

Brothers of Charity Services Ireland
Company Limited by Guarantee and not having a Share Capital

Directors' Report and Financial Statements

For the year ended 31st December 2018

Brothers of Charity Services Ireland
For the year ended 31st December 2018

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Brothers of Charity Services Ireland
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Directors and Other Information

<u>Directors</u>	Augustine Thomas Hassett Noel Corcoran (appointed 14 May 2018) Joseph Delahunty (appointed 17 Sep 2018) Geraldine Larkin (appointed 7 Mar 2019) Anne Geraghty (appointed 13 May 2019)	Maire Allen Patrick McGinley Kieran Brennan John Barry Sean Hayes
<u>Secretary</u>	Johanna Cooney (resigned 1 Mar 2019) Michael Hennessy (appointed 1 Mar 2019)	
<u>Company Number</u>	344780	
<u>Registered Office</u>	Kilcornan House, Clarinbridge, <u>CO. GALWAY.</u>	
<u>Auditor</u>	MK Brazil, O'Connell Court, 64 O'Connell Street, <u>WATERFORD.</u>	
<u>Bankers</u>	Allied Irish Banks p.l.c., 106 / 108 O'Connell Street, <u>LIMERICK.</u>	
<u>Solicitors</u>	Nolan Farrell & Goff, Newtown Lodge, Newtown, <u>WATERFORD.</u>	Mason Hayes & Curran, South Bank House, Barrow street, <u>DUBLIN 4.</u>
<u>Company Name</u>	The company was incorporated as Brothers of Charity Services Ireland Limited, however in accordance with Sections 971 and 1180 of the Companies Act, 2014 the company is permitted to drop the word Limited from its title.	
<u>Charity Number</u>	CHY17440	

Brothers of Charity Services Ireland
For the year ended 31st December 2018

Directors' Report

The directors present their annual report and audited financial statements for the year ended 31st December 2018.

Principal activities

The Brothers of Charity Services in Ireland provide a variety of services and supports to people with an intellectual disability/autism and their families. The Services are located in counties Clare, Galway, Roscommon, Limerick, Cork, Kerry, Waterford, Tipperary and Kilkenny. The supports, which include residential, respite, day, home based and multi disciplinary services are provided by approximately 3,150 (WTE) personnel with a variety of professional backgrounds, expertise and experience who are motivated in their work by the ethos, vision and values of the Brothers of Charity. The Services also provides multi disciplinary supports to external agencies and special schools.

Service responses are based in local communities, promoting and supporting positive engagement and interaction between those who are supported by the Service and their community, and supporting people to participate in and be included in all facets of community life as equal and valued citizens. The Services work in partnership with local communities, agencies and organisations to initiate and develop increasingly inclusive opportunities for, and with, the individuals we support.

The Brothers of Charity Services attempt to ensure a personal response to the wishes, hopes and dreams of each individual supported. The Services adopt a person-centred approach to service delivery, one in which individuals are assisted and supported by the Services to identify their life long goals through their individual personal plan and are supported to achieve these goals.

The Services are funded by the Health Service Executive.

Business review

During 2018, the Brothers of Charity Services Ireland provided a wide range of services to people with intellectual disability/autism and their families. The services ranged from early intervention services for young children through to school age services and a variety of programmes for adults devised according to the level of support that individuals require and priorities that they identify. Services include educational, day, residential, respite, family support and a range of multi disciplinary services. Services also provide supports to people who live independently.

A number of significant challenges were encountered in 2018. The main ones were:

- Maintaining services with funding arrangements that remain difficult as a result of the years of austerity;
- Meeting HIQA residential standards and dealing with the challenges arising from the recommendations of HIQA inspections. While HIQA reports were frequently positive the quantity of time required to complete paperwork and the financial inputs required to meet standards put our staff and finances under enormous pressure. These pressures are likely to be ongoing in 2019;
- Delivering appropriate responses to the many individuals we support is increasingly challenging as their needs continue to change particularly due to complexities of the aging process. These changing needs require additional staffing and often significant changes to our buildings.

Brothers of Charity Services Ireland
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Directors' Report

- Responding to requests of increasing numbers of adults and their families, in particular requests from aged and infirm parents, requesting day and residential services was a major challenge in 2018 and will continue to be so until appropriate resources are made available to meet increasing waiting lists.
- Delivering appropriate service responses to new school leaver's is increasingly challenging as sufficient resources are not available for multi-disciplinary and management supports.

Notable achievements during 2018 include:

- The Southern Region secured funding for an After Work Programme for a number of individuals in the Bandon Day Services. The Brook Day Service's drama group presented "The Little Matchstick Girl" at Douglas Cinema. After-school social groups were developed for children in Kerry.
- A major development for the South East Region during 2018 was the assuming of responsibility for the Ballytobin Services. A film entitled "Some Enchanted Evening" which was a joint production between the Waterford Services and Waterford Youth Arts was shown to a packed house in Garter Lane Arts Centre.
- Both the Galway and Roscommon Services achieved a further three year accreditation with the Council for Quality and Leadership (CQL) in 2018. The accreditation visit was very successful with the reviewers commenting on the advances that had been made across all areas since the previous visit. The Galway based Blue Teapot Company staged a hugely successful production of "Dancing at Lughnasa" at the Town Hall Theatre in Galway. The Hub Community Cafe in Strokestown and Triest Press Roscommon town were shortlisted nominees for a County Roscommon Social Enterprise Award.
- The Limerick Services opened a new flexible and dynamic day service for young adults in Castletroy. The Limerick Regional Advocacy Council successfully hosted the 2018 National Advocacy Conference. The event was attended by more than four hundred delegates from across all six regions of the Brothers of Charity Services Ireland. The conference, which carried the theme of "A lot Done but More to do" shone a light on both the achievements and advances within Brothers of Charity Services Ireland over the past twenty years.
- A number of Support Workers in the Clare Services completed the Certificate in Intellectual Disability Practice Level 5. These were the first support workers, to complete this training within the Brothers of Charity Services Ireland.

The overall financial result for 2018 was a deficit of €3.9 million. This reflects the pressure to maintain existing services, meet changing needs and meet residential statutory standards in a difficult funding environment. The year end cumulative deficit was €8.4million.

Brothers of Charity Services Ireland
For the year ended 31st December 2018

Directors' Report

<u>Results for the year</u>	€
Deficit at the 1st January 2018	(5,148,778)
The deficit for financial year amounted to	(3,987,096)
Investment in Clonmore realised	597,464
Adjustment for effects of FRS 17	134,200
Deficit at the 31st December 2018	<u>(8,404,210)</u>

Directors

The present membership of the Board of Directors is set out on page 1.

The director retiring by rotation and available for re-election is Patrick McGinley.

Accounting records

The directors acknowledge their responsibility under Sections 281 to 285 of the Companies Act 2014 to keep adequate accounting records for the company. The measures taken by the directors regarding the accounting records are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The accounting records of the company are kept at the place of business in the six separate regions.

Principal risks and uncertainties

The directors consider the principal risk facing the group to be that of its economic dependence on the Health Service Executive for funding. This risk is mitigated through a Service Arrangement between the Health Service Executive and the Brothers of Charity Services Ireland. This funding has been reduced over the years of austerity.

The funding impact of recommendations by Health Information Quality Authority (HIQA) to address staffing levels and building requirements is considerable for the company. Additional funding will be required to ensure compliance with HIQA and to maintain the current level of service. Discussions on this funding are ongoing with the HSE.

Brothers of Charity Services Ireland
For the year ended 31st December 2018

Directors' Report

Going concern issues

Four of the six regions have accumulated Revenue Deficits as at the 31st December 2018. They are Brothers of Charity Services Ireland Southern Region (€2,404,008), Brothers of Charity Services Ireland Limerick Region (€3,618,800), Brothers of Charity Services Ireland Roscommon Region (€1,802,758) and Brothers of Charity Services Ireland South East Region (€1,198,300).

Brothers of Charity Services Ireland Southern Region

The Services combined accumulated revenue and capital deficits at year-end were €2.71m. This deficit arose from timing differences between imposed funding cuts during the economic recession years 2011 to 2017 and the implementation of cost containment plans. In addition, the changing needs of persons supported and the requirements under the Health Act 2007 for the regulation of residential services caused the Services to incur significant compliance costs in excess to funding available from the HSE.

Discussions are ongoing by the company at National level to secure additional funds to reduce this and to manage the liquidity risks. During the year, the HSE provided once off funded one area of changing need based on a 2016 business case, which was welcome. We are confident that this will be funded on an ongoing basis. The Regions has improved on its management information reporting system during the year and is hopeful of breakeven in 2019. The region is working with the National office to agree a strategy on the recovery of historic deficits.

Brothers of Charity Services Ireland Limerick Region

The Brothers of Charity Services Ireland - Limerick Region is now trying to provide a level of service that is clearly not supported by a sufficient, appropriate level of funding. The Brothers of Charity Services Ireland - Limerick Region have no ability to deal with the core funding deficit (projected at €669k in Schedule 3 of the 2018 Service Arrangement with the HSE). The only options to resolve this issue are (1) increase in funding from the HSE or (2) reduction in service levels to match the funding currently provided by the HSE.

The HSE are currently carrying out a detailed review of the Brothers of Charity Services Ireland - Limerick Region and it is hoped that the outcome of this review will identify and implement an agreed, workable solution to the funding problems.

Brothers of Charity Services Ireland Roscommon Region

The Brothers of Charity Services Ireland- Roscommon Region have incurred deficits in 2014, 2015, 2016, 2017 and 2018 totalling €1,854,438. The principle reasons for these deficits include incremental pay increases required under the consolidated pay scales which were unfunded by the HSE during this period and increases in crisis/emergency situations which were unfunded by the HSE .

The services have a cost reduction plan which when implemented will return the company to break even. This plan involves a review of the absence level within the Brothers of Charity Services Ireland - Roscommon Region, the elimination of certain once off costs in 2019 and a contribution from the HSE.

Brothers of Charity Services Ireland
For the year ended 31st December 2018

Directors' Report

The services acknowledge the general reserve deficit at 31st December 2018 of €1,802,759. It is recognised that this deficit will not be eliminated until funded by the HSE.

Brothers of Charity Services Ireland South East Region

It is of serious concern to the Services that the funding position continued to deteriorate during the year. At the beginning of 2018 the Services had an accumulated deficit of €720,810 which, in the main, had resulted from the increased staffing put in place in 2016 to comply with HIQA recommendations and unfunded staffing which had been put in place to address changing needs. As funding has not been forthcoming for these issues continuing serious efforts were made to keep the deficit in 2018 to a minimum. This was achieved through once off savings due to multi-disciplinary posts being vacant, from non replacement of vehicles and deferral of maintenance jobs. Our resulting deficit for 2018 was €477,490 which increases our accumulated deficit to €1,198,300. The Services have continued to indicate to the HSE that funding is required to address this significant deficit and during the year, as had been indicated in our 2017 report, the HSE undertook a service review. While the Services have been informed that funding will be forthcoming from this process there is no indication to date of the amount of this funding.

Presentation of financial statements

Under Irish company law the directors have elected to prepare the financial statements in accordance with Companies Act 2014 and accounting standards issued by the Financial Reporting Council as modified by the specific accounting requirements of the Minister of Health and published by Chartered Accountants Ireland including FRS 102 "The Financial Reporting Standards applicable in the UK and Ireland" (Generally Accepted Accounting Practice in Ireland).

The preparation of the Financial Statements under Charity SORP is not a legal requirement at the moment in Ireland, but the directors have decided to adopt this for the presentation when introduced.

Statement of Relevant Audit Information

In accordance with Section 330 of the Companies Act 2014:

so far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing this report, of which the auditor is unaware and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Brothers of Charity Services Ireland
For the year ended 31st December 2018

Directors' Report

Auditor

In accordance with Section 380 to 385 of the Companies Act 2014, the auditor, MK Brazil, Chartered Accountants, will continue in office.

On behalf of the Board

A. J. H. O. M. Director

P. M. C. M. Director

13 May 2019 Date

Brothers of Charity Services Ireland
For the year ended 31st December 2018

Directors' Responsibilities Statement

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

Irish company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with Companies Act 2014 and accounting standards issued by the Financial Reporting Council as modified by the specific accounting requirements of the Minister of Health and published by Chartered Accountants Ireland including FRS 102 "The Financial Reporting Standards applicable in the UK and Ireland" (Generally Accepted Accounting Practice in Ireland). Under the company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the surplus or deficit of the company for the financial year and otherwise comply with the Companies Act 2014.


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


- select suitable accounting policies and 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, identify those standards and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

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

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

On Behalf of the Board

 Director

 Director

13 May 2019 Date

Independent Auditor's Report to the Members of
Brothers of Charity Services Ireland
for the year ended 31st December 2018

We have audited the financial statements of Brothers of Charity Services Ireland for the year ended 31st December 2018 which comprise the Revenue Income & Expenditure Account, Balance Sheet, The Statement of Changes in Equity, Cashflow Statement and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and generally accepted accounting practice in Ireland including the accounting standards issued by the Financial Reporting Council and promulgated by Chartered Accountants Ireland (Generally Accepted Accounting Practice in Ireland) as modified by the specific accounting requirements of the Minister of Health including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland."

In our opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2018 and of its deficit for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard as issued by the Irish Auditing and Accounting Service Authority ("IAASA") Ethical Standard, and the provisions available for small entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusion relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent Auditor's Report to the Members of
Brothers of Charity Services Ireland
for the year ended 31st December 2018

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by Companies Act 2014

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

- we have obtained all the information and explanations which we consider necessary for the purposes of our audit;
- 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;
- the information given in the Director's Report is consistent with the financial statements; and
- the Director's Report has been prepared in accordance with the Companies Act 2014.

Matters on which we are required to report by exception

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

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent Auditor's Report to the Members of
Brothers of Charity Services Ireland
for the year ended 31st December 2018

Auditor's responsibilities for the audit of the financial statements

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

Further details relating to our work as auditor is set out in the Scope of Responsibilities Statement contained in the appendix of this report, which is to be read as an integral part of our report.

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

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

**O'Connell Court,
64 O'Connell Street,
Waterford.**



**John Foley FCA
For and on behalf of
MK Brazil
Chartered Accountants
& Statutory Auditors
29th May 2019**

Independent Auditor's Report to the Members of
Brothers of Charity Services Ireland
for the year ended 31st December 2018

Appendix to the Independent Auditors' Report

As part of an audit in accordance with ISAs (Ireland), the auditor exercises professional judgment and maintains professional scepticism throughout the audit. The auditor also:

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

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

Brothers of Charity Services Ireland
Revenue Income & Expenditure Account
For the year ended 31st December 2018

	<u>2018</u>	<u>2017</u>
	€	€
<u>INCOME</u>		
Health Service Executive Allocation	194,876,884	181,033,557
Other Health Service Executive Grants and Funding	13,230,914	12,140,090
Other Income	13,630,402	13,546,825
Deferred Income	(1,434,144)	451,164
Designated Funds Released	1,304	14,077
	<hr/>	<hr/>
Total Income	220,305,360	207,185,713
	<hr/>	<hr/>
<u>EXPENDITURE</u>		
Pay and Associated Expenditure	190,337,716	178,331,773
Non Pay Expenditure	33,954,740	31,288,047
	<hr/>	<hr/>
Total Expenditure	224,292,456	209,619,820
	<hr/>	<hr/>
(Deficit) for the year	(3,987,096)	(2,434,107)
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Brothers of Charity Services Ireland
Revenue Income & Expenditure Account
For the year ended 31st December 2018

	<u>2018</u>	<u>2017</u>
	<u>€</u>	<u>€</u>
Statement of Other Comprehensive Income		
Surplus/(Deficit) for the year	(3,987,096)	(2,434,107)
Actuarial Gain/(Loss) in respect of Pension Scheme	641,000	458,000
Total Comprehensive Income for the year	<u>(3,346,096)</u>	<u>(1,976,107)</u>

Brothers of Charity Services Ireland
Capital Income & Expenditure Account
For the year ended 31st December 2018

	<u>Notes</u>	<u>2018</u> €	<u>2017</u> €
<u>INCOME</u>			
Revenue Funding applied to Capital Projects	6	1,691,902	1,042,598
Fundraising and Donations		15,395	281,678
Released from Designated Funds		146,242	36,085
Proceeds from Sale of Motor Vehicles		28,400	23,400
Value of Motor Vehicles on transfer of Ballytobin		18,000	-
Capital reduction in loan to Purchase property		5,431	-
Total Income		<u>1,905,370</u>	<u>1,383,761</u>
<u>EXPENDITURE</u>			
Freehold Property	8	1,319,116	101,640
Improvement to Leasehold Properties	8	270,180	256,756
Motor Vehicles - Net Disposals	8	1,375,809	1,074,701
Fixtures, Fittings & Equipment	8	34,690	68,632
Loughrea Hub		-	57,350
Total Expenditure		<u>2,999,795</u>	<u>1,559,079</u>
Depreciation on Tangible Assets		1,952,804	1,852,070
Amortisation of Grants Applied to Tangible Assets		(1,952,804)	(1,852,070)
		-	-
Capital Surplus/(Deficit) for the year		<u>(1,094,425)</u>	<u>(175,318)</u>

Brothers of Charity Services Ireland**Balance Sheet****As at 31st December 2018**

	<u>Notes</u>	<u>2018</u>		<u>2017</u>	
		€	€	€	€
<u>Fixed Assets</u>					
Investments	7		66,547		87,778
Tangible Assets	8		17,323,138		16,302,477
			<u>17,389,685</u>		<u>16,390,255</u>
<u>Current Assets</u>					
Stocks	9	4,094		5,321	
Debtors	10	16,636,693		15,390,409	
Cash at Bank and in Hand	11	16,653,652		17,427,713	
		<u>33,294,439</u>		<u>32,823,443</u>	
<u>Creditors: amounts falling due within one year</u>	12	<u>(36,164,142)</u>		<u>(33,437,781)</u>	
<u>Net Current Liabilities</u>			<u>(2,869,703)</u>		<u>(614,338)</u>
<u>Total Assets Less Current Liabilities</u>			14,519,982		15,775,917
<u>Creditors: amounts falling due after more than one year</u>	13		(625,769)		-
<u>Provision for Liabilities and Charges</u>	14		(2,459,775)		(2,067,715)
<u>Deferred Income</u>	15		(1,628,368)		(380,604)
<u>Net Assets excluding Pension Assets</u>			9,806,070		13,327,598
<u>Pension Asset</u>	16		13,284,800		12,778,000
<u>Net Assets</u>			<u>23,090,870</u>		<u>26,105,598</u>

Brothers of Charity Services Ireland
Balance Sheet
As at 31st December 2018

Capital and Reserves

Restricted Funds

Pension Reserves	16	13,284,800	12,778,000
Capitalisation Account	17	17,323,138	16,302,478
Capital (Deficit)	18	(1,274,290)	(179,865)

Unrestricted Funds

Designated Funds	19	2,161,432	2,353,763
Revenue (Deficit)	20	(8,404,210)	(5,148,778)
		<u>23,090,870</u>	<u>26,105,598</u>

On behalf of the Board

A J Hassett Director

P. M. G. G. G. G. Director

13 May 2019 Date

BROTHERS OF CHARITY SERVICES IRELAND
STATEMENT OF CHANGES IN FUNDS
For The Year Ended 31st December 2018

	Restricted Funds		Unrestricted Funds		Total Funds €
	Capital €	Capitalisation €	Designated Funds €	General Funds €	
Balance at 1st January 2017	(4,547)	16,653,036	2,557,692	(2,931,671)	28,811,510
Deficit for the Year	-	-	-	(2,434,107)	(2,434,107)
Net Pension Adjustment	-	-	-	217,000	-
Actuarial Gain/(Loss)	-	-	-	-	458,000
Net movement for the year	(175,318)	(350,558)	(203,929)	-	(729,805)
Balance as at 31st December 2017	(179,865)	16,302,478	2,353,763	(5,148,778)	26,105,598
Balance as at 1st January 2018	(179,865)	16,302,478	2,353,763	(5,148,778)	26,105,598
Deficit for the Year	-	-	-	(3,987,096)	(3,987,096)
Net Pension Adjustment	-	-	-	134,200	-
Actuarial Gain/(Loss)	-	-	-	-	641,000
Investment in Clonmore realised	-	-	-	597,464	597,464
Net movement for the year	(1,094,425)	1,020,660	(192,331)	-	(266,096)
Balance as at 31st December 2018	(1,274,290)	17,323,138	2,161,432	(8,404,210)	23,090,870

Brothers of Charity Services Ireland
Cash Flow Statement
For the year ended 31st December 2018

	<u>2018</u>	<u>2017</u>
<u>Notes</u>	<u>€</u>	<u>€</u>
<u>Reconciliation of Operating Deficit to Net</u>		
<u>Cash Inflow/(Outflow) from Operating Activities</u>		
Operating Deficit	(3,987,096)	(2,434,107)
FRS17 Adjustment	134,200	217,000
Increase in Investments	21,231	(18,040)
Decrease/(Increase) in Stocks	1,227	2,158
Increase in Debtors	(1,246,284)	227
Increase/(Decrease) in Creditors	2,662,561	2,448,725
(Decrease)/Increase in Provision for Liabilities	392,060	833,246
Contribution from the Brothers of Charity	-	-
Increase/(Decrease) in Deferred Income	1,247,763	(778,676)
Increase/(Decrease) in Specific Local Fundraising Accounts	(192,331)	(203,929)
	<u>(966,669)</u>	<u>66,604</u>
<u>Net Cash Inflow/(Outflow) from Operating Activities</u>		

Cash Flow Statement

Net Cash Inflow/(Outflow) from Operating Activities	(966,669)	66,604
Investment in Clonmore realised	597,464	-
Capital Expenditure	(2,999,795)	(1,559,079)
Income Applied to Capital Expenditure	1,905,370	1,383,761
Capital repayments loan	(5,431)	-
CREDO Loan received	695,000	-
	<u>(774,061)</u>	<u>(108,714)</u>
<u>Increase/(Decrease) in Cash in the year</u>		

Reconciliation of Net Cash Inflow/(Outflow) to movement in Net Funds

Increase/(Decrease) in Cash in the year		(774,061)	(108,714)
Net funds at 1st January 2018	25	17,427,713	17,536,427
Net Funds at 31st December 2018	25	<u>16,653,652</u>	<u>17,427,713</u>

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

1. Accounting Policies

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

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

1.1. Basis of Preparation

The Financial Statements are prepared on the going concern basis, under the historical cost convention and comply with the financial reporting standards of the Financial Reporting Council and promulgated by Chartered Accountants Ireland as modified by the specific accounting requirements of the Minister for Health, and Irish statute comprising the Companies Act 2014 except for the entity invoking the true and fair view override with regard to the profit and loss and balance sheet formats in Schedule 3 of the Companies Act 2014 as permitted in Section 3.4 of FRS 102 and Section 291 (5) of the Companies Act 2014.

In order for the financial statements to show a true and fair view the directors have determined the profit and loss format be re-named to an income and expenditure account detailing the income and expenditure by nature. Given that the company is a company limited by guarantee the capital and reserves section of the balance sheet has been adopted accordingly to reflect this fact. The directors consider that the layout adopted more correctly reflects the nature of the entity given that the entity is a not-for-profit organisation which is limited by guarantee. To use the formats set out in Schedule 3 of Companies Act 2014 and Section 4 and 5 of FRS 102 would not result in the financial statements showing information that would allow the entity to show a true and fair view.

Brothers of Charity Services Ireland is economically dependent on the Health Service Executive for funding. This economic dependency is underpinned through a Service Level Agreement between the Health Service Executive and the individual Brothers of Charity Services Ireland Region. Accordingly, the financial statements have been prepared on the basis of going concern, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

In line with public organisations funded mainly through the Oireachtas Health vote, the accounting treatment differs from generally accepted accounting practice in three areas:

- (i) Depreciation of tangible assets/amortisation of capital grants are not charged/credited to the Revenue Income and Expenditure Account, rather they are charged/credited to the Capital Income and Expenditure Account, which is reserve accounting. Reserve accounting is not a generally accepted accounting practice. Generally accepted accounting practice requires depreciation/amortisation to be charged/credited to the Revenue Income and Expenditure Account.
- (ii) Grants received from public bodies together with all income assigned to fund the purchase of fixed assets are recorded in a Capital Income and Expenditure Account. Generally accepted accounting practice requires capital grants to be recorded as deferred income and amortised over the useful life of the related fixed asset.

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

(iii) Pensions under the Nominated Health Agencies Superannuation Scheme and the Single Public Service Pension Scheme are, in line with pensions paid by most public bodies, accounted for on a "pay-as-you-go" basis. The accounting policy is set out under Note 1.10 Employee Benefit - Superannuation and the Provisions of FRS 102 Retirement Benefits are not applied.

1.2. Accounting Convention

The financial statements have been prepared under the historical cost convention.

1.3. Revenue Recognition

State funding and funding from Public Bodies that is predetermined and agreed with the relevant authorities is recognised on an accruals basis. Grants, subsidies, or rebates that are dependent on approval by a grantor on foot of an application made, are recognised on a cash basis. Funds received for specific projects and not spent at year end are deferred to match the costs that they are intended to compensate.

Fundraising and donations are accounted for on a cash receipts basis and credited to the beneficiary, usually the Service Provider who raised the funds. Accordingly, fundraising and donations are taken to Revenue as and when it is spent in line with the intentions of the donor or the general purpose of the fund. Fundraising and donations designated for capital purposes are accounted for on a cash receipts basis and credited to the Capital Income and Expenditure Account.

Sales are accounted for using the accruals basis of accounting.

Interest and other investment income are accounted for on a cash receipts basis.

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

1.4. Goods, Services and Assets

Expenditure on goods, services and assets are recognised gross of Value Added Tax using the accruals basis of accounting.

Tangible asset purchases may be charged to Revenue Income and Expenditure Account or the Capital Income and Expenditure Account depending on whether the asset is funded by capital or revenue funding. Tangible assets in excess of €7,000 funded by Revenue are capitalised through the Capital Income and Expenditure Account under the heading Revenue Funding Applied to Capital Projects.

All capital funded asset purchases are capitalised, irrespective of cost.

Building works of a significant maintenance and/or improvement value are charged to the Revenue Income and Expenditure Account. The cost of such works are capitalised if the completed works are deemed to add to the potential market value of the building.

Expenditure on improvements to long-term leasehold property are capitalised, through the Capital Income and Expenditure Account, under fixed assets.

1.5. Taxation

Under Section 207 of the Taxes Consolidation Act 1997, the group has been granted charitable tax exemption. The group's assigned CHY Number is 17440.

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

1.6. Fixed Assets, Capitalisation, and Depreciation

Fixed assets comprising of land, buildings, improvement to leasehold premises, motor vehicles, and fixtures, fittings & equipment are stated in the balance sheet at cost and, in the case of assets donated in kind, at its best estimate of cost at the date of receipt. The source of funding for all fixed assets is tracked to the Capitalisation Account, which is the reciprocal entry to the Fixed Assets Accounts.

In the opening Statement of Affairs derived as at 1st January 2007 from the predecessor entity, the ownership of land and buildings was not, at that point in time, carried over to Brothers of Charity Services Ireland. The carrying value of motor vehicles was determined at the typical market value for a comparative vehicle. No attempt was made to determine the value of fixtures, fittings & equipment which in the predecessor accounts was charged in full against revenue in the year of purchase.

Depreciation is charged so as to write-off the original cost/valuation of each tangible asset over its useful economic life on a straight line basis using the following rates:

Land	Land is not depreciated
Freehold Buildings	2.5% per annum
Improvement to leasehold buildings - under auspices of the Brothers of Charity	5% per annum
Motor Vehicles	20% per annum
Fixtures, Fittings & Equipment greater than €7,000	20% per annum

The disposal of an asset is accounted for in the Capital Income and Expenditure Account by writing back to the account the net book value of the asset and its associated capital fund. Income from disposals is credited to the Capital Income and Expenditure Account.

The Brothers of Charity Services Ireland have no tangible fixed assets acquired under finance leases.

It is a requirement under FRS 102, that the carrying value of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable. As our fixed assets are not held for the purpose of generating cashflows, but were acquired for the purpose of carrying out charitable activities, the value cannot be meaningfully measured in terms of cashflow as benefits that derive from their use are not financial. Accordingly, an impairment of fixed assets will only arise where the asset suffers impairment in a physical sense resulting in physical damage and the use of the asset has reduced significantly or is no longer in use or where the quality of service it provides has deteriorated. As long as such assets continue to provide the anticipated benefits to the company, the consumption of such benefits will be reflected in regular depreciation charges.

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

1.7. Assets under lease from the Trustees of the Congregation of Brothers of Charity

Brothers of Charity Services Ireland was established to operate the day to day management of services delivered, by the Congregation of the Brothers of Charity (the Congregation), from 1st January 2007. Under the business transfer arrangements, the trustees of the Congregation, being the beneficial owner of all land and buildings (property) used by it in the operation of its services, assigned to Brothers of Charity Services Ireland, under a two year interim lease agreement, all property necessary to the business of the services.

A new lease was put in place during 2018 covering the period up to 31st December 2019.

1.8. Stocks

No amounts are included in the financial statements for stocks of day to day consumables at the balance sheet date. Only stocks of specific operations are included in the financial statements at the balance sheet date.

Stocks taken to account are valued at the lower of cost and net realisable value. Net realisable value is based on normal selling price, less further costs to be incurred to completion and disposal.

1.9. Employee Benefits - Salaries, Wages and Leave

Liabilities in relation to employee benefits for salaries, wages and leave expected to be settled within 12 months of the year end are recognised, and are measured, as the amount unpaid at balance sheet date based on the salary and wage rates at that date.

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

1.10. Employee Benefits - Superannuation

The Brothers of Charity Services Ireland operate three distinct occupational pension schemes, namely an 'Exchequer Funded' defined benefit scheme known as the Nominated Health Agencies Superannuation Scheme (NHASS), an 'Exchequer Funded' Single Public Service Pension Scheme (SPSPS) and one 'Investment Based' defined benefit pension scheme known as the Brothers of Charity (1974) Pension Fund (1974 Plan).

No provision has been made in respect of benefits payable under the NHASS Scheme and the SPSPS Scheme as both schemes are public servants "Pay as you Go" Pension Schemes underwritten by the Minister for Health.

Contributions from employees who are members of the NHASS are credited to the Income and Expenditure Account when received. Pension payments under the NHASS are charged to the Income and Expenditure Account when paid.

Contributions from employees who are members of the SPSPS are remitted monthly directly to the Exchequer. Pension payments under the SPSPS, when they occur will be paid by the appropriate relevant authority.

The Brothers of Charity Services Ireland is prescribed as a relevant authority in the Statutory Instruments effective from the 1st January 2013 that established the SPSPS.

'Investment Based' Defined benefit Schemes

The Provisions of Financial Reporting Standard No. 17 Retirement Benefits apply to the (1974 Plan) defined benefit schemes and the compliant information is set out in Note 16.

1.11. Receivables

The collectability of debts is assessed at balance sheet date and provision is made for any doubtful debts.

1.12. Payables

Liabilities are recognised for amounts due to be paid for goods or services received by the balance sheet date, whether or not billed to Brothers of Charity Services Ireland.

1.13. Provision

A provision is recognised when there is a legal, equitable or constructive obligation as a result of a past event and it is probable that a future sacrifice of economic benefits will be required to settle the obligation, the timing or amount of which is uncertain.

1.14. Foreign Currencies

The account are expressed in Euro (€).

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

1.15. Going Concern

Brothers of Charity Services Ireland is economically dependent on the Irish Government for funding. This economic dependency is underpinned through a Service Level Agreement between the Health Service Executive and the individual Brothers of Charity Services Ireland Region. Accordingly, the financial statements have been prepared on a going concern basis. (See Note 23).

1.16. Fund Accounting

The following funds are operated by the Charity

Restricted Funds

Restricted Funds represent grants, donations and sponsorships received which can only be used for particular purposes specified by the donors or sponsorship programmes binding on the directors. Such purposes are within the overall aims of the charity.

Unrestricted Funds

Unrestricted Funds represent amounts which are expendable at the discretion of the Directors in furtherance of the objectives of the charity and which have not been designated for other purposes. Such funds may be held in order to finance working capital or capital expenditure.

Designated Funds

Designated funds are unrestricted funds earmarked by the Directors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. The designations have an administrative purpose only and do not legally restrict the Board's discretion in applying the funds.

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

2. Critical Accounting Judgements and Estimates

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. 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 discussed below.

a) Establishing useful economic lives for depreciation purposes of property, plant and equipment

Long-lived assets, consisting primarily of property, plant and equipment, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated useful economic lives and estimates of residual values. The directors regularly review these asset useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have significant impact on depreciation and amortisation charges for the period. Detail of the useful economic lives is included in the accounting policies.

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

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3. Deficit on Ordinary Activities is analysed as follows:

	€
Deficit as per Consolidated Income & Expenditure Account (Pages 13 - 14)	(3,987,096)
Less effects of FRS 102 adjustments	134,200
	<u> </u>
Operating Deficit for the year ended 31st December 2018	<u><u>(3,852,896)</u></u>

	<u>Service</u> <u>Operations</u>	<u>NHASS</u> <u>Account</u>	<u>Total</u>
	€	€	€
<u>Income</u>			
Total Income	207,575,470	14,164,034	221,739,504
<i>Deferred Income</i>	(887,306)	(546,838)	(1,434,144)
	<u> </u>	<u> </u>	<u> </u>
Total Income	<u>206,688,164</u>	<u>13,617,196</u>	<u>220,305,360</u>
 <u>Expenditure</u>			
Pay and Associated Expenditure	176,344,320	13,617,196	189,961,516
Non-Pay Expenditure	34,196,740	-	34,196,740
	<u> </u>	<u> </u>	<u> </u>
Total Expenditure	<u>210,541,060</u>	<u>13,617,196</u>	<u>224,158,256</u>
 Deficit for the year	<u><u>(3,852,896)</u></u>	<u><u>-</u></u>	<u><u>(3,852,896)</u></u>

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

4. Employees

Number of employees

The average monthly numbers of employees (wholetime equivalent) during the year were:

	<u>2018</u>	<u>2017</u>
	<u>Number</u>	<u>Number</u>
Administration	222	213
Medical & Dental	6	7
Nursing	481	480
Health & Social Care Professionals	756	712
General Support Services	33	27
Other Patient & Client Care	1,810	1,709
	<u>3,308</u>	<u>3,148</u>
NHASS Pensioners	1,035	958
	<u>4,343</u>	<u>4,106</u>
	<u>2018</u>	<u>2017</u>
	<u>€</u>	<u>€</u>
Wages & Salaries	157,434,033	147,407,584
Employers PRSI costs	15,865,436	14,657,403
NHASS Pensions & Lump Sums	13,872,917	13,466,902
	<u>187,172,386</u>	<u>175,531,889</u>

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

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The number of employees whose total employee benefits (excluding employer pension costs) for the reporting period fell within each band of €10,000 from €60,000 upwards and an overall figure for total employer pension contributions for all employees is set out below.

Bands	Employee No's	
	<u>2018</u>	<u>2017</u>
€60,000 - €70,000	178	186
€70,001 - €80,000	47	54
€80,001 - €90,000	29	10
€90,001 - €100,000	9	7
€100,001 - €110,000	8	5
€110,001 - €120,000	-	-
€120,001 - €130,000	2	3
€130,001 - €140,000	1	-
€140,001 - €150,000	-	1
€150,001 - €160,000	1	1
€160,001 - €170,000	-	1
€170,001 - €180,000	-	-
€180,001 - €190,000	1	2
€190,001 - €200,000	2	-
	278	270
	<u>2018</u>	<u>2017</u>
	€	€
Included in employment costs is the following:		
Chief Executive.	131,966	128,682

The Chief Executive is the highest paid employee working in an administrative/management role. Brothers of Charity Services Ireland also employ clinical/medical staff in the course of service delivery.

Key Management Remuneration

	<u>2018</u>	<u>2017</u>
	€	€
Salaries paid to key management in the year	982,878	941,381

The key management team for the Brothers of Charity Services Ireland would include 9 staff (31st December 2017 - 9)

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

5. Directors' Remuneration and Transactions

Directors serve in a voluntary capacity and, in accordance with the Articles of Association of the Brothers of Charity Services Ireland, receive no remuneration.

Directors are reimbursed for expenses incurred in the carrying out of their duties.

There were no other transactions with the Directors during the year.

6. Revenue Funding applied to Capital Projects

	<u>2018</u>	<u>2017</u>
	€	€
<u>Add:</u>		
Tangible Assets purchased from under Revenue Non-Pay Expenditure		
Motor Vehicles (net cost)	1,291,409	769,623
Improvement to Leasehold Premises	365,803	219,228
Fixtures, Fittings & Equipment	34,690	53,747
	<u>1,691,902</u>	<u>1,042,598</u>

7. Investments

	<u>Investment</u>	<u>Total</u>
	€	€
<u>Cost/revaluation</u>		
At 1st January 2018	87,778	87,778
Revaluation	(21,231)	(21,231)
At 31st December 2018	<u>66,547</u>	<u>66,547</u>

Fixed Asset Investments have been revalued at Market Value at the balance sheet date.

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

8. Tangible Assets

	<u>Land & Buildings</u>	<u>Improvement to Leasehold Premises</u>	<u>Fixtures, Fittings & Equipment</u>	<u>Motor Vehicles</u>	<u>Total</u>
	<u>€</u>	<u>€</u>	<u>€</u>	<u>€</u>	<u>€</u>
<u>Cost/revaluation</u>					
At 1st January 2018	10,962,948	10,805,903	1,985,304	12,980,466	36,734,621
Additions	1,319,116	270,180	34,690	1,400,108	3,024,094
Disposals	-	-	-	(475,246)	(475,246)
At 31st December 2018	<u>12,282,064</u>	<u>11,076,083</u>	<u>2,019,994</u>	<u>13,905,328</u>	<u>39,283,469</u>
<u>Depreciation</u>					
At 1st January 2018	4,547,779	3,735,505	1,832,199	10,316,661	20,432,144
On disposals	-	-	-	(424,619)	(424,619)
Charge for the year	269,167	468,308	82,947	1,132,384	1,952,806
At 31st December 2018	<u>4,816,946</u>	<u>4,203,813</u>	<u>1,915,146</u>	<u>11,024,426</u>	<u>21,960,331</u>
<u>Net Book Values</u>					
At 31st December 2018	<u>7,465,118</u>	<u>6,872,270</u>	<u>104,848</u>	<u>2,880,902</u>	<u>17,323,138</u>
At 31st December 2017	<u>6,415,169</u>	<u>7,070,398</u>	<u>153,105</u>	<u>2,663,805</u>	<u>16,302,477</u>

The improvement to leasehold premises relates to properties held by the group under a lease agreement with the Congregation.

Assets and property funded by Health Service Executive capital grants must be used for the purposes as stated in the funding granted. Property in the form of land and buildings funded by Health Service Executive capital grants cannot be sold without prior approval of the Health Service Executive.

9. <u>Stocks</u>	<u>2018</u>	<u>2017</u>
	<u>€</u>	<u>€</u>
Goods for resale	<u>4,094</u>	<u>5,321</u>

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

10. Debtors

	<u>2018</u>	<u>2017</u>
	€	€
Debtors and Prepayments	3,071,856	3,121,979
Health Service Executive	12,721,119	10,982,058
Provision for Bad Debts	(7,444)	(13,780)
Housing Associations	51,297	281,915
Clonmore Industrial Services Ltd.	-	422,527
School Accounts	90,311	183,563
Prepayments and Accrued Income	709,554	412,147
	<u>16,636,693</u>	<u>15,390,409</u>

All debtors are due within one year.

11. Cash at Bank and in Hand

Cash at Bank and in Hand includes €61,016 monies held on behalf of clients (2017 - €62,383).

12. Creditors: amounts falling due within one year

	<u>2018</u>	<u>2017</u>
	€	€
Bank Loan	63,800	-
Creditors and Accruals	9,011,056	7,814,362
Employees - Salary, Wages and Leave	20,342,158	18,562,450
Clients Monies held in Trust	61,016	62,383
PAYE/PRSI/USC	6,218,676	5,588,586
HSE 2018 Allocation in advance	467,436	1,410,000
	<u>36,164,142</u>	<u>33,437,781</u>

13. Creditors: amounts falling due after more than one year

	<u>2018</u>	<u>2017</u>
	€	€
Bank Loan	<u>625,769</u>	<u>-</u>

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

14. Provisions for Liabilities and Charges

Movements on the provision for the year are:

	<u>Contractual Employment Issues</u> €	<u>Other Costs</u> €	<u>Maintenance Costs</u> €	<u>Total</u> €
At 1st January 2018	1,414,669	152,735	500,311	2,067,715
Charged during the year	663,334	87,146	72,079	822,559
Released during the year	(150,000)	(3,050)	(277,449)	(430,499)
At 31st December 2018	<u>1,928,003</u>	<u>236,831</u>	<u>294,941</u>	<u>2,459,775</u>

Contractual Employment Issues

These relate to a number of industrial relation issues instigated in 2007 and previous years which have not yet been resolved.

Other

This relates to outstanding issues in respect of Information Technology, Critical Illness Pay, Training, Unfair Dismissal Claims, and Task Transfer Funding and Incremental Credit Issues in relation to Twilight payments to nurses.

Maintenance Costs

This relates to a provision for essential major jobs in three service locations in the Limerick Region, in order to address the safety and suitability of these premises to meet the needs of the individuals who use the services and a provision for essential fire safety upgrade works in nineteen service locations in the Limerick Region. This work is in progress in line with the action plan submitted to HIQA in October 2017.

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

15. Deferred Income

	<u>Opening</u> <u>01/01/18</u> €	<u>2018</u> <u>Deferred</u> €	<u>2018</u> <u>Released</u> €	<u>Closing</u> <u>31/12/18</u> €
Early Childhood Service - Pre School Supports	120,139	-	(13,583)	106,556
West Limerick Children Services	132,924	-	(57,829)	75,095
Genio Fund	4,217	-	-	4,217
Health Service Executive 'Once Off Grants'	-	324,306	-	324,306
NHASS Surplus	123,324	546,838	(114,968)	555,194
School Leavers	-	60,000	-	60,000
Minor Capital Funding	-	503,000	-	503,000
	<u>380,604</u>	<u>1,434,144</u>	<u>(186,380)</u>	<u>1,628,368</u>

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

16. Pension disclosures under FRS102

Brothers of Charity 1974 Pension and Death Benefit Plans

The company operates a defined benefit pension plan for its employees namely The Brothers of Charity (1974) Pension & Death Benefits Plan.

Financial year ending on Currency Information	<u>31/12/2018</u> €	<u>31/12/2017</u> €
A. Change in benefit obligation		
1. Defined benefit obligation at end of prior year	26,487,705	27,125,471
2. Cost (excluding interest)	265,120	282,732
a. Change arising from employee service in reporting period	495,473	454,400
3. Interest expense		
4. Cash flows		
a. Benefit payments from plan assets	(820,331)	(792,173)
b. Participant contributions	37,274	50,235
c. Insurance premiums for risk benefits	-	(26,124)
5. Remeasurements		
a. Effect of changes in assumptions	(957,457)	(405,106)
b. Effect of experience adjustments	(525,522)	(201,730)
6. Defined benefit obligation at end of year	<u>24,982,262</u>	<u>26,487,705</u>

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

Brothers of Charity 1974 Pension and Death Benefits Plans

Financial year ending on Currency Information	<u>31/12/2018</u>	<u>31/12/2017</u>
	€	€
B. Change in fair value of plan assets		
1. Fair value of plan assets at end of prior year	39,265,624	39,662,765
2. Interest Income	737,548	666,493
3. Cashflows		
a. Total employer contributions	-	-
(i) Employer contributions	37,274	50,235
b. Participant contributions	(820,331)	(792,173)
c. Benefit payments from plan assets	(111,540)	(146,484)
d. Administrative expenses paid from plan assets	-	(26,124)
e. Insurance premiums for risk benefits	-	-
4. Remeasurements		
a. Return on plan assets (excluding interest income)	(841,984)	(149,088)
5. Fair value of plan assets at end of year	<u>38,266,591</u>	<u>39,265,624</u>
C. Change in reimbursement rights		
1. Reimbursement rights at end of prior year	-	-
2. Reimbursement rights at end of year	-	-

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

Brothers of Charity 1974 Pension and Death Benefit Plans

Financial year ending on Currency Information	<u>31/12/2018</u> €	<u>31/12/2017</u> €
 D. Amounts recognized in the statement of financial position		
1. Defined benefit obligation	24,982,262	26,487,705
2. Fair value of plan assets	<u>(38,266,591)</u>	<u>(39,265,624)</u>
3. Funded status	<u>(13,284,329)</u>	<u>(12,777,919)</u>
4. Net defined benefit liability (asset)	<u><u>(13,284,329)</u></u>	<u><u>(12,777,919)</u></u>

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

Brothers of Charity 1974 Pension and Death Benefit Plans

Financial year ending on Currency Information	<u>31/12/2018</u> €	<u>31/12/2017</u> €
E. Cost relating to defined benefit plans		
1. Cost (excluding interest)	265,120	282,732
a. Changes arising from employee service in reporting period	265,120	282,732
b. Total cost		
2. Net interest cost	495,473	454,400
a. Interest expense on DBO	(737,548)	(666,493)
b. Interest (income) on plan assets	(242,075)	(212,093)
c. Total net interest cost	111,540	146,484
3. Administrative expenses and/or taxes (not reserved within DBO)	134,585	217,123
4. Cost relating to defined benefit plans included in P & L		
5. Remeasurements (recognized in other comprehensive income)	(957,457)	(405,106)
a. Effect of changes in assumptions	(525,522)	(201,730)
b. Effect of experience adjustments	841,984	149,088
c. (Return) on plan assets (excluding interest income)	(640,995)	(457,748)
e. Total remeasurements included in OCI		
6. Total cost related to defined benefit plans recognized in P & L and OCI	(506,410)	(240,625)

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

Brothers of Charity 1974 Pension and Death Benefit Plans

Financial year ending on Currency Information	<u>31/12/2018</u> €	<u>31/12/2017</u> €
F. Plan assets		
1. Fair value of plan assets		
a. Cash and cash equivalents	68,541	79,068
b. Equity instruments	2,684,361	6,666,033
c. Debt instruments	30,953,736	30,522,349
d. Other	4,559,953	1,998,174
e. Total	<u>38,266,591</u>	<u>39,265,624</u>
2. Actual return on plan assets	(104,436)	517,405

G. Significant actuarial assumptions

Weighted-average assumptions to determine defined benefit obligations	1.90%	1.90%
Discount rate		
Weighted-average assumptions to determine cost relating to defined benefit plans	1.90%	1.70%
Discount rate		

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

17. Capitalisation Account

	<u>2018</u>		<u>2017</u>	
	€	€	€	€
Opening Balance		16,302,478		16,653,036
<u>Add: Capital Income received</u>				
Tangible Assets purchased from Revenue	1,691,902		1,042,598	
Expenditure funded from Capital Reserves	1,115,251		117,968	
Proceeds from Sales of Motor Vehicles	20,180		23,300	
From Designated Funds	146,242		36,086	
Value of Motor Vehicles on transfer of Ballytobin	18,000		-	
Fundraising and Donations	-		281,679	
		2,991,575		1,501,631
<u>Less:</u>				
Amortisation of Grants applied to Tangible Assets	(1,952,804)		(1,852,070)	
Loss on Disposal of Tangible Assets and Depreciation Elimination on Disposal	(18,111)		(119)	
		(1,970,915)		(1,852,189)
		17,323,138		16,302,478

18. Capital (Deficit)

	<u>2018</u>	<u>2017</u>
	€	€
Surplus/(Deficit) for the year	(1,094,425)	(175,318)
Opening (Deficit)	(179,865)	(4,547)
Closing (Deficit)	(1,274,290)	(179,865)

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

19. Unrestricted - Designated funds

This relates to income from donations and fundraising received by programmes at local level for use at local level and also other funds set aside for specific projects.

	<u>2018</u>	<u>2017</u>
	<u>€</u>	<u>€</u>
At 1st January 2018	2,353,763	2,557,692
Income received	809,712	496,251
Expenditure incurred	(855,801)	(664,094)
Transferred to capitalisation account	(146,242)	(36,086)
	2,161,432	2,353,763
At 31st December 2018	2,161,432	2,353,763

20. Revenue Deficit

	<u>2018</u>	<u>2017</u>
	<u>€</u>	<u>€</u>
(Deficit) for the year	(3,987,096)	(2,434,107)
Adjustment for effects of FRS 102 Adjustment	134,200	217,000
Investment in Clonmore realised	597,464	-
Opening Reserves	(5,148,778)	(2,931,671)
Closing Reserves	(8,404,210)	(5,148,778)

21. Company Status

The company is a company limited by Guarantee and not having a share capital. The liability of each member is limited to €1.27.

22. Capital Commitments

There were no capital commitments at the balance sheet date.

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

23. Going Concern

The company has reported an operating deficit for the year ended 31st December 2018 in the amount of €3,987,096 (2017: €2,434,107).

At the balance sheet date the company had net liabilities including provisions and deferred income of €6,957,846 (2017: €3,062,657).

The deterioration in the net liability position is due to the operational deficits being incurred over the last number of years.

The Brothers of Charity Services Ireland is dependent on funding from the HSE to enable it to continue as a going concern. The company hopes to address the operational deficits through additional funding from the HSE and some cost saving measures.

If additional funding is not received from the HSE the company will consider reducing services provided to service users and these measures should generate sufficient resources to enable the company continue as a going concern.

The HSE has not given any indications that it will withdraw its financial support from the company in the foreseeable future.

On this basis the financial statements have been prepared under the going concern basis. The Board of Directors are of the opinion that there is a reasonable expectation that the company will continue to operate.

24. Contingent Liabilities

Under capital grant conditions, undertakings have been given to agree to sign documents to register the State's interest in certain properties. It is implicit in this that the State has interests in particular land and buildings held by Brothers of Charity Services Ireland for which the State has made grants to assist their acquisition. The Board understands that it is not the present intention of the State to seek a refund of their interest in those assets in the event of a sale provided the funds are utilised in a way approved by it.

25. Analysis of Changes in Net Funds

	<u>Opening Balance</u>	<u>Cash Flows</u>	<u>Closing Balance</u>
	€	€	€
Cash at bank and in hand	17,427,713	(774,061)	16,653,652

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

26. Related Party Transactions

Listed below are organisations or bodies that are connected to the company by way of membership of the various boards of directors. The relationship and particulars of the transactions are detailed.

Brothers of Charity Services Ireland Galway Region:

(a) Peter Triest Housing Association Ltd.

Relationship:

This company was established to provide appropriate housing for individuals in need of housing. To date its total focus is to provide housing for service users of the Brothers of Charity Services Galway. Its operations are totally dependent on the procurement of Department of the Environment grants. During 2018, current members and its executive committee are either board members of the Brothers of Charity Services Ireland, or employees in executive positions of the Brothers of Charity Services Galway.

Particulars:

The debt is composed of advances given to Peter Triest Housing to purchase houses specified by the predecessor for the benefit of Brothers of Charity Services Galway's service users. The advances were repaid on receipt by the Association of social housing grants from the Department of the Environment.

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

(b) Galway Supported Employment Consortium Ltd.

Relationship:

This company was established to comply with the now Department of Social Protection Community Employment Scheme Grant Aid rules and regulations on the operation of a DSP supported employment programme for adults with a disability. Employees of the Brothers of Charity Services Galway hold 50% of Galway Supported Employment Consortium Ltd.'s share capital as nominees of the Brothers of Charity Services Galway. Two employees in executive positions of the Brothers of Charity Services Galway are directors of the company whose directors number is six in total.

Particulars:

No transactions took place in 2018.

(c) Kilcornan Community Development Association Ltd.

Relationship:

This company was established under the Department of Social Protection Community Development Scheme (DSPCES). Under the conditions governing the scheme, the Brothers of Charity Services Galway are the scheme's sponsor. During 2018 the management committee included a majority of employees of the Brothers of Charity Services Galway. In line with DSPCES regulations governing the scheme, the association operates as an entity separate from the Brothers of Charity Services Galway. This means it is an independent employer, with its own bank account and books of account. It is under DSPCES direct supervision, and it is audited independently in a format prescribed by DSPCES.

Particulars:

It is a condition under DSP Scheme rules that the sponsoring body cover the costs not allowed under the scheme rules.

(d) The Association of Parents and Friends of the John Paul II Centre

Relationship:

This entity, being an unincorporated body, was established by a group of parents, to raise funds and support specific projects for the benefit of service users of John Paul Services. The Association's operational autonomy is strictly at "arms length" from the Brothers of Charity Services Galway. During 2018 an employee of the Brothers of Charity Services Galway was a member of its nine member management committee.

Particulars:

No transactions took place in 2018.

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

(e) John Paul Housing Association Ltd.

Relationship:

This company was established to provide appropriate housing for individuals in need of housing. To date its total focus is to provide housing for service users of the Brothers of Charity Services Galway - John Paul Services. Its operations are totally dependent on the procurement of Department of the Environment grants. During 31st December 2018, its board had no connections with the Brothers of Charity Service Galway.

Particulars:

No transactions took place during 2018.

(f) Lakeview School Board of Management and Rosedale School Board of Management

Relationship:

The Congregation of Brothers of Charity are the trustees of both schools. There exists a partnership arrangement between the Brothers of Charity Services Galway and Rosedale School Board of Management. Two employees of the Brothers of Charity Services Galway were members of Rosedale School Board of Management, of these employees one was the chairperson of Rosedale School Board of Management. Lakeview School Board of Management operational autonomy is at "arms length" from the Brothers of Charity Services Galway. During 31st December 2018 its board of management had no connections with the Brothers of Charity Services Galway.

Particulars:

Transactions during 2018 relate to the recoupment or payment of prescribed costs that are borne by the Brothers of Charity Services Galway.

(g) Blue Teapot Theatre Company Ltd.

Relationship:

The Brothers of Charity Services Galway established this company to benefit the community and advance education in the arts in the county of Galway as defined in the Arts Acts 1951, 1973 and 2003 through the development and operation of a Theatre Company to promote inclusion, personal and social development of individuals with learning disabilities. Three employees of the Brothers of Charity Services Galway are currently members of the Blue Teapot Theatre Company Ltd. whose members currently total eight people. Two of these employees are directors of the Blue Teapot Theatre Company Ltd. whose directors number six directors. One of these employees is company secretary to the Blue Teapot Theatre Company Ltd and another one is the company chairperson to the Blue Teapot Theatre Company Ltd. Another Brother of Charity Services Galway employee acts as the de-facto chief executive of the Blue Teapot Theatre Company Ltd.

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

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Particulars:

Transactions during 2018 relates to the payment of the agreed annual allocation in return for services provided by the Blue Teapot Theatre Company Ltd. as outlined between the two entities.

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

Brothers of Charity Services Ireland Roscommon Region:

(a) Roscara Housing Association Ltd.

Relationship:

The company was established to provide appropriate housing for individuals in need of housing. To date its total focus is to provide housing for service users of Brothers of Charity Services Roscommon. During 2018 three of the company's eight directors are employees of Brothers of Charity Services Roscommon.

Particulars:

Transactions relate to the recoupment of costs administered by one company on behalf of the other related companies.

(b) Sesame Building Services Ltd.

Relationship:

The company was established to provide suitable employment opportunities for people exiting from training programmes. During 2018, four of the six directors are employees of the Brothers of Charity Services Roscommon.

Particulars:

Transactions relate to pay grants and employment of Sesame Building Services Ltd. in the capacity as provider of light construction maintenance services.

(c) Triest Press Ltd.

Relationship:

The company was established to provide suitable employment opportunities for people exiting from training programmes. During 2018, four of the six directors are employees of the Brothers of Charity Services Roscommon.

Particulars:

Transactions relate to pay grants and employment of Peter Triest Ltd. in the capacity as provider of printed goods and services.

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

Brothers of Charity Services Ireland Clare Region:

(a) Banner Housing Association Ltd.

Relationship:

The company was established to provide appropriate housing for individuals in need of housing. To date its total focus is to provide housing for service users of Brothers of Charity Services Clare. During 2018 five of the ten directors were employees of Brothers of Charity Services Clare.

Particulars:

Transactions relate to rent paid to Banner Housing Association Limited together with a management fee, rent of office and recoupment of costs from the Brothers of Charity Services Clare to Banner Housing Association Limited.

(b) Clare Supported Employment Services Ltd.

Relationship:

The company was established to provide supported employment for individuals with a disability in County Clare. Two of the seven Directors of the company are employees of the Brothers of Charity Services Clare.

Particulars:

No transactions took place during 2018.

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

Brothers of Charity Services Ireland Limerick Region:

(a) Thomond Housing Association Ltd.

Relationship:

The company was established to provide appropriate housing for individuals in need of housing. To date its total focus is to provide housing for service users of Brothers of Charity Services Limerick. During 2018, three of the directors and the secretary of Thomond Housing Association Ltd. were employees of Brothers of Charity Services Limerick.

Particulars:

Transactions relate to the recoupment of costs administered by one company on behalf of the other.

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

Brothers of Charity Services Ireland Southern Region:

(a) Castlehyde Trust Ltd.

Relationship:

This is a company limited by guarantee set up to provide accommodation, facilities and services to people with a disability. Two of the five directors are employees of the Brothers of Charity Southern Services. One of the five directors is a director of the Brothers of Charity Services Ireland. The company secretary is the chief executive officer of the Brothers of Charity Southern Services.

Particulars:

Transactions during the year related to rental of property.

Schools

The following schools are under the patronage of the Congregation of the Brothers of Charity in Ireland. The subscribers of the Brothers of Charity Services Ireland being the ultimate parent undertaking of the Brothers of Charity Southern Services is entirely composed of members of the governing body of the Congregation of the Brothers of Charity in Ireland an unincorporated body.

The schools are operationally independent of the Brothers of Charity Services Ireland Southern Region (BOCSISR) and have their own governance structure. Some members of the BOCSISR employees sit on the various school's Board of Management in a voluntary and unpaid capacity. Typically BOCSISR employees would number two of eight members of the school's Board of Management.

The schools are: St. Mary's School, Scoil Triest, Cara Junior School, Our Lady of Good Counsel School, St. Gabriel's Special School and Sonas Special Primary Junior School.

Upton Cork Housing Association

Some members of the Brothers of Charity Southern Services management team sit on a voluntary and unpaid capacity on the board of directors of Upton Cork Housing Association. There were no transactions between Upton Cork Housing Association and Brothers of Charity Southern Services for the year 2018.

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

Brothers of Charity Services Ireland South East Region:

(a) Belmont Park Housing Association Ltd.

Relationship:

The company was established to provide appropriate housing for individuals in need of housing. To date its total focus is to provide housing for persons who use the services of Brothers of Charity Services South East. During 31st December 2018 five of the seven members were employees of Brothers of Charity Services South East.

Particulars:

Transactions relate to the recoupment of costs administered by one company on behalf of the other.

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

27. Details of Grant and Grant in aid payments received

Name Grant Agency	Amount of Grant	Term of Grant	Amount of Grant Accounted for in Financial Statements	Name Grant Programme	Capital Grant if relevant	Is the grant restricted to a project or for the delivery of service
Health Service Executive	€185,280,876	2018	€185,280,876	Social Care - Intellectual Disability Services	N/A	Delivery of Service
Health Service Executive	€9,596,008	2018	€9,596,008	NHASS Pension Benefits	N/A	Restricted
Health Service Executive	€8,438,398	2018	€8,438,398	Social Care - Intellectual Disability Services South Tipperary	N/A	Delivery of Service
Health Service Executive	€1,359,911	2018	€1,359,911	Social Care - Intellectual Disability Services	N/A	Delivery of Service

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued									
Health Service Executive	€1,165,251	2018	€1,165,251	Social Care - Intellectual Disability Services. Ballytobin	N/A	Delivery of Service			
Name Grant Agency	Amount of Grant	Term of Grant	Amount of Grant Accounted for in Financial Statements	Name Grant Programme	Capital Grant if relevant	Is the grant restricted to a project or for the delivery of service			
Health Service Executive	€892,568	2018	€892,568	Rehabilitative Trainee Grant	N/A	Delivery of Service			
Health Service Executive	€48,322	2018	€48,322	Rehabilitative Trainee Allowance	N/A	Delivery of Service			
Health Service Executive	€30,000	2018	€30,000	Gilligan House	N/A	Restricted			
Name Grant Agency	Amount of Grant	Term of Grant	Amount of Grant Accounted for in Financial Statements	Name Grant Programme	Capital Grant if relevant	Is the grant restricted to a project or for the delivery of service			

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

Health Service Executive - West	€247,244	2018	€247,244	Provision of Rehabilitative training	N/A	Delivery of Service
Health Service Executive	€332,414	2018	€332,414	Early Intervention Centre and Children Services	N/A	Delivery of Service
Health Service Executive - DML	€227,910	2018	€227,910	Social Care - Intellectual Disability Services	N/A	Delivery of Service
Name Grant Agency	Amount of Grant	Term of Grant	Amount of Grant Accounted for in Financial Statements	Name Grant Programme	Capital Grant if relevant	Is the grant restricted to a project or for the delivery of service
Health Service Executive NW	€214,203	2018	€214,203	Social Care - Intellectual Disability Services	N/A	Delivery of Service

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

Health Service Executive PCCC	€6,000	2018	€6,000	Lottery Funding	N/A	Restricted
Department of Education - Special Education Services	€57,409	2018	€57,409	Specific Special Education Services	N/A	Delivery of Service
Department of Social Protection	€5,154	2018	€5,154	School Meals	N/A	Restricted
Genio	€81,702	2018	€81,702	Pay and General Administration	N/A	Restricted

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

Name Grant Agency	Amount of Grant	Term of Grant	Amount of Grant Accounted for in Financial Statements	Name Grant Programme	Capital Grant if relevant	Is the grant restricted to a project or for the delivery of service
Health Service Executive Waterford Community Care	€599	2018	€599	Social Care Intellectual Disability Service	N/A	Delivery of Service
Health Service Executive	€228,033	2018	€228,033	Rehabilitative Training Grant Waterford	N/A	Delivery of Service
Health Service Executive	€108,993	2018	€108,993	Rehabilitative Training Grant South Tipperary	N/A	Delivery of Service

Brothers of Charity Services Ireland
Notes forming part of the Financial Statements
For the year ended 31st December 2018

..... continued

28. Charges and Securities

Clann Credo Company Limited by Guranatee hold a charge over the following:

1. A first specific or fixed charge over the property at 1 Rosshill Road, Rosshill, Galway. Created 26th October 2018.

Health Service Executive hold a charge over the following:

1. Mortgage and charge over the Property known as Crann Mor Respite Centre, Orherwise know as 1 Rosshill Road, Roshill Galway. Created 14th November 2018.
2. All that and those the property being all of the property comprised in folio 70361f Co. Limerick held in fee simple situate at Gortboy, Newcastlewest, Co. Limerick V42 W594. Created 28th February 2019.

29. Approval of financial statements

The financial statements were approved by the Board on 13th May 2019.

Brothers of Charity Services Ireland
Income & Expenditure Account - Income
For the year ended 31st December 2018

	<u>2018</u>	<u>2017</u>
	€	€
<u>Other Health Service Executive Grants and Funding</u>		
Additional Allocation Received	11,705,744	10,672,758
Rehabilitative Training Grant	1,525,170	1,467,332
	<u>13,230,914</u>	<u>12,140,090</u>
<u>Other Income</u>		
Refund of Salaries	536,342	381,639
Clinical Assessments	9,105	21,605
Clients' Maintenance	249,323	251,325
Superannuation	4,414,508	5,097,319
Social Welfare Refunds	1,888,704	1,249,405
Canteen	78,983	70,013
Rental Income	122,358	161,353
Miscellaneous	2,192,218	1,865,496
Board & Lodgings	2,673,949	2,620,146
Workshop & Other Sales	404,419	522,567
Swimming Pool	153,148	175,458
Ward of Court	84,896	81,500
Bus Eireann - School Transport	398,100	423,824
Excise Duty Refund on Diesel	(796)	23,983
Bank Interest Earned	1,699	7,666
Income from Services provided to Other Agencies	306,498	398,559
Fundraising & Donations	59,539	94,049
Department of Education	57,409	57,409
Pobal - Let's Get Back to Work Project	-	43,509
	<u>13,630,402</u>	<u>13,546,825</u>

Brothers of Charity Services Ireland
Income & Expenditure Account - Expenditure
For the year ended 31st December 2018

	<u>2018</u>	<u>2017</u>
	€	€
<u>Pay Expenditure</u>		
Administration	11,555,827	10,731,272
Medical & Dental	1,103,971	1,202,327
Nursing	47,684,118	47,479,832
Health & Social Care Professions	31,073,040	28,668,073
General Support Services	19,440,871	18,754,776
Maintenance	134,944	199,454
Other Patient & Client Care	46,441,262	40,371,850
Fees & Sessions	2,789,130	2,370,884
Superannuation	13,872,917	13,466,902
Superannuation - FRS102 adjustment	376,200	429,000
Employer's Social Welfare & P.R.S.I.	15,865,436	14,657,403
	<u>190,337,716</u>	<u>178,331,773</u>

Brothers of Charity Services Ireland
Income & Expenditure Account - Expenditure
For the year ended 31st December 2018

	<u>2018</u>	<u>2017</u>
	€	€
<u>Non - Pay Expenditure</u>		
Drugs & Medicines	197,687	157,314
Medical & Surgical Equipment	503,273	449,633
Provisions	3,950,984	3,932,176
Heat, Power & Light	3,074,700	2,789,286
Cleaning & Laundry	1,651,971	1,499,354
Furniture, Crockery & Hardware	699,800	649,086
Bedding & Clothing	369,788	305,466
Maintenance	4,180,426	3,787,142
Minor Capital Contracts	939,894	642,161
Transport & Travel	3,917,631	3,359,637
Staff Travel	1,170,077	1,123,489
Directors' Expenses	3,928	8,138
Accountancy, Banking & Legal	302,438	280,138
Insurance	450,170	522,335
Audit	109,966	110,727
Finance Costs FRS 102 Adjustment	(242,000)	(212,000)
Office Equipment & Furniture	248,942	278,796
Computers	620,083	1,127,347
Sundries	489,584	456,072
Payments to Service Users	259,170	251,999
Security	504,168	438,450
Maintenance of Grounds	33,990	21,408
Service Users' Activities	1,205,971	1,091,455
Rent/Lease Buildings	2,710,805	2,470,256
Communication, Filing & Functional	1,826,748	1,670,277
Staff Training & Development	487,384	505,340
Central Organisation Expenses	256,654	198,243
Staff Recruitment	171,349	240,530
Family Support Services	1,254,696	1,391,899
Outsourced Services	912,561	699,295
Motor Vehicle (net of trade in) Capitalised	1,291,409	769,623
Fittings & Equipment > than €7,000 Capitalised	34,690	53,747
Improvement to Leasehold Premises Capitalised	235,803	190,678
Land & Buildings Capitalised	130,000	28,550
	<u>33,954,740</u>	<u>31,288,047</u>