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COPY**

CORK SIMON COMMUNITY
(Not having share capital and limited by guarantee)

Consolidated Annual Report
Financial Year Ended 31 December 2020

CONTENTS

| | Page |
|--|-------------|
| REFERENCE AND ADMINISTRATION DETAILS | 2 |
| DIRECTORS' REPORT | 3 to 16 |
| INDEPENDENT AUDITORS' REPORT | 17 to 19 |
| CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES | 20 |
| CONSOLIDATED BALANCE SHEET | 21 |
| COMPANY BALANCE SHEET | 22 |
| CONSOLIDATED CASH FLOW STATEMENT | 23 |
| COMPANY CASH FLOW STATEMENT | 24 |
| NOTES TO THE FINANCIAL STATEMENTS | 25 to 46 |

REFERENCE AND ADMINISTRATION DETAILS

Board of Directors as at 16 August 2021

Eoin MacCuiric (Chair)
Ernest Cantillon
Ann FitzGerald
Katherine Harford
Anthony O'Donovan
Peter O'Meara
Sean Ormonde
Deirdre O'Shaughnessy
James O'Shaughnessy
Brendan Ryan
Mary Ryan
Leslie Warren

Solicitors

Murphy Lynam & Co
Courthouse Chambers
Washington Street
Cork

Nolan Farrell and Goff
Newtown
Waterford

Secretary and Registered Office

Brendan Ryan
14 Cove Street
Cork

Bankers

Allied Irish Banks plc
26 Patrick Street
Cork

Bank of Ireland
32 South Mall
Cork

Key Management Staff

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

Permanent TSB
1 Curraheen Road
Cork

Charitable Status No: CHY 9155

Allied Irish Banks plc
The Quay
Waterford

Charity Regulatory Authority No: 20022914

Registered No: 42511

Auditors

PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
One Albert Quay
Cork

DIRECTORS' REPORT

The Directors present their report and the audited financial statements of Cork Simon Community ("the Company", "the Community" or "Cork Simon") for the year ended 31 December 2020 and its subsidiary, Simon Community (South East) Company Limited by Guarantee ("South East Simon") (together "the Group").

Irish law requires the directors to prepare financial statements for each financial year giving a true and fair view of the Group's and company's assets, liabilities and financial position at the end of the financial year and the profit or loss of the Group 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. 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 Group and Company.

Overview of Group

On 19 November 2020, Cork Simon acquired control of South East Simon (see note 22). This has been accounted for as using merger accounting in the Group financial statements. South East Simon is a company limited by guarantee in the Republic of Ireland and its registered office is 10A Waterside, Waterford.

Objectives and activities

The parent undertaking, Cork Simon Community, was founded in 1971 for the charitable purpose of alleviating homelessness and the problems associated with homelessness. South East Simon Community was established in 2003 with a similar purpose. Both entities work in solidarity with men and women who have past or present experience of homelessness, or at risk of future homelessness. We campaign for a society without homelessness. Both entities 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.

Many people seeking both entities' services are experiencing the following or a combination of the following: suffering from the impacts of poverty, childhood trauma, social deprivation, low income, weak social and familial supports and networks, social exclusion, sleeping rough, physical health problems, a range of mental health issues (including chronic), addiction, substance misuse, behavioural concerns, surviving abuse, learning difficulties and self-harming.

The continuation of the housing crisis in Ireland has made it even more difficult for people to find and access housing and for people who have been pushed into homelessness.

Both entities offer a range of services in response to these needs including low threshold emergency accommodation, key working and case management, and a range of housing and accommodation with appropriate levels of care and support. Both entities are each an Approved Housing Body and social landlords. 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 both entities do 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, supportiveness.

DIRECTORS' REPORT - continued

Objectives and activities - continued

In 2020, Cork Simon provided the following services:

- **Outreach team:** Working on the street and from our Day Service, the 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 and housing and harm reduction supports relevant to problem drug and alcohol use. The Outreach Team continue to operate throughout the COVID-19 pandemic.
- **Soup Run:** Our first service back in 1971 – and it continues to operate every night of the year. A team of part-time volunteers, often joined by a member of our Outreach Team, offers respite from the elements, hot nourishing food and a listening ear in a warm, friendly, non-judgemental environment. During the course of the pandemic, and in line with public health guidelines the Soup Run operated as a takeaway service.
- **Emergency shelter:** Open around the clock, the shelter provides care, accommodation, and one-to-one support for people each night. The shelter team works with each resident, assessing their needs and working with them on a clear pathway out of homelessness as quickly as possible. During the course of the pandemic the Shelter ended use of double rooms in line with public health guidelines. Staff worked closely with Cork city council to ensure alternative emergency accommodation was available.
- **Night Light:** Additional emergency accommodation in response to a growing need, consisting of up to 16 spaces per night. Night Light beds are medium threshold and are available during night-time hours. These extra emergency spaces were first put in place as part of Cork City's Winter initiative in November 2017. The need has been such that we have continued to provide these places throughout the year. The capacity of the main dormitory area had to be reduced from 16 to 5 in order to function in line with public health guidelines. Staff worked closely with Cork city council to ensure alternative emergency accommodation was available.
- **Day service:** A hub of activity housing a specialist team of doctors, nurses, counsellors and other health professionals who provide the most appropriate healthcare for people who are sleeping rough or staying in our Emergency Shelter. Our Rough Sleeper Service also operates from the centre, providing rough sleepers with shower and laundry facilities, breakfast and an opportunity to explore housing options. The centre is also used for a variety of training courses. Following the COVID-19 pandemic the numbers allowed into the centre at any one time was reduced to 5 persons in line with public health guidelines.
- **Youth homelessness and drug prevention service:** Working specifically with 18 to 26 year olds who are homeless or at risk of homelessness, and who are either at risk of drug use or are active drug users, the service offers a range of direct one-to-one supports, and refers people to other services as appropriate. This service continued as normal during the pandemic
- **Housing support services:** Cork Simon provides a rapid resettlement service and intensive support services in line with our Housing-Led approach to tackling homelessness. This means supporting 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, we make housing available in the private rented sector through our Social Rentals initiative and we work closely with other social housing providers so as to make sure the most appropriate housing is available to suit people's individual needs. In order to reduce pandemic related risks housing support was delivered over the phone and via video calls, with face to face interventions being used only when strictly necessary.

DIRECTORS' REPORT - continued

Objectives and Activities – continued

- **Cork Region Housing First Service:** Cork Simon is the lead agency for the Cork Region Housing First Service. The service is delivered in partnership with Focus Ireland and with the Health Service Executive (HSE). The service was established in April 2020 and provides housing linked to intensive case management, clinical nursing, addiction counselling and related support for people who are long term homeless with very complex support needs. The target for the service is to have 40 tenancies in place by 2022. Half of the units are to be delivered by Cork Simon / Focus Ireland and the remainder by Cork City Council. In order to reduce pandemic related risks housing support was delivered over the phone and via teams or zoom, with fact to face interventions being used only when strictly necessary.
- **High support housing:** We also provide intensive levels of round-the-clock care every day for men and women whose health and other personal support needs are such that they are unable to live independently. Residents have their own room and share kitchen and other common areas. Experienced care workers and trained volunteers staff all five high-support houses. One of these houses, Gateway, operates as a recovery-oriented pre-stabilisation service for people with addiction issues. Another, Mill House, provides support to people with severe problem-alcohol use and allows for controlled drinking on the premises in line with harm reduction principles.
- **Specialist services:** A range of services which include a drug and alcohol programme, an addiction aftercare support and housing service (providing 7 aftercare beds in two houses), the provision of counselling and addiction counselling services, that coordinate with the Youth Homelessness and Drug Prevention programme, the Employment & Training Service initiatives, the Activities Team and a Community Employment Scheme.
- **Employment & training service:** The team supports people who have often left school early and are long-term unemployed to complete their formal education, retrain and return to the workforce. It is a practical way to help people build self-confidence and develop new skills. The team works closely with external education providers and training agencies. Getting people back to work and back to participating in the wider community can make all the difference in helping to make sure people can leave homelessness behind them for good. Employment & Training works closely with local employers to provide direct support to people by helping them to improve their employability through short-term work placements and ultimately full-time employment. This service was heavily impacted during the pandemic with classes being suspended for a period and staff redeployed. In person teaching was replaced with online options and supports and with the return to in-person education and training social distancing rules mean that reduced class sizes have been the norm.
- **Community engagement and activities programme:** Working across all Cork Simon services, the team creates opportunities for people to build social support networks, build self-confidence, and interact positively with the wider community. The 'A-Team' tackles loneliness, boredom and isolation. Participation in activities can often be a doorway to further education and training. This service was heavily impacted during the pandemic with activities being suspended for a period and staff redeployed.
- **Campaigning programme:** We communicate information and policy advocacy messages to stakeholders, the general public, to politicians, policy makers and influencers, among other. We work closely with the Simon Communities of Ireland in its national policy advocacy work.
- **Volunteering programme:** We provide full time and part time volunteers, and student placement opportunities across our services.

In 2020, South East Simon provided a similar range of services. These are outlined in detail in the separate financial statements on that company. They are not repeated here because South East Simon is included in the Group financial statements for six weeks in 2020.

DIRECTORS' REPORT - continued

Review of activities in 2020

During the year we responded to an increase to the number of people seeking our range of services.

- 936 people turned to Cork Simon Services for care and a range of supports in 2020.
- Between the Emergency Shelter and the Nightlight, an average of 45 people per night relied on Cork Simon for emergency accommodation.
- Our Outreach service recorded 323 people sleeping rough for at least one night during 2020, of whom 68 were women and 255 were men.
- 395 people depended on our emergency shelter and night light for care and supports in the heart of Cork city. 39% of people turning to our emergency accommodation did so for the first time.
- The Soup Run served 7,746 hot meals and provided one-to-one supports to on average 21 people per night.
- 553 people presented to the Day Service during 2020. The majority were people who were rough sleeping or in a range of temporary housing.
- 87 people used the Safer Saturdays service (offering respite from the streets at weekend) with on average 15 people attending each Saturday until March 2020 when the service had to be suspended as a result of the pandemic.
- Working to a Housing First philosophy, the Housing and Support service supports people to move from homelessness to secure and appropriate housing and through tailored supports, helps people maintain their homes and work towards fulfilling their goals. Our Housing and Support Services supported 258 people throughout 2020.
- Addiction Treatment & Aftercare service supported 62 people.
- 57 people lived in our four high-support houses in which Cork Simon provides communal accommodation and on-site round-the-clock supports.
- 35 people were newly housed in 2020, moving to secure and affordable, independent and supported housing or high-support housing. 100% of people who moved to housing in 2020 remained housed at the year end with assistance from our Housing and Support Services. 14 people were rehoused, preventing them from returning to homelessness.
- 141 people engaged with the Education, Training and Employment Project in 2020. 116 were male (82%), 25 were female (18%).
- More than 16,000 kind hearted and committed donors donated €6.4 million in support of our work.
- Volunteers remain at the heart of everything we do. We are thankful for the volunteers who continue to help improve the quality and effectiveness of all our services for people who are homeless in Cork. 862 part-time volunteers and 18 full-time volunteers from 11 different countries gave generously of their time and skills during 2020. They worked alongside our highly trained and experienced staff in reaching out to and supporting people using our services. Volunteers are involved in every aspect of Cork Simon's work: in our emergency shelter; visiting people; getting involved in sports, arts and other activities; helping people develop life skills like cooking and literacy; and doing office and administration. Volunteers join with the Outreach team in providing the Soup Run. Volunteers organise and participate in a variety of events including flag days and collections, and community-based events to help raise funds. The Board of directors are all volunteers.

In 2020, South East Simon conducted a similar range of activities. These are outlined in detail in the separate financial statements on that company. They are not repeated here because South East Simon is included in the Group financial statements for six weeks in 2020.

DIRECTORS' REPORT - continued

Achievements and performance

During the year, in line with our objectives and priorities:

- We had a major focus on keeping Cork's vulnerable homeless population safe from COVID-19
- We began work on a new Community Plan (strategy) for the five years from 2020 to 2025. This includes the further elaboration of our Housing Led and Trauma Informed approach to addressing homelessness and incorporates planning for South East Simon
- We actively promoted the Housing First / Housing Led approach which is aimed at making sure people experiencing homelessness are assisted to live their lives in their own ways through a model that offers choices in both housing and support services to facilitate personal empowerment and recovery.
- We continued to take a Trauma Informed Care approach to service delivery across all Cork Simon services. This involves implementing learning from the research and audit of services from a trauma informed perspective and training for staff in the principles of trauma informed practice.
- We increased our housing stock by a further nine apartments, five through direct purchase and four via an agreement with another housing body.
- We commenced renovation work, in line with planning permission, at St Joachim and Anne's building at Anglesea Street, Cork, to sensitively convert this listed building into eight independent living apartments for people who are long term homeless.
- As part of the Cold Weather Initiative for Cork City, we again agreed with the Cork City Council to keep the Night Light service open throughout the year. While this is a basic service, it provides respite from the street and a warm place for people.
- Our Safer Saturdays programme continued to offer greater empowerment for people using our day services at weekends until March 2020 when the service had to be suspended as a result of the pandemic.
- With funding through the Cork City Council, we continued the Cork Regional Housing First service, in partnership with Focus Ireland. The service benefits greatly from the support of the HSE, clinical support specialists who work side by side with the Case Management Team in delivering intensive supports to clients of the service.
- Our Campaigning programme we launched the second report of our longitudinal 'A Working Life' research series which in partnership with Simon Communities in Ireland we continued to conduct the 'Locked out of the Market' studies throughout 2021. These reports highlighted the ongoing gap between Rent Supplement/Housing Assistance Payment and raising rents in Cork and nationally, reflecting the challenges people using our services face when trying to find an affordable home. Through our ongoing programme we raise awareness and recruit the wider public to help communicate the severity of the housing and homeless crisis, to politicians, policy makers and influencers, among others.
- We continued to grow and develop our engagement with social media audiences.
- With the generosity of our donors, our fundraising team of staff and volunteers raised almost €6 million gross in voluntary donations and bequests in 2020 a hugely impressive achievement at a time of pandemic. This support is required to deliver and sustain each of our services.
- We continued the integration with South East Simon Community in the areas of Housing First, homeless services, fundraising, accounting, staffing and management supports. All staff providing South East Simon Community services are employees of Cork Simon Community and we have worked to implement that same policies across the wider team.
- We are implementing the National Quality Standards Framework standards of service delivery and document how this can be evidenced.
- Our GDPR working group continued to review and improve processes and policies across the organisation.

DIRECTORS' REPORT - continued

Achievements and performance - continued

- Our Women in Services and a Women in the Workplace working groups continue their work during 2020 but meetings were suspended for much of the year as a consequence of the COVID-19 crisis.
- We continued to represent the people we support at Local and Regional Homeless fora and continued to represent Cork Simon's experience on the ground at a national level at the Simon Communities of Ireland.

The achievements and performance of South East Simon is outlined in detail in the separate financial statements on that company. They are not repeated here because South East Simon is included in the Group financial statements for six weeks in 2020.

Financial review

The directors' report the following significant financial events during the year:

- The financial results for the year ended 31 December 2020 are shown in the Consolidated Statement of Financial Activities on page 20. This includes the results of Cork Simon for the year and the results of South East Simon for six weeks from 19 November 2020 to 31 December 2020.
- Income from allocations and grants from other agencies accounted for 40% of income for 2020 (2019: 44%). Fundraising and other income account for 60% of income in 2020 (2019: 56%).
- Total income amounted to €11,865,016 (2019: €10,141,864). This includes €944,000 received in 2020 as capital donations and restricted to housing capital. Total expenditure was €10,297,735 (2019: €10,196,576). The net movement in funds is reported as an increase of €1,879,140.

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The end of year consolidated reserves are reported as €7,929,631. These reserves are comprised of:

| | |
|--|------------------|
| Unrestricted funds | 2,925,093 |
| Restricted funds | 274,033 |
| Designated funds | 2,730,000 |
| Restricted building funds | 2,000,505 |
| Total reserves as reported at year end | <u>7,929,631</u> |

Restricted funds include €113,998 of grants restricted for South East Simon.

COVID-19

During the year, the COVID-19 coronavirus pandemic has spread across the globe. It is causing significant financial market, economic and social disturbance globally and in Ireland, including significant disruption to business and economic activity. The not-for-profit sector has been significantly impacted. Given the nature of the event, the ultimate extent of the effect on the Group and Company of the measures taken in Ireland and globally to contain the spread of COVID-19 cannot be determined or quantified at present. However, the directors have determined that Cork Simon and South East Simon will be able to continue operating in this environment, albeit the scale of their operations could be impacted by these external factors. The directors will continue to monitor any significant adverse changes to cash flows, any adverse indicators in respect of the carrying value of assets and additional liabilities as a result of this pandemic, and take appropriate measures to address these matters, as required.

As the provider of essential services during the COVID-19 pandemic, we have continued to provide housing and support services to people who rely on our services. We have worked closely with the HSE, local authorities and other agencies to manage the operational risks of COVID-19. We have considered the financial impact of COVID-19 and performed various scenario analyses.

DIRECTORS' REPORT - continued

COVID-19 – continued

The COVID-19 lockdowns, the subsequent social distancing restrictions and pessimistic economic outlook, are expected to have a disruptive impact on our income generation for the remainder of 2021 and beyond that time-frame, depending on the length of the pandemic. Based on our assessment, we note:

- **Grants income:** We have been working with our state funders and keeping them updated on any changes to the services they fund. We expect our grant income to remain steady during this period and this is reflected in our cash forecasts.
- **Fundraising income:** Cork Simon relies on fundraising for raise approximately 50% of the funds required to provide the range of services we offer. At the start of this pandemic, we forecasted that our fundraising income would fall by up to 31% against previous year income. Many of our planned campaigns, and in particular Community, Corporate and Staffing events, have been cancelled or postponed due to the Government restrictions. We have engaged in new fundraising initiatives.

Notwithstanding the challenges created by the pandemic, the Group and Company's income generation have proven to be resilient since the start of the crisis in March 2020, as set out in the 'Financial Review' section of this report. In spite of this, the high demand for both Communities' services persists and the directors continue to monitor risks and uncertainties to their income sources.

We have considered various measures we could take to avail of new income and to control costs and conserve cash within the organisation. We have reduced budgeted overheads including travel and maintenance work. We implemented the Government temporary wages subsidy scheme and availed of the Government COVID-19 Stability Scheme. We are hopeful that new grant income will cover incremental COVID-19 related costs associated with continuing to provide our services during the pandemic.

The company has a solid capital structure in place, with uncommitted cash. The company has modelled various scenarios to assess the potential impacts of COVID-19 on the company's activities and has considered the reductions in income from its budget levels.

The most significant variable in assessing future income and expense remains the length of time the pandemic continues and its long term damage to the Irish economy. Notwithstanding that the Group and Company provide essential social services, the Board has also considered the potential mitigating actions that the community could take to reduce its cost base and services if income levels were to fall significantly, to manage the long-lasting impact on the liquidity of the company.

The Board is satisfied based on the modelling it has completed that it has adequate liquidity to enable it to continue in operational existence for the foreseeable future, including a minimum period of twelve months from the date of approval of these accounts.

Reserves and investment strategy

Cork Simon and South East Simon have 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. Cork Simon and 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, Cork Simon and South East Simon have a reserves policy in place and currently targets to hold four months of operating costs in reserve.

As is usual for housing bodies, Cork Simon and South East Simon hold 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 €2,730,000 in the Group financial statements and €2,430,000 in the Company financial statements.

Cork Simon and South East Simon have put in place an investment strategy that sets out clearly how it plans to make the best use of any available reserve funds in a low risk environment in line with its charitable purposes.

DIRECTORS' REPORT - continued

Vision

Our strategic vision for Cork Simon and 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 West and South East Regions 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 2021 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

Cork Simon's main priorities in 2021 are:

- Complete our Community Plan for the period 2021-2025.
- Continue to align all Cork Simon services with a Trauma Informed Care approach.
- Facilitate faster onward progression for people out of homelessness, in line with Housing Led principles.
- Move towards ending our reliance on large scale institutional emergency accommodation. Increase the number of scatter site flats and inclusive housing projects.
- Secure additional housing units through a range of sources, including properties owned by Cork Simon, as housing options for people in emergency and temporary accommodation or sleeping rough in Cork.
- Continue to deliver housing and intense support services to people who are long term homeless under the Cork Region Housing First service.
- Complete the development of 8 self-contained units on the St Joachim and Anne site on Anglesea Street, Cork.
- Continue to support people who are sleeping rough to reduce harms associated with life on the streets.
- Secure funding for several services which Cork Simon has successfully piloted and which have been financed by fundraised income, including our coordinated education, training and employment service, our activities programme and our aftercare service.
- Enhance specialist services including services for young people, women, people with drug & alcohol addictions and people with mental health issues.

DIRECTORS' REPORT - continued

Plans for future periods – continued

- Improve the situation of people who are currently homeless through Cork Simon acting as a leading advocate for the right to housing and supports for all at a national and local level.
- Continue to maintain and develop Cork Simon's broad support base and promote a general understanding of the causes of and solutions to homelessness.
- Continue to implement the proposed actions from the independent review of Cork Simon management, board and governance structures.
- Continue to implement the 8 themes of the National Quality Standards Framework across all services.
- Complete the process of operational integration with South East Simon Community.
- Demonstrate how we comply with the new Charities Regulator Governance Code.
- Demonstrate how we comply with the Governance and Performance Standards that are due to issue from the Approved Housing Bodies Regulatory Authority.

South East Simon Community's main priorities in 2021 are:

- Complete a strategic plan for the period 2020-2025 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.
- 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

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

- Cork Simon Community and South East Simon are part of a network of eight independent Simon Communities operating in the Republic of Ireland, the others being in Dundalk, Dublin, Midlands, 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.

DIRECTORS' REPORT - continued

Relationships with other bodies - continued

- Cork Simon and South East Simon are each an Approved Housing Body and a member of the Irish Council for Social Housing.
- Cork Simon Community has close links with other agencies in Cork providing services for people who are homeless. As part of the Cork Social Housing Forum, Cork Homeless Forum and the Cork Youth Homeless Forum we seek to achieve a co-ordinated approach to homelessness in Cork. Similarly, 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.
- Cork Simon is the lead agency for the Cork Region Housing First service and has a close partnership with Focus Ireland, the HSE and Cork City Council in the delivery of this service.
- The Southwest Joint Regional Homelessness Consultative Forum is a key policy link between the delivery of homeless services in the South West and national policy. The Forum is responsible for the Cork & Kerry region.
- Cork Simon Community has good working relationships with the Health Service Executive, Cork City and County Councils, Department of Social Protection, Cork Local Drugs Task Force, Cork Education and Training Board and the Community Gardaí. We work with private landlords, voluntary housing bodies and a range of Community groups including Cork City Partnership and Cork Equal and Sustainable Communities Alliance (CESCA). Similarly, South East Simon Community has good working relationships with the Health Service Executive, Waterford City and County Council, Tipperary County Council, Department of Employment Affairs and Social Protection, and the Community Gardaí. We work with private landlords, voluntary housing bodies and a range of Community groups.
- Cork Simon Community and South East Simon have forged connections and networks with the Cork and South East business communities respectively.
- Cork Simon is a founding member of the Cork Homeless Network which brings together all the voluntary agencies in Cork providing services for people who are homeless.
- Cork Simon provides operational and management supports to South East Simon Community.

Structure, governance and management

Cork Simon Community is a company limited by guarantee (CLG). Cork Simon Community has a Constitution. A Board of Directors is elected from among the membership of the company. The directors are volunteers. The membership is open to any person who has recently participated in the Community, as a service user or a volunteer, and who subscribes to the values of Cork Simon.

On 19 November 2020, Cork Simon acquired control of South East Simon Community when the constitution was amended to include that Cork Simon is entitled to appoint the majority of board members to South East Simon. 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 has the same objects as Cork Simon. It provides services in Waterford, South Tipperary and Kilkenny. The Board members of South East Simon are currently all board members of Cork Simon.

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

Both entities have signed up to the Voluntary Regulation Code for Approved Housing Bodies. Cork Simon adheres to the Statement of Guiding Principles for Fundraising. In service delivery Cork Simon applies the National Quality Standards Framework, and the Quality Standards in Alcohol and Drugs Services. Similarly, 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. Both entities reach the 'triple lock' standard as set out by the Charities Institute of Ireland.

DIRECTORS' REPORT - continued

Structure, governance and management – continued

Cork Simon Community and South East Simon are committed to openness and transparency both within the organisation and externally with donors, funders, supporters and the public. More information about this is available on our website <http://www.corksimon.ie/how-we-are-run/>.

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 Group is delegated to the management team who are responsible for the implementation of these policies and strategies, as approved by the board of directors, and for managing the operation and delivery of services in line with Cork Simon Community and Simon South East values. The day-to-day management of the Group is delegated to the Director, Dermot Kavanagh, supported by his management team. Dermot is not a member of the Board of Directors.

The Board has established a Finance, Audit and Remuneration committee, a Quality and Safety committee, a Property Development committee, and an Investment Advisory committee. These meet during the year and report to the Board.

Principal risks and uncertainties

The directors have ultimate responsibility for managing risk and are aware of the risks associated with the operating activities of Cork Simon and Simon South East. 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 is impacting Cork Simon's and Simon South East's fund-raising, operations, employees & volunteers and on our service participants in the short term. Its impact on the not-for-profit sector has been significant. It is very likely to have lasting effects on the Irish economy, which will impact both the both Community's income streams and demand for its services. The directors continue to manage the impact of this crisis, but the duration and final impact is still uncertain.

Financial risk

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 fundraised 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 both Community's operations and financial status.

Operational and safety risks

Cork Simon's and Simon South East's services are aimed at people who are vulnerable and socially isolated. Poor quality services can have a detrimental impact on people. Both entities are 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

Cork Simon and Simon South East have to comply with a range of legislation and regulation. Non-compliance could incur penalty and result in reputational damage. Both entities 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 both Community's resources.

Reputational risk

Cork Simon and Simon South East are delivering services on behalf of the wider community and relies on the support of that wider community. Damage to their reputation would impact on that support.

DIRECTORS' REPORT - continued

Principal risks and uncertainties - continued

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 Cork 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 Cork Simon and Simon South East can offer. Both Cork Simon and Simon South East campaign and consult 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

The names of the persons who are currently or were directors at any time during the year ended 31 December 2020 are set out below. Unless indicated otherwise, they served as directors for the entire year.

| | |
|---|--------------------------------------|
| Ernest Cantillon | John J. Murphy (retired 17 May 2021) |
| Ann FitzGerald | Sean Ormonde |
| Eoin MacCuirc (chair) | Anthony O'Donovan |
| Peter O'Meara | James O'Shaughnessy |
| Brendan Ryan | Mary Ryan |
| Leslie Warren | |
| Katherine Harford | |
| James Leonard (appointed 23 March 2020, retired 21 August 2020) | |
| Deirdre O'Shaughnessy (appointed 15 February 2021) | |

Brendan Ryan was company secretary during 2020.

All board members are volunteers with Cork Simon. No board member received any remuneration. There were no contracts of any significance in relation to the business of the Community in which the directors had any interest, as defined in the Companies Act 2014, at any time during the year ended 31 December 2020.

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.

Going concern

The Group and Company meets their day-to-day working capital requirements through its cash reserves, grant income, fund-raising income, rental income and return on investments. The current economic conditions caused by COVID-19 continue to create uncertainty over: the ability of the Group and Company to maintain the same level of fund-raised income we have achieved in previous years; risks to grant income streams in the future, which are presently unknown; and how the economic impact of the crisis might impact on future demands for our services. The directors have considered the impact of measures to prevent the spread of the pandemic being implemented by the Irish government and the Group & Company.

The Board have assessed the impact of the outbreak on its financial and operating outlook, and considered this on its cash flows, along with appropriate mitigations. The directors expect that the Group and Company will be in a position to meet their 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. It holds no external bank debt. The Capital Assistance Scheme mortgages on properties are set in such a way that the Group/Company is relieved of repayments, as set out in note 14.

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

DIRECTORS' REPORT - continued

Accounting records

The measures taken by the directors to secure compliance with the company's obligation to keep adequate accounting records are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at 14 Cove Street, Cork.

Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and the group and company 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 Group's and company's assets, liabilities and financial position at the end of the financial year and the profit or loss of the Group 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 Group and Company.

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 Group and Company's assets, liabilities and financial position as at the end of the financial year and the profit or loss of the Group and 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 Group and 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 Group and Company;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the Group and 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 Group and Company, 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.

Political donations

It is Cork 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 by the Company.

DIRECTORS' REPORT - continued

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.

Events since the end of the year

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

Statutory auditors

The statutory auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office, and a resolution that they be re-appointed will be proposed at the Annual General Meeting.

By order of the board

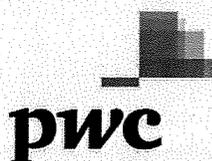
Eoin MacCuirc



James O'Shaughnessy



16 August 2021



Independent auditors' report to the members of Cork Simon Community

Report on the audit of the financial statements

Opinion

In our opinion, Cork Simon Community's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the group's and the company's assets, liabilities and financial position as at 31 December 2020 and of the group's net income and the group's and the company's cash flows for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (Irish GAAP) (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 consolidated and company balance sheets as at 31 December 2020;
 - the consolidated statement of financial activities for the year then ended;
 - the consolidated and company cash flow statements 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 group 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 group's or 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 group's or 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 2020 is consistent with the financial statements and has been prepared in accordance with the applicable legal requirements.
- Based on our knowledge and understanding of the group and company and their 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 15, 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 group's and 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 group or 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.

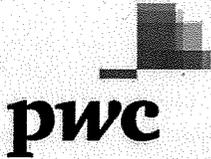
A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

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 company financial statements to be readily and properly audited.
 - The Company Balance Sheet is 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.

Declan Maunsell

Declan Maunsell
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Cork
25 August 2021

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
For the financial year ended 31 December 2020

| | Notes | Restricted funds € | Unrestricted funds € | Designated building fund € | Restricted building fund € | Total 2020 € | Total 2019 € |
|---|-------|-----------------------|-------------------------|-------------------------------|-------------------------------|---------------------|---------------------|
| Income from: | | | | | | | |
| Donations | | 311,052 | 4,851,160 | - | 944,000 | 6,106,212 | 4,381,008 |
| Legacies | | - | 291,601 | - | - | 291,601 | 206,574 |
| Other fundraising activities | | - | 28,560 | - | - | 28,560 | 207,268 |
| Charitable activities | | 4,637,385 | 571,940 | - | - | 5,209,325 | 5,243,743 |
| Interest and investment income | | - | 358 | - | - | 358 | 2,376 |
| Other income | | - | - | - | - | - | 2,356 |
| Income from South East Simon | | 228,960 | - | - | - | 228,960 | 98,539 |
| Total income | 15 | <u>5,177,397</u> | <u>5,743,619</u> | <u>-</u> | <u>944,000</u> | <u>11,865,016</u> | <u>10,141,864</u> |
| Expenditure on: | | | | | | | |
| Charitable activities | | (6,530,755) | (2,452,918) | - | - | (8,983,673) | (8,655,808) |
| Raising funds | | - | (1,085,102) | - | - | (1,085,102) | (1,248,798) |
| Expenditure for South East Simon | | (228,960) | - | - | - | (228,960) | (291,970) |
| Total expenditure | 5/15 | <u>(6,759,715)</u> | <u>(3,538,020)</u> | <u>-</u> | <u>-</u> | <u>(10,297,735)</u> | <u>(10,196,576)</u> |
| Net (loss)/gain on investments | | - | (49,573) | - | - | (49,573) | 96,460 |
| Capital Assistance Scheme repayments relieved | 14 | - | 361,432 | - | - | 361,432 | 275,328 |
| Net income/(expense) | 7 | <u>(1,582,318)</u> | <u>2,517,458</u> | <u>-</u> | <u>944,000</u> | <u>1,879,140</u> | <u>317,076</u> |
| Merger of Simon South East | 22 | 79,240 | 6,458 | 20,000 | 21,759 | 127,457 | - |
| Transfer from restricted building fund | 15 | - | 54,664 | - | (54,664) | - | - |
| Transfer from unrestricted fund | 15 | 1,625,512 | (1,905,512) | 280,000 | - | - | - |
| Net movement in funds | | <u>122,434</u> | <u>673,068</u> | <u>300,000</u> | <u>911,095</u> | <u>2,006,597</u> | <u>317,076</u> |
| Reconciliation of funds | | | | | | | |
| Total funds brought forward | | <u>151,599</u> | <u>2,252,025</u> | <u>2,430,000</u> | <u>1,089,410</u> | <u>5,923,034</u> | <u>5,605,958</u> |
| Total funds carried forward | | <u>274,033</u> | <u>2,925,093</u> | <u>2,730,000</u> | <u>2,000,505</u> | <u>7,929,631</u> | <u>5,923,034</u> |

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year. There are no other items to be included in a statement of comprehensive income. Income and net income/(expense) arose solely from continuing activities. Movements in funds are set out in note 15 on page 39. Please refer to note 6 on page 32 where the detailed comparative Consolidated Statement of Financial Activities for the financial year ended 31 December 2019 is disclosed.

CONSOLIDATED BALANCE SHEET
As at 31 December 2020

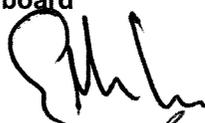
| | Notes | 2020 € | 2019 € |
|---|-------|--------------------|--------------------|
| Fixed assets | | | |
| Tangible assets | 9 | 12,132,042 | 7,518,577 |
| Investments | 10 | 1,205,435 | 1,255,008 |
| | | <u>13,337,477</u> | <u>8,773,585</u> |
| Current assets | | | |
| Stock | 11 | 4,936 | 6,436 |
| Debtors | 12 | 366,576 | 540,686 |
| Cash at bank | | 6,179,663 | 3,164,060 |
| | | <u>6,551,175</u> | <u>3,711,182</u> |
| Creditors - Amounts falling due within one year | 13 | <u>(2,089,321)</u> | <u>(1,319,068)</u> |
| Net current assets | | <u>4,461,854</u> | <u>2,392,114</u> |
| Total assets less current liabilities | | 17,799,331 | 11,165,699 |
| Creditors - Amounts falling due after more than one year | 14 | <u>(9,869,700)</u> | <u>(5,242,665)</u> |
| | | <u>7,929,631</u> | <u>5,923,034</u> |
| Total funds of the charity | | | |
| Unrestricted funds | 15 | 2,925,093 | 2,252,025 |
| Restricted funds | 15 | 274,033 | 151,599 |
| Designated building fund | 15 | 2,730,000 | 2,430,000 |
| Restricted building funds | 15 | 2,000,505 | 1,089,410 |
| | | <u>7,929,631</u> | <u>5,923,034</u> |
| Total charity funds | 15 | <u>7,929,631</u> | <u>5,923,034</u> |

The notes on pages 25 to 46 form an integral part of these financial statements.

The financial statements on pages 20 to 46 were authorised for issue by the board of directors on 16 August 2021 and signed on its behalf:

On behalf of the board

Eoin MacCuirc



James O'Shaughnessy



COMPANY BALANCE SHEET
As at 31 December 2020

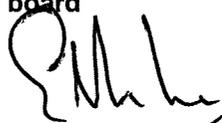
| | Notes | 2020 € | 2019 € |
|---|-------|--------------------|--------------------|
| Fixed assets | | | |
| Tangible assets | 9 | 9,034,680 | 7,518,577 |
| Investments | 10 | 1,205,435 | 1,255,008 |
| Investment in South East Simon | 22 | 300,000 | - |
| | | <u>10,540,115</u> | <u>8,773,585</u> |
| Current assets | | | |
| Stock | 11 | 4,936 | 6,436 |
| Debtors | 12 | 741,832 | 540,686 |
| Cash at bank | | 5,486,784 | 3,164,060 |
| | | <u>6,233,552</u> | <u>3,711,182</u> |
| Creditors - Amounts falling due within one year | 13 | <u>(1,903,124)</u> | <u>(1,319,068)</u> |
| Net current assets | | <u>4,330,428</u> | <u>2,392,114</u> |
| Total assets less current liabilities | | 14,870,543 | 11,165,699 |
| Creditors - Amounts falling due after more than one year | 14 | <u>(7,129,500)</u> | <u>(5,242,665)</u> |
| | | <u>7,741,043</u> | <u>5,923,034</u> |
| Total funds of the charity | | | |
| Unrestricted funds | 15 | 3,172,103 | 2,252,025 |
| Restricted funds | 15 | 160,035 | 151,599 |
| Designated building fund | 15 | 2,430,000 | 2,430,000 |
| Restricted building funds | 15 | 1,978,905 | 1,089,410 |
| | | <u>7,741,043</u> | <u>5,923,034</u> |
| Total charity funds | 15 | <u>7,741,043</u> | <u>5,923,034</u> |

The notes on pages 25 to 46 form an integral part of these financial statements.

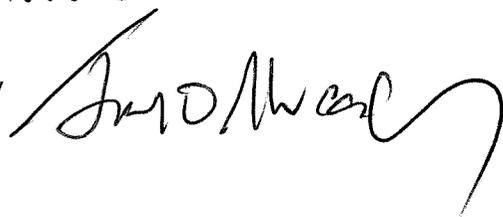
The financial statements on pages 20 to 46 were authorised for issue by the board of directors on 16 August 2021 and signed on its behalf:

On behalf of the board

Eoin MacCuirc



James O'Shaughnessy



CORK SIMON COMMUNITY
(Not having share capital and limited by guarantee)

CONSOLIDATED CASH FLOW STATEMENT
For the financial year ended 31 December 2020

| | Notes | 2020 € | 2019 € |
|--|-------|--------------------|--------------------|
| Net cash provided by charitable activities | 17 | <u>2,459,807</u> | <u>313,583</u> |
| Cash flows from investing activities | | | |
| - investment income | | 358 | 2,376 |
| - payments to acquire tangible assets | | <u>(2,112,012)</u> | <u>(1,815,548)</u> |
| Net cash used in investing activities | | <u>(2,111,654)</u> | <u>(1,813,172)</u> |
| Acquisitions | | | |
| - Cash acquired | 22 | <u>358,784</u> | <u>-</u> |
| Cash flows from financing activities | | | |
| - proceeds from capital assistance scheme | | <u>2,307,571</u> | <u>863,181</u> |
| Net cash generated from financing activities | | <u>2,307,571</u> | <u>863,181</u> |
| Change in cash and cash equivalents in the year | 17 | <u>3,014,508</u> | <u>(636,408)</u> |
| Cash and cash equivalents at the beginning of year | | 3,164,060 | 3,800,468 |
| Change in cash and cash equivalents | | <u>3,014,508</u> | <u>(636,408)</u> |
| Cash and cash equivalents at the end of year | | <u>6,178,568</u> | <u>3,164,060</u> |

COMPANY CASH FLOW STATEMENT
For the financial year ended 31 December 2020

| | Notes | 2020 € | 2019 € |
|--|-------|--------------------|--------------------|
| Net cash provided by charitable activities | 17 | <u>2,426,506</u> | <u>313,583</u> |
| Cash flows from investing activities | | | |
| - capital contribution given | 22 | (300,000) | - |
| - investment income | | 358 | 2,376 |
| - payments to acquire tangible assets | | <u>(2,111,709)</u> | <u>(1,815,548)</u> |
| Net cash used in investing activities | | <u>(2,411,351)</u> | <u>(1,813,172)</u> |
| Cash flows from financing activities | | | |
| - proceeds from capital assistance scheme | | <u>2,307,569</u> | <u>863,181</u> |
| Net cash generated from financing activities | | <u>2,307,569</u> | <u>863,181</u> |
| Change in cash and cash equivalents in the year | 17 | <u>2,322,724</u> | <u>(636,408)</u> |
| Cash and cash equivalents at the beginning of year | | 3,164,060 | 3,800,468 |
| Change in cash and cash equivalents | | <u>2,322,724</u> | <u>(636,408)</u> |
| Cash and cash equivalents at the end of year | | <u>5,486,784</u> | <u>3,164,060</u> |

NOTES TO THE FINANCIAL STATEMENTS

1 General information

Cork Simon Community is a charitable organisation established to alleviate homelessness and the problems associated with homelessness. The registered number of the company is 42511. The registered number of the charity is 20022914.

Cork Simon Community is a company limited by guarantee in the Republic of Ireland. The address of its registered office is 14 Cove Street, Cork.

These financial statements are the company's financial statements for the financial year beginning 1 January 2020 and ending 31 December 2020.

The company is a company limited by guarantee. 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.

These financial statements are consolidated accounts. On 19 November 2020, Cork Simon acquired control of South East Simon (see note 22). This has been accounted for as using merger accounting in the Group financial statements. South East Simon is a company limited by guarantee in the Republic of Ireland. The address of its registered office is 10A Waterside, Waterford. Its reporting date is 31 December 2020. The comparative amounts in the Group and Company financial statements relate to Cork Simon Community.

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 Group's and company's assets, liabilities and financial position at the end of the financial year and the profit or loss of the Group 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 Group and Company.

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 Group and Company. In the prior year, the financial statements have also been prepared in line with some but not all provisions of the Charities SORP (FRS 102).

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

Cork Simon Community and South East Simon both meet 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.

The consolidated financial statements comprise the financial statements of the holding company and its subsidiary undertaking. The attributable results of acquisitions are included in the financial statements from the date of acquisition. Similarly, the attributable results of disposals are included in the financial statements to the date of disposal.

(b) Basis of consolidation

The Group consolidated financial statements include the financial statements of the Company and its subsidiary undertaking.

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

Where accounting policies followed by subsidiary undertakings differ significantly from those adopted for the Group's financial statements, appropriate adjustments are made to ensure a consistent basis of accounting.

Any subsidiary undertakings sold or acquired during the year are included up to, or from, the dates of change of control or change of significant influence respectively.

All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

(c) Merger accounting method

The company has used the merger accounting method to account for the acquisition of South East Simon. The carrying amounts of the acquired entity's assets and liabilities are not adjusted to fair value, although appropriate adjustments are made to achieve uniformity of accounting policies in the combining entities. No new goodwill arises under merger accounting, and the acquired entity's assets and liabilities are brought in at the amounts at which the entity recorded them in its books before the combination (subject to adjustment for uniform accounting policies).

Since the pre-transaction income of the acquired business are not income of the acquiring entity (and consequently cannot be realised profits), they are included in the acquiring entity's profit and loss account. Additionally, the entities started to be managed on a consistent basis from the date that the acquiring entity obtained control of the acquired entity. For these reasons, in the group financial statements, the acquiring entity uses the merger accounting method on a prospective basis only from the date of transfer, rather than reflecting it from the beginning of the financial year and for comparative periods.

(d) Going concern

The Group and Company meets their day-to-day working capital requirements through its cash reserves, grant income, fund-raising income, rental income and return on investments. The current economic conditions caused by COVID-19 continue to create uncertainty over: the ability of the Group and Company to maintain the same level of fund-raised income we have achieved in previous years; risks to grant income streams in the future, which are presently unknown; and how the economic impact of the crisis might impact on future demands for our services. The directors have considered the impact of measures to prevent the spread of the pandemic being implemented by the Irish government and the Group & Company.

The Board have assessed the impact of the outbreak on its financial and operating outlook, and considered this on its cash flows, along with appropriate mitigations. The directors expect that the Group and Company will be in a position to meet their 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. It holds no external bank debt. The Capital Assistance Scheme mortgages on properties are set in such a way that the Group/Company is relieved of repayments, as set out in note 14.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(d) Going concern - continued

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

(e) 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 fund raising activities held by individuals or parties outside the control of the company. Accordingly, donations are recognised when the Group/Company 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 Group/Company's bank accounts or entered into the Group/Company's accounting records. Fund-raising 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 Group/Company. Often this is when the bequest has entered the Group/Company's bank account or title deeds of the related properties have transferred to the Group/Company. Where material, legacies that are not recognised as income will be disclosed as contingent assets. Income is recognised for legacies once.

(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 Consolidated 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.

(f) Other revenue

The Group/Company also earn interest income. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group/Company; this is normally upon notification of the interest paid or payable by the bank.

(g) 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.

(h) 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 Group/Company is relieved of monthly capital and interest repayments by the relevant local authority provided the Group/Company 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.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(i) Restricted and unrestricted funds

The Group/Company 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 the Group/Company 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

The Group/Company 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.

(j) 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.

(k) 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.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(k) Tangible fixed assets - continued

(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.

(l) 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.

(m) Allocation of support costs

Support costs are those functions that assist the delivery of the charitable activities. Support costs include back-office costs, finance, human resources, payroll 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.

(n) 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.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

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

Goods and services donated to Cork Simon Community include items used in the delivery of services and items passed on to people using Cork 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 2020 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 10 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 the Group/Company 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.

NOTES TO THE FINANCIAL STATEMENTS - continued

| 5 Resources expended | Staff costs € | Direct costs € | Depreciation € | Support costs € | Total 2020 € |
|--|------------------|-------------------|-------------------|--------------------|--------------------|
| For the year ended 31 December 2020 | | | | | |
| Homeless services | 5,736,046 | 1,197,729 | 561,092 | 857,032 | 8,351,899 |
| Campaigns and research | 204,097 | 511,063 | - | 30,547 | 745,707 |
| Charitable activities | 5,940,143 | 1,708,792 | 561,092 | 887,579 | 9,097,606 |
| Raising funds | 374,612 | 700,222 | - | 10,268 | 1,085,102 |
| Costs incurred on behalf of South East Simon | 223,071 | 5,889 | - | - | 228,960 |
| Training, volunteering and other support | 703,012 | 140,290 | 54,545 | (897,847) | - |
| Temporary wage subsidy scheme | (113,933) | - | - | - | (113,933) |
| Total 2020 | 7,126,905 | 2,555,193 | 615,637 | - | 10,297,735 |
| For the year ended 31 December 2019 | | | | | |
| Homeless services | 5,206,644 | 1,403,801 | 499,811 | 801,407 | 7,911,663 |
| Campaigns and research | 230,259 | 489,973 | - | 23,913 | 744,145 |
| Charitable activities | 5,436,903 | 1,893,774 | 499,811 | 825,320 | 8,655,808 |
| Raising funds | 419,832 | 817,010 | - | 11,956 | 1,248,798 |
| Costs incurred on behalf of South East Simon | 271,104 | 20,866 | - | - | 291,970 |
| Training, volunteering and other support | 564,539 | 222,951 | 49,786 | (837,276) | - |
| Total 2019 | 6,692,378 | 2,954,601 | 549,597 | - | 10,196,576 |

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

Support costs include internal finance, maintenance, IT, human resources, administration and general management functions. Training costs relate to the cost of running an extensive training for staff and volunteers essential to their work environment. Volunteering costs are incurred in providing for and accommodating full time volunteers and coordinating full-time and part-time volunteer activity. These costs are allocated across other services on the basis of staff and volunteer numbers and utilisation as appropriate.

Costs incurred on behalf of South East Simon occurred due to assistance and support provided by Cork Simon Community to South East Simon. These were fully recharged to South East Simon with no margin being earned on the transactions. This expenditure amounting to €262,419 (2019: €291,970), of which €228,960 arose before South East Simon became part of the Group and €33,459 arose afterwards.

NOTES TO THE FINANCIAL STATEMENTS - continued

6 Comparative Consolidated Statement of Financial Activities for the financial year ended 31 December 2019

| | Restricted funds | Unrestricted funds | Restricted building fund | Total 2019 |
|--|--------------------|--------------------|--------------------------|-------------------|
| | € | € | € | € |
| Income from: | | | | |
| Donations | 225,131 | 3,900,073 | 255,804 | 4,381,008 |
| Legacies | - | 206,574 | - | 206,574 |
| Other fundraising activities | - | 207,268 | - | 207,268 |
| Charitable activities | 4,339,066 | 584,677 | 320,000 | 5,243,743 |
| Interest and other income | - | 4,732 | - | 4,732 |
| Income from South East Simon | 98,539 | - | - | 98,539 |
| Total income | 4,662,736 | 4,903,324 | 575,804 | 10,141,864 |
| Expenditure on: | | | | |
| Charitable activities | 6,052,316 | 2,603,492 | - | 8,655,808 |
| Raising funds | - | 1,248,798 | - | 1,248,798 |
| Expenditure for South East Simon | 291,970 | - | - | 291,970 |
| Total expenditure | 6,344,286 | 3,852,290 | - | 10,196,576 |
| Net loss on investments | - | 96,460 | - | 96,460 |
| Capital Assistance Scheme repayments relieved | - | 275,328 | - | 275,328 |
| Net (expenditure)/income | (1,681,550) | 1,422,822 | 575,804 | 317,076 |
| Transfer from restricted building fund | - | 54,506 | (54,506) | - |
| Transfer from unrestricted fund | 1,720,495 | (1,720,495) | - | - |
| Net movement in funds | 38,945 | (243,167) | (521,298) | 317,076 |

NOTES TO THE FINANCIAL STATEMENTS - continued

| 7 Net incoming/(outgoing) resources | 2020 | 2019 |
|---|------------------|------------------|
| | € | € |
| Net incoming/(outgoing) resources is stated after charging/(crediting): | | |
| Staff costs (note 8) | 7,126,905 | 6,692,378 |
| Depreciation (note 9) | 615,637 | 549,598 |
| Capital Assistance Scheme financing repayments relieved (note 14) | (361,432) | (275,328) |
| Grant amortised | (1,350) | - |
| Directors' remuneration | - | - |
| Directors' expenses | 448 | 1,152 |
| Auditors' remuneration (including expenses) | | |
| - Audit of the entity financial statements | 9,471 | 4,920 |
| Other assurance services | 861 | 861 |
| Bank interest and similar charges | 13,989 | 12,243 |
| Other income | (2,720) | (2,356) |
| Interest income | (365) | (2,376) |
| | <u>7,126,905</u> | <u>6,692,378</u> |

None of the directors have been paid any remuneration or received any other financial benefit from Cork Simon. A total of €448 of out-of-pocket expenses were reimbursed to directors in 2020.

8 Employee information and benefits

| (a) The average number of whole time equivalent staff employed by the Community during the year is analysed below: | 2020 | 2019 |
|--|------------|------------|
| | Number | Number |
| Homeless services | 110 | 107 |
| Campaigning and research | 3 | 3 |
| Raising funds | 10 | 9 |
| Community employment scheme | 9 | 11 |
| South East Simon Community | 8 | 7 |
| | <u>140</u> | <u>137</u> |

| (b) The company's employment costs for all employees comprise: | 2020 | 2019 |
|--|------------------|------------------|
| | € | € |
| Wages and salaries | 6,355,084 | 5,925,923 |
| Temporary wage subsidy scheme | (113,933) | - |
| Social insurance costs | 625,501 | 606,040 |
| Other retirement benefit costs | 260,253 | 160,415 |
| | <u>7,126,905</u> | <u>6,692,378</u> |
| Employment cost included in consolidated accounts | 6,903,834 | 6,692,378 |
| Employment cost incurred for South East Simon prior to acquisition | 223,071 | - |
| | <u>7,126,905</u> | <u>6,692,378</u> |

(c) In 2020 the staff working in South East Simon Community were employees of Cork Simon Community. This is part of the ongoing integration of the Communities.

(d) At the end of 2020, 190 individual people were employed. Of these 71 people were employed full time, 66 were part time, 16 were on CES and 37 were on the staff relief panel.

NOTES TO THE FINANCIAL STATEMENTS - continued

8 Employee information and benefits – continued

(e) Cork Simon employs professional staff with diverse skills and expertise to support the work we do. At the end of 2020, the number of whole-time equivalent staff with pay, excluding employer retirement benefit costs, falling within the following bands was:

| | 2020 Number | 2019 Number |
|-----------------------------|----------------|----------------|
| Up to €29,999 | 38 | 59 |
| Between €30,000 and €39,999 | 52 | 22 |
| Between €40,000 and €49,999 | 30 | 25 |
| Between €50,000 and €59,999 | 13 | 15 |
| Between €60,000 and €69,999 | 2 | - |
| Between €70,000 and €79,999 | 2 | 2 |
| Between €80,000 and €89,999 | 2 | 3 |
| Between €90,000 and €99,999 | <u>1</u> | <u>1</u> |

(f) Other retirement benefit costs related to a defined contribution pension scheme operated by Cork Simon. The total charge for the year amounted to €260,253 (2019: €160,416). Contributions of €Nil (2019: €Nil) are outstanding at balance sheet date.

(g) Included in wages and salaries is €150,000 which is the cost of redundancy payments made to staff during 2020.

(h) Key management personnel of the Community refers to the organisation's Director (not a member of the Board of Directors) who had a salary totalling €93,223 (2019: €92,154), employers' PRSI of €10,167 (2019: €9,959) and employer pension contribution of €4,661 (2019: €4,581). The directors' remuneration is €Nil (2019: €Nil).

| 9 Tangible assets | Freehold property | Fixtures, fittings and equipment | Motor vehicles | Construction in progress | Total |
|---------------------------------|----------------------|--|-------------------|-----------------------------|--------------------|
| Group | € | € | € | € | € |
| Cost | | | | | |
| At 1 January 2020 | 14,216,033 | 343,219 | 11,700 | 744,235 | 15,315,187 |
| Acquisitions (note 22) | 4,116,181 | 126,569 | - | - | 4,242,750 |
| Additions | 780,378 | 42,767 | - | 1,288,867 | 2,112,012 |
| At 31 December 2020 | <u>19,112,592</u> | <u>512,555</u> | <u>11,700</u> | <u>2,033,102</u> | <u>21,669,949</u> |
| Accumulated depreciation | | | | | |
| At 1 January 2020 | (7,516,318) | (275,472) | (4,820) | - | (7,796,610) |
| Acquisitions (note 22) | (1,027,857) | (97,803) | - | - | (1,125,660) |
| Charge for the year | (580,221) | (33,076) | (2,340) | - | (615,637) |
| At 31 December 2020 | <u>(9,124,396)</u> | <u>(406,351)</u> | <u>(7,160)</u> | <u>-</u> | <u>(9,537,907)</u> |
| Net book value | | | | | |
| At 1 January 2019 | <u>6,027,843</u> | <u>73,484</u> | <u>9,220</u> | <u>142,080</u> | <u>6,252,627</u> |
| At 31 December 2019 | <u>6,699,715</u> | <u>67,747</u> | <u>6,880</u> | <u>744,235</u> | <u>7,518,577</u> |
| At 31 December 2020 | <u>9,988,196</u> | <u>106,204</u> | <u>4,540</u> | <u>2,033,102</u> | <u>12,132,042</u> |

Of the net book value of tangible assets, €533,088 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.

NOTES TO THE FINANCIAL STATEMENTS - continued

9 Tangible assets - continued

| Company | Freehold property | Fixtures, fittings and equipment | Motor vehicles | Construction in progress | Total |
|---------------------------------|--------------------------|---|-----------------------|---------------------------------|-------------------|
| | € | € | € | € | € |
| Cost | | | | | |
| At 1 January 2020 | 14,216,033 | 343,219 | 11,700 | 744,235 | 15,315,187 |
| Additions | 780,378 | 42,464 | - | 1,288,867 | 2,111,709 |
| At 31 December 2020 | <u>14,996,411</u> | <u>385,683</u> | <u>11,700</u> | <u>2,033,102</u> | <u>17,426,896</u> |
| Accumulated depreciation | | | | | |
| At 1 January 2020 | 7,516,318 | 275,472 | 4,820 | - | 7,496,610 |
| Charge for the year | 561,573 | 31,693 | 2,340 | - | 595,606 |
| At 31 December 2020 | <u>8,077,891</u> | <u>307,165</u> | <u>7,160</u> | <u>-</u> | <u>8,392,216</u> |
| Cost | | | | | |
| Net book value | | | | | |
| At 1 January 2019 | <u>6,027,843</u> | <u>73,484</u> | <u>9,220</u> | <u>142,080</u> | <u>6,252,627</u> |
| At 31 December 2019 | <u>6,699,715</u> | <u>67,747</u> | <u>6,880</u> | <u>744,235</u> | <u>7,518,577</u> |
| At 31 December 2020 | <u>6,918,520</u> | <u>78,518</u> | <u>4,540</u> | <u>2,033,102</u> | <u>9,034,680</u> |

Of the net book value of tangible assets, €495,333 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 Financial assets – investments

| | 2020 | 2019 |
|-----------------------------------|------------------|------------------|
| | € | € |
| Group and Company | | |
| Investments held | | |
| Managed funds | 1,205,309 | 1,254,882 |
| Prize bonds | 126 | 126 |
| | <u>1,205,435</u> | <u>1,255,008</u> |
| | | Managed funds |
| | | € |
| Market value at 1 January 2020 | | 1,254,882 |
| Unrealised loss in investments | | (49,573) |
| Market value at 31 December 2020 | | <u>1,205,309</u> |
| Historic cost at 31 December 2020 | | <u>1,028,496</u> |

All listed investments are held on recognised stock exchanges.

These funds includes amounts subject to a six month notice period of €375,426 and other investments which can be converted to cash on demand of €829,883. These investments have been shown as long-term investments because the directors intend to hold these investments as part of its on-going investment activities for more than one year at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS - continued

| 11 Stock | 2020 | 2019 |
|---|----------------|----------------|
| | € | € |
| Group and Company | | |
| Stock | 4,936 | 6,436 |
| | <u>4,936</u> | <u>6,436</u> |
| 12 Debtors - Amounts falling due within one year | 2020 | 2019 |
| | € | € |
| Group | | |
| Prepayments and sundry debtors | 79,742 | 72,223 |
| Amounts due from related undertaking | - | 47,524 |
| Grants receivable | 286,834 | 420,939 |
| | <u>366,576</u> | <u>540,686</u> |
| | € | € |
| Company | | |
| Prepayments and sundry debtors | 64,447 | 72,223 |
| Amounts due from subsidiary undertaking | 390,551 | - |
| Amounts due from related undertaking | - | 47,524 |
| Grants receivable | 286,834 | 420,939 |
| | <u>741,832</u> | <u>540,686</u> |

Amounts owing from subsidiary undertaking, South East Simon, are unsecured, non-interest bearing and repayable on demand.

| 13 Creditors - Amounts falling due within one year | 2020 | 2019 |
|---|------------------|------------------|
| | € | € |
| Group | | |
| Bank overdraft (note 17) | 1,095 | - |
| Trade creditors | 106,342 | 65,784 |
| Value Added Tax | 36,277 | 58,636 |
| PAYE and pay related social insurance | 181,851 | 195,695 |
| Deferred income | 721,051 | 445,005 |
| Accruals | 512,859 | 250,564 |
| Capital Assistance Scheme loans (note 14) | 529,846 | 303,384 |
| | <u>2,089,321</u> | <u>1,319,068</u> |
| | € | € |
| Company | | |
| Trade creditors | 86,024 | 65,784 |
| Value Added Tax | 36,277 | 58,636 |
| PAYE and pay related social insurance | 181,851 | 195,695 |
| Deferred income | 721,051 | 445,005 |
| Accruals | 497,618 | 250,564 |
| Capital Assistance Scheme loans (note 14) | 380,303 | 303,384 |
| | <u>1,903,124</u> | <u>1,319,068</u> |

Trade and other creditors are payable at various dates in the two months after the end of the financial year in accordance with the creditors usual and customary credit terms.

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

NOTES TO THE FINANCIAL STATEMENTS - continued

13 Creditors - Amounts falling due within one year – continued

Deferred income includes certain grant income related to future periods. The year-end balance relates to: an advance of €140,000 from the HSE towards the provision of future additional nursing service on the Adult Homeless Multi-Disciplinary Team; €341,907 from the HSE towards a stabilisation facility; €33,000 from the HSE towards specialist staff as part of the Cork Region Housing First team; €47,000 from the HSE drugs and alcohol service towards addiction counsellor and dialectical behaviour therapy in Cork; €45,526 from the HSE drugs and alcohol service towards needle exchange service and safer injecting training; €51,948 from the HSE drugs and alcohol services towards COVID-19 responses; €13,672 from Cork Education Training Board towards Great to Train costs; and €8,550 of event income for the Cork Simon ball carried over to the 2021 event as deferred income. We release these to income as the related activity is performed. Furthermore, an advance of €39,448 from the Department of Employment Affairs and Social Protection on the Community Employment Scheme grant is released to net income as the grant advance is recovered by the scheme.

| 14 Creditors - Amounts falling due after more than one year | 2020 | 2019 |
|--|-------------------|------------------|
| | -€ | € |
| Group | | |
| Loans under the Capital Assistance Scheme | <u>9,869,700</u> | <u>5,242,665</u> |
| These loans are repayable in the following years after 31 December | | |
| Within one year (note 13) | <u>529,846</u> | <u>303,384</u> |
| Between one and two years | 525,725 | 303,384 |
| Between two and five years | 1,552,453 | 881,308 |
| After five years | <u>7,791,522</u> | <u>4,057,973</u> |
| | <u>9,869,700</u> | <u>5,242,665</u> |
| | <u>10,399,546</u> | <u>5,546,049</u> |

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

The local authority has a charge over the Group's properties as security for the finance received. Under the terms of the mortgage, the Group is relieved of monthly capital and interest repayments so long as the Group 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, €361,432 (2019: €275,328) was recognised in the Consolidated 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 €10,399,546 (2019: €5,546,049) represent the aggregate finance received to date amounting to €17,590,718 (2019: €11,389,792) as reduced by the cumulative repayments relieved to date of €7,191,172 (2019: €5,843,743). The movement for the year relates to new Capital Assistance Schemes funding received and addition of South East Simon schemes (note 22), offset by repayments relieved in 2020.

NOTES TO THE FINANCIAL STATEMENTS - continued

| 14 Creditors - Amounts falling due after more than one year - continued | 2020 | 2019 |
|--|------------------|------------------|
| | € | € |
| Company | | |
| | € | € |
| Loans under the Capital Assistance Scheme | <u>7,129,500</u> | <u>5,242,665</u> |
| These loans are repayable in the following years after 31 December | | |
| Within one year (note 13) | <u>380,303</u> | <u>303,384</u> |
| Between one and two years | 376,182 | 303,384 |
| Between two and five years | 1,103,824 | 881,308 |
| After five years | <u>5,649,494</u> | <u>4,057,973</u> |
| | <u>7,129,500</u> | <u>5,242,665</u> |
| | <u>7,509,803</u> | <u>5,546,049</u> |

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

The local authority has a charge over the Company's properties as security for the finance received. Under the terms of the mortgage, the Group and Company is relieved of monthly capital and interest repayments so long as the Company 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.

Under the terms of the Capital Assistance Schemes the amounts repayable to the local authority as at the balance sheet date of €7,509,803 (2019: €5,546,049) represent the aggregate finance received to date amounting to €13,697,361 (2019: €11,389,792) as reduced by the cumulative repayments relieved to date of €6,187,558 (2019: €5,843,743). The movement for the year relates to new Capital Assistance Schemes funding received, offset by repayments relieved in 2020.

NOTES TO THE FINANCIAL STATEMENTS - continued

15 Reconciliation of movements in accumulated funds

| Group | Balance at start of year | Incoming resources | Resources expended | Investment | South East Simon | Loan repayments relieved | Transfers | Balance at end of year |
|--|---------------------------------|---------------------------|---------------------------|-------------------|-------------------------|---------------------------------|------------------|-------------------------------|
| Funds description | year | | | | | | | |
| Restricted funds | € | € | € | € | € | € | € | € |
| HSE Section 39 care staff costs (a) | - | 2,491,339 | (3,403,079) | - | - | - | 911,740 | - |
| HSE Drugs and alcohol service (b) | 35,570 | 154,448 | (196,661) | - | - | - | 43,120 | 36,477 |
| CCC housing provision (c) | - | 665,935 | (1,302,656) | - | - | - | 636,721 | - |
| CCC rapid rehousing (c) | - | 150,100 | (360,204) | - | - | - | 210,104 | - |
| CCC intensive support (d) | 100,000 | 100,000 | (114,970) | - | - | - | 14,970 | 100,000 |
| CCC Night Light (e) | - | 195,260 | (195,260) | - | - | - | - | - |
| CCC Cork Region Housing First (f) | - | 191,101 | (178,980) | - | - | - | - | 12,121 |
| DEASP CE scheme (g) | - | 296,962 | (297,750) | - | - | - | 788 | - |
| European Solidarity Corps (h) | - | 27,348 | (27,348) | - | - | - | - | - |
| Cork ETB youth drugs service (i) | - | 50,541 | (50,541) | - | - | - | - | - |
| Cork ETB employment & training (j) | 10,000 | 7,898 | (17,898) | - | - | - | - | - |
| Erasmus - street support project (k) | (11,021) | 11,021 | - | - | - | - | - | - |
| South East Simon (l) | - | 228,960 | (35,529) | - | - | - | (193,431) | - |
| Cork ETB MEAD (m) | - | 21,420 | (21,420) | - | - | - | - | - |
| Goods in kind | - | 51,656 | (53,156) | - | - | - | 1,500 | - |
| COVID-19 Stability Fund grant (n) | - | 200,000 | (200,000) | - | - | - | - | - |
| Temporary Wage Subsidy (o) | - | - | - | - | - | - | - | - |
| Restricted fundraising income | - | 226,592 | (226,592) | - | - | - | - | - |
| Other restricted grants (p) | 17,050 | 55,790 | (61,403) | - | - | - | - | 11,437 |
| Restricted income for South East Simon (q) | - | 51,026 | (16,268) | - | 79,240 | - | - | 113,998 |
| | <u>151,599</u> | <u>5,177,397</u> | <u>(6,759,715)</u> | <u>-</u> | <u>79,240</u> | <u>-</u> | <u>1,625,512</u> | <u>274,033</u> |
| Restricted building fund | <u>1,089,410</u> | <u>944,000</u> | <u>-</u> | <u>-</u> | <u>21,759</u> | <u>-</u> | <u>(54,664)</u> | <u>2,000,505</u> |
| Total restricted funds | 1,241,009 | 6,121,397 | (6,759,715) | - | 100,999 | - | 1,570,848 | 2,274,538 |
| Unrestricted funds | 2,252,025 | 5,743,619 | (3,538,020) | (49,573) | 6,458 | 361,432 | (1,850,848) | 2,925,093 |
| Designated building fund | 2,430,000 | - | - | - | 20,000 | - | 280,000 | 2,730,000 |
| Accumulated funds | 5,923,034 | 11,865,016 | (10,297,735) | (49,573) | 127,457 | 361,432 | - | 7,929,631 |

NOTES TO THE FINANCIAL STATEMENTS - continued

15 Reconciliation of movements in accumulated funds - continued

| Company | | Balance at start of year | Incoming resources | Resources expended | Investment | Loan repayments relieved | Transfers | Balance at end of year |
|--------------------------------------|--|---------------------------------|---------------------------|----------------------------|------------------------|---------------------------------|--------------------|-------------------------------|
| Funds description | | € | € | € | € | € | € | € |
| Restricted funds | | | | | | | | |
| HSE Section 39 care staff costs (a) | | - | 2,491,339 | (3,403,079) | - | - | 911,740 | - |
| HSE Drugs and alcohol service (b) | | 35,570 | 154,448 | (196,661) | - | - | 43,120 | 36,477 |
| CCC housing provision (c) | | - | 665,935 | (1,302,656) | - | - | 636,721 | - |
| CCC rapid rehousing (c) | | - | 150,100 | (360,204) | - | - | 210,104 | - |
| CCC intensive support (d) | | 100,000 | 100,000 | (114,970) | - | - | 14,970 | 100,000 |
| CCC Night Light (e) | | - | 195,260 | (195,260) | - | - | - | - |
| CCC Cork Region Housing First (f) | | - | 191,101 | (178,980) | - | - | - | 12,121 |
| DEASP CE scheme (g) | | - | 296,962 | (297,750) | - | - | 788 | - |
| European Solidarity Corps (h) | | - | 27,348 | (27,348) | - | - | - | - |
| Cork ETB youth drugs service (i) | | - | 50,541 | (50,541) | - | - | - | - |
| Cork ETB employment & training (j) | | 10,000 | 7,898 | (17,898) | - | - | - | - |
| Erasmus - street support project (k) | | (11,021) | 11,021 | - | - | - | - | - |
| South East Simon (l) | | - | 262,419 | (68,988) | - | - | (193,431) | - |
| Cork ETB MEAD (m) | | - | 21,420 | (21,420) | - | - | - | - |
| Goods in kind | | - | 51,656 | (53,156) | - | - | 1,500 | - |
| COVID-19 Stability Fund grant (n) | | - | 200,000 | (200,000) | - | - | - | - |
| Temporary Wage Subsidy (o) | | - | - | - | - | - | - | - |
| Restricted fundraising income | | - | 226,592 | (226,592) | - | - | - | - |
| Other restricted grants (p) | | 17,050 | 55,790 | (61,403) | - | - | - | 11,437 |
| | | <u>151,599</u> | <u>5,159,830</u> | <u>(6,776,906)</u> | | | <u>1,625,512</u> | <u>160,035</u> |
| Restricted building fund | | <u>1,089,410</u> | <u>944,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(54,505)</u> | <u>1,978,905</u> |
| Total restricted funds | | <u>1,241,009</u> | <u>6,103,830</u> | <u>(6,776,906)</u> | <u>-</u> | <u>-</u> | <u>1,571,007</u> | <u>2,138,940</u> |
| Unrestricted funds | | <u>2,252,025</u> | <u>5,620,373</u> | <u>(3,423,530)</u> | <u>(49,573)</u> | <u>343,815</u> | <u>(1,571,007)</u> | <u>3,172,103</u> |
| Designated building fund | | <u>2,430,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,430,000</u> |
| Accumulated funds | | <u><u>5,923,034</u></u> | <u><u>11,724,203</u></u> | <u><u>(10,200,436)</u></u> | <u><u>(49,573)</u></u> | <u><u>343,815</u></u> | <u><u>-</u></u> | <u><u>7,741,043</u></u> |

NOTES TO THE FINANCIAL STATEMENTS - continued

15 Reconciliation of movements in accumulated funds - continued

- (a) Health Service Executive, Area 4, social inclusion, adult homeless services, Section 39 annual grant and pay restoration grant towards costs of care and support staff in high support houses and the emergency shelter in 2020. Total includes one off 2020 grants of €90,000 towards staff costs relating to COVID-19 demands, out of hours cover for Housing First service and other staffing.
- (b) Health Service Executive, Area 4, social inclusion, local drugs and alcohol task force, Section 39 annual grant towards staff and administration costs of the Cork Simon street outreach service in 2020. Total includes one off 2020 grants of €58,949 towards needle exchange service, overdose prevention, and COVID-19 isolation workers.
- (c) Cork City Council, Section 10 annual bed-night and settlement grant towards the provision of homeless services accommodation and tenancy sustainment supports in 2020 through the rapid rehousing and settlement team.
- (d) Cork City Council, Section 10 homeless services grant towards the staff costs of the Cork Simon extended Housing First service in 2020 through the intensive settlement support team.
- (e) Cork City Council, Section 10 grant towards the staff costs of the Night Light and enhanced rough sleeper service as part of the Cork City winter strategy in 2020.
- (f) Cork City Council grant toward Cork Regional Housing First service.
- (g) Department of Employment Affairs and Social Protection grant for the Community Employment Scheme staffing, materials and training costs. The schemes run from October to October and the new scheme commenced October 2020.
- (h) European Commission, Léargas, European Solidarity Corps grant towards volunteer support costs. The grant period covered 24 months from September 2019 to August 2020.
- (i) Department of Children Equality, Disability, Integration and Youth grants through Cork Education & Training Board. A grant of €25,270 under the Young Peoples Facilities and Services Fund for the first 6 months of the year. A grant of €25,271 under the provisions of UBU (Your Place Your Space) for the second half of the year. The grants are towards the staff and administration costs of the Cork Simon youth homelessness and drugs prevention service.
- (j) Cork Education and Training Board, community education grant, under the Great to Train programme, towards the cost of training courses and back to training and employment, as part of the Cork Simon Employment and Training programme.
- (k) Erasmus+, Street Support Project. The final portion of the grant towards staff and project costs of the Safer Saturday Programme.
- (l) Transactions incurred on behalf of South East Simon occurred due to assistance and support provided by Cork Simon Community to South East Simon. These have been recharged to South East Simon in full, with no margin.
- (m) Cork Education and Training Board, grant under the Mitigating Against Education Disadvantage to provide training and technology supports to people in our Employment and Training service.
- (n) Government COVID-19 Stability Scheme grant, through Pobal, towards critical supports and services. The amount was used to cover non-pay costs including rent, utilities, insurance, pension and other overhead costs, not otherwise part of grant arrangements.
- (o) Government COVID-19 supports under the Temporary Wage Subsidy Scheme. We applied for the subsidy for relevant eligible staff posts that were not subject to other grant funding. This balance of €113,933 has been accounted for as an offset to wages and salaries charges, as required under FRS 102 (note 8).

NOTES TO THE FINANCIAL STATEMENTS - continued

15 Reconciliation of movements in accumulated funds – continued

(p) Other restricted grants

| | € |
|---|---------------|
| Local authority, one off furniture grants for tenants | 8,644 |
| COVID-19 Community Outreach Programme, one off grant | 1,800 |
| DEASP, one off grant, for PPE | 1,963 |
| HSE one off grant, for out of hours service in South East | 12,000 |
| Cork City Council one off, to COVID-19 related IT supports | 3,000 |
| Comic Relief, one off grant, for COVID-19 related IT supports | 8,383 |
| Community Foundation for Ireland, for service to young people | <u>20,000</u> |
| | <u>55,790</u> |

(q) Restricted income for South East Simon

| | € |
|--|---------------|
| Health Service Executive Area 5, social inclusion, section 39 one off grant towards training in homeless and substance misuse services, healthy living skills supports and COVID-19 related costs. | 49,605 |
| Fundraising | <u>1,421</u> |
| | <u>51,026</u> |

Through FoodCloud we receive food and related products under the Fund for European Aid to the Most Deprived (FEAD) programme in Ireland. This supports individuals availing of meals provided at Cork Simon services and through food packs.

16 Analysis of net assets between funds

| Group | Unrestricted fund | Designated fund | Restricted fund | Restricted building fund | Total funds 2020 |
|--|-------------------|------------------|-----------------|--------------------------|------------------|
| | € | € | € | € | € |
| Tangible assets | 11,273,957 | - | - | 858,085 | 12,132,042 |
| Investments | 1,205,435 | - | - | - | 1,205,435 |
| Current assets | 2,404,722 | 2,730,000 | 274,033 | 1,142,420 | 6,551,175 |
| Creditors falling due within one year | (2,089,321) | - | - | - | (2,089,321) |
| Creditors due after more than one year | (9,869,700) | - | - | - | (9,869,700) |
| Total funds at 31 December 2020 | <u>2,925,093</u> | <u>2,730,000</u> | <u>274,033</u> | <u>2,000,505</u> | <u>7,929,631</u> |

| Company | Unrestricted fund | Designated fund | Restricted fund | Restricted building fund | Total funds 2020 |
|--|-------------------|------------------|-----------------|--------------------------|------------------|
| | € | € | € | € | € |
| Tangible assets | 8,198,195 | - | - | 836,485 | 9,034,680 |
| Investments | 1,205,435 | - | - | - | 1,205,435 |
| Investment in South East Simon | 300,000 | - | - | - | 300,000 |
| Current assets | 2,501,097 | 2,430,000 | 160,035 | 1,142,420 | 6,233,552 |
| Creditors falling due within one year | (1,903,124) | - | - | - | (1,903,124) |
| Creditors due after more than one year | (7,129,500) | - | - | - | (7,129,500) |
| Total funds at 31 December 2020 | <u>3,172,103</u> | <u>2,430,000</u> | <u>160,035</u> | <u>1,978,905</u> | <u>7,741,043</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued

| | | |
|--|------------------|----------------|
| 17 Reconciliation of net incoming resources to net cash flow from charitable activities | 2020 | 2019 |
| | € | € |
| Group | | |
| Income/(expense) for the reporting year (as per Statement of Financial Activities) - Net income/(expense) | 1,879,140 | 317,076 |
| Depreciation charges | 615,637 | 549,598 |
| Interest income | (358) | (2,376) |
| Decrease/(increase) in stock | 1,500 | 4,820 |
| (Increase)/decrease in debtors | (187,583) | (318,104) |
| (Decrease)/increase in deferred income | 276,046 | (11,505) |
| Increase in creditors | 187,284 | 145,862 |
| Losses/(gains) on investments | 49,573 | (96,460) |
| Capital Assistance Scheme loan repayments relieved | (361,432) | (275,328) |
| Net cash provided by charitable activities | <u>2,459,807</u> | <u>313,583</u> |

| Analysis of net funds | At 1 January 2020 | Acquired through investment in South East Simon (note 22) | Cash flow | Other non-cash charges | At 31 December 2020 |
|--|-------------------------|--|------------------|------------------------------|---------------------------|
| | € | € | € | € | € |
| Cash at bank and in hand | 3,164,060 | 358,784 | 2,656,819 | - | 6,179,663 |
| Bank overdraft | - | - | (1,095) | - | (1,095) |
| | <u>3,164,060</u> | <u>358,784</u> | <u>2,655,724</u> | - | <u>6,178,568</u> |
| Loans under capital assistance scheme (note 14) | (5,546,049) | (2,907,358) | (2,307,571) | 361,432 | (10,399,546) |
| Net debt | <u>(2,381,989)</u> | <u>(2,548,574)</u> | <u>348,153</u> | <u>361,432</u> | <u>(4,220,978)</u> |

Company

| | | |
|---|------------------|----------------|
| Reconciliation of net incoming resources to net cash flow from charitable activities | 2020 | 2019 |
| | € | € |
| Income/(expense) for the reporting year (as per Statement of Financial Activities) - Net income/(expense) | 1,818,009 | 317,076 |
| Depreciation charges | 595,606 | 549,598 |
| Interest income | (358) | (2,376) |
| Decrease/(increase) in stock | 1,500 | 4,820 |
| (Increase)/decrease in debtors | (201,146) | (318,104) |
| (Decrease)/increase in deferred income | 276,046 | (11,505) |
| Increase in creditors | 231,089 | 145,862 |
| Losses/(gains) on investments | 49,573 | (96,460) |
| Capital Assistance Scheme loan repayments relieved | (343,815) | (275,328) |
| Net cash provided by charitable activities | <u>2,426,506</u> | <u>313,583</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued

17 Reconciliation of net incoming resources to net cash flow from charitable activities - continued

Company

| Analysis of net funds | At 1 January 2020 € | Cash flow € | Other non-cash charges € | At 31 December 2020 € |
|--|--|----------------------------|---|--|
| Cash at bank and in hand | 3,164,060 | 2,322,724 | - | 5,486,784 |
| Loans under capital assistance scheme (note 14) | <u>(5,546,049)</u> | <u>(2,307,569)</u> | <u>343,815</u> | <u>(7,509,803)</u> |
| Net debt | <u>(2,381,989)</u> | <u>15,155</u> | <u>343,815</u> | <u>(2,023,019)</u> |

18 Taxation

No provision for taxation has been made because the company, being a charitable organisation, is exempt from tax under Section 11(6) of the Corporation Tax Act, 1976.

19 Related party transactions

Group

As part of the supports it provides, Cork Simon Community provides payroll and accounting services for the South East Simon Community. In 2020, before South East Simon Community became part of the Group, the income and expenditure transactions incurred by Cork Simon on behalf of South East Simon amounted to €228,960 (2019: €291,971). These were fully recharged to South East Simon with no margin being earned on the transactions that occurred during the year.

See note 7 for disclosure of the directors' remuneration and note 8 for key management compensation.

During the year Simon Communities of Ireland dispersed €51,898 of fundraising income to Cork Simon Community.

Company

As part of the supports it provides, Cork Simon Community provides payroll and accounting services for the South East Simon Community. In 2020, the income and expenditure transactions incurred by Cork Simon on behalf of South East Simon amounted to €262,419 (2019: €291,971). These were fully recharged to South East Simon with no margin being earned on the transactions that occurred during the year. The balance owing to Cork Simon at the 31 December 2020 was €390,551 (2019: €47,524, comprised of gross debtor of €240,955, net of impairment provision of €193,431). In 2020, the Company reversed the impairment provision of €193,431.

In 2020 Cork Simon transferred €300,000 to South East Simon towards its Restricted Building Fund (sinking fund) as a capital contribution.

During the year Simon Communities of Ireland dispersed €51,898 of fundraising income to Cork Simon Community.

20 Events after the balance sheet date

Group and Company

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

NOTES TO THE FINANCIAL STATEMENTS - continued

| 21 Capital commitments | 2020 | 2019 |
|--|----------------|------------------|
| | € | € |
| Group | | |
| Authorised by directors but not contracted | 115,000 | 562,906 |
| Contracted not provided | 518,000 | 1,643,809 |
| | <u>633,000</u> | <u>2,206,715</u> |
| Company | | |
| Authorised by directors but not contracted | - | - |
| Contracted not provided | 518,000 | 1,643,809 |
| | <u>518,000</u> | <u>1,643,809</u> |

Capital commitments relate to the proposed development of 8 self-contained residential units in Cork city and 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.

22 Acquisition of South East Simon – merger accounting

Group

On 19 November 2020, the Company acquired control of Simon Community (South East) Company Limited by Guarantee ("South East Simon"), registered at 10A Waterside, Waterford. This arose following a change of South East Simon's constitution on that date which gave the Company the ability to control its board.

Cork Simon has no beneficial interest over the net assets of South East Simon. Whilst the net assets of both entities are combined because of this control arrangement, no non-controlling interest is deemed applicable in the Group financial statements as both entities are separate public interest entities under FRS 102.

The company has used the merger accounting method to account for the acquisition of South East Simon in the Group financial statements. The carrying amounts of the acquired entity's assets and liabilities are not adjusted to fair value, although appropriate adjustments are made to achieve uniformity of accounting policies in the combining entities. No new goodwill arises under merger accounting, and the acquired entity's assets and liabilities are brought in at the amounts at which the entity recorded them in its books before the combination (subject to adjustment for uniform accounting policies).

This is primarily comprised of certain property assets, debtors, current assets and Capital Assistance Scheme loans. The consideration paid was €Nil and the book value of the net assets acquired is summarised in the table below. No adjustments were required to achieve uniformity of accounting policies in the combining entities.

| | |
|--|----------------|
| | € |
| Tangible assets | 3,117,090 |
| Debtors | 28,858 |
| Bank | 358,784 |
| Creditors - amounts falling due within one year | (600,271) |
| Creditors - amounts falling due after more than one year | (2,777,004) |
| | <u>127,457</u> |

These net assets are included in the group financial statements from the date of the transaction. The opposite balance has been included in Other reserves in the Group financial statements.

Income and net increase in funds since the acquisition are €174,272 and €61,131 respectively. Additionally, after the acquisition, Cork Simon transferred €300,000 to South East Simon towards its Restricted Building Fund (sinking fund).

Aggregate net assets of South East Simon as at 31 December 2020 are €488,588.

NOTES TO THE FINANCIAL STATEMENTS - continued

22 Acquisition of South East Simon – merger accounting (continued)

| Company | 2020 | 2019 |
|----------------------------|----------------|-------------|
| | € | € |
| At 1 January | - | - |
| Capital contribution given | 300,000 | - |
| At 31 December | <u>300,000</u> | <u>-</u> |

There is no impact on the Company's separate financial statements following the change of South East Simon's constitution on 19 November 2020 which gave the Company the ability to control its board. Notwithstanding this change in control, the Company has no financial beneficial interest in South East Simon, so this transaction does not give rise to a capital contribution for Cork Simon.

In 2020 Cork Simon transferred €300,000 to South East Simon towards its Restricted Building Fund (sinking fund).

23 Net movement in funds for the financial year

Group

There was no material difference between the reported profit and the profit prepared under the historical cost convention.

Company

The Company is availing of the exemption contained in Section 304 of the Companies Act 2014 and as a result its statement of financial activity has not been presented and will not be annexed to the annual return. The Company's net increase in funds for the financial year is €1,818,009 (2019: €317,076 net increase).

24 Approval of financial statements

The financial statements were approved and authorised for issue by the board of directors on 16 August 2021 and were signed on its behalf on that date.