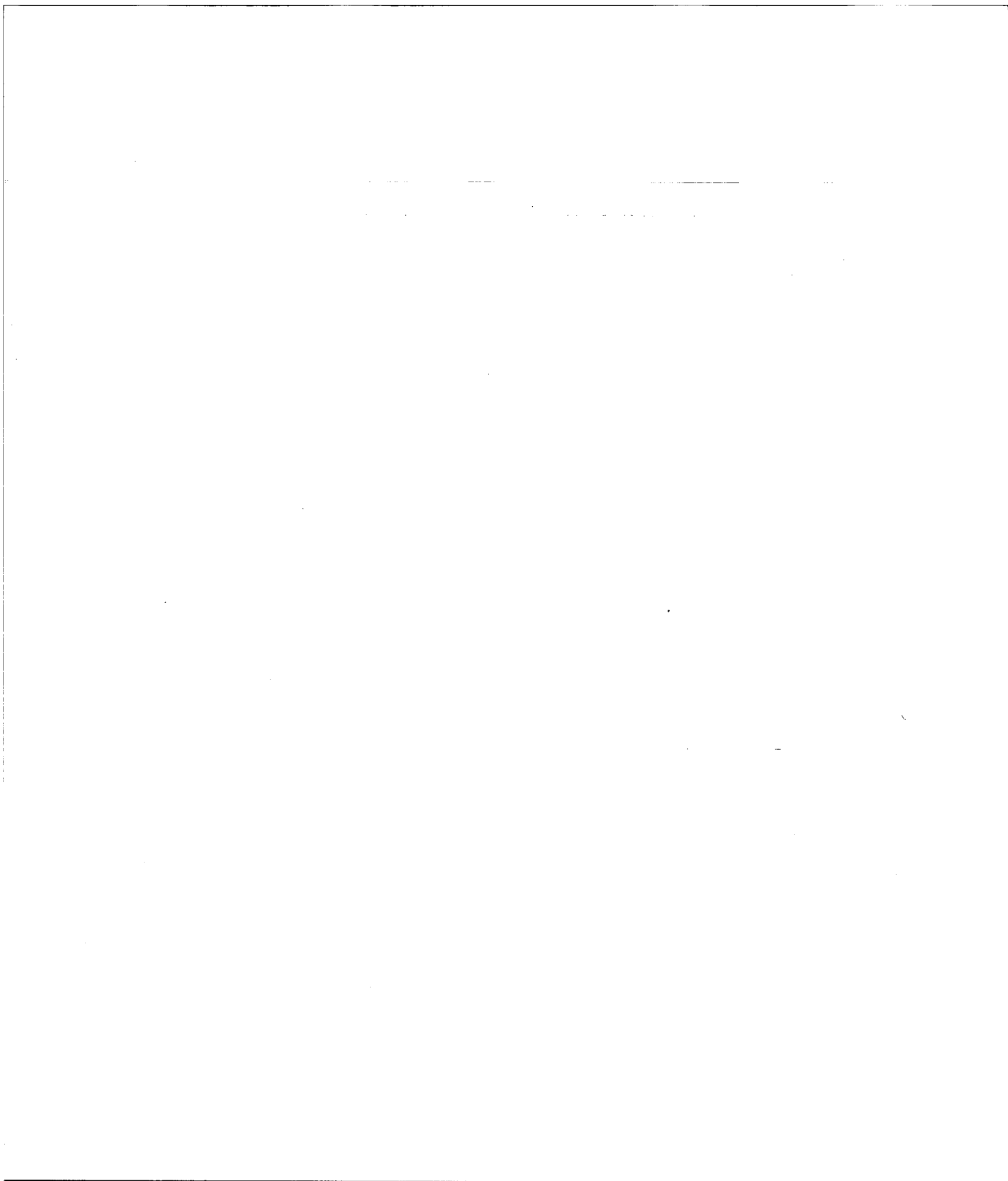
**5 Critical accounting judgements and estimation uncertainty**

Estimates and judgements made in the process of preparing the charity entity financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

**(i) Impairment of debtors**

The directors make an assessment at the end of each financial year of whether there is objective evidence that debtors are recoverable. When assessing impairment of such debtors, the directors consider factors including the current credit rating of the debtor, the age profile of outstanding invoices, recent correspondence and historical experience of cash collections from the debtor. See note 20 for the net-carrying amount of the debtors and the impairment loss recognised in the financial year.



NOTES TO THE FINANCIAL STATEMENTS - continued

5 Critical accounting judgements and estimation uncertainty - continued

(ii) Valuation of non-exchange transactions

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

(iii) Fair value of properties transferred

On 22 December 2015, the West European Province of Saint John of God transferred a number of property assets to Saint John of Gods Community Services Limited for a nominal consideration. As the receipt of the properties is considered to be a donation from a connected party, the properties have been included in the financial statements of Saint John of Gods Community Services Limited at their fair value. Fair value has been determined by management using the assistance of independent professional valuers CBRE, and is based on the market value of the relevant properties calculated on an existing use basis and applying the red book valuation rules. The assets transferred related only to assets which had previously been grant funded by a grant awarding body. In some cases only part of the relevant assets had been grant funded, and in these cases, only the element of the asset which was grant funded was transferred and included at a valuation in the Saint John of God Community Services Limited accounts. Property valuations and the assumptions used to arrive at such valuations are by their nature judgemental.

(iv) Tangible fixed assets depreciation

*Useful economic lives of tangible fixed assets*

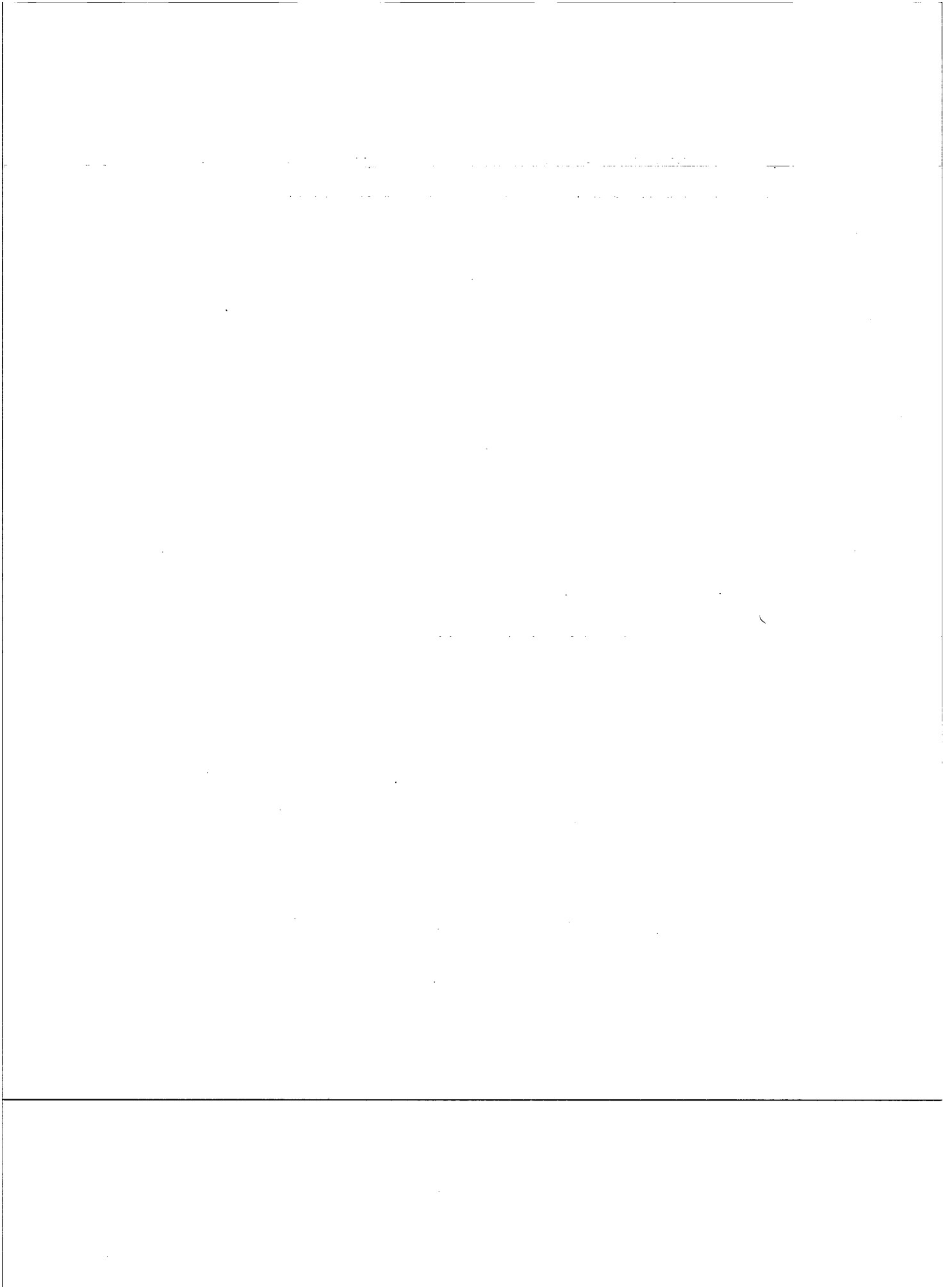
The annual depreciation on tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reviewed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 17 for the carrying amount of the tangible fixed assets,

6 Contributions, donations and legacies	Restricted €	Unrestricted €	Total €
<b>2015</b>			
Contribution from Hospitaller Ministries	-	3,996,220	3,996,220
Donations and fundraising	261,644	123,009	384,653
	<u>261,644</u>	<u>4,119,229</u>	<u>4,380,873</u>
<b>2014</b>			
Contribution from Hospitaller Ministries	-	1,113,895	1,113,895
Donations and fundraising	301,656	1,119,734	1,421,390
	<u>301,656</u>	<u>2,233,629</u>	<u>2,535,285</u>



NOTES TO THE FINANCIAL STATEMENTS - continued

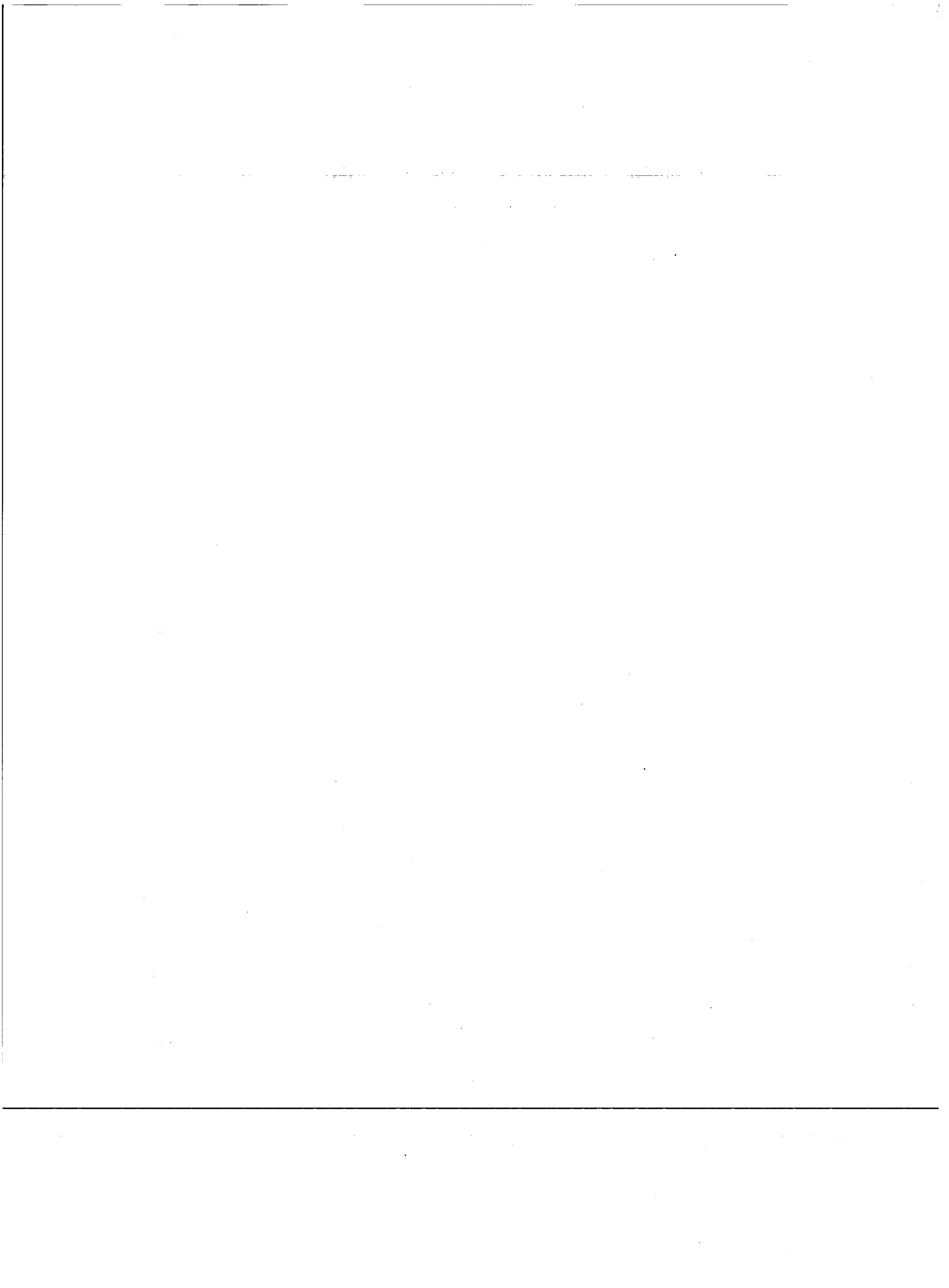
7 Earned from charitable activities	Restricted €	Unrestricted €	Total €
<b>2015</b>			
Grant income - Genio	47,041	-	47,041
Grant Income - National Lottery	56,090	-	56,090
Dept of Social Protection	-	1,134,919	1,134,919
Dept of Education	-	75,819	75,819
Health Service Executive Allocation	-	126,765,031	126,765,031
Health Service Executive Income	35,000	4,460,320	4,495,320
Pension levy income	-	6,783,912	6,783,912
Long stay income	-	2,190,482	2,190,482
Other income	-	14,504	14,504
	<u>138,131</u>	<u>141,424,987</u>	<u>141,563,118</u>
<b>2014</b>			
Grant income - Genio	102,878	-	102,878
Grant Income - National Lottery	13,240	2,101	15,341
Dept of Social Protection	1,056	1,156,483	1,157,539
Dept of Education	-	101,228	101,228
Health Service Executive Allocation	-	123,135,120	123,135,120
Health Service Executive Income	-	2,393,308	2,393,308
Pension levy income	-	6,841,774	6,841,774
Long stay income	-	2,437,630	2,437,630
Other income	-	19,991	19,991
	<u>117,174</u>	<u>136,087,635</u>	<u>136,204,809</u>
<b>8 Earned from other trading activities</b>			
	Restricted €	Unrestricted €	Total €
<b>2015</b>			
Canteen receipts	-	477,205	477,205
Sundry income	117,139	659,224	776,363
Farm and workshop income	-	288,069	288,069
Swimming pool	-	256,409	256,409
	<u>117,139</u>	<u>1,680,907</u>	<u>1,798,046</u>
<b>2014</b>			
Canteen receipts	-	500,002	500,002
Sundry income	26,338	973,070	999,408
Farm and workshop income	-	252,640	252,640
Swimming pool	-	197,217	197,217
Crèche income	-	55,205	55,205
	<u>26,338</u>	<u>1,978,134</u>	<u>2,004,472</u>





NOTES TO THE FINANCIAL STATEMENTS - continued

9 Other income	Restricted €	Unrestricted €	Total €
<b>2015</b>			
Nominated Health Agencies Superannuation Scheme	-	6,274,243	6,274,243
Rental income	-	56,208	56,208
	<u>-</u>	<u>6,330,451</u>	<u>6,330,451</u>
<b>2014</b>			
Nominated Health Agencies Superannuation Scheme	-	6,310,544	6,310,544
Rental income	-	56,084	56,084
	<u>-</u>	<u>6,366,628</u>	<u>6,366,628</u>
<b>10 Expenditure on charitable activities</b>			
	Restricted €	Unrestricted €	Total €
<b>2015</b>			
Pay	105,038	116,963,523	117,068,561
Drugs Medical Support	8,965	2,791,114	2,800,079
Catering	136	2,087,615	2,087,751
Heat, Power and Light	-	2,396,141	2,396,141
Cleaning and Washing	-	1,439,449	1,439,449
Household	73,727	537,644	611,371
Maintenance	95,342	2,837,847	2,933,189
Transport and Travel	117,973	2,635,166	2,753,139
Computers and Office Expenses	1,628	2,610,971	2,612,599
Rent and Rates	-	1,047,093	1,047,093
Professional Services	71,338	1,126,695	1,198,033
Psychiatric In-Hospital Beds	-	4,459,741	4,459,741
Nursing Diploma	-	331,848	331,848
Fire and Security Alarms	28,685	557,873	586,558
Miscellaneous	14,082	958,326	972,408
Support costs (note 12)	-	4,634,478	4,634,478
Governance Costs (note 12)	-	111,844	111,844
	<u>516,914</u>	<u>147,527,368</u>	<u>148,044,282</u>

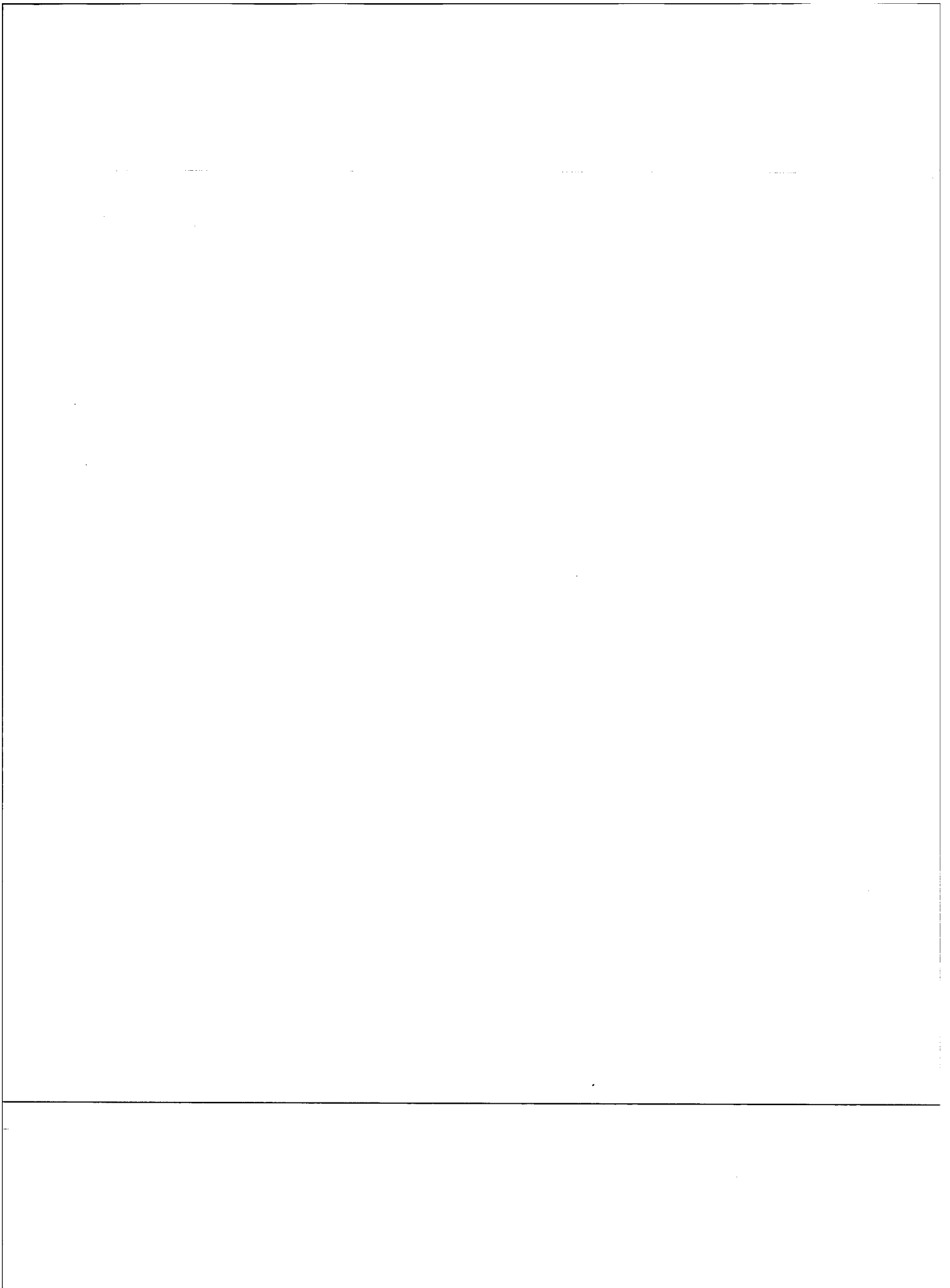


**Saint John of God Community Services Limited**

**NOTES TO THE FINANCIAL STATEMENTS - continued**

<b>10 Expenditure on charitable activities - continued</b>	<b>Restricted €</b>	<b>Unrestricted €</b>	<b>Total €</b>
<b>2014</b>			
Pay	100,735	114,280,072	114,380,807
Drugs Medical Support	-	3,062,482	3,062,482
Catering	-	2,106,168	2,106,168
Heat, Power and Light	-	2,381,518	2,381,518
Cleaning and Washing	-	1,310,292	1,310,292
Household	68,777	584,424	653,201
Maintenance	94,430	3,158,389	3,252,819
Transport and Travel	100,767	2,533,266	2,634,033
Computers and Office Expenses	3,204	2,604,806	2,608,010
Rent and Rates	-	972,037	972,037
Professional Services	32,290	1,061,063	1,093,353
Psychiatric In-Hospital Beds	-	3,808,326	3,808,326
Nursing Diploma	-	331,981	331,981
Fire and Security Alarms	24,986	515,175	540,161
Miscellaneous	19,979	729,040	749,019
Support costs (note 12)	-	4,436,929	4,436,929
Governance Costs (note 12)	-	108,590	108,590
	<u>445,168</u>	<u>143,984,558</u>	<u>144,429,726</u>

<b>11 Other expenditure</b>	<b>Restricted €</b>	<b>Unrestricted €</b>	<b>Total €</b>
<b>2015</b>			
NHASS	-	9,529,210	9,529,210
	-	<u>9,529,210</u>	<u>9,529,210</u>
<b>2014</b>			
NHASS	-	8,294,020	8,294,020
	-	<u>8,294,020</u>	<u>8,294,020</u>



**Saint John of God Community Services Limited**

**NOTES TO THE FINANCIAL STATEMENTS - continued**

**12 Analysis of governance and support costs**

	Charitable Activities	
	Support costs	Governance costs
	€	€
<b>2015</b>		
Pay - finance	1,692,147	-
Pay - human resources	1,104,693	-
Pay - information and communications technology	847,315	-
Computers and office expenses	616,951	-
Professional services	218,360	111,844
Transport and travel	54,180	-
Other support costs	100,832	-
	<u>4,634,478</u>	<u>111,844</u>
<b>2014</b>		
Pay - finance	1,686,602	-
Pay - human resources	1,035,374	-
Pay - information and communications technology	879,208	-
Computers and office expenses	595,279	-
Professional services	66,659	108,590
Transport and travel	64,259	-
Other support costs	109,548	-
	<u>4,436,929</u>	<u>108,590</u>

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

**13 Operating expenses**

2015	2014
€	€

The following operating expenses have been recognised:

Directors' remuneration

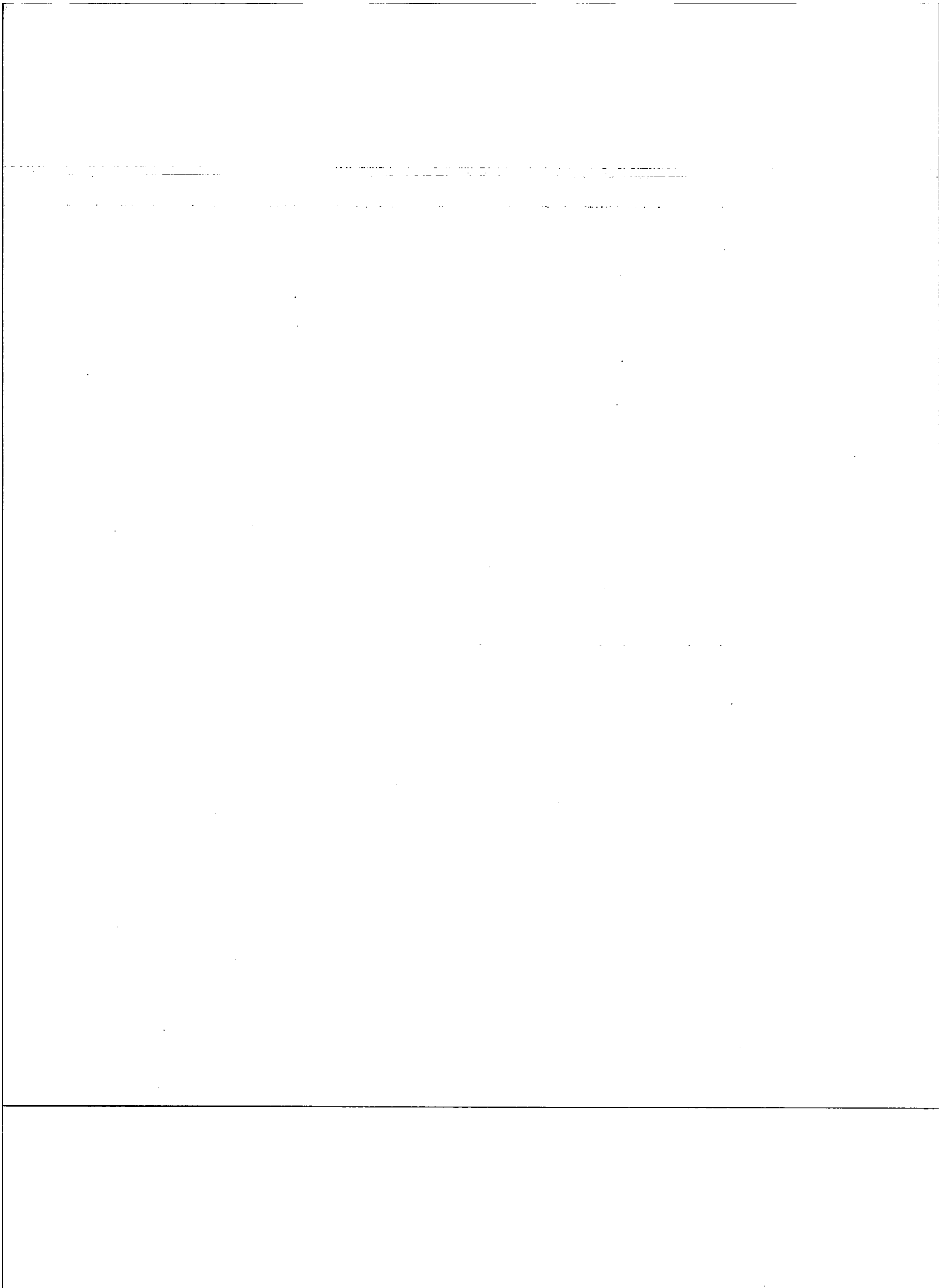
*Emoluments:*

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

*Pension:*

- For services as directors	-	-
- For other services	38,282	38,282

Cost share allocation (note 26)	(1,410,936)	(1,411,509)
Subsidy from Hospitaller Ministries (note 26)	<u>(3,996,220)</u>	<u>(1,113,895)</u>



NOTES TO THE FINANCIAL STATEMENTS - continued

13 Operating expenses - continued

**Auditors' remuneration**

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

	2015 €	2014 €
Audit of entity financial statements	90,930	88,285
Other assurance services	21,000	-
Other non-audit services	-	-
	<u>111,930</u>	<u>88,285</u>

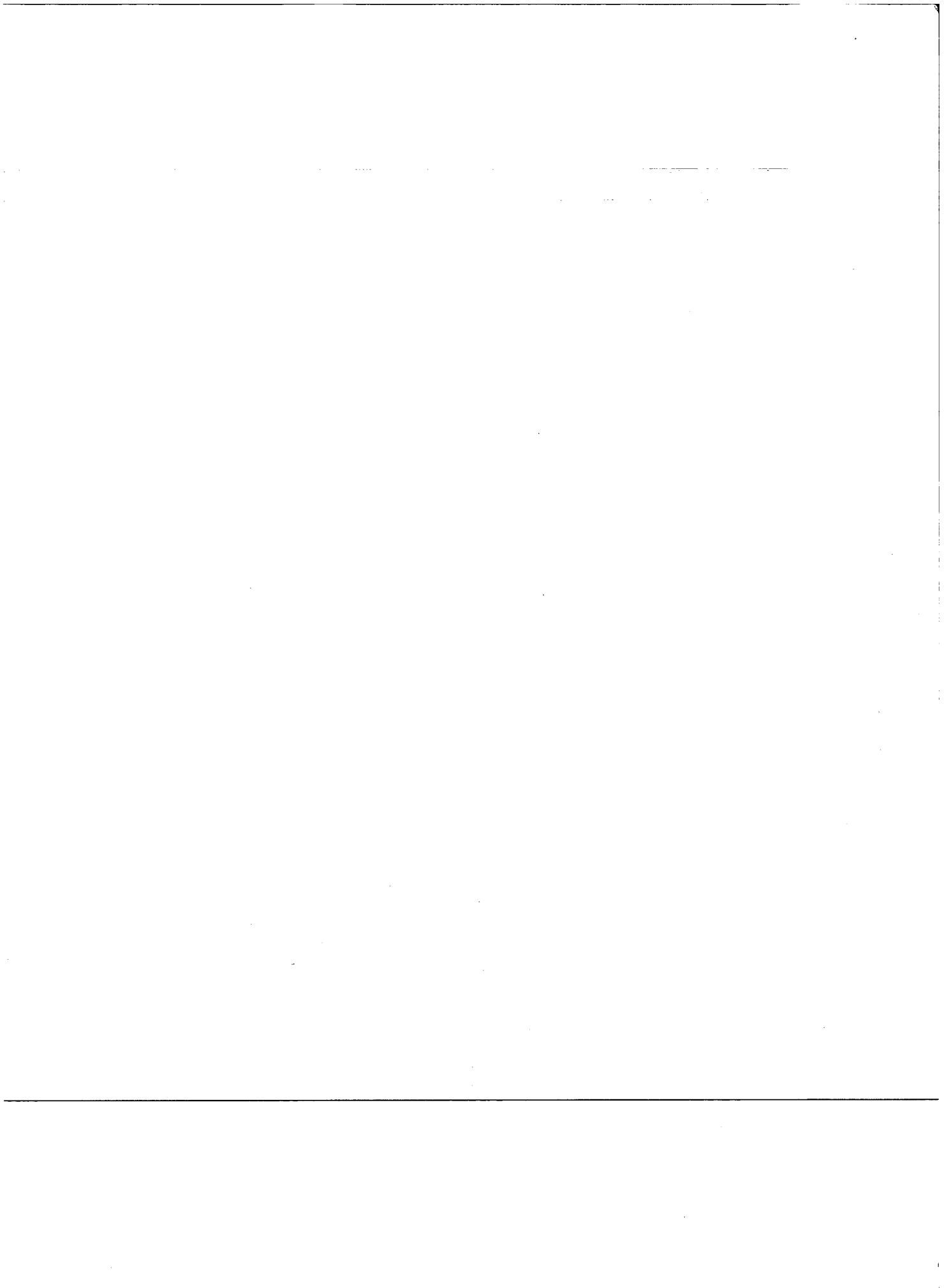
14 Employees and directors

(i) **Employees**

The average number of persons employed by the company during the financial year was 2,160 (2014: 2,128)

	2015 €	2014 €
Staff costs comprise:		
Wages and salaries	110,401,374	107,787,519
Social insurance costs	10,234,478	10,189,472
Other retirement benefit costs	9,529,210	8,294,020
Termination payments	76,864	5,000
<b>Staff costs</b>	<u>130,241,926</u>	<u>126,276,011</u>

	Number of employees 2015	Number of employees 2014
<b>Salary range (excluding pension contributions):</b>		
240,000 - 249,999	-	1
230,000 - 239,999	1	-
220,000 - 229,000	1	1
210,000 - 219,000	1	1
200,000 - 209,999	1	2
190,000 - 199,999	2	2
180,000 - 189,999	1	1
170,000 - 179,999	3	4
160,000 - 169,999	1	-
150,000 - 159,999	-	-
140,000 - 149,999	2	-
130,000 - 139,999	-	-
120,000 - 129,999	-	-
110,000 - 119,999	3	2
100,000 - 109,999	10	11
90,000 - 99,999	8	9
80,000 - 89,999	21	13
70,000 - 79,999	41	43
	<u>96</u>	<u>90</u>





NOTES TO THE FINANCIAL STATEMENTS - continued

14 Employees and directors - continued

(i) Employees - continued

In the year, 96 staff earning in excess of €70,000 p.a. (2014: 90) participated in the defined contribution pension scheme. Contributions totalling €nil were made in respect of these employees (€nil in 2014).

The salary bands from €70,000 to €249,999 above include, Clinical Director and Consultant Psychologists for the child and adult mental health service and for the intellectual disability services and the leadership teams of the five regions. It also includes salary, premiums and overtime for nurse managers, nurses and other staff who work weekends and bank holidays which is needed as part of running a residential service.

The average number of persons employed by the company during the financial year was 2,165 (2014: 2,131).

	2015 Number	2014 Number
Management/administration	158	169
Medical/dental	41	48
Nursing	1,340	1,307
Health and social care professionals	468	439
General support services	158	168
	<u>2,165</u>	<u>2,131</u>

(ii) Directors/trustees

Trustees received no remuneration (2014: €Nil) or expenses (2014:€Nil) during the reporting period.

There were no loans advanced to directors/trustees during the year and no loans outstanding at 31 December 2015.

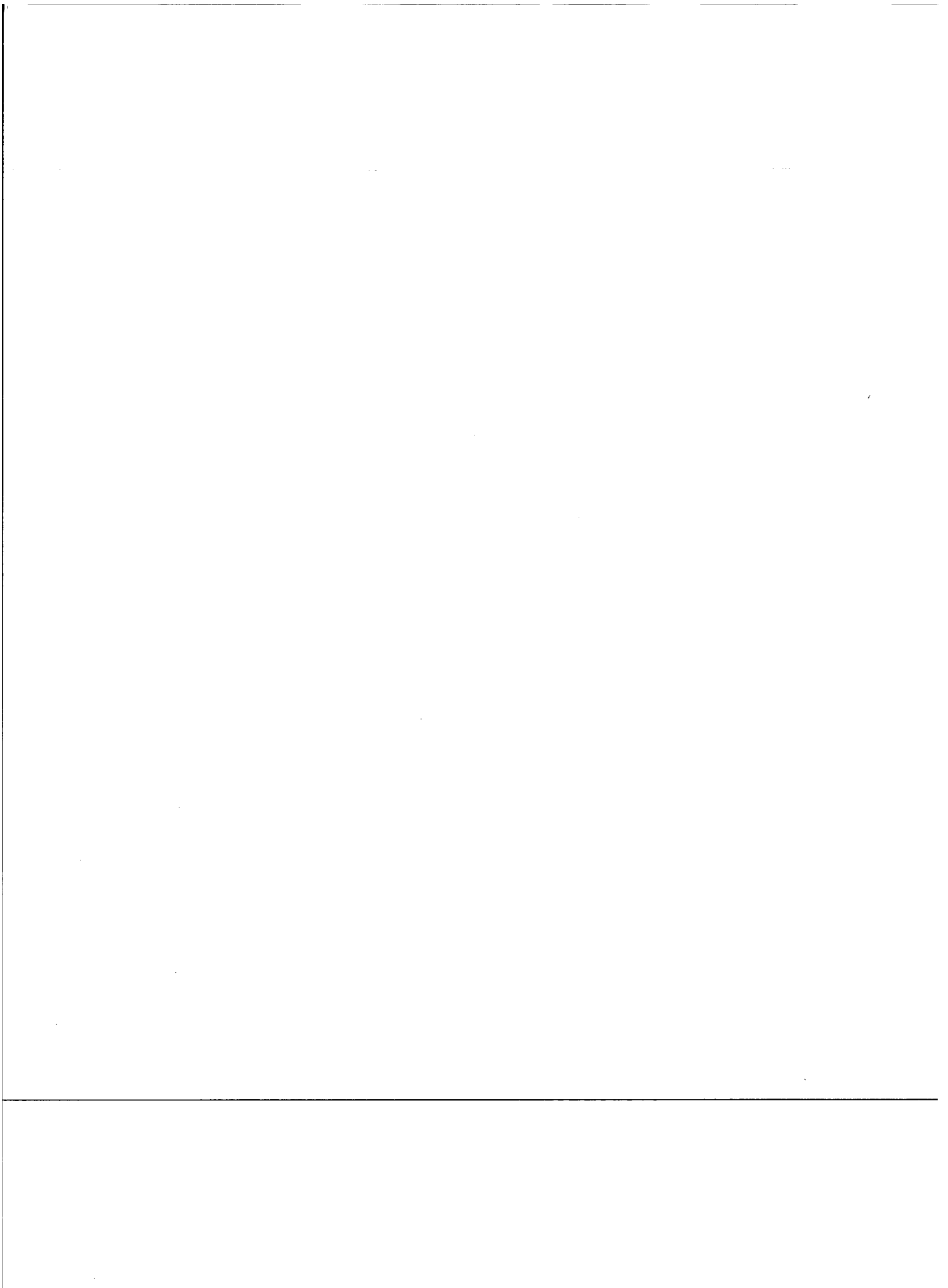
(iii) Key management compensation

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

	2015 €	2014 €
Salaries and other short-term benefits	4,254,440	4,045,353
Post-employment benefits	-	-
<b>Total key management compensation</b>	<u>4,254,440</u>	<u>4,045,353</u>

15 Tax

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



NOTES TO THE FINANCIAL STATEMENTS - continued

16 Post-employment benefits

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

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

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

In the year ending 31 December 2015 the company received €6,274,243 (2014: €6,310,544) in contributions from members of the NHASS. The company also received €2,085,233 (2014:€2,085,233) from the HSE in respect of the NHASS costs, this amount is included with the main revenue grant received from the HSE during the year. €9,529,210 (2014: €8,294,020) was paid out in lump sums, death gratuities and pensions during the year. All of these amounts are included in the Statement of Financial Activities. The company is in active negotiations with the HSE in relation to the recovery of the deficit on lump sums, which has been borne by the company in the interim period.

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

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

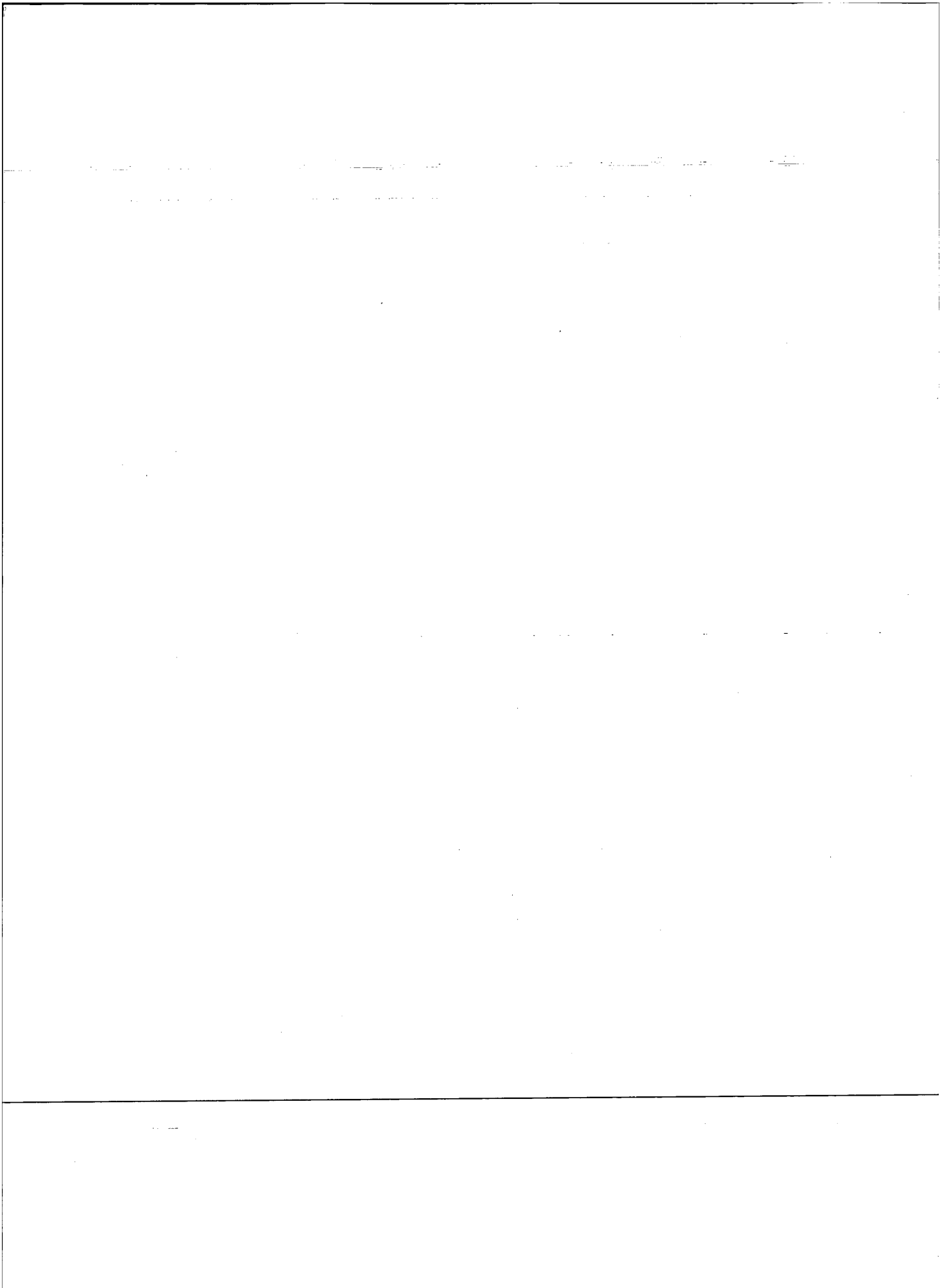
With effect from 1 January 2013 the Single Public Service Pension Scheme (SPSPS) commenced. Most new employees will be members of the Single Public Service Pension Scheme (SPSPS) which will provide Consumer Price Index linked defined benefit pensions based on career average pay. The directors believe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

17 Tangible fixed assets	2015	2014
	€	€
Transfer in at fair value	<u>20,577,936</u>	<u>-</u>

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

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

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



NOTES TO THE FINANCIAL STATEMENTS - continued

17 Tangible assets - continued

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

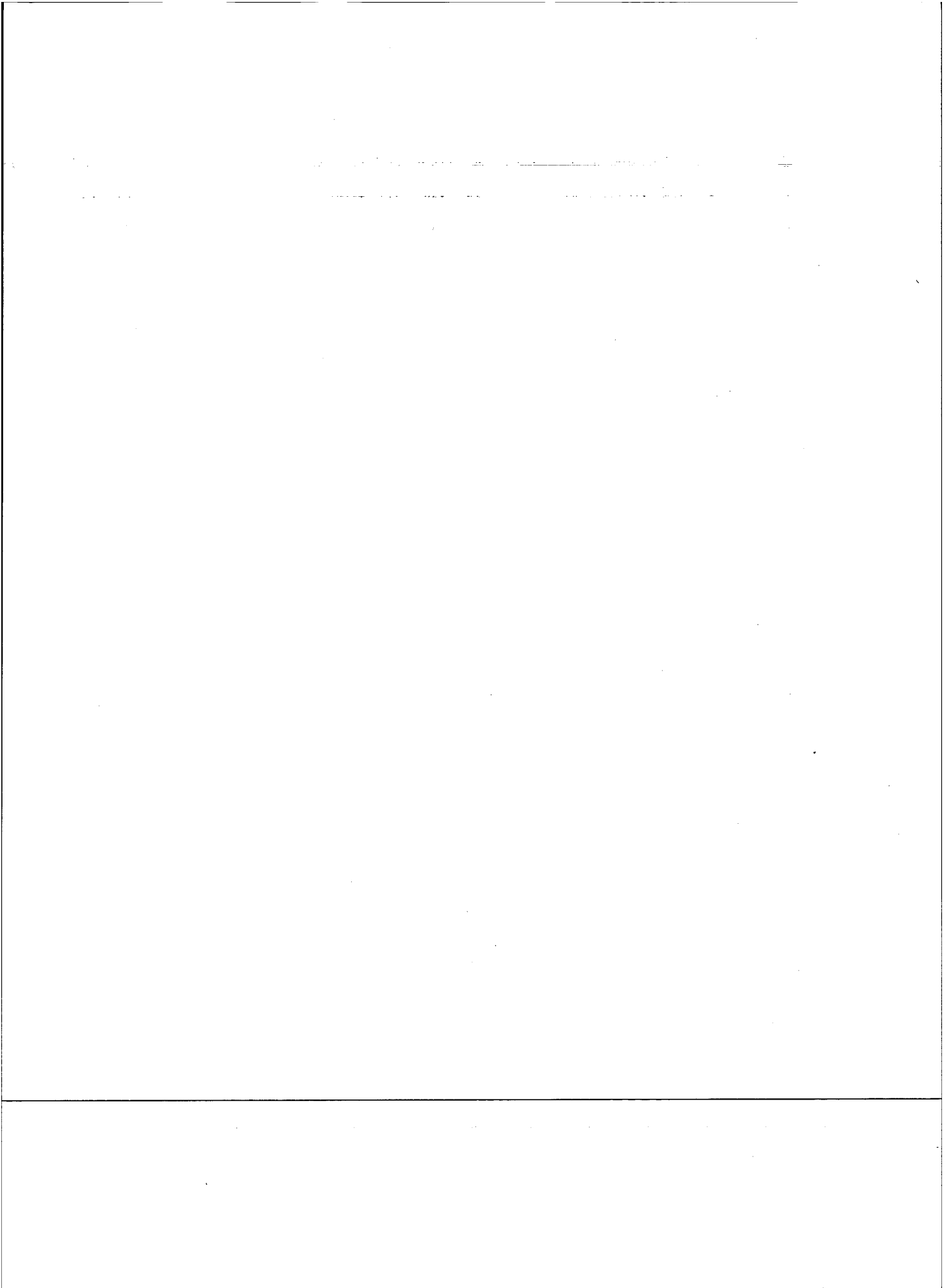
The properties were valued by CBRE Ireland on the basis of Fair Value on an existing use basis, as at 31 December 2015.

18 Investments	Total €
Cost at 1 January 2014	1,981
Disposals	(254)
<b>Cost at 31 December 2014</b>	<b><u>1,727</u></b>
Cost at 1 January 2015	1,727
Disposals	(1,600)
<b>Cost at 31 December 2015</b>	<b><u>127</u></b>

19 Stocks	2015 €	2014 €
Raw materials and consumables	5,525	9,622
Finished goods and goods for resale	212,702	168,100
	<b><u>218,227</u></b>	<b><u>177,722</u></b>

20 Debtors and prepayments	2015 €	2014 €
Amounts falling due within one year:		
Debtors and prepayments (including provisions of €nil)	1,361,491	1,169,642
Amounts due from HSE	6,592,220	4,809,988
Amounts owed by affiliates and related parties (note 26)	1,453,505	3,578,832
	<b><u>9,407,216</u></b>	<b><u>9,558,462</u></b>

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



**NOTES TO THE FINANCIAL STATEMENTS - continued**

<b>21 Creditors - amounts falling due in less than one year</b>	2015	2014
	€	€
Trade creditors	1,052,780	1,272,134
Amounts owed to affiliates and related parties (note 26)	1,100,578	5,004,538
Income tax deducted under PAYE and PRSI	3,008,343	2,768,474
VAT due to revenue commissioners	56	2,501
Bank overdraft	732,466	-
Accruals	7,812,121	7,251,070
	<u>13,706,344</u>	<u>16,298,717</u>

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

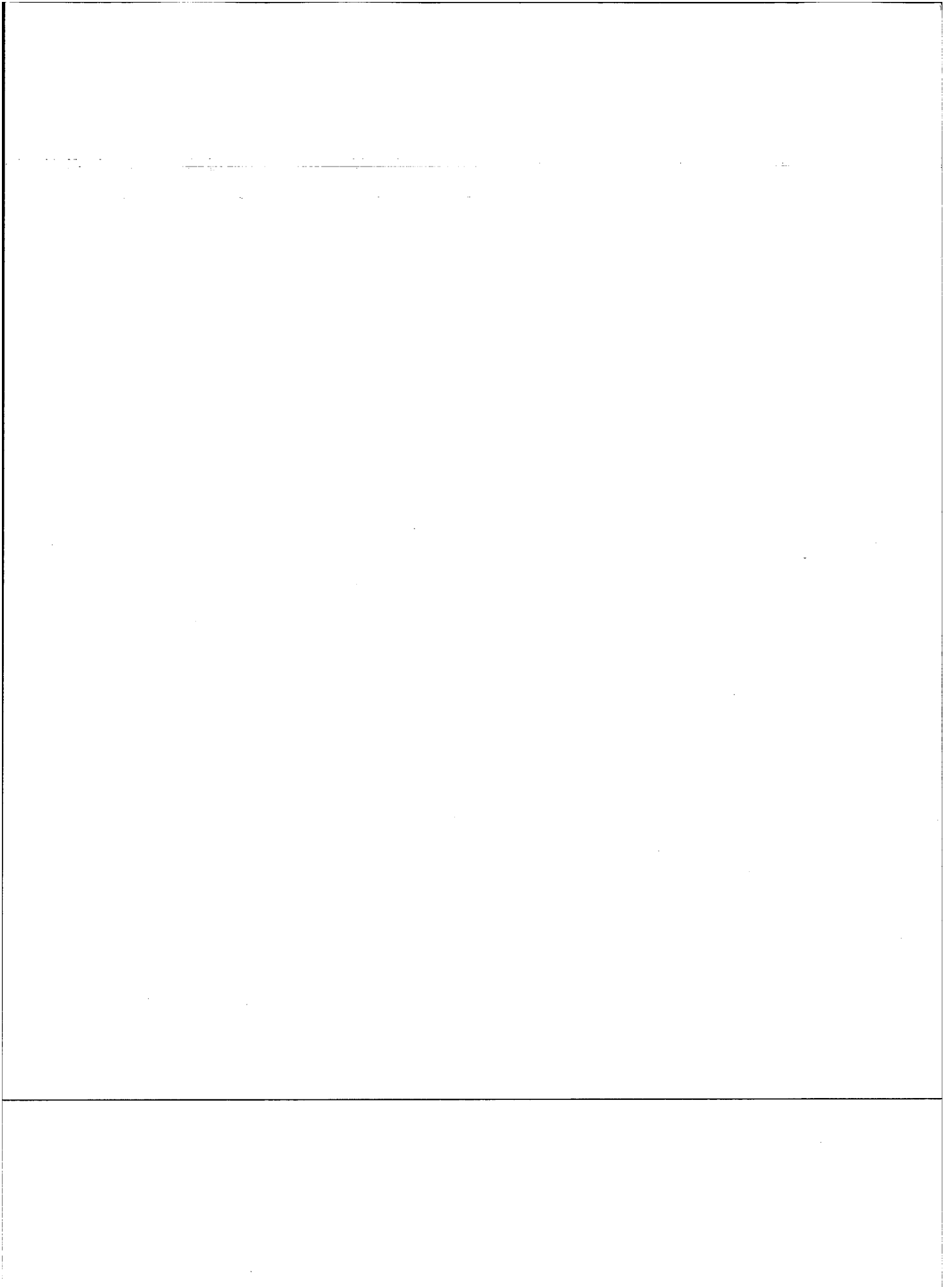
Amounts due to related parties are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

<b>22 Reconciliation of net expenditure to cash outflow from operating activities</b>	2015	2014
	€	€
Net income/(expenditure) for the reporting period (per SOFA)	22,076,932	(5,586,723)
<b>Adjustments for:</b>		
Transfer of fixed assets	(20,577,936)	-
Decrease/(increase) in debtors	151,246	(478,906)
(Decrease)/increase in creditors	(3,324,839)	4,681,782
Decrease in stocks	(40,505)	(30,354)
Net cash (used in)/provided by operating activities	<u>(1,715,102)</u>	<u>(1,414,201)</u>

**23 Contingent liabilities, commitments and guarantees**

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

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





NOTES TO THE FINANCIAL STATEMENTS - continued

24 Controlling body

The directors consider the Hospitaller Order of Saint John of God – West European Province to be the controlling party of the company.

25 Events since the end of the financial year

There are no subsequent events for disclosure.

26 Related party transactions

The following entities are deemed related parties as they avail of the central management function provided by the Saint John of God Community Services Limited. At the end of the year, Saint John of God Community Services Limited had the following balances with related parties.

	2015	2014
	€	€
<b>Amounts receivable from related parties:</b>		
Hospitaller Order of Saint John of God, West European Province	-	2,036,176
Saint John of God Hospital Limited	1,176,678	1,527,056
Saint John of God Housing Association Limited	276,827	15,600
	<u>1,453,505</u>	<u>3,578,832</u>
<b>Amounts payable to related parties:</b>		
Hospitaller Order of Saint John of God, West European Province	1,093,470	5,000,000
Saint John of God Research Foundation Limited	7,108	4,538
	<u>1,100,578</u>	<u>5,004,538</u>

Saint John of God Hospital Limited provides beds for Saint John of God Community Services Limited (Cluain Mhuire Service and Lucena Service) and the costs are charged from Saint John of God Hospital Limited to Saint John of God Community Services Limited. The cost of this is €3,784,030 (2014: €3,437,821). The Health Service Executive funds a nursing education programme and the Saint John of God Hospital Limited are involved in delivering aspects of this at a cost of €331,848 (2014: €331,981).

Transactions with Saint John of God Research Foundation Limited relate to reimbursement of salary expenses which amount to €42,548 (2014: €59,201).

Certain costs incurred in the running of the company are shared with other entities within the Order of Saint John of God and administered by Saint John of God Community Services Limited. The portion of these costs allocated to other related entities in the year amounted to €1,410,936 (2014: €1,411,509).

Costs of €82,870 (2014: €139,461) are charged by the Hospitaller Order of Saint John of God, West European Province. The Hospitaller Order of Saint John of God, West European Province has provided a subsidy to the company to support its activities in the amount of €3,996,220 (2014: €1,113,895), in addition an amount due at end December 2014 of €5,000,000 from Community Services to West European Province was waived on a once-off basis.

**NOTES TO THE FINANCIAL STATEMENTS - continued**

**26 Related party transactions - continued**

**Endowment funds**

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

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

**27 Reserves**

**Capital contribution**

The capital contribution of €487,133 represents the transfer as at 31 December 2008 of the current assets and current liabilities of the Saint John of God Community Services (unincorporated) to Saint John of God Community Services Limited.

**Income and expenditure account**

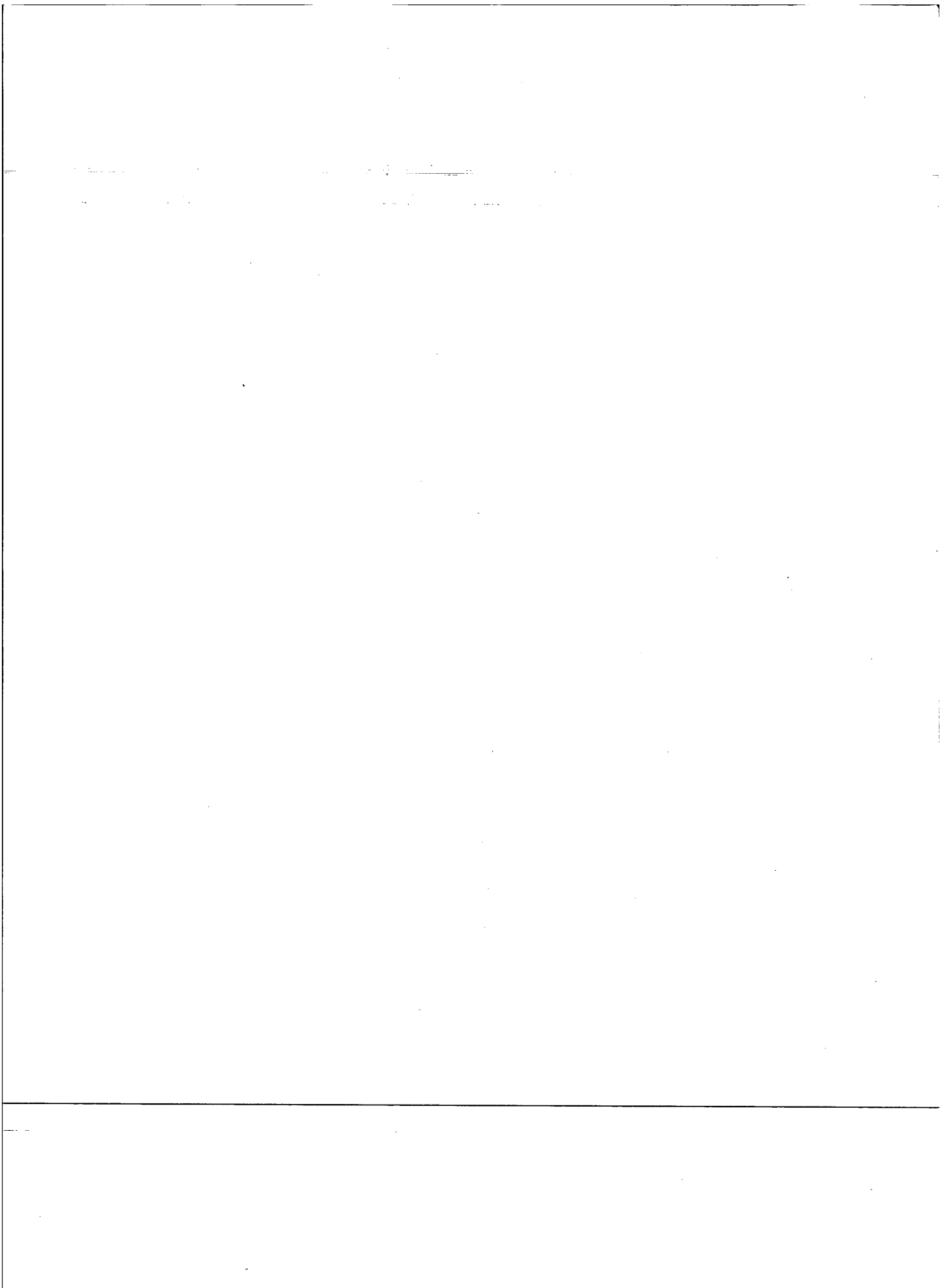
The income and expenditure account represents the accumulated operating surpluses/deficits for this financial year and prior financial years.

**Restricted funds**

Income is treated as restricted where the donor has specified that it may only be used for a particular purpose or where it has been raised for a particular purpose. All other income is treated as unrestricted. Expenditure is treated as being made out of restricted funds to the extent that it meets the criteria specified by the donor or the terms under which it was raised. All other expenditure is treated as unrestricted.

**Unrestricted funds**

Saint John of Gods Community Services consider that the revenue allocation received from the Health Service Executive in accordance with the service level agreements between the various Saint John of God services and the HSE is unrestricted income and relates to the core objective of providing services in accordance with the overall charity objectives and service level agreements. In the case of certain Service users patients, Saint John of God Community Services Limited invoice the HSE separately for specific charges and increments relating to the individual. This income also forms part of unrestricted funds.



NOTES TO THE FINANCIAL STATEMENTS - continued

28 Transition to FRS 102

This is the first year that Saint John of Gods Community Services has presented its results under Charities Statement of Recommended Practice (FRS 102). The last financial statements under the Irish GAAP were for the year ended 31 December 2014. The date of transition to Charities SORP was 1 January 2014. Set out below are the changes in accounting policies which reconcile profit for the financial year ended 31 December 2014 and the total equity as at 1 January 2014 and 31 December 2014 between Irish GAAP as previously reported and Charities SORP.

	Notes	€	2014	€
<b>(a) Reconciliation of 2014 results for the financial year</b>				
<b>Income and expenditure</b>				
Irish GAAP – as previously reported - deficit			(5,165,355)	
Holiday pay accrual	A		(421,368)	
Total adjustment to results for the financial year			<u>(421,368)</u>	
Restated results for the financial year			<u>(5,586,723)</u>	
<b>(b) Reconciliation of 2014 equity</b>				
<b>Total equity</b>				
Irish GAAP – as previously reported			(5,158,402)	
Holiday pay accrual	A		(421,368)	
			<u>(421,368)</u>	
<b>Total funds at 31 December 2014</b>			<u><b>(5,579,770)</b></u>	

A *Holiday pay accrual*

Charities SORP (FRS 102) requires short term employee benefits to be charged to the profit and loss account as the employee service is received. This has resulted in the company recognising a liability for holiday pay of €421,368 on transition to Charities SORP (FRS 102). Previously holiday pay accruals were not recognised and were charged to the profit and loss account as they were paid. In the year to 31 December 2014 an additional charge of €421,368 was recognised in the profit and loss account and the liability at 31 December 2014 was €421,368.

29 Approval of financial statements

The financial statements were approved by the Board of Directors on 11 November 2016 and were signed on its behalf on that date.

