

Charity Registration No. 20009489

Company Registration No. 35672

**CAMPHILL COMMUNITIES OF IRELAND**

(A company limited by guarantee, without a share capital)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

# CAMPHILL COMMUNITIES OF IRELAND

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Directors</b>	Ambrose Kealy Maeve Liffey Bernard Haslam Marie Keane (Chair) Ian Kerr	(Appointed 10 February 2021)
<b>Secretary</b>	Ambrose Kealy	(Appointed 24 January 2020)
<b>CRA Number</b>	20009489	
<b>CHY Number</b>	CHY 5861	
<b>Company number</b>	35672	
<b>Principal address</b>	Ground Floor Unit W5D Ladytown Business Park Naas Co. Kildare Ireland	
<b>Registered office</b>	Ground Floor Unit W5D Ladytown Business Park Naas Co. Kildare Ireland	
<b>Auditor</b>	UHY Farrelly Dawe White Limited Unit 4A Fingal Bay Business Park Balbriggan Co.Dublin	
<b>Bankers</b>	Triodos Bank N.V.  Bank of Ireland Group plc  Ulster Bank Limited  Allied Irish Banks plc	
<b>Solicitors</b>	Arthur Cox 10 Earlsfort Terrace Dublin 2  Fieldfisher Ireland The Capel Building Mary's Abbey Dublin 7	Beale & Co. 1st Floor 7 Grand Canal Street Lower Dublin 2

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# CAMPHILL COMMUNITIES OF IRELAND

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# CAMPBILL COMMUNITIES OF IRELAND

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their report and financial statements for the year ended 31 December 2020.

#### Principal Activity

Camphill Communities of Ireland provides residential services, social care including supported living to people with an intellectual disability, in homes in a number of Communities.

It also provides a comprehensive day services programme including farming, cultural and educational activities, craft workshops and occupational therapy

Community Name	No of Residential Houses	Residents & Supported Living	Day Services Attendees & RT Programme
Ballybay	5	17	0
Ballymoney	2	6	5
Carrick	7	15	10
Callan	5	13	5
Dingle	2	8	5
Duffcarrig	6	24	1
Dunshane	6	18	8
Grangemockler	4	18	3
Greenacres	3	7	13
Grangebeg	2	9	8
Jerpoint	3	9	7
K-CAT	1	0	41 – Varies per semester
Kyle	6	16	0
The Bridge	5	15	10
The Journeyman Carrick Day Service Integrated	Day Services only	0	36
The Watergarden & Thomastown	7	9	18
<b>Total</b>	<b>64</b>	<b>184</b>	<b>170</b>

#### Results and review of activities

In 2020, total income amounted to €24,542,552 with €24,717,786 expended on services and other supports for residents and day services attendees. This resulted in an operating deficit of €175,234. Of total income, €21,865,528 (89%) was from exchequer sources, €376,135 from donations and gifts, €845,652 was from charges to community members, €822,727 was from income sources generated within the communities and €40,021 from investment income and €592,489 from the amortisation of capital grants. Non statutory income decreased by 12% in 2020. The combined amount expended on staff payroll, training and agency costs increased by €809,882 (4.55%) to €18,435,687 and non-payroll related expenditure decreased by €310,728 to €6,282,099.

# CAMPBILL COMMUNITIES OF IRELAND

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Key activities in 2020

- CCol maintained HIQA registration for all 13 Designated Centres in 2020.
- Managed implementation of Public Health Guidelines in relation to Covid-19 successfully across all Communities.
- Participation in a systematic review by Oversight Groups in CHO 5 and CHO7 of CCol residents' needs to inform HSE National Finance – Disability Services in relation to funding levels
- Review of the Short-Term Co-Worker model deferred until Q3 2021 due to impact of Covid-19
- Centralisation of shared services completed in 2020 – Human Resources, Finance, Safeguarding and IT /Systems Development
- Development of Fundraising and Donor Care function and volunteer led Fundraising Committee
- Establishment of 5 Committees of the Board
- Centralisation of Repairs and Maintenance function

#### Directors and Secretary

The directors who served during the year and up to the date of signature of the financial statements were:

Ambrose Kealy

Maeve Liffey

Brigid Pike

(Resigned 29 July 2020)

Tracy O'Brien

(Resigned 30 July 2021)

Brendan Johnston

(Resigned 21 July 2021)

Noel Mulvihill

(Resigned 31 August 2020)

Bernard Haslam

Marie Keane (Chair)

Patrick Ring

(Appointed 1 September 2020 and resigned 22 April 2021)

Ian Kerr

(Appointed 10 February 2021)

The secretaries who served throughout the year were Joseph Lynch and Ambrose Kealy.

Joseph Lynch (Resigned 24 January 2020)

Ambrose Kealy (Appointed 24 January 2020)

Their record of attendance at Board meetings is found in the Supplementary Information on page 39.

#### Structure, Governance and Management of Camphill Communities of Ireland

Camphill Communities of Ireland is constituted as a company limited by guarantee without a share capital. Its purpose and objects and how it conducts its business are set out in its constitution. This document is posted on Camphill Communities of Ireland's website and is publicly available from the Companies Registration Office website ([www.cro.ie](http://www.cro.ie)) and also the Charities Regulatory Authority website ([www.charitiesregulatoryauthority.ie](http://www.charitiesregulatoryauthority.ie)).

Camphill Communities of Ireland is governed by a Board of Directors with a maximum number of 9 people. The Director's term of office is three years. Membership of the Board consists of connected persons and external individuals.

Every year at the AGM one third of the Board members must resign by rotation. Directors may put themselves forward for re-election after their term of office is up providing, they have not served more than two terms.

# CAMPBILL COMMUNITIES OF IRELAND

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Board Committees of CCol**

During 2020 the following Committees of the Board were in place:

- Audit and Finance
- Environmental, Sustainability and Asset Management
- Risk and Compliance
- Remuneration, Nominations and Governance
- Quality and Safety

### **Organisational structure and how decisions are made:**

The Board have delegated operational responsibility to the CEO. The CEO reports to the Board through the Chair and updates the Board at each board meeting.

This organisation has an executive senior management team led by the CEO and comprises HR Manager, Chief Financial Officer, Head of Services and Head of Risk & Quality and a Principal Social Worker (Safeguarding).

As per the 'Decisions reserved for the Board', decisions reserved for the Board include the following non-exhaustive list:

- Corporate Strategy, Risk Management Strategy, Service Plans and Annual Budget.
- Approval of the Annual Compliance Statement.
- Policies and Procedures - The Board adopts the organisation structures, processes, and procedures to facilitate the discharge of CCol's business.
- Projects outside the scope of the strategic plan.
- Business acquisitions and disposals.
- Litigation.
- Appointment/Removal of Committee Members.
- Appointment/Removal of CEO
- Appointment/ Removal of Auditors and other advisors.
- Approval of Borrowing/Finance Facilities/Credit Card users.
- Approval of Contracts with terms exceeding one year or financial liability on Camphill Communities of Ireland exceeding €25k on a pro rata basis.
- Agreement of corporate risk register.
- Appointment/Removal of the Head of Internal Audit.

### **CCOI Property & Housing Function in compliance with The Housing Agency Regulation Office**

The organisation is a registered Approved Housing Body (AHB) and is deemed to be a Tier 2 organisation, under the governance of the Housing Agency Regulation Office. The organisation currently has 237 residential units and is striving to comply with all requirements of the Voluntary Regulation Code (VRC) as the sector migrates to Statutory Code, and the Financial Standard and Assessment Framework. The organisation remains in the Housing Regulator Engagement Process and met with the Regulator in June 2020 and April 2021 to review the significant performance improvements that had been made.

In 2019, the Executive and the Board progressed to a more centrally run organisation with national oversight resources and systems now in place for payroll, finance, and human resources. The project to centralise repairs and maintenance was developed significantly in 2020 and continues to be rolled out and developed into an operation management system during 2021 to deliver the performance compliance and assurance required by the Housing Agency Regulation Office.

Capital Assistance Scheme (CAS) funded housing projects continue to be limited to projects that are in progress, with an agreed pause being placed on any new projects, in line with the directive from the Regulation Office. CAS funded development projects remain limited to four Camphill Communities the Bridge, Carrick, Thomastown and Jerpoint. An assessment of these existing CAS funded schemes is required during 2021. The agreed project in Thomastown commenced on site in July 2020 with expected completion in October 2021.

# CAMPBILL COMMUNITIES OF IRELAND

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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Sinking Fund allocation of 40% of rent collected is applied to all rental charges but the shortfall of sinking fund allocation detailed in the 2017 report remains, with replacement alternative funding sources continually being explored. The amount in Sinking Fund on 31st December 2020 is €167,336.

Campbill Communities of Ireland is currently engaged in the sale of assets with a view to strengthening the sinking fund position. This will underpin the development of a financial plan for any required future investment in CCOI housing stock. Appropriate disposal of CCOI non-strategic assets and properties not compatible with the service delivery objectives of the organisation are being progressed generating additional resources to address ongoing and future repairs liabilities. All disposals are carried out in compliance with Charity Regulator regulations, Housing Agency regulations and any original funding conditions of the identified property for disposal with Board of Directors oversight.

Currently, CCOI has 36 Tenancy agreements in place managed by the housing function. All Property & Housing functions of the organisation are centralised to meet compliance with the Housing Agency standards and provide appropriate oversight of all property & housing functions performance across all communities, this includes Housing Management, Property Repairs & Maintenance and Property Acquisition, Development & Disposal.

#### **Policies and Procedures for the induction and training of Board of Directors Members:**

On appointment, a new director receives a 'CCOI Board of Directors Induction Folder' along with most recent financial statements, the Charity's Strategic Plan, and codes of conduct / good governance guidelines and access to the previous year's Board Papers and Minutes.

A formal induction is delivered to new directors by the senior management team providing an overview of the organisation across all operational functions. Children First, Safeguarding for Vulnerable Adults, Garda Vetting and other mandatory training is in part of the onboarding process.

#### **Status of Subsidiaries**

At 31 December 2020, the organisation had three subsidiaries;

- BEOFS Limited (Sold in February 2021)
- Three Pellars Construction Company Limited
- Callan Renewable Supply Company Limited

The voluntary strike off process is in progress for Three Pellars Construction Company Limited and Callan Renewable Supply Company Limited. CCOI is in the process of the disposal of BEOFS Limited in February 2021.

#### **Internal Controls:**

In March 2020, a Risk and Quality Lead was appointed to oversee the development of the risk and compliance function within CCOI.

A risk and Compliance Committee was established in July 2020. The centralisation of finance, human resources management, information technology and safeguarding functions has been completed with a view to improving internal controls in the organisation.

In mid 2021, the internal audit function was outsourced through a tendering process through the Office of Government Procurement.

# CAMPBILL COMMUNITIES OF IRELAND

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

### Transparency and public accountability

The Board of Directors believes that Camphill Communities of Ireland as a registered charity should be fully accountable to the general public, providing detailed information on where its funds come from and what they are spent on. We have provided substantial information in the Directors' report in accordance with SORP, the international Statement of Recommended Practice for charities. We also publish our accounts on our website: [www.camphill.ie](http://www.camphill.ie) - <http://www.camphill.ie/Annual-Audits>.

### Principal Funding Sources:

In 2020, the principal funding sources for Camphill Communities of Ireland's core operations are described in the details below. Note that a detailed breakdown of major funding lines is provided in the note 4 to the financial statements and broken down as per SORP headlines.

Source	Amount €	Remarks
Income from charitable activities		
<u>Statutory Income</u>		
Health Service Executive (H.S.E)	15,045,774	This is a service arrangement that Camphill Communities off Ireland has with the H.S.E. CHO areas under section 39 Health Act 2004.
H.S.E accelerated funding & other state grants	6,676,336	Includes accelerated funding (€5.96m) from the H.S.E and revenue Department of Agriculture.
Other state grants	62,258	
The Arts Council	81,160	
<u>Non-Statutory Income</u>		
KCAT and other income	449,275	Other income from a range of charitable activities.
Own Produce Consumed	313,741	Livestock and food consumed.
Shop Income	59,311	Restaurant and shop income.
Participant contributions & disability allowance	845,652	Resident contribution is 50% of disability allowance.
Amortisation of Capital Grants	592,489	Deferred Capital Grants amortised at 2% per annum.
Donations and gifts	376,135	Includes various donations/sponsorship.
Investment Income	40,021	Interest and rental income.



# CAMPBILL COMMUNITIES OF IRELAND

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### **Reserves Policy and Level**

The Board of Directors of Camphill Communities of Ireland has set a cash reserves policy for the organisation for both unrestricted funds and restricted funds. However, while it is generally accepted that organisations, such as Camphill, should have between three months (€6.2m) and six months (€12.4m) operational reserves in place, it is not feasible at this time for the organisation to accumulate such large cash reserves. Therefore the following policy has been set:

- Unrestricted: 3 months operating reserves. This level of operating reserves would be approximately €400,000.
- Restricted: 30 days operating reserves. This level of operating reserves would be approximately €1.9 million.
- Reserves should be maintained at a level which ensures that Camphill Communities of Ireland's organisation's core activities could continue during a period of unforeseen difficulty.
- Reserves must be maintained in a readily realisable form.

This takes into account:

- Risks associated with income and expenditure being different from that budgeted.
- Planned activity level and potential opportunities.
- The organisation's contractual commitments
- The cost associated with potentially having to make staff redundant in an emergency situation.

The Board continues to strive towards achieving these targets so that sufficient reserves are held in cash at bank should unforeseen events occur. The organisation aspires to accumulate cash reserves to match their policy targets. The level of reserves will be kept under constant review through ongoing financial reporting and production of annual audited accounts.

### Pension

The Organisation has no fixed contributory pension scheme in place, although there are a small number of such pensions operational in the organisation, which are of an historic nature. The organisation does offer all employees a PRSA deduction facility.

### **Principal Risks and Uncertainties:**

The Board faces many risks through the activities of the organisation. A corporate risk register is held by the organisation which is reviewed on a regular basis. The principal risks include:

#### Financial risks:

Developing a sustainable funding model to meet the needs of the organisation following the cessation of the LTCW model at the end of 2018. The Board remains in direct dialogue with the H.S.E. with regards to ensuring the organisation is funded in line with its costing model.

The organisation is heavily reliant on, the H.S.E. Any adverse changes in the relationship with the H.S.E will hold significant risks and uncertainty for the organisation.

#### Legal risks:

The organisation was subject to certain claims in 2018 related to legacy issues. As at 31 December 2020, these claims are uncertain regarding the potential outcome. These place a risk to the organisation.

#### Staff recruitment and retention:

Competition for staff in this sector increasingly challenging. Due to the financial resourcing of the organization. Policies around appropriate wage levels, pensions, health insurance, and employee benefits are a major factor in improving the retention and recruitment into the future. The organisation continues to review supervision, educational and professional development as part of its overall strategy on human resources.

# CAMPBILL COMMUNITIES OF IRELAND

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Management of legacy issues:

Work is ongoing with the HSE in the management of legacy safeguarding issues.

#### Compliance:

The risk of ensuring compliance with all legislation and requirements of HIQA, Charities Regulator, Companies Acts as well as continuing to foster a strong relationship with the HSE is of critical importance to the Board.

#### Insurance risks:

The insurance company used by the organisation in 2020 was a UK based company. In early 2021, the organization has transferred its business to an Irish registered broker, listed on the OGP Framework and has renewed cover with an Irish / EU underwriter on similar renewal terms to previous year. Nevertheless, the insurance market for the sector is limited for Directors & Officers cover..

#### Health and Safety

The Directors of CCOI are satisfied that the Health and Safety statement is in place and that all staff members are aware and understand it and are provided with appropriate training. The statement is under review in each Community and all revisions will be completed in Q3 2021 to reflect the changes in the model of service provision from a volunteer led model to a full employment model, and to bring the wording of the policy in line with sector norms. A Health and Safety Officer has been appointed to ensure adherence to legislation and guidelines.

#### Remuneration

Staff costs are inclusive of Basic pay, Employers PRSI and Pension contributions.

7 staff annual salaries fall between €60,001 and €100,000.

#### Volunteers

Short Term Co-workers (STCWs) continue to be engaged with Camphill and provide an invaluable resource to the organisation. Payments to STCWs' is on average €50 per week.

#### GDPR

A Data Protection Officer is in post.

#### Safeguarding

Since the recruitment of a Principal Social Worker, a Service Improvement Plan was developed and agreed with the HSE in June 2019. Implementation of this plan was progressed throughout 2020 with the key aim of ensuring safe services for all our service users.

#### **Challenges in maintaining compliance - HIQA inspections since 1 January 2021**

With the exception of Duffcarrig, whilst there has been a significant trajectory of improvement across inspections where with systematic improvement across key risk areas, e.g., Possessions, Infection Control, Staffing, Notifications, and Complaints have been noted by various inspectors.

However, the organisation faces continued challenges in meeting regulatory compliance with HIQA in several Communities. The continued key risk areas are Protection, Governance and Management, Fire Precautions, Premises, and Risk management

# CAMPHILL COMMUNITIES OF IRELAND

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### Events after the Balance Sheet date

##### Duffcarrig Community and transfer to BOCSI

The Duffcarrig centre was inspected in March 2021 and inspectors found high levels of non-compliance impacting on the quality of service being provided to residents. In particular, some areas where residents lived were found to be unhygienic and in a very poor state of repair. Following this inspection, the Chief Inspector of Social Services issued a notice of proposed decision to cancel the registration of the centre. An inspection on the 26th May found that CCoI had failed to demonstrate the necessary level of improvements and a notice to close was issued. Following this, the HSE assumed responsibility for the interim management of the Centre. Subsequently, Brothers of Charity Services successfully tendered for the provision of services to residents in the Duffcarrig premises and took over service delivery from 1st September. As part of the transfer of undertakings, Duffcarrig Community employees transferred to Brothers of Charity from that date.

##### Sales of Non-Strategic Assets

The organisation is currently engaged in a strategy of divestment of non-essential property assets. Available proceeds will be re-invested in the Sinking Fund, improving the condition of designated centre accommodation and housing stock accommodation.

During 2020, the impact of Covid-19 adversely impacted on progress with the asset disposal programme as on-site asset valuations were prohibited. Since the easing of restrictions in Summer 2021 and the improvement in the property market, several properties have been professionally valued and placed on the open market.

##### Subsidiaries

The company disposed of its subsidiary BEOFS Limited in February 2021.

##### Impact of Covid - 19

All services were impacted throughout 2020 and 2021 due to Covid 19 restrictions and to comply with Public Health guidelines. Furthermore, the necessitated closure of Social Enterprise activities in Communities has had an adverse impact on related revenue streams in 2021. The senior management continues to monitor public health advice to ensure the organisation adheres to this advice.

#### Going Concern

The organisation has made a deficit in the current year of €175,234 (2019: a deficit of €158,385). As the organisation continues its evolution from a volunteer led model in 2018 of 13 independent locations to an employment model operating as a national organisation under common policies and procedures, significant investment in practice and system development and training is required to deliver on HIQA requirements.

In recognition of the insufficient funding arrangements in place across all CCoI Communities, the HSE continues to provide CCoI with Accelerated Cash payments. This amounted to €6.67m in 2020. However, this level of funding is not sufficient to deliver the full complement of staffing required to meet the changing needs of CCoI Community Members with Support Needs nor to meet certain other compliance requirements as evidenced in several poor HIQA inspection reports throughout 2020 and to date in 2021.

Camphill Communities requires significant capital investment across a number of properties necessitated through many years of underinvestment to meet appropriate levels of premises maintenance and current fire safety standards. Currently, the organisation faces such immediate challenges in Kyle, Jerpont and Grangemockler Communities in relation to Fire Safety remedial works required in many of the older buildings in those communities.

Of significance, in December 2020, a risk assessment of the fire safety upgrades required in the Dunshane Community resulted in the temporary closure of the Teach Na Gréine property with several residents temporarily decanted to other Communities or to their family homes. Both capital assistance and dedicated funding for the staffing of the upgraded accommodation is now required to facilitate the return of the Community members to Dunshane Community.

# **CAMPHILL COMMUNITIES OF IRELAND**

## **DIRECTORS' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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The board are of the opinion that based on the continued support from its principal funder the organisation can remain viable. However, any change in this relationship would have severe implications for the organisation. The board continues to have a strong working relationship with the HSE and are satisfied that they can continue to rely on their support for the foreseeable future.

The board are continuing to transition the organisation as described earlier and continuously seek to streamline the organisations controls and structures to create efficiencies and economies within the organisation. The organisation remains solvent and is in a position to pay its debts as and when they fall due.

The organisation's ability to pay its debts as and when they fall due is entirely dependent on the continued level of support from the HSE.

The following actions are being employed to minimise the financial risk to the business:

- CCol continues to liaise with local CHO areas to submit Business Cases to the HSE in response to individual cases for changing and/or unmet needs and specific HIQA recommendations.
- CCol will defer non-pay expenditure in situations where a risk to health and safety of residents and or staff will not ensue e.g., non-essential capital spend, non-critical maintenance works.
- CCol will continue to identify opportunities to dispose of non-essential essential assets in the organisation.
- The board are continuously looking to increase and diversify the funding streams of the organisation whilst also ensuring strong relationships with their existing funders. To generate their own funds and diversify revenue streams, CCol appointed a dedicated fundraising and donor care staff member to work closely with a volunteer-led Fundraising Committee (established in Autumn 2020).

The board are satisfied that despite the material uncertainties noted above, the going concern basis is appropriate for the foreseeable future.

#### **Contingent Liabilities**

The organisation is in a consultative process with the Revenue Commissioners with regard to the tax treatment of co-workers (voluntary) in CCol. Due to the fundamental uncertainty as to the outcome of this process, the board decided to disclose the event as a contingent liability should a future liability arise.

The board may in the event of non-compliance with certain grant arrangements be obliged to return certain funds. The board as at 31 December 2020 are not aware of any situation that would require disclosure.

The board are in the process of assessing legal claims regarding historical legacy issues. Due to the fundamental uncertainty as to the outcome of these processes, the board decided to disclose the event as a contingent liability should a future liability arise.

#### **Payment of Creditors**

The directors acknowledge their responsibility for ensuring compliance with the provisions of the European Communities (Late Payment in Commercial Transactions) Regulations 2012. It is CCol's policy to agree payment terms with all suppliers and to adhere to those payment terms.

#### **Accounting Records**

The directors acknowledge their responsibilities under Section 281 to Section 285 of the Companies Act 2014 to keep adequate accounting records for the company.

In order to secure compliance with the requirements of the act, a full time Chief Financial Officer has been appointed. The accounting records of the company are kept at the registered office and principal places of business.

#### **Auditor**

In accordance with the company's articles, a resolution proposing that UHY Farrelly Dawe White Limited be reappointed as auditor of the company will be put at a General Meeting.

# CAMPHILL COMMUNITIES OF IRELAND

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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### Disclosure of information to auditor

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 its 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.

The directors' report was approved by the Board of Directors.

Ambrose Kealy

Director

Date: .....

21/9/21

Bernard Haslam

Director

Date: .....

21/9/21

# CAMPBILL COMMUNITIES OF IRELAND

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law 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 the Companies Act 2014 and SORP FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the surplus or deficit of the company for the financial year and otherwise comply with the Companies Act 2014.

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

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

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

In so far as the directors are aware:

- there is no relevant audit information (information needed by the company's auditor in connection with preparing the auditor's report) of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

**Signed on behalf of the board**

Ambrose Kealy

Director

Date: .....

  
21/9/21

Bernard Haslam

Director

Date: .....

  
21/9/21

# CAMPBILL COMMUNITIES OF IRELAND

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF CAMPBILL COMMUNITIES OF IRELAND

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#### Opinion

We have audited the financial statements of Campbill Communities of Ireland (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is the Companies Act 2014, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* and Charities SORP (FRS102).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with FRS102 *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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Material uncertainties in relation to going concern

We draw attention to note 1.2 in the financial statements which indicates that the Company incurred a net deficit of €175,234 during the year ended 31 December 2020 (2019: €158,385) and as of that date the Company's net current liabilities of €589,970 (2019: €347,732). As stated in Note 1.2, these events or conditions along with other matters as set forth in Note 1.2 indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a Going Concern. Our opinion is not qualified in respect of this matter.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (Ireland) 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 charity'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.

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

# **CAMPBILL COMMUNITIES OF IRELAND**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF CAMPBILL COMMUNITIES OF IRELAND**

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#### **Other information**

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

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 the Companies Act 2014**

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

- the information given in the directors' Report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the directors' report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the directors' report.

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.

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- We have nothing to report in respect of our obligation under the Companies Act 2014 to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act are not made.
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

#### **Responsibilities of directors**

As explained more fully in the statement of directors' responsibilities, 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 charity'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 charitable company or to cease operations, or have no realistic alternative but to do so.



# CAMPHILL COMMUNITIES OF IRELAND

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF CAMPHILL COMMUNITIES OF IRELAND

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#### **Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: [http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/International-Standards-on-Auditing-\(Ireland\)/ISA-700-\(Ireland\)](http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/International-Standards-on-Auditing-(Ireland)/ISA-700-(Ireland)). This description forms part of our auditor's report.

**Richard Berney**

**for and on behalf of UHY Farrelly Dawe White Limited**

**Chartered Certified Accountants**

**Statutory Auditor**

**Unit 4A**

Fingal Bay Business Park

Balbriggan

Co.Dublin

*28th September 2021.*

# CAMPHILL COMMUNITIES OF IRELAND

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted & designated funds 2020 €	Restricted funds 2020 €	Total 2020 €	Total 2019 €
	Notes				
<b><u>Income and endowments from:</u></b>					
Donations and legacies	4	126,695	249,440	376,135	455,632
Charitable activities	4	373,052	22,711,180	23,084,232	22,500,969
Investment Income	8	40,021	-	40,021	40,015
Other income	4	449,275	592,889	1,042,164	1,063,631
<b>Total income</b>		<b>989,043</b>	<b>23,553,509</b>	<b>24,542,552</b>	<b>24,060,247</b>
<b><u>Expenditure on:</u></b>					
Charitable activities	5	1,164,277	23,553,509	24,717,786	24,218,632
<b>Net Income / (Expenditure)</b>		<b>(175,234)</b>	<b>-</b>	<b>(175,234)</b>	<b>(158,385)</b>
<b><u>Reconciliation of funds</u></b>					
Fund balances at 1 January 2020		4,505,806	6,185,987	10,691,793	10,850,178
<b>Fund balances at 31 December 2020</b>		<b>4,330,572</b>	<b>6,185,987</b>	<b>10,516,559</b>	<b>10,691,793</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

A detailed breakdown of the above items are included in the notes to the financial statements.

# CAMPBILL COMMUNITIES OF IRELAND

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 €	€	2019 €	€
<b>Fixed assets</b>					
Tangible assets	10	27,474,480		27,936,220	
Investment properties	11	3,222,570		3,222,570	
Investments	12		3		3
		<u>30,697,053</u>		<u>31,158,793</u>	
<b>Current assets</b>					
Stocks	13	186,069		234,072	
Debtors	14	830,616		507,234	
Cash at bank and in hand		1,130,807		1,371,554	
		<u>2,147,492</u>		<u>2,112,860</u>	
<b>Creditors: amounts falling due within one year</b>	16	<u>(2,737,462)</u>		<u>(2,460,592)</u>	
Net current liabilities			(589,970)		(347,732)
<b>Total assets less current liabilities</b>			<u>30,107,083</u>		<u>30,811,061</u>
<b>Creditors: amounts falling due after more than one year</b>	17		(19,590,524)		(20,119,268)
<b>Net assets</b>			<u>10,516,559</u>		<u>10,691,793</u>
<b>Income funds</b>					
General restricted funds	21	246,367		246,367	
Revaluation reserve	21	5,939,620		5,939,620	
			<u>6,185,987</u>		<u>6,185,987</u>
<b>Unrestricted funds</b>					
General unrestricted funds		4,163,236		4,401,769	
Sinking fund reserve		167,336		104,037	
	21		<u>4,330,572</u>		<u>4,505,806</u>
			<u>10,516,559</u>		<u>10,691,793</u>

The financial statements were approved by the Directors on 21/9/2021

Ambrose Kealy  
Director

Date: 21/9/21

Bernard Haslam  
Director

Date: 21/9/21

Company Registration No. 35672

# CAMPHILL COMMUNITIES OF IRELAND

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 €	€	2019 €	€
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	27		52,892		(107,816)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(252,298)		(380,233)	
Investment income received		40,021		40,015	
<b>Net cash used in investing activities</b>			(212,277)		(340,218)
<b>Financing activities</b>					
Repayment of bank loans		(50,713)		(96,595)	
<b>Net cash used in financing activities</b>			(50,713)		(96,595)
<b>Net decrease in cash and cash equivalents</b>			(210,098)		(544,629)
Cash and cash equivalents at beginning of year			991,778		1,536,407
<b>Cash and cash equivalents at end of year</b>			781,680		991,778
<b>Relating to:</b>					
Cash at bank and in hand			1,130,807		1,371,554
Bank overdrafts included in creditors payable within one year			(349,127)		(379,776)

# CAMPHILL COMMUNITIES OF IRELAND

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

##### Charity information

Camphill Communities of Ireland is a company limited by guarantee incorporated in the Republic of Ireland. National Governance Office, Ground Floor, Unit W5D, Ladytown Business Park, Ladytown, Naas, Co.Kildare, Ireland (Company No: 35672) is the registered office. The nature of the company's operations and its principal activities are set out in the Directors' Report.

##### 1.1 Accounting convention

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2014. The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in Euro, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest €.

The financial statements have been prepared under the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

# CAMPBILL COMMUNITIES OF IRELAND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 1 Accounting policies

(Continued)

##### 1.2 Going concern

The organisation has made a deficit in the current year of €175,234 (2019: a deficit of €158,385). As the organisation continues its evolution from a volunteer led model in 2018 of 13 independent locations to an employment model operating as a national organisation under common policies and procedures, significant investment in practice and system development and training is required to deliver on HIQA requirements.

In recognition of the insufficient funding arrangements in place across all CCol Communities, the HSE continues to provide CCol with Accelerated Cash payments. This amounted to €6.6m in 2020. However, this level of funding is not sufficient to deliver the full complement of staffing required to meet the changing needs of CCol Community Members with Support Needs nor to meet certain other compliance requirements as evidenced in several poor HIQA inspection reports throughout 2020 and to date in 2021.

Camphill Communities requires significant capital investment across a number of properties necessitated through many years of underinvestment to meet appropriate levels of premises maintenance and current fire safety standards. Currently, the organisation faces such immediate challenges in Kyle, Jerpoint and Grangemockler Communities in relation to Fire Safety remedial works required in many of the older buildings in those communities.

The board are of the opinion that based on the continued support from its principal funder the organisation can remain viable. However, any change in this relationship would have severe implications for the organisation. The board continues to have a strong working relationship with the HSE and are satisfied that they can continue to rely on their support for the foreseeable future.

The board are continuing to transition the organisation as described earlier and continuously seek to streamline the organisations controls and structures to create efficiencies and economies within the organisation. The organisation remains solvent and is in a position to pay its debts as and when they fall due.

The organisation's ability to pay its debts as and when they fall due is entirely dependent on the continued level of support from the HSE.

The following actions are being employed to minimise the financial risk to the business:

- CCol continues to liaise with local CHO areas to submit Business Cases to the HSE in response to individual cases for changing and/or unmet needs and specific HIQA recommendations.
- CCol will defer non-pay expenditure in situations where a risk to health and safety of residents and or staff will not ensue e.g., non-essential capital spend, non-critical maintenance works.
- CCol will continue to identify opportunities to dispose of non-essential essential assets in the organisation.
- The board are continuously looking to increase and diversify the funding streams of the organisation whilst also ensuring strong relationships with their existing funders. To generate their own funds and diversify revenue streams, CCol appointed a dedicated fundraising and donor care staff member to work closely with a volunteer-led Fundraising Committee (established in Autumn 2020).

The board are satisfied that despite the material uncertainties noted above, the going concern basis is appropriate for the foreseeable future.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the directors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

# CAMPHILL COMMUNITIES OF IRELAND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 Accounting policies

(Continued)

#### 1.4 Incoming resources

Income from donations, gifts and legacies is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. This includes donations, gifts, bequests, income from donation of assets and membership income.

Income from Charitable Activities includes any grant income received to carry on the charitable purpose of the organisation. This income may be classed as restricted or unrestricted dependant on the conditions included in each agreement.

Income from other activities is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. This includes amortisation of capital grants, Income earned for provision of arts courses, rental income of a number of CCol properties and fundraising performed throughout the year.

Own Produce Consumed is foodstuff grown or raised within the communities that contribute to the upkeep and provision of subsistence to each community.

Capital grants received and receivable are treated as deferred income and amortised to the Statement of Financial Activities annually over the useful economic life of the asset to which it relates. Revenue grants are credited to the Statement of Financial Activities when received.

Revenue grants are credited to the Statement of Financial Activities when received. In the event of the grant being for a period outside that of the audited financial statements, the grant income is deferred to ensure the income is recognised in the same period of the related expenditure.

#### 1.5 Resources expended

Expenditure is recognised when a liability is incurred. Funding provided through contractual agreements and performance related grants are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that results in the payment being an unavoidable commitment.

Expenditure of Raising Funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Support costs include those incurred in the governance by the trustees of the charity's assets and are primarily associated with constitutional and statutory requirements of operating the organisation.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Cost includes prime cost, overheads and interest incurred in financing the construction of tangible fixed assets. Capitalisation of interest ceases when the asset is brought into use.

Equipment and fixtures and fittings are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Straight line over 50 years
Plant and equipment	33% Straight line
Fixtures and fittings	20% Straight line
Motor vehicles	Straight line over 3 years

# CAMPBILL COMMUNITIES OF IRELAND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

The company's policy is to review the remaining economic lives and residual values of property, plant and equipment on an on-going basis and to adjust the depreciation charge to reflect the remaining estimated life and residual value.

Fully depreciated property, plant & equipment are retained in the cost of property, plant & equipment and related accumulated depreciation until they are removed from service. In the case of disposals, assets and related depreciation are removed from the financial statements and the net amount, less proceeds from disposal, is charged or credited to the Statement of Financial Activities.

#### 1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

#### 1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

#### 1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Included in closing stock at 31 December 2020 of €186,069 is livestock which is held for resale, own consumption, and wellness / therapeutic purposes.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### 1.11 Cash and cash equivalents

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



# CAMPBILL COMMUNITIES OF IRELAND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

##### 1.12 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

##### 1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### 1.14 Retirement benefits

The Organisation has no fixed contributory pension scheme, although there are a small number of such pensions operational in the organisation, which are of an historic nature. The organisation does offer all new employees a PRSA deduction facility as a statutory obligation. Retention of appropriate staff is becoming an issue for the charity and the non-implementation of a recognised staff pension scheme is a factor in staff recruitment and retention.

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# CAMPBILL COMMUNITIES OF IRELAND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 1 Accounting policies

(Continued)

##### 1.15 Housing loans

Specific loans are advanced by the Department of Housing, Planning and Local Government under the Capital Assistance Scheme (CAS), subject to the terms of individual loan agreements.

##### 1.16 Co-workers

Short term Co-workers are defined as follows:

- Short term Individuals who reside in the communities for a period less than two years and assist in the provision of service and partake in the activities of the communities.

##### 1.17 Reserves Policy and Level

The Board of Directors of Camphill Communities of Ireland has set a cash reserves policy for the organisation for both unrestricted funds and restricted funds. However, while it is generally accepted that organisations, such as Camphill, should have between three months (€6.2m) and six months (€12.4m) operational reserves in place, it is not feasible at this time for the organisation to accumulate such large cash reserves. Therefore the following policy has been set:

- Unrestricted: 3 months operating reserves. This level of operating reserves would be approximately €400,000.
- Restricted: 30 days operating reserves. This level of operating reserves would be approximately €1.9 million.
- Reserves should be maintained at a level which ensures that Camphill Communities of Ireland's organisation's core activities could continue during a period of unforeseen difficulty.
- Reserves must be maintained in a readily realisable form.

This takes into account:

- Risks associated with income and expenditure being different from that budgeted.
- Planned activity level and potential opportunities.
- The organisation's contractual commitments
- The cost associated with potentially having to make staff redundant in an emergency situation.

The board continue to strive towards achieving these targets so that sufficient reserves are held in cash at bank should unforeseen events occur. The organisation aspires to accumulate cash reserves to match their policy targets. The level of reserves will be kept under constant review through ongoing financial reporting and production of annual audited accounts.

##### Sinking Fund

Sinking Fund allocation of 40% of rent collected is applied to all rental charges. The sinking fund contributions are held in the National Housing bank account and the funds are allocated to a designated sinking fund reserve.

##### 1. 18 Taxation

As a result of the company's charitable status, no charge to corporation tax arises under the provisions of Section 207 of the Taxes Consolidation Act, 1997.

##### 1. 19 Own Produce Consumed

Own Produce Consumed is foodstuff grown or raised within the communities that contribute to the upkeep and provision of subsistence to each community.

The contribution is recognised both as an income and expenditure in the Statement of Financial Activities.

##### 1. 20 Government grants

Capital grants received and receivable are treated as deferred income and amortised to the Statement of Financial Activities annually over the useful economic life of the asset to which it relates. Revenue grants are credited to the Statement of Financial Activities when received.

# CAMPHILL COMMUNITIES OF IRELAND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

##### 1. 21 Borrowing costs

Borrowing costs relating to the acquisition of assets are capitalised at the appropriate rate by adding them to the cost of assets being acquired. Investment income earned on the temporary investment of specific borrowings pending their expenditure on the assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

##### 1. 22 Provisions

Provisions are recognised when the company has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the same value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

##### 1. 23 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Statement of Financial Position date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Statement of Financial Activities.

# **CAMPHILL COMMUNITIES OF IRELAND**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **2 Critical accounting estimates and judgements**

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

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

##### **Key sources of estimation uncertainty**

##### **Establishing 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 lives of each type of asset and estimates of residual values. The directors regularly review these asset 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 lives can have a significant impact on depreciation and amortisation charges for the period. Detail of the useful lives is included in the accounting policies.

##### **Providing for doubtful debts**

The organisation makes an estimate of the recoverable value of trade and other receivables. The organisation uses estimates based on historical experience in determining the level of debts, which the company believes, will not be collected. These estimates include such factors as the current credit rating of the debtor, the ageing profile of debtors and historical experience. Any significant reduction in the level of customers that default on payments or other significant improvements that resulted in a reduction in the level of bad debt provision would have a positive impact on the operating results. The level of provision required is reviewed on an on-going basis.

#### **3 Departure From Companies Act 2014 Presentation**

The directors have elected to present a Statement of Financial Activities instead of a Profit and Loss Account in these financial statements as this company is a not-for-profit entity.

# CAMPHILL COMMUNITIES OF IRELAND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 4 Income from charitable activities

The income for the year has been derived from:-

	Restricted 2020 €	Unrestricted 2020 €	Total 2020 €	Total 2019 €
<b>Charitable Activities</b>				
HSE Core funding from CHOs	15,045,774	-	15,045,774	14,815,950
Participant Contributions & Disability Allowance	845,652	-	845,652	880,596
HSE Accelerated funding & additional core funding	6,676,336	-	6,676,336	5,956,122
Other state grants	143,418	-	143,418	222,662
Own Produce Consumed	-	313,741	313,741	241,380
Shop Income	-	59,311	59,311	384,259
	<u>22,711,180</u>	<u>373,052</u>	<u>23,084,232</u>	<u>22,500,969</u>
<b>Donations, Gifts &amp; Legacies</b>				
Donations and gifts	249,440	126,695	376,135	455,632
	<u>249,440</u>	<u>126,695</u>	<u>376,135</u>	<u>455,632</u>
<b>Other Activities</b>				
KCAT Income	400	47,384	47,784	87,462
Other Income	-	401,891	401,891	383,680
Amortisation of Capital Grants	592,489	-	592,489	592,489
	<u>592,889</u>	<u>449,275</u>	<u>1,042,164</u>	<u>1,063,631</u>
<b>Investment Income</b>				
Rental income from investment property	-	40,000	40,000	40,000
Interest receivable	-	21	21	15
	<u>-</u>	<u>40,021</u>	<u>40,021</u>	<u>40,015</u>
	<u>23,553,509</u>	<u>989,043</u>	<u>24,542,552</u>	<u>24,060,247</u>

Included in other income are the following income streams:

- Rental Income from a number of communities
- Income from training courses ran in communities

Included in Other State Grants is funding from the Arts Council in relation to KCAT community. They received €81,160 in 2020. We confirm that they held a valid tax clearance certificate and that less than 50% of that community's income is received from the Exchequer.

# CAMPBILL COMMUNITIES OF IRELAND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 5 Expenditure on charitable activity and raising funds

	Restricted 2020 €	Unrestricted 2020 €	Total 2020 €	Total 2019 €
Staff costs	16,678,499	83,770	16,762,269	15,938,189
Depreciation and impairment	535,831	178,207	714,038	742,689
Staff training	139,175	-	139,175	120,537
Agency staff	1,534,243	-	1,534,243	1,567,079
Rates	75,625	3,980	79,605	142,947
Insurance	524,807	58,312	583,119	512,236
Light and heat	512,242	-	512,242	590,915
Cleaning	88,860	-	88,860	87,865
Furniture Crockery Hardware	125,691	-	125,691	125,635
Bedding & Clothing	7,637	-	7,637	7,117
Medical Expenses	54,020	-	54,020	102,208
Repairs and maintenance	420,886	22,152	443,038	453,664
Office Expenses	356,361	18,756	375,117	374,735
Advertising and fundraising costs	20,164	1,061	21,225	68,012
Motor expenses	307,435	16,181	323,616	586,466
Legal and professional	405,927	-	405,927	436,966
Recruitment Costs	69,316	-	69,316	52,629
Audit	46,740	2,460	49,200	49,200
Auditor's remuneration - non-audit services	14,349	755	15,104	53,515
Bank charges and interest	52,514	2,764	55,278	54,625
Food	593,778	31,251	625,029	613,499
Community expenses	241,222	160,815	402,037	426,856
Health & Safety	132,405	-	132,405	148,441
Land, Farm & Garden	53,250	79,876	133,126	172,117
Culture & Education	49,909	-	49,909	122,483
Workshops	-	41,292	41,292	86,981
Own produce consumed	-	362,090	362,090	241,380
Other expenses	233,801	22,274	256,075	86,910
Subscriptions	13,421	2,006	15,427	15,038
Rental housing costs	-	40,417	40,417	64,153
Reimbursement of resident contributions	269,685	-	269,685	-
Profits/losses on disposal of tangibles	(4,284)	-	(4,284)	(6,213)
	<u>23,553,509</u>	<u>1,128,419</u>	<u>24,681,928</u>	<u>24,038,873</u>
Restaurant Purchases	-	35,858	35,858	179,759
	<u>23,553,509</u>	<u>1,164,277</u>	<u>24,717,786</u>	<u>24,218,632</u>

# CAMPBILL COMMUNITIES OF IRELAND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

6	Net movement in funds	2020 €	2019 €
	Net movement in funds is stated after charging/(crediting)		
	Depreciation of owned tangible fixed assets	714,038	742,689
	Amortisation of government grants	(592,489)	(592,489)
	- Audit of individual company accounts	49,200	49,200
	- Other non-audit services	15,104	53,515
		<u>714,038</u>	<u>742,689</u>

## 7 Employees

### Number of employees

The Full-time equivalent (FTE) of persons employed (including executive directors) during the year was as follows:

	2020 Number	2019 Number
Management	30	31
Operations /Administration	454	447
	<u>484</u>	<u>478</u>

### Employment costs

	2020 €	2019 €
Wages and salaries	15,139,558	14,440,405
Social security costs	1,614,392	1,494,144
Other pension costs	8,319	3,640
	<u>16,762,269</u>	<u>15,938,189</u>

The number of employees whose annual remuneration was €60,000 or more were:

	2020 Number	2019 Number
staff salaries fall between €60,001 and €70,000	2	2
staff salaries fall between €70,001 and €80,000	3	3
staff salaries fall between €80,001 and €90,000	1	1
staff salaries fall between €90,001 and €100,000	1	-
staff salaries fall between €100,001 and above	-	-
	<u>-</u>	<u>-</u>

A CEO has been placed on secondment to Camphill Communities of Ireland from its primary funder, the H.S.E. and this is included in the above salary bands.

# CAMPBILL COMMUNITIES OF IRELAND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 8 Investment Income

	2020 €	2019 €
Rental income from investment property	40,000	40,000
Interest receivable	21	15
	<u>40,021</u>	<u>40,015</u>

#### 9 Key Management Compensation

Key management includes the directors, various subgroups members, the Company Management and Company Secretary. The compensation paid or payable to key management for employee services is shown below:

	2020 €	2019 €
The staff costs comprise:		
Salaries and other short- term employee benefits	384,953	382,345
Secondment costs	<u>81,833</u>	<u>219,796</u>

In addition, a CEO has been placed on secondment to Camphill Communities of Ireland from its primary funders, the HSE and an acting CFO had was also on secondment for part of the year. The directors are not remunerated for their service on the board of the charity nor are they in receipt of any other fees from the charity.

#### 10 Tangible fixed assets

	Freehold land and buildings €	Plant and equipment €	Fixtures and fittings €	Motor vehicles €	Total €
<b>Cost / Valuation</b>					
At 1 January 2020	29,413,638	23,031	215,135	666,757	30,318,561
Additions	141,791	22,304	10,010	78,193	252,298
At 31 December 2020	<u>29,555,429</u>	<u>45,335</u>	<u>225,145</u>	<u>744,950</u>	<u>30,570,859</u>
<b>Depreciation and impairment</b>					
At 1 January 2020	1,716,744	19,471	55,790	590,336	2,382,341
Depreciation charged in the year	569,820	5,347	45,061	93,810	714,038
At 31 December 2020	<u>2,286,564</u>	<u>24,818</u>	<u>100,851</u>	<u>684,146</u>	<u>3,096,379</u>
<b>Carrying amount</b>					
At 31 December 2020	<u>27,268,865</u>	<u>20,517</u>	<u>124,294</u>	<u>60,804</u>	<u>27,474,480</u>
At 31 December 2019	<u>27,696,894</u>	<u>3,560</u>	<u>159,345</u>	<u>76,421</u>	<u>27,936,220</u>



# CAMPHILL COMMUNITIES OF IRELAND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### 10 Tangible fixed assets

(Continued)

The Board sought valuations of all land and buildings in 2016. The board are satisfied the carrying balance at year end is at least equal to the market value. In compliance with Section 17.2 of FRS102. The board decided to revalue the properties based on these qualified expert valuations. This resulted in an increase in value of €5,939,620. This has been recognised in the Revaluation Reserve. The land and buildings were revalued by independent expert valuers as follows;

- DNG, MIPAV, REV
- DJ Fennelly & Son Auctioneers, F.S.C.S.I, F.R.I.C.S.
- Appleton Property, MIPAV
- Sherry FitzGerald Power & Walsh, MSCSI, MRISC
- Fitzgerald & Associates, MSCSI, MRISC
- Independent Valuations, MSCSI, MRISC

Included in Land and Buildings are the following asset types:

- Land
- Residential properties
- Community properties

Some of the properties are described as Community units. They comprise of a mixture of office space, hall space and function space. Typically, they are used for community use, however from time to time they can be used for external events and functions.

#### 11 Investment property

	2020 €	2019 €
<b>Fair value</b>		
At 1 January	3,222,570	3,222,570
At 31 December	3,222,570	3,222,570

Land and Buildings held at Ballytobin and used by Camphill Communities of Ireland ceased to be used in September 2018 and these were then leased to Brothers of Charity at this date.

# CAMPHILL COMMUNITIES OF IRELAND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 12 Fixed asset investments

	Other investments
<b>Cost or valuation</b>	
At 1 January 2020 & 31 December 2020	3
<b>Carrying amount</b>	
At 31 December 2020	3
At 31 December 2019	3

	2020 €	2019 €
Other investments comprise:		
Investments in subsidiaries	3	3

### 13 Stocks

	2020 €	2019 €
Raw materials and consumables	186,069	191,069
Finished goods and goods for resale	-	43,003
	186,069	234,072

Included in closing stock at 31 December 2020 of €186,069 is livestock which is held for resale, own consumption, and wellness / therapeutic purposes.

### 14 Debtors

	2020 €	2019 €
<b>Amounts falling due within one year:</b>		
Other debtors	570,046	374,879
Prepayments and accrued income	260,570	132,355
	830,616	507,234

The Board consider that amounts owed are collectable. Income due from funders of €521,911 (2019: €316,512) is deemed due at the year end. The amounts were primarily due from H.S.E. who provide funding to the organisation.

# CAMPHILL COMMUNITIES OF IRELAND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 15 Loans and overdrafts

	2020 €	2019 €
Bank overdrafts	349,127	379,776
Bank loans	658,985	709,698
Other loans	500,000	500,000
	<u>1,508,112</u>	<u>1,589,474</u>
Payable within one year	545,673	584,105
Payable after one year	<u>962,439</u>	<u>1,005,369</u>

### 16 Creditors: amounts falling due within one year

	Notes	2020 €	2019 €
Bank loans and overdrafts	15	545,673	584,105
Other taxation and social security		551,235	409,577
Deferred income	19	86,001	134,607
Trade creditors		728,702	784,425
Other creditors		591,996	397,728
Accruals and deferred income		233,855	150,150
		<u>2,737,462</u>	<u>2,460,592</u>

Included in the other creditors figure of €591,996 is an amount due to the HSE of €186,863 (2019: €186,863).

# CAMPBILL COMMUNITIES OF IRELAND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 17 Creditors: amounts falling due after more than one year

	Notes	2020 €	2019 €
Bank loans	15	462,439	505,369
Other borrowings		500,000	500,000
Deferred income	19	18,628,085	19,113,899
		<u>19,590,524</u>	<u>20,119,268</u>

Other loans are loans from private supporters of the organisation. These funds are due for repayment in 2022. The organisation does not incur interest on same and also has the option to renew for a further period.

Bank loans and Camphill Foundation loans are in terms and will expire as detailed above.

#### Securities and charges

The following institutions have mortgages or charges in place over assets regarding funding that was provided to Camphill Communities of Ireland:

- Ulster Bank Ireland Limited
- Ulster Bank Limited
- Bank of Ireland
- Kildare County Council
- Tipperary County Council
- Kilkenny County Council
- South Eastern Health Board
- Wexford County Council
- Monaghan County Council
- North Eastern Health Board
- South Western Health Board
- Triodos Bank N.V
- Dun Laoghaire – Rathdown County Council
- Allied Irish Bank PLC
- South Tipperary County Council
- Health Service Executive

A full list of the charges held over the assets of Camphill Communities of Ireland can be found in the supplementary information attached to these financial statements, and on the public record with CRO. Whilst some of the above mortgages and debt have been extinguished, the organisation is currently in the process of removing the respective charges from the organisation.

### 18 Taxation

	2020 €	2019 €
<b>Payables:</b>		
PAYE/ PRSI/ USC	<u>551,235</u>	<u>409,577</u>

As a result of the company's charitable status, no charge to corporation tax arises under the provisions of Section 207 of the Taxes Consolidation ACT, 1997.

The company held a valid tax clearance certificate for the financial period.

# CAMPHILL COMMUNITIES OF IRELAND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 19 Deferred income

	2020 €	2019 €
Arising from government grants	18,700,086	19,113,899
Other deferred income	14,000	134,607
	<u>18,714,086</u>	<u>19,248,506</u>

Deferred income is included in the financial statements as follows:

	2020 €	2019 €
Current liabilities	86,001	134,607
Non-current liabilities	18,628,085	19,113,899
	<u>18,714,086</u>	<u>19,248,506</u>

### Government Grants Deferred

	2020 €	2019 €
At 1 January 2020	27,958,403	27,958,403
Increase in the year	106,675	-
	<u>28,065,078</u>	<u>27,958,403</u>
Amortisation		
At 1 January 2020	(8,844,504)	(8,252,015)
Amortised in the year	(592,489)	(592,489)
	<u>(9,436,993)</u>	<u>(8,844,504)</u>
At 31 December 2020		
Carrying amount		
At 31 December 2020	<u>18,628,085</u>	<u>19,113,899</u>
At 31 December 2019	<u>19,113,899</u>	<u>19,706,388</u>

Fixed asset grants may become repayable if certain conditions outlined in the relevant agreements occur. Included in the above figures are grants received from CAS in regard to the provision of housing in the respective communities.

The Board are currently reviewing the Capital Grants register of the organisation. The Board intends to move from the accruals model of accounting to the performance model as prescribed by Charities SORP (FRS 102). Their review is expected to be completed in Q3 2021.

# CAMPHILL COMMUNITIES OF IRELAND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 20 Status

The liability of the members is limited.

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while they are members or within one year thereafter for the payment of the debts and liabilities of the company contracted before they ceased to be members and the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors among themselves such amount as may be required, not exceeding € 1.

### 21 Reconciliation of funds

	Opening Balance €	Income €	Expenditure €	Transfers €	Closing Balance €
Restricted	246,367	23,553,509	(23,553,509)	-	246,367
Revaluation Reserve	5,939,620	-	-	-	5,939,620
Unrestricted	4,401,769	989,043	(1,164,277)	(63,299)	4,163,236
Sinking fund	104,037	-	-	63,299	167,336
Total	10,691,793	24,542,552	(24,717,786)	-	10,516,559

### 22 Financial commitments, guarantees and contingent liabilities

The organisation is in a consultative process with the Revenue Commissioners with regard to the tax treatment of co-workers (voluntary) in CCOI. Due to the fundamental uncertainty as to the outcome of this process, the board decided to disclose the event as a contingent liability should a future liability arise.

The board may in the event of non-compliance with certain grant arrangements be obliged to return certain funds. The board as at 31 December 2020 are not aware of any situation that would require disclosure.

The board are in the process of assessing legal claims regarding historical legacy issues. Due to the fundamental uncertainty as to the outcome of these processes, the board decided to disclose the event as a contingent liability should a future liability arise.

### 23 Capital commitments

The organisation is constantly investing in its capital assets to ensure that the optimum infrastructure is made available to its clients, employees and stakeholders. The board are in discussion with regard to several renovation projects within the communities. CAS funding amounting to €7.5m has been approved however the board have not yet committed to the commencement of such projects until other funding matters have been resolved.

# CAMPBILL COMMUNITIES OF IRELAND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

### 24 Events after the reporting date

#### Duffcarrig Community and transfer to BOCSI

The Duffcarrig centre was inspected in March 2021 and inspectors found high levels of non-compliance impacting on the quality of service being provided to residents. In particular, some areas where residents lived were found to be unhygienic and in a very poor state of repair. Following this inspection, the Chief Inspector of Social Services issued a notice of proposed decision to cancel the registration of the centre. An inspection on the 26th May found that CCol had failed to demonstrate the necessary level of improvements and a notice to close was issued. Following this, the HSE assumed responsibility for the interim management of the Centre. Subsequently, Brothers of Charity Services successfully tendered for the provision of services to residents in the Duffcarrig premises and took over service delivery from 1st September. As part of the transfer of undertakings, Duffcarrig Community employees transferred to Brothers of Charity from that date.

#### Sales of Non-Strategic Assets

The organisation is currently engaged in a strategy of divestment of non-essential property assets. Available proceeds will be re-invested in the Sinking Fund, improving the condition of designated centre accommodation and housing stock accommodation.

During 2020, the impact of Covid-19 adversely impacted on progress with the asset disposal programme as on-site asset valuations were prohibited. Since the easing of restrictions in Summer 2021 and the improvement in the property market, several properties have been professionally valued and placed on the open market.

#### Subsidiaries

The company disposed of its subsidiary BEOFS Limited in February 2021.

#### Impact of Covid - 19

All services were impacted throughout 2020 and 2021 due to Covid 19 restrictions and to comply with Public Health guidelines. Furthermore, the necessitated closure of Social Enterprise activities in Communities has had an adverse impact on related revenue streams in 2021. The senior management continues to monitor public health advice to ensure the organisation adheres to this advice.

### 25 Related party transactions

At year end 31 December 2020, Camphills Community of Ireland owed BEOFS Limited €25,032 (2019: €19,648).

During the year BEOFS Limited supplied goods and services in the amount of €4,743 (2019: €17,311).

### 26 Subsidiaries

Details of the charity's subsidiaries at 31 December 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Callan Renewable Energy Supply Company Limited	Camphill Community, The Workhouse, Callan, Co. Kilkenny	Energy supply	Ordinary shares	100.00	
BEOFS Limited	Ballytobin, Callan, Co. Kilkenny	Biogas and fertiliser production	Ordinary shares	100.00	
Three Pellars Construction Company Limited	Sweeneys House, Ballyhail, Callan, Co Kilkenny	Construction	Ordinary shares	100.00	

# CAMPHILL COMMUNITIES OF IRELAND

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

27	Cash generated from operations	2020 €	2019 €
	Deficit for the year	(175,234)	(158,385)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(40,021)	(40,015)
	Depreciation and impairment of tangible fixed assets	714,038	742,689
	Movements in working capital:		
	Decrease in stocks	48,003	5,248
	(Increase)/decrease in debtors	(323,382)	170,705
	Increase/(decrease) in creditors	363,908	(312,803)
	(Decrease) in deferred income	(534,420)	(515,255)
	<b>Cash generated from/(absorbed by) operations</b>	<b>52,892</b>	<b>(107,816)</b>
28	<b>Analysis of changes in net (debt)/funds</b>		
		<b>At 1 January 2020 €</b>	<b>Cash flows At 31 December 2020 €</b>
	Cash at bank and in hand	1,371,554	(240,747)
	Bank overdrafts	(379,776)	30,649
		991,778	(210,098)
	Loans falling due within one year	(204,329)	7,783
	Loans falling due after more than one year	(1,005,369)	42,930
		(217,920)	(159,385)

## 29 Approval of financial statements

The financial statements were approved and authorised for issue by the board of directors on 21/09/2021.