

**SIMON COMMUNITY (SOUTH EAST) COMPANY LIMITED
BY GUARANTEE
(Trading as SOUTH EAST SIMON COMMUNITY)**

**Annual Report
Financial Year Ended 31 December 2021**

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REFERENCE AND ADMINISTRATION DETAILS

Board of Directors as at 27 June 2022

Ann FitzGerald
Katherine Harford
James Leonard
Eoin MacCuirc
Christine Moloney
Anthony O'Donovan
Peter O'Meara
Sean Ormonde
Deirdre O'Shaughnessy
James O'Shaughnessy
Brendan Ryan
Mary Ryan
Leslie Warren

Secretary and Registered Office

Leslie Warren
10A Waterside
Waterford
X91D2NH

Key Management Staff

Dermot Kavanagh (Director),
(Not a member of the Board of Directors)

Charitable Status No: CHY 15749

Charity Regulatory Authority No: 20055141

Registered No: 376398

Auditors

PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
One Albert Quay
Cork

Bankers

Allied Irish Banks plc
The Quay
Waterford

Solicitors

Nolan Farrell and Goff
Newtown
Waterford

DIRECTORS' REPORT

The directors present their report and the audited financial statements of Simon Community (South East) Company Limited by Guarantee, ('South East Simon Community' or 'South East Simon') for the year ended 31 December 2021.

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. The financial statements have been prepared in accordance with Financial Reporting Standard 102 (FRS 102) and Irish statute comprising Companies Act 2014 as applied in accordance with the Statement of Recommended Practice (SORP) (FRS 102) 'Accounting Reporting by Charities' as jointly published by the Charity Commission for England and Wales and the office of the Scottish Charity Regulator, who are recognised by the UK Accounting Standards Board (ASB) as the appropriate body to issue SORPs for the charity sector in the UK. Financial reporting in line with the SORP is considered best practice for charities in Ireland. As noted above, the directors consider the adoption of the SORP requirements is the most appropriate practice and presentation to properly reflect and disclose the activities of the Company. The corresponding figures included in the comparative financial statements are prepared on the same basis.

Objectives and activities

South East Simon Community was established in 2003 for the charitable purpose of alleviating homelessness and the problems associated with homelessness. South East Simon Community works in solidarity with men and women who have past or present experience of homelessness, or who are at risk of future homelessness. We campaign for a society without homelessness. South East Simon Community is particularly concerned for people whose experience of homelessness is not just a short-term setback but is a longer term manifestation of deep social exclusion.

Homelessness takes many forms. Sleeping rough is very visible but many people's experiences of homelessness are often hidden. Homelessness causes countless practical difficulties. It also has a detrimental effect on people's health and well-being. It is an isolating experience and people experiencing homelessness are some of the most vulnerable and socially excluded people in our society.

South East Simon Community offers a range of services in response to these needs including low threshold accommodation, key working and case management, and a range of housing and accommodation with appropriate levels of care and support. South East Simon is an Approved Housing Body and a social landlord. We work to a Housing Led approach to addressing homelessness.

A Housing Led approach embodies a commitment to housing as a social right. The aim of this approach is to minimise the number of steps and the amount of time a person has to take from the point of becoming homeless to the point of being rehoused. A Housing First or Housing Led approach provides immediate or near-immediate re-housing without any requirement that people experiencing homelessness show themselves to be 'housing ready' before they are re-housed. Support to sustain their housing and improve their health, well-being and social integration is provided to people in their own home and use of that support is something over which people exercise considerable choice and control.

The following values are inherent in what South East Simon does and how we work: equality, rights based, social justice & social action, trauma informed, choice, respect, person centred, client led, empowerment, diversity, inclusiveness, community engagement, activism, engagement, acceptance, understanding, dynamism, openness to new ideas, collaboration and supportiveness.

In 2021, South East Simon provided for following services:

- **Outreach:** the staff team supports people sleeping rough, surviving in squats or people who have no other option but to stay with friends – people on the very edge of homelessness. Often the first point of contact for people falling into homelessness, the team works to make sure the most appropriate supports are available to address each person's individual needs. These supports include access to accommodation & housing and harm reduction supports relevant to problem drug & alcohol use. The Outreach service continued to operate throughout the COVID-19 pandemic.

DIRECTORS' REPORT - continued

Objectives and activities - continued

- **Housing First:** We work with single men, women and families who may have chaotic housing histories, active addictions, poor mental health and are homeless or are at risk of homelessness.
- **Supported Housing:** The team provides a rapid resettlement service and intensive support services in line with our Housing-Led approach to tackling homelessness. We provide housing in Waterford City, South Tipperary and Kilkenny. The team supports people to move out of homelessness as quickly as possible and into permanent housing with a tailored visiting support package for as long as each person needs. As social landlord we provide some permanent housing directly and we work closely with other social housing providers to make sure the most appropriate housing is available to suit people's individual needs. To reduce pandemic related risks housing support was delivered over the phone and via video calls where necessary.
- **Tenancy Sustainment Service:** Our Tenancy Sustainment Service works to assist people to maintain their tenancies and as a prevention service, by supporting people at risk of losing their home and ending up in homeless services.
- **Advice and Information Clinics:** Our Advice and Information Clinic assists people who require information on their housing entitlements. We support them or advocate on their behalf with statutory and voluntary agencies.

Review of Activities in 2021

- We provided Supported Housing in Waterford, South Tipperary, and Kilkenny.
- We provided a Housing First service in Waterford, providing intensive support to those with the most complex needs among the long-term homeless population in the city. Clients on the Housing First caseload have dual diagnosis (mental health and addiction) and histories of trauma and rough sleeping. The Housing First service provides and coordinates intensive support to help people access and maintain housing and improve health outcomes.
- We provided Tenancy Sustainment Services and Resettlement Services from our two regional offices in Clonmel and Waterford city, which work to address and prevent homelessness by assisting people to maintain their tenancy or by supporting those at risk of a tenancy breakdown.
- We acted as social landlord in Clonmel and we provide an Advice and Information service.
- In Waterford we supported the advocacy service through provision of food and settlement packs.
- Our fundraising team and volunteers raised €319,893 in voluntary donations and legacies.
- The board of directors continued the arrangement whereby Cork Simon Community provided operational, staffing and management supports.

Financial review

The financial results for the year ended 31 December 2021 are shown in the Statement of Financial Activity report on page 13.

Income from allocations and grants from other agencies accounted for 16% of total gross income for 2021. Fundraising and other income account for 83% of gross income in 2021. The net movement in funds is reported as an increase of €122,287.

COVID-19

During the year, the COVID-19 coronavirus pandemic continued to cause significant financial market, economic and social disturbance globally and in Ireland, including significant disruption to business and economic activity. As the provider of essential services during the COVID-19 pandemic, we continued to provide housing and support services to people who rely on our services. We worked closely with the HSE, local authorities and other agencies to manage the operational risks of COVID-19. Notwithstanding the challenges created by the pandemic, the Company's income generation proved to be resilient since the start of the crisis in March 2020 and in 2021, as set out in the 'Financial Review' section of this report. In spite of this, the high demand for the Community's services persists and the directors continue to monitor risks and uncertainties to their income sources.

DIRECTORS' REPORT - continued

Reserves strategy

South East Simon has a responsibility to ensure that it uses the funds and resources it receives for its charitable purpose of ending homelessness. Grants are confirmed on an annual basis and other sources of income and resources are not guaranteed. South East Simon must plan its use of these funds and resources to ensure the continuity and sustainability of the services it offers. To this end, South East Simon currently holds about two months of operating costs in reserve.

As is usual for housing bodies, South East Simon holds a property maintenance and development fund, often referred to as the 'sinking fund'. The directors have designated unrestricted funds for the future maintenance and development of the community's properties. At the year end this designated fund amounts to €300,000.

Vision

Our strategic vision for South East Simon can be stated in one line:

"Achieving Functional Zero Homelessness by 2030 in the communities we serve"

Functional Zero homelessness is achieved when there are enough services, housing and shelter beds for everyone who needs it. When Functional Zero is achieved, nobody becomes or remains long term homeless. Our mission is to play a leading role in providing housing and services aimed at preventing and ending homelessness in the South East region via:

- Initiatives aimed at the prevention of homelessness and diversion from enmeshment in homeless services
- Provision of sufficient short-term housing-orientated shelter and supports
- Provision of sufficient housing and support in housing to prevent and end long term homelessness.

Our focus between 2022 and 2025 will be on ensuring that all our services are housing orientated, trauma informed, focused on harm reduction and on promoting recovery and greater personal independence. In line with this we will expand our shelter provision where necessary and will be moving away from dormitory style provision and shared rooms and towards single room occupancy in such services.

We will be increasing our housing delivery substantially with a particular focus on one bed apartments in line with participant needs. We will build our capacity to manage our growing housing stock effectively and efficiently. We will evaluate and enhance services provided in High Support Housing.

We will continue to develop our Housing First and Housing Led support services for people leaving homelessness, as well as our range of specialist support services relating to addiction, social integration and education, training and employment.

We will proactively engage in partnerships, networks and campaigns aimed at maximizing our influence and impact on ending homelessness in our regional areas. We will also work to ensure that our organisational structure, infrastructure, culture and communications are enhanced to support organisational growth and effectiveness and to build resilience in challenging times.

Plans for future periods

South East Simon Community's main priorities are:

- Complete a strategic plan for the period 2022-2025 jointly with Cork Simon Community.
- Align all South East Simon Community services with a Housing Led approach.
- Facilitate faster onward progression for people out of homelessness.
- Carry out a review of South East Simon Community governance and management structures and arrangements.
- Elaborate a model of key working and case management in line with new standards for homeless services, to better support people on their journey out of homelessness.
- Offer an expanded range of housing options to people with high-support needs.
- Identify and access an increased number of housing units suitable for the needs of people we support and through various sources.
- Secure sustainable funding to support ongoing services.
- Improve the situation of people who are currently homeless through South East Simon Community acting as a leading advocate for the right to housing and supports for all at a national and local level.

DIRECTORS' REPORT - continued

Plans for future periods - continued

- Continue to maintain and develop South East Simon Community support base and promote a general understanding of the causes of and solutions to homelessness.
- Implement the National Quality Standards Framework across our services.
- To continue the integration with Cork Simon Community in the areas of housing and homeless services, fundraising, accounting, staffing and management supports.
- Complete the transfer to South East Simon of six properties in Clonmel which are currently owned by Simon Communities of Ireland. South East Simon is providing housing and support services at these properties.

Relationships with other bodies

South East Simon Community recognises that the range of needs of people who are homeless are too complex for one organisation to solve. South East Simon Community fosters relationships and working arrangements with a variety of other agencies and providers of related services.

- South East Simon Community is part of a network of eight independent Simon Communities operating in the Republic of Ireland, the others being in Dundalk, Dublin, Midlands, Cork, Galway, North West and Mid-West. All eight Simon Communities share common values and ethos in tackling all forms of homelessness throughout Ireland and work collectively through a National Office to conduct valuable research and to inform and influence national policy.
- South East Simon Community is an Approved Housing Body registered with the Approved Housing Bodies Regulatory Authority and a member of the Irish Council for Social Housing.
- South East Simon Community has good working relationships with the Health Service Executive, Waterford City and County Council, Tipperary County Council, Department of Social Protection and the Community Gardaí. We work with private landlords, voluntary housing bodies and a range of Community groups.
- South East Simon Community has close links with other agencies in providing services for people who are homeless. We are members of the Waterford Homeless Service Providers Network and of the South East Regional Homeless Forum.

Structure, governance and management

South East Simon Community is a charitable company limited by guarantee (CLG). South East Simon Community has a Constitution. The members of the board of directors are the members of the company. The directors are volunteers.

South East Simon Community complies with the Charities Governance Code. In 2020 the Board, along with Cork Simon Community, carried out an externally facilitated review of the Board and governance structures and management structures.

As an Approved Housing Body, in 2021 we registered with the newly established Approved Housing Bodies Regulatory Authority (AHBRA). Previously South East Simon has signed up to the Voluntary Regulation Code for Approved Housing Bodies. South East Simon adheres to the Statement of Guiding Principles for Fundraising. In service delivery South East Simon applies the Putting People First Code, the National Quality Standards Framework, and the Quality Standards in Alcohol and Drugs Services.

The directors of the company are also directors of Cork Simon Community. Cork Simon Community is entitled to appoint a majority of members to the board of South East Simon Community. South East Simon Community is a subsidiary of Cork Simon Community and shares the same governance policies and procedures. Cork Simon Community as confirmed it meets the 'triple lock' standard as set out by the Charities Institute of Ireland.

The board of directors is responsible for governance and for developing and approving policies and strategies of the Community. The day-to-day management of the Community is delegated to the Director of Cork Simon Community, Dermot Kavanagh, who is not a member of the Board of Directors. Dermot is supported by a management team. The management team are responsible for the implementation of the policies and strategies, as approved by the board of directors, and for managing the operation and delivery of services in line with South East Simon Community values. No remuneration or employee benefits are paid by South East Simon Community to the members of the Board of Directors.

DIRECTORS' REPORT - continued

Principal risks and uncertainties

The directors have ultimate responsibility for managing risk and are aware of the risks associated with the operating activities of the Community. The directors carry out regular risk audits and review the risks on a quarterly basis. The directors are satisfied that adequate systems of governance, supervision, procedures and internal controls are in place to mitigate the exposure to the major risks and that these controls provide reasonable assurance against such risks. The major risks include risks arising from the COVID-19 pandemic, financial risks, operational & safety risks, compliance risks and reputational risks.

COVID-19 pandemic risk

The COVID-19 coronavirus pandemic disrupted South East Simon's fund-raising, operations, employees & volunteers and on our service participants. While there has been no significant impact of COVID-19 on the company's financial position or the results of its operations since the start of the pandemic, the risks related to the pandemic remain in the event that further variants of the virus emerge.

Ukraine war risk

The war in the Ukraine, which arose after the balance sheet date, is impacting the global and Irish economies. For South East Simon and our service participants there is a risk of inflation of energy and other costs. In time there may be a risk to energy supplies. The arrival of refugees in Ireland from Ukraine is putting further pressure on the housing and accommodation. The directors will monitor the impact on service participants and see how we can assist, while also monitoring the likely impact on South East Simon.

Financial risk

Increased costs or reduced or insufficient income will impact directly on services and the people who avail of them. Changes to government policy and economic climate can impact on fundraising income and on grants from statutory agencies. Measures to reduce this risk include an investment in a fundraising strategy which includes a mix of income streams, positive negotiation with key stakeholders and funders, and the management and control of budgets and costs. Financial information is subject to detailed review at board of director level allowing for continuous monitoring of the Community's operations and financial status.

Operational and safety risks

South East Simon services are aimed at people who are vulnerable and socially isolated. Poor quality services can have a detrimental impact on people. South East Simon is committed to providing high quality services. We adhere to recognised quality standards, operate a training programme for staff and volunteers, and work to a range of operational and staff performance policies and procedures aimed at providing consistently safe living, working and volunteering environments.

Compliance risk

South East Simon has to comply with a range of legislation and regulation. Non-compliance could incur penalty and result in reputational damage. South East Simon has signed up to the various governance codes relating to the voluntary sector and the approved housing bodies. The policies and procedures and internal control systems that are in place aim to ensure compliance with laws and policies, and to ensure efficient and effective use of the Community's resources.

Reputational risk

South East Simon is delivering services on behalf of the wider community and relies on the support of that wider community. Damage to South East Simon's reputation would impact on that support.

Demand for services

External risks include the impact of the recent and ongoing housing crisis. An increase to the number of people needing homeless services, or an inability of South East Simon to access a range of housing options for people, or a change in government policy or de-prioritisation of homelessness can all impact on the services South East Simon can offer. South East Simon campaigns and consults with key stakeholders to influence and mitigate the impact of these risks.

Information security

Cyber security is an increasing risk and phishing attempts continue to increase. There is a risk of reputational damage and/or fines from the Data Protection Commissioner in the event of data breaches. We are investing in our IT systems to minimise the threat from cyber-attacks.

DIRECTORS' REPORT - continued

Directors

The names of the persons who are currently or were directors at any time during the year ended 31 December 2021 are set out below. Unless indicated otherwise, they served as directors for the entire year.

Ernest Cantillon (resigned 21 March 2022)
Jim Costello (appointed 25 April 2022, resigned 23 May 2022)
Ann FitzGerald
Katherine Harford
James Leonard (appointed 15 November 2021)
Eoin MacCuirc
Christine Moloney (appointed 16 May 2022)
John Murphy (retired 17 May 2021)
Anthony O'Donovan
Peter O'Meara
Sean Ormonde
Deirdre O'Shaughnessy (appointed 15 February 2021)
James O'Shaughnessy
Brendan Ryan
Mary Ryan
Leslie Warren

Leslie Warren was company secretary during the year and he continues to be company secretary.

Directors' and secretary's interests

No board member holds a beneficial interest in the charity.

The company is a company limited by guarantee, not having a share capital. The liability of the members is limited to €1.00 each, that they have guaranteed to contribute to the assets of the company on winding up of the company.

Taxation

The company has been granted charitable status under Sections 207 and 208 of the Taxes Consolidation Act, 1997 (Charity No. CHY 15749).

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 located at the company's office at 10A Waterside, Waterford.

Political donations

It is South East Simon policy not to make political donations. The Electoral (Amendment) (Political Funding) Act, 2012, requires companies to disclose all political donations to any individual party over €200 in value made during the financial year. The directors confirm no political donations have been made.

Disclosure of information to auditors

The directors in office at the date of this report have confirmed that:

- as far as they are aware, there is no relevant audit information of which the company's statutory auditors were unaware; and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant information and to establish that the company's statutory auditors are aware of that information.

DIRECTORS' REPORT - continued

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 net movement in funds 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).

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 net movement in funds 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 movement in funds 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.

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

Going concern

The directors' assessment of the company's going concern position is set out in note 3(b).

Events since the end of the year

Events since the end of the year are set out in note 19.

Auditors

The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office in accordance with the provisions of Section 383(2) of the Companies Act, 2014.

Signed on behalf of the board

Anthony O'Donovan

Eoin MacCuirc

27 June 2022





Independent auditors' report to the members of Simon Community (South East) Company Limited by Guarantee

Report on the audit of the financial statements

Opinion

In our opinion, South East Simon Community (South East) Company Limited by Guarantee's **financial statements**:

- give a true and fair view of the **company's assets, liabilities and financial position** as at 31 December 2021 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 (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "**The Financial Reporting Standard applicable in the UK and Republic of Ireland**" and Irish law); and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

We have audited the financial statements, included within the Annual Report, which comprise:

- the balance sheet as at 31 December 2021;
 - the statement of financial activity for the year then ended;
 - the cash flow statement for the year then ended; and
 - the notes to the financial statements, which include a description of the significant accounting policies.
-

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of **the financial statements in Ireland, which includes IAASA's Ethical Standard**, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt **on the company's ability to continue as a going concern for a period of at least twelve months** from the date on which the financial statements are authorised for issue.

In auditing the financial statements, **we have concluded that the directors' use of the going concern basis of accounting** in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the **company's ability to continue as a going concern**.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our **auditors' report thereon**. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken **in the course of the audit, the information given in the Directors' Report** for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we **have not identified any material misstatements in the Directors' Report**.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities set out on page 9, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

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

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

Auditors' responsibilities for the audit of the financial statements

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

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

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

This description forms part of our **auditors' report**.



Use of this report

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

Other required reporting

Companies Act 2014 opinions on other matters

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

Other exception reporting

Directors' remuneration and transactions

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

A handwritten signature in black ink that reads 'Declan Maunsell'.

Declan Maunsell
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Cork
28 June 2022

STATEMENT OF FINANCIAL ACTIVITIES
For the financial year ended 31 December 2021

	Notes	Restricted funds	Unrestricted funds	Designated building fund	Restricted building fund	Total 2021	Total 2020
		€	€	€	€	€	€
Income from:							
Donations		-	355,656	-	-	355,656	316,865
Legacies		-	-	-	-	-	20,000
Charitable activities		120,126	255,927	-	-	376,053	414,445
Interest and investment income		-	5	-	-	5	6
Total income		<u>120,126</u>	<u>611,588</u>	<u>-</u>	<u>-</u>	<u>731,714</u>	<u>751,316</u>
Expenditure on:							
Charitable activities		(141,876)	(505,745)	-	-	(647,621)	(644,825)
Raising funds		-	(115,515)	-	-	(115,515)	(140,614)
Total expenditure	5	<u>(141,876)</u>	<u>(621,260)</u>	<u>-</u>	<u>-</u>	<u>(763,136)</u>	<u>(785,439)</u>
Capital Assistance Scheme repayments relieved		-	153,709	-	-	153,709	149,543
Net income	7	<u>(21,750)</u>	<u>144,037</u>	<u>-</u>	<u>-</u>	<u>122,287</u>	<u>115,420</u>
Capital contribution received		-	-	-	-	-	300,000
Transfer from restricted building fund		-	1,350	-	(1,350)	-	-
Transfer from unrestricted fund	17	6,697	(6,697)	-	-	-	-
Net movement in funds		<u>(15,053)</u>	<u>138,690</u>	<u>-</u>	<u>(1,350)</u>	<u>122,287</u>	<u>415,420</u>
Reconciliation of funds							
Total funds brought forward		<u>113,998</u>	<u>52,990</u>	<u>300,000</u>	<u>21,600</u>	<u>488,588</u>	<u>73,168</u>
Total funds carried forward		<u>98,945</u>	<u>191,680</u>	<u>300,000</u>	<u>20,250</u>	<u>610,875</u>	<u>488,588</u>

The statement of financial activities includes all gains and losses recognised in the year. There are no other items to be included in the statement of comprehensive income. Income and net income arose solely from continuing activities. Movements in funds are set out in note 17 on page 27. Please refer to note 6 on page 22 where the detailed comparative statement of financial activities for the financial year ended 31 December 2020 is disclosed.

BALANCE SHEET
As at 31 December 2021

	Notes	2021 €	2020 €
Fixed assets			
Tangible assets	9	<u>3,043,233</u>	<u>3,097,362</u>
Current assets			
Debtors	10	195,663	15,295
Cash at bank		<u>442,169</u>	<u>692,879</u>
		637,832	708,174
Creditors - Amounts falling due within one year	11	<u>(303,313)</u>	<u>(576,748)</u>
Net current assets		<u>334,519</u>	<u>131,426</u>
Total assets less current liabilities		3,377,752	3,228,788
Creditors - Amounts falling due after more than one year	12	<u>(2,766,877)</u>	<u>(2,740,200)</u>
		<u>610,875</u>	<u>488,588</u>
Total funds of the charity			
Unrestricted funds	17	191,680	52,990
Restricted funds	17	98,945	113,998
Designated building fund	17	300,000	300,000
Restricted capital funds	17	<u>20,250</u>	<u>21,600</u>
Total charity funds	17	<u>610,875</u>	<u>488,588</u>

The notes on pages 16 to 28 form an integral part of these financial statements.

The financial statements were authorised by the board of directors on **27 June 2022** and signed on its behalf:

On behalf of the board

Anthony O'Donovan

Eoin MacCuirc



CASH FLOW STATEMENT

For the financial year ended 31 December 2021

	Notes	2021 €	2020 €
Income for the reporting period as per statement of financial activities		122,287	115,420
Adjustment for:			
Depreciation		173,443	170,029
Capital assistance scheme repayment relieved		(153,709)	(149,543)
Interest receivable		(5)	(6)
Interest payable and similar charges		1,108	1,204
Movement in working capital:			
Movement in debtors		(60,368)	9,667
Movement in creditors		12,679	3,722
Movement in payable to Cork Simon Community		(288,145)	149,596
Cash (used in)/generated from charitable activities		(192,710)	300,089
Interest payable and similar charges		(1,108)	(1,204)
Net cash (used in)/generated from charitable activities		(193,818)	298,885
Cash flows from investing activities			
- investment income		5	6
- payments to acquire tangible assets		(119,314)	(326,993)
Net cash used in investing activities		(119,309)	(326,987)
Cash flows from financing activities			
- Capital contribution received	17	-	300,000
- Capital Assistance Scheme loan funding	13	62,468	284,660
		62,468	584,660
Change in cash and cash equivalents in the year		(250,659)	556,558
Cash and cash equivalents at start of year	16	691,784	135,226
Cash and cash equivalents at end of year	16	441,125	691,784

NOTES TO THE FINANCIAL STATEMENTS

1 General information

Simon Community (South East) Company Limited by Guarantee is a charitable organisation established to alleviate homelessness and the problems associated with homelessness. The registered number of the company is 376398. The registered number of the charity is 20055141.

The Company is a company limited by guarantee in the Republic of Ireland. The address of its registered office is 10A Waterside, Waterford.

The Company's ultimate parent and ultimate controlling party is Cork Simon Community. Cork Simon Community prepares group financial statements and is both the smallest and largest group for which group financial statements are drawn up and of which the Company is a member. Copies of the Cork Simon Community group financial statements are available from the Company Secretary at its registered office at 14 Cove Street, Cork.

These financial statements are the company's financial statements for the financial year beginning 1 January 2021 and ending 31 December 2021.

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

2 Statement of compliance

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. The financial statements have been prepared in accordance with Financial Reporting Standard 102 (FRS 102) and Irish statute comprising Companies Act 2014 as applied in accordance with the Statement of Recommended Practice (SORP) (FRS 102) 'Accounting Reporting by Charities' as jointly published by the Charity Commission for England and Wales and the office of the Scottish Charity Regulator, who are recognised by the UK Accounting Standards Board (ASB) as the appropriate body to issue SORPs for the charity sector in the UK. Financial reporting in line with the SORP is considered best practice for charities in Ireland. As noted above, the directors consider the adoption of the SORP requirements is the most appropriate practice and presentation to properly reflect and disclose the activities of the Company. The corresponding figures included in the comparative financial statements are prepared on the same basis.

3 Summary of significant accounting policies

The significant accounting policies used in the preparation of the entity financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated.

(a) Basis of preparation

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

The financial statements have been prepared in accordance with Financial Reporting Standard 102 (FRS 102) and Irish statute comprising Companies Act 2014 as applied in accordance with the Statement of Recommended Practice (SORP) (FRS 102) 'Accounting Reporting by Charities' as jointly published by the Charity Commission for England and Wales and the office of the Scottish Charity Regulator, who are recognised by the UK Accounting Standards Board (ASB) as the appropriate body to issue SORPs for the charity sector in the UK. Financial reporting in line with the SORP is considered best practice for charities in Ireland. As noted above, the directors consider the adoption of the SORP requirements is the most appropriate practice and presentation to properly reflect and disclose the activities of the Company. The corresponding figures included in the comparative financial statements are prepared on the same basis.

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the financial year. It also requires the directors to exercise 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 4.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(a) Basis of preparation - continued

South East Simon Community meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated in the relevant accounting policy note.

(b) Going concern

South East Simon meets its day-to-day working capital requirements through its cash reserves, grant income, fund-raising income, rental income and return on investments. There are ever-present risks about the ability of the Company to maintain the same level of fund-raised income we have achieved in previous years including: risks to fundraising and grant income streams in the future, which are presently unknown; the risk of cost inflation; and how the economic impact of macroeconomic issues might impact on future demands for our services.

The Board have assessed the impact of these challenges and risks on its financial and operating outlook, and considered the impact on its cash flows, along with appropriate mitigations. The directors expect that the Community will be in a position to meet its obligations as they fall due for the foreseeable future. In arriving at its conclusion, the board has taken account of the level of cash resources which the company maintains to enable it to meet its working capital requirements. The Capital Assistance Scheme mortgages on properties are set in such a way that South East Simon is relieved of repayments, as set out in note 13.

After making all necessary enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore these financial statements have been prepared on a going concern basis.

(c) Revenue

(i) Donations and other fundraising activities

In common with many similar charitable organisations, the company derives a proportion of its income from voluntary donations and fundraising activities held by individuals or parties outside the control of the company. Accordingly, donations are recognised when the Community has entitlement to the income, certainty of receipt and the amount can be measured with sufficient reliability. In the case of voluntary income receivable by way of donations and gifts, income is recognised when the donation is entered into the Community's bank accounts or entered into the Community's accounting records. Fundraising income is shown gross without deduction of any overhead costs involved in raising such funds.

(ii) Legacies

Income arising from a legacy is recognised when there is a grant of probate, when the amount can be measured reliably and when conditions attached are within the control of South East Simon Community. Often this is when the bequest has entered the Community's bank account or title deeds of the related properties have transferred to the Community. Where material, legacies that are not recognised as income will be disclosed as contingent assets.

(iii) Revenue grants

Revenue grants relating to charitable activities are recognised when receivable and are reflected in the Statement of Financial Activities on this basis.

(iv) Capital grants and donations

Grants and donations receivable in connection with capital expenditure are recognised in the Statement of Financial Activities and included in the Restricted Building Fund when receivable. On an annual basis, a transfer is made from the Restricted Building Fund to the Unrestricted Funds on the same basis as the related tangible assets are depreciated.

(d) Other revenue

South East Simon Community earns interest income. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Community; this is normally upon notification of the interest paid or payable by the bank.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(e) 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. Deferred income is released to income in the period in which the related performance occurs.

(f) Capital assistance scheme loans

Loans under Capital Assistance Schemes, receivable from local authorities for the purposes of acquiring and developing specified housing properties and advanced to the Community under the terms of a mortgage agreement, are recognised in the financial statements as creditors repayable over fixed terms of 30 years. Under the terms of the mortgage agreement the Community is relieved of monthly capital and interest repayments by the relevant local authority provided the Community is in compliance with certain specific conditions. The repayments so relieved are recognised in the Statement of Financial Activities as they are waived or relieved. If the company fails to comply with the specific condition, the unrelieved balance becomes repayable.

The amounts repayable to the local authorities under the terms of the Capital Assistance Scheme, representing advances received as reduced by repayments relieved, are disclosed as creditors classified as 'amounts repayable within one year' and 'amounts repayable after more than one year'.

This loan is accounted for as Public Benefit Entity Concessionary Loans under Chapter 34 of FRS 102.

(g) Restricted and unrestricted funds

South East Simon operate the following funds:

(i) Restricted funds

Restricted income funds are to be used for specific purposes as laid down by the donor or grantor. Expenditure which meets these criteria is shown as charged to the fund. These funds may become repayable in the event that the conditions laid down by the donor or grantor are not adhered to.

(ii) Unrestricted funds

Unrestricted income funds are donations and other incoming resources received or generated for charitable purposes which can be used at the discretion of South East Simon Community in furtherance of the objects of the Charity.

(iii) Restricted building funds

Restricted building funds are to be used for specific capital purposes as laid down by the donor or grantor. The funds that have been spent on housing assets are amortised over the same period as the related asset is depreciated. The funds that have not been spent may be repayable in the event that the conditions laid down by the donor or grantor are not adhered to.

(iv) Designated funds

South East Simon Community aims to maintain its housing properties in good condition and repair. The designated fund represents unrestricted funds allocated for the future maintenance and development of the Community's housing properties. This is often referred to as the Sinking Fund.

(h) Expenditure

Expenditure accounted for when they are incurred and include amounts due at the end of the year but not paid. Expenditure expended include attributable Value Added Tax which cannot be recovered. Expenditure expended are allocated to the particular activity or service where the cost relates directly to that activity or service. The costs of supporting activities, training, volunteers and overall direction are reallocated to each activity or project based mainly on staff and volunteer numbers and utilisation.

Expenditure on raising funds includes the staff time directly spent on raising funds, the cost of producing and disseminating literature, and the delivery of fundraising events. The cost of generating funds also include the costs incurred in fundraising and encouraging third parties to make voluntary contributions now and in the future towards the provision of services by the Community. The costs are expensed when they are incurred, although the benefit in terms of funds raised may occur in a future period.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(i) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to the location and condition necessary for its intended use, applicable dismantling, removal and restoration costs and borrowing costs capitalised. Assets in the course of construction are carried at cost. These assets are not depreciated until they are available for use.

(i) Depreciation and residual values

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

Freehold property	25 years
Fixtures, fittings, tools and equipment	3 to 5 years
Motor vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each financial year. The effect of any change in either residual values or useful lives is accounted for prospectively.

(ii) Repairs and maintenance

Repairs, maintenance and minor inspection costs are expensed as incurred.

(iii) De-recognition

Tangible assets are de-recognised on disposal or when no future economic benefit is expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the Statement of Financial Activities.

(j) 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 sundry debtors, cash and cash equivalents, short-term deposits and investments in corporate bonds, are initially recognised at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. There were no financial asset arrangements that constituted a financing arrangement.

Other financial assets are initially measured at fair value, which is normally the transaction price.

Realised gains and losses on disposal of investments are the difference between sales proceeds receivable and carrying value. Unrealised gains and losses are the difference between market value at year end and carrying value.

Financial assets are de-recognised 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 liability 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, 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.

(k) Allocation of support costs

Support costs are those functions that assist the delivery of the charitable activities. Support costs include finance, human resources, payroll, volunteer coordination and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 5.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(l) Employee benefits

(i) Defined contribution plan

The company operates a defined contribution pension scheme. The company's contributions to this scheme are dealt with in the Statement of Financial Activities on an accruals basis.

(ii) Short term benefits

Short term employees' 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.

(m) Donated goods, facilities and services, including volunteers

Goods and services donated to South East Simon Community include items used in the delivery of services and items passed on to people using South East Simon services. Where it is practical to record and measure reliably the value of these donated goods, the value of the goods is included in income and in related expenditure. Donated goods that are in store at the year end and that are expected to be used after the year end, are included in stock, where it is possible to measure reliably the value of these items.

In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised in the financial statements.

Please refer to the review of activities in 2021 section within directors' report for more information about the volunteers' contribution to the Community.

4 Critical accounting judgements and estimation uncertainty

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

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 9 for the carrying amount of the tangible fixed assets and note 3 for the useful economic lives for each class of tangible fixed assets.

Recognition of bequests

When South East Simon is made aware of a potential bequest, estimates and assumptions are made concerning the probable timing of any income and eventual value of the bequest income, in assessing when that income should be recognised.

Performance related income

When recognising income judgements are occasionally required to ascertain whether the grant or donation is performance or non-performance based. All judgements made are in relation to individual grants or donations.

Recoverability of debtors

When evaluating the recoverability of rent debtor balances judgements are required to ascertain whether the receipt of specific amounts is reasonably assured and what level of provision is needed for amounts considered at risk.

NOTES TO THE FINANCIAL STATEMENTS - continued

5 Resources expended

For the year ended 31 December 2021

Homeless services	267,291	121,240	171,826	69,298	629,655
Campaigns and research	-	16,166	-	1,800	17,966
Charitable activities	267,291	137,406	171,826	71,098	647,621
Raising funds	-	114,335	-	1,180	115,515
Finance, administration and other support	39,370	31,291	1,617	(72,278)	-
Total 2021	306,661	283,032	173,443	-	763,136

For the year ended 31 December 2020

Homeless services	220,628	147,793	168,312	56,035	592,768
Campaigns and research	-	70,800	-	1,800	72,600
Charitable activities	220,628	218,593	168,312	57,835	665,368
Raising funds	31,304	108,130	-	1,180	140,614
Finance, administration and other support	32,569	24,729	1,717	(59,015)	-
Temporary wage subsidy scheme	(20,543)	-	-	-	(20,543)
Total 2020	263,958	351,452	170,029	-	785,439

Direct costs are costs, excluding staff costs, which are incurred directly for the specific areas of activity. These include costs such as rent, utilities, repairs, insurance and fundraising costs.

Support costs include internal finance, maintenance, IT, human resources, administration and general management functions. These costs are allocated across other services on the basis of utilisation as appropriate.

NOTES TO THE FINANCIAL STATEMENTS - continued

6 Comparative statement of financial activities for year ended 31 December 2020

	Restricted funds €	Unrestricted funds €	Designated building fund €	Restricted building fund €	Total 2020 €
Income from:					
Donations	1,921	314,944	-	-	316,865
Legacies	-	20,000	-	-	20,000
Charitable activities	245,598	168,847	-	-	414,445
Interest and other income	-	6	-	-	6
Total income	247,519	503,797	-	-	751,316
Expenditure on:					
Charitable activities	(219,573)	(425,252)	-	-	(644,825)
Raising funds	(3,068)	(137,546)	-	-	(140,614)
Total expenditure	(222,641)	(562,798)	-	-	(785,439)
Capital Assistance Scheme repayments relieved	-	149,543	-	-	149,543
Net income	24,878	90,542	-	-	115,420
Capital contribution received	-	-	300,000	-	300,000
Transfer from restricted building fund	-	1,350	-	(1,350)	-
Transfer from unrestricted fund	-	20,000	(20,000)	-	-
Net movement in funds in 2020	24,878	111,892	280,000	(1,350)	415,420

NOTES TO THE FINANCIAL STATEMENTS - continued

7 Net income	2021	2020
	€	€
Net income is stated after charging/(crediting):		
Staff costs (note 5)	306,661	263,958
Depreciation (note 9)	173,443	170,029
Capital Assistance Scheme financing repayments relieved	(153,709)	(149,543)
Amortisation of capital grant	(1,350)	(1,350)
Directors' remuneration	-	-
Directors' expenses	-	-
Auditors' remuneration: audit of the financial statements	5,200	4,551
Bank interest and similar charges	1,108	1,204
Interest income	(5)	(6)

None of the directors have been paid any remuneration or received any other financial benefit from South East Simon Community. No expenses were reimbursed to directors in the year.

8 Employee information and benefits

The staff working on South East Simon Community services are employed by Cork Simon Community, which is recharged to South East Simon Community.

(a) The average number of whole time equivalent staff working in the community during the year is analysed below:	2021	2020
	Number	Number
Homeless services	6.9	6.9
Raising funds	-	1.0
	<u>6.9</u>	<u>7.9</u>
(b) The staffing costs for all staff working in the Community, which are recharged by Cork Simon Community to South East Simon Community comprise:	2021	2020
	€	€
Wages and salaries	264,472	251,009
Temporary wage subsidy scheme	-	(20,543)
Social insurance costs	29,623	22,640
Pension	12,566	10,852
	<u>306,661</u>	<u>263,958</u>
(c) At the end of 2021, 8 staff were employed by Cork Simon Community and assigned to work in South East Simon Community. Of these 5 were employed full time and 3 were part time.		
(d) Cork Simon Community employs professional staff with diverse skills and expertise to support the work we do. These costs are recharged to South East Simon Community. At the end of 2021, the number of whole time equivalent staff with pay, excluding employer retirement benefit costs, falling within the following bands was:	2021	2020
	No.	No.
Between €30,000 and €39,999	5.9	6.9
Between €50,000 and €59,999	<u>1.0</u>	<u>1.0</u>
(e) The day-to-day management of the Community is delegated to Dermot Kavanagh, the Director of Cork Simon Community. No remuneration or employee benefits are paid by South East Simon Community to the Director.		

NOTES TO THE FINANCIAL STATEMENTS - continued

9 Tangible assets	Freehold property	Fixtures & fittings	Office equipment	Total
	€	€	€	€
Cost				
At 1 January 2021	4,116,181	70,000	56,872	4,243,053
Additions	119,229	-	85	119,314
At 31 December 2021	<u>4,235,410</u>	<u>70,000</u>	<u>56,957</u>	<u>4,362,367</u>
Accumulated depreciation				
At 1 January 2021	1,046,505	47,378	51,808	1,145,691
Charge for year	162,261	9,565	1,617	173,443
At 31 December 2021	<u>1,208,766</u>	<u>56,943</u>	<u>53,425</u>	<u>1,319,134</u>
Net book value				
At 1 January 2020	<u>2,904,112</u>	<u>32,647</u>	<u>3,639</u>	<u>2,940,398</u>
At 31 December 2020	<u>3,069,676</u>	<u>22,622</u>	<u>5,064</u>	<u>3,097,362</u>
At 31 December 2021	<u>3,026,644</u>	<u>13,057</u>	<u>3,532</u>	<u>3,043,233</u>

Of the net book value of tangible assets, €37,675 relates to property assets which are categorised as restricted. These assets were financed by donations where the terms of the donation require the Community to use the property on an ongoing basis for its charitable purposes.

10 Debtors	2021 €	2020 €
Amounts falling due within one year:		
Rent and other debtors	12,927	7,222
Capital Assistance Scheme receivable	120,000	-
Insurance claim receivable	54,590	-
Prepayments and accrued income	8,146	8,073
	<u>195,663</u>	<u>15,295</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

11 Creditors - Amounts falling due within one year	2021 €	2020 €
Bank overdraft (note 13)	1,044	1,095
Creditors and accruals	48,238	35,559
Amounts owing to parent undertaking	102,406	390,551
Capital Assistance Scheme loans (note 13)	151,625	149,543
	<u>303,313</u>	<u>576,748</u>

Amounts owing to parent undertaking, Cork Simon Community, are unsecured, non-interest bearing and repayable on demand.

12 Creditors - Amounts falling due after more than one year	2021 €	2020 €
Capital Assistance Scheme loans (note 13)	<u>2,766,877</u>	<u>2,740,200</u>

13 Details of borrowings	Within one year €	Between one and two years €	Between two and five years €	After five years €	Total €
Maturity analysis					
Repayable other than by instalments					
Bank overdraft	1,044	-	-	-	1,044
Repayable by instalments					
Capital Assistance Scheme	151,625	151,625	454,878	2,160,374	2,918,502
At 31 December 2021	<u>152,669</u>	<u>151,625</u>	<u>454,878</u>	<u>2,160,374</u>	<u>2,919,546</u>

Loans under Capital Assistance Schemes are received by the Community from the local authorities, by way of mortgage, and are repayable over the repayment periods for each funding agreement ranging from 20 to 30 years.

The local authorities have charges over the Community's properties as security for the finance received. Under the terms of the mortgage, the Community is relieved of monthly capital and interest repayments so long as the Community is in compliance with the specific conditions set out in the relevant mortgage agreement, primarily with respect to the use and upkeep of the related properties. During the year, €153,709 (2020: €149,543) was recognised in the Statement of Financial Activities in respect of this matter.

Under the terms of the Capital Assistance Schemes the amounts repayable to the local authority as at the balance sheet date of €2,918,502 (2020: €2,889,743) represent the aggregate finance received to date amounting to €4,075,825 (2020: €3,893,357) as reduced by the cumulative repayments relieved to date of €1,157,323 (2020: €1,003,614). The movement for the year relates to new Capital Assistance Schemes funding received of €62,468, offset by repayments relieved (and credited to the Statement of Financial Activities) of €153,709 in 2021.

NOTES TO THE FINANCIAL STATEMENTS - continued

14 Analysis of net assets between funds

	Unrestricted fund	Designated fund	Restricted fund	Restricted building fund	Total funds 2021
	€	€	€	€	€
Tangible assets	3,022,983	-	-	20,250	3,043,233
Current assets	238,887	300,000	98,945	-	637,832
Creditors falling due within one year	(303,313)	-	-	-	(303,313)
Creditors due after more than one year	(2,766,877)	-	-	-	(2,766,877)
Total funds at 31 December 2021	<u>191,680</u>	<u>300,000</u>	<u>98,945</u>	<u>20,250</u>	<u>610,875</u>

15 Related party transactions

As part of the supports it provides, Cork Simon Community provides payroll and accounting services for the South East Simon Community. In 2021, the expenditure transactions incurred by Cork Simon on behalf of South East Simon amounted to €392,780 (2020: €262,419). These were fully recharged to South East Simon with no margin being earned on the transactions that occurred during the year. The fundraising income received by Cork Simon on behalf of South East Simon amounted to €35,763 (2020: €nil). This was credited to South East Simon. The balance owing to Cork Simon at 31 December 2021 was €102,406 (2020: €390,551).

During the year Simon Communities of Ireland dispersed €40,417 of fundraising income to South East Simon Community.

16 Cash and cash equivalents

	2021 €	2020 €
Cash and bank balances	442,169	692,879
Bank overdrafts	(1,044)	(1,095)
	<u>441,125</u>	<u>691,784</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

17 Reconciliation of movements in accumulated funds

Funds description	Balance at start of year €	Incoming resources €	Resources expended €	Loan repayments relieved €	Transfers €	Balance at end of year €
Restricted income						
HSE Grant (a)	113,998	81,995	(97,048)	-	-	98,945
Waterford City & County Council (b)	-	38,131	(44,828)	-	6,697	-
	113,998	120,126	(141,876)	-	6,697	98,945
Restricted building fund	21,600	-	-	-	(1,350)	20,250
Total restricted funds	135,598	120,126	(141,876)	-	5,347	119,195
Unrestricted fund	52,990	611,588	(621,260)	153,709	(5,347)	191,680
Designated building fund	300,000	-	-	-	-	300,000
Accumulated funds	488,588	731,714	(763,136)	153,709	-	610,875

(a) Health Service Executive, Area 5, social inclusion, Section 39 annual Grant in Aid towards the cost of professional staff to provide case management and to increase the capacity of the Housing First Service in Waterford. This includes a one-off grant of €8,300 mainly towards Housing First staff costs and regional healthy living skills training.

(b) Waterford City and County Council annual grant towards staff and administration costs to deliver Housing First services and supports.

NOTES TO THE FINANCIAL STATEMENTS - continued

18 Taxation

No provision for taxation has been made because the company, being a charitable organisation, is exempt from tax under Sections 207 and 208 of the Taxes Consolidation Act, 1997 (Charity No. CHY 15749).

19 Events after the balance sheet date

The Russian invasion of Ukraine, which commenced in February 2022, is causing a humanitarian crisis as well as significant market disruption and it is leading to higher inflation and energy supply issues, particularly for energy and commodities. It increases macroeconomic risks in Ireland and globally. The arrival of refugees in Ireland from Ukraine is putting further pressure on the housing and accommodation. The directors will continue to monitor the situation.

There have been no other significant events affecting the Community since the year-end.

20 Capital commitments	2021 €	2020 €
Authorised by directors but not contracted	257,500	115,000
Contracted not provided	-	-
	<u>257,500</u>	<u>115,000</u>

Capital commitments relate the purchase of one apartment. Capital Assistance Scheme funding has been allocated by the Department of Environment, Climate and Communications, but is not yet received or recorded by the company.

The Board have not contracted capital commitments at the year end.

21 Approval of financial statements

The financial statements were approved and authorised for issue by the board of directors on 27 June 2022 and were signed on its behalf on that date.