

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

Consolidated Annual Report
Financial Year Ended 31 December 2022

CONTENTS

	Page
REFERENCE AND ADMINISTRATION DETAILS	2
DIRECTORS' REPORT	3 to 15
INDEPENDENT AUDITORS' REPORT	16 to 18
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES	19
CONSOLIDATED BALANCE SHEET	20
COMPANY BALANCE SHEET	21
CONSOLIDATED CASH FLOW STATEMENT	22
COMPANY CASH FLOW STATEMENT	23
NOTES TO THE FINANCIAL STATEMENTS	24 to 44

REFERENCE AND ADMINISTRATION DETAILS

Board of Directors as at 9 August 2023

Ann FitzGerald
Anthony O'Donovan (Chair)
Brendan Ryan
Christine Moloney
Eoin MacCuirc
James O'Shaughnessy
Leslie Warren
Mary Ryan
Michael Dineen
Peter O'Meara
Paula Byrne
Ruth Fuller
Heather Reynolds
Ned Brennan

Solicitors

Murphy Lynam & Co
Courthouse Chambers
Washington Street
Cork

Nolan Farrell and Goff
Newtown
Waterford

Secretary and Registered Office

Brendan Ryan
4 Lapps Quay
Cork city

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 2022 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. The corresponding figures included in the comparative financial statements are prepared on the same basis.

Overview of Group

On 19 November 2020, Cork Simon acquired control of South East Simon. 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 and social action, trauma informed, choice, respect, person centred, client led, empowerment, diversity, inclusiveness, community engagement, activism, engagement, acceptance, understanding, dynamism, openness to new ideas, collaboration and supportiveness.

DIRECTORS' REPORT - continued

Objectives and activities - continued

In 2022, 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, to a range of health services, and harm reduction supports relevant to problem drug and alcohol use.
- **Soup Run:** Our first service took place 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.
- **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. In 2022 the Covid-19 pandemic still impacted the services with rooms for isolation and ongoing preventative measures in place. As government COVID-related restrictions were lifted, we started to restore full capacity, which we achieved by mid-year; we added additional capacity in response to a growing need for emergency accommodation.
- **Night Light:** Additional emergency accommodation we put in place in November 2017 in response to a growing need. It was part of Cork City's Winter initiative at the time. We maintained the service ever since as that need continued to grow. Night Light consisting of up to 16 spaces per night, Night Light beds are medium threshold and are available during night-time hours only.
- **Day service and rough sleeper service:** A hub of activity housing a specialist team of HSE 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 and Night Light. 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.
- **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.
- **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.

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. We reached the target for the service 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. The service has been extended for two years to 2024. We were supporting 35 ongoing Housing First tenancies at the end of 2022. Co Cork accounts for 11 ongoing tenancies at the end of 2022 and 10 ongoing tenancies for Co Kerry.
- **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, was reassigned as emergency accommodation for women during 2022.
- **Specialist services:** A range of services which include a drug and alcohol programme; an addiction treatment aftercare support and housing service (providing 7 aftercare beds in two houses); the provision of counselling and addiction counselling services, that all coordinate with the Youth Homelessness and Drug Prevention programme, and the Social Integration and Participation service, which includes the Employment & Training Service initiatives.
- **Social integration and participation programme:** Working across all Cork Simon services, the programme creates opportunities for people to build social support networks, build self-confidence, and interact positively with the wider community. This helps to tackle loneliness, boredom and isolation that are often present for people experiencing homelessness or returning to independent living. 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. The service was fully restored when government COVID-related restrictions were lifted in early 2022.
- **The Employment and training service:** This is a social integration and participation programme. 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. Social distancing rules meant that reduced class sizes had to be the norm. The service was fully restored when government COVID-related restrictions were lifted in early 2022.
- **Campaigning programme:** As a community working within the wider community, we pursue a comprehensive programme of advocacy, communications and marketing campaigns aimed at growing and developing the support and engagement of all our stakeholders, the general public, politicians, policy makers, influencers and media among others. 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 2022, South East Simon provided a similar range of services. These are outlined in detail in the separate financial statements on that company.

DIRECTORS' REPORT - continued

Review of activities in 2022

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

- 1,370 people turned to Cork Simon Services and 110 people turned to South East Simon for help and a range of supports in 2022.
- 47 people were newly housed in 2022, moving to secure and affordable, independent and supported housing or high-support housing.
- Our Housing and Support Services supported 250 people throughout 2022. 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.
- Between the Emergency Shelter and the Night Light, an average of 64 people per night relied on Cork Simon for emergency accommodation.
- Our Outreach service met 415 people sleeping rough for at least one night during 2022.
- 529 people depended on our emergency shelter and night light for care and supports in the heart of Cork city. 52% were first-time presentations to our emergency accommodation.
- The Soup Run served 6,888 hot meals and provided one-to-one supports to on average 19 people per night.
- 680 people presented to the Day Service during 2022. The majority were people who were rough sleeping or in a range of temporary housing.
- Addiction Treatment & Aftercare service supported 82 people. 148 people availed of our needle exchange service. Our Youth Homeless Drug Prevention service supported 27 young people.
- 44 people lived in our four high-support houses in which Cork Simon provides communal accommodation and on-site round-the-clock supports.
- 363 people engaged with the Education, Training and Employment Project in 2022. 291 were men (80%), 72 were women (20%).
- More than 16,000 kind hearted and committed donors donated €5.7 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. 52 part-time volunteers and 15 full-time volunteers from 4 different countries gave generously of their time and skills during 2022. 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 2022, South East Simon conducted a similar range of activities. These are outlined in detail in the separate financial statements on that company.

DIRECTORS' REPORT - continued

Achievements and performance

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

- We continued our major focus on keeping Cork's vulnerable homeless population safe from COVID-19 during the year. We had managed the issues arising from the pandemic in conjunction with our normal operations. Upon the lifting of government COVID-related restrictions in early 2022, we immediately restored services that were suspended because of COVID-19 and started to restore capacity at services that were restricted because of the pandemic.
- We progressed work on our Community Plan (strategy) for the years 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.
- 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.
- 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 continued to conduct the 'Locked out of the Market' studies throughout 2022. These reports highlight the ongoing gap between Rent Supplement / Housing Assistance Payment and rising rents in Cork and nationally, reflecting the challenges people using our services face when trying to find an affordable home and a route out of homelessness. We also created and implemented a comprehensive media campaign throughout the South West and South East highlighting the value our donors and volunteers bring to the lives of the people we support. 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, media among others.
- With the generosity of our donors, our fundraising team of staff and volunteers raised almost €5.7 million gross in voluntary donations and bequests in 2022, 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, campaigning, 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 the 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 reviews and seeks to improve processes and policies across the organisation.

DIRECTORS' REPORT - continued

Achievements and performance - continued

- Our Women in Services working group continued its work during 2022.
- We continued to represent the people we support at Local and Regional Homeless fora and continued to represent Cork and South East 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.

Financial review

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

- The financial results for the year ended 31 December 2022 are shown in the Consolidated Statement of Financial Activities on page 19. This includes the results of Cork Simon and of South East Simon for the year.
- Income from allocations and grants from other agencies accounted for 40% of income for 2022 (2021: 40%). Fundraising and other income account for 60% of income in 2022 (2021: 60%).
- Total income amounted to €11,879,085 (2021: €11,425,687). This includes €450,000 received in 2022 as capital donations and restricted to housing capital. Total expenditure was €13,249,596 (2021: €11,407,945). The net expenditure for the year amounted to €960,370 (2021: net income €701,254).

The end of year consolidated reserves are reported as €7,670,515. These reserves are comprised of:

	€
Unrestricted funds	2,266,602
Restricted funds	311,330
Designated funds	2,730,000
Restricted building funds	2,362,583
Total reserves as reported at year end	<u>7,670,515</u>

Of the consolidated restricted funds shown above, this includes €127,698 of grants restricted for South East Simon.

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 hold a reserve fund 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 has 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; and
- Provision of sufficient housing and support in housing to prevent and end long term homelessness.

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

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

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

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

Plans for future periods

Cork Simon's main priorities in 2023 are:

- Complete our Community Plan for the period 2022-2025.
- 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 and Kerry.
- Continue to deliver housing and intensive support services to people who are long term homeless under the Cork city, Cork County and Kerry County Housing First services.
- Plan for the development of the property at Railway Street, Cork, for which planning was granted in April 2022.
- Continue to support people who are sleeping rough to reduce harms associated with life on the streets.
- Secure funding for several services which have been financed by fundraised income, including our aftercare services, our social integration and participation, and coordinated education, training and employment services.
- Enhance specialist services including services for young people, women, people with drug and 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, and Cork Simon's public value.
- Commission an independent governance review for Cork Simon and South East Simon. These are usually conducted every three years. The last one was in 2019.
- Continue to implement the eight themes of the National Quality Standards Framework across all services.
- Demonstrate how we comply with the new Charities Regulator Governance Code.
- Demonstrate how we comply with the Governance and Performance Standards issued by the Approved Housing Bodies Regulatory Authority.

South East Simon Community's main priorities in 2022 are:

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

DIRECTORS' REPORT - continued

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.
- 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, Kerry County Council, 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 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 the same as the board members of Cork Simon.

DIRECTORS' REPORT - continued

Structure, governance and management – continued

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 2019 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. The next review is planned in 2023.

As Approved Housing Bodies, both entities are registered with the Approved Housing Bodies Regulatory Authority (AHBRA). Previously both communities signed up to the Voluntary Regulation Code for Approved Housing Bodies. Cork Simon and South East Simon adhere to the Guidelines for Charitable Organisations on Fundraising from the Public. In service delivery, both entities apply the National Quality Standards Framework, the Quality Standards in Alcohol and Drugs Services, and the Putting People First Code. Cork Simon has confirmed it has achieved the 'triple lock' standard as set out by the Charities Institute of Ireland.

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.corksion.com/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 Community is delegated to the Director, Dermot Kavanagh, who is not a member of the Board of Directors. Dermot is supported by a management team. The management team are responsible for the implementation of the policies and strategies, as approved by the board of directors, and for managing the operation and delivery of services in line with Cork Simon Community and Simon South East values. No remuneration or employee benefits are paid by Cork Simon or South East Simon to the members 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 financial risks, operational & safety risks, compliance risks and reputational risks.

Ukraine war risk

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

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 directors' level allowing for continuous monitoring of both Community's operations and financial status.

DIRECTORS' REPORT - continued

Principal risks and uncertainties - continued

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 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.

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 2022 are set out below. Unless indicated otherwise, they served as directors for the entire year.

Ann Courtney (appointed 26 July 2022, retired 24 April 2023)

Ann FitzGerald

Anthony O'Donovan

Bernadette McGonigle (appointed 23 January 2023, retired 4 May 2023)

Brendan Ryan

Christine Moloney (appointed 16 May 2022) (chairperson)

Deirdre O'Shaughnessy (retired 16 August 2022)

Eoin MacCuirc

Ernest Cantillon (retired 21 March 2022)

James Leonard (retired 27 June 2022)

James O'Shaughnessy

Jim Costello (appointed 25 April 2022, retired 23 May 2022)

Katherine Harford (retired 01 August 2023)

Leslie Warren

Mary Ryan

Michael Dineen (appointed 19 September 2022)

Peter O'Meara

Sean Ormonde (retired 23 August 2022)

Paula Byrne (appointed 24 July 2023)

Ruth Fuller (appointed 24 July 2023)

Heather Reynolds (appointed 24 July 2023)

Ned Brennan (appointed 24 July 2023)

DIRECTORS' REPORT - continued

Directors – continued

Brendan Ryan was company secretary during 2022 and continues to serve as company secretary.

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 2022.

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.

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.

DIRECTORS' REPORT - continued

Going concern

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

Events since the end of the year

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

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 4 Lapps Quay, Cork city.

Political donations

It is company 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.

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.

Statutory auditors

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

By order of the board

Christine Moloney

James O'Shaughnessy



9 August 2023



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.

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

Declan Maunsell
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Cork
17 August 2023

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

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
For the financial year ended 31 December 2022

	Notes	Restricted funds €	Unrestricted funds €	Designated building fund €	Restricted building fund €	Total 2022 €	Total 2021 €
Income from:							
Donations		183,461	4,601,787	-	450,000	5,235,248	5,488,868
Legacies		-	267,424	-	-	267,424	501,501
Other fundraising activities		-	205,016	-	-	205,016	19,979
Charitable activities		5,324,785	846,184	-	-	6,170,969	5,410,855
Interest and investment income		-	426	-	-	426	149
Other income		-	2	-	-	2	4,335
Total income		5,508,246	5,920,839	-	450,000	11,879,085	11,425,687
Expenditure on:							
Charitable activities		(7,113,771)	(3,947,167)	-	-	(11,060,938)	(9,924,114)
Raising funds		-	(2,188,658)	-	-	(2,188,658)	(1,483,831)
Total expenditure	5	(7,113,771)	(6,135,825)	-	-	(13,249,596)	(11,407,945)
Net (loss)/gain on investments		-	(141,959)	-	-	(141,959)	143,271
Capital Assistance Scheme repayments relieved	13	-	552,100	-	-	552,100	540,241
Net (expenditure)/income	7	(1,605,525)	195,155	-	450,000	(960,370)	701,254
Transfer from restricted building fund	14	-	64,029	-	(64,029)	-	-
Transfer from unrestricted fund	14	1,667,765	(1,667,765)	-	-	-	-
Net movement in funds		62,240	(1,408,581)	-	385,971	(960,370)	701,254
Reconciliation of funds							
Total funds brought forward		249,090	3,675,183	2,730,000	1,976,612	8,630,885	7,929,631
Total funds carried forward		311,330	2,266,602	2,730,000	2,362,583	7,670,515	8,630,885

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 arose solely from continuing activities. Movements in funds are set out in note 14 on page 38. Please refer to note 6 on page 31 where the detailed comparative Consolidated Statement of Financial Activities for the financial year ended 31 December 2021 is disclosed.

CONSOLIDATED BALANCE SHEET
As at 31 December 2022

	Notes	2022 €	2021 €
Fixed assets			
Tangible assets	9	13,027,809	12,065,368
Investments	10	1,206,748	1,348,706
		<u>14,234,557</u>	<u>13,414,074</u>
Current assets			
Debtors	11	662,238	537,103
Cash at bank		5,658,675	7,246,073
		<u>6,320,913</u>	<u>7,783,176</u>
Creditors - Amounts falling due within one year	12	<u>(3,056,457)</u>	<u>(2,871,754)</u>
Net current assets		<u>3,264,456</u>	<u>4,911,422</u>
Total assets less current liabilities		17,499,013	18,325,496
Creditors - Amounts falling due after more than one year	13	<u>(9,828,498)</u>	<u>(9,694,611)</u>
Net assets		<u>7,670,515</u>	<u>8,630,885</u>
Total funds of the charity			
Unrestricted funds	14	2,266,602	3,675,183
Restricted funds	14	311,330	249,090
Designated building fund	14	2,730,000	2,730,000
Restricted building funds	14	2,362,583	1,976,612
		<u>7,670,515</u>	<u>8,630,885</u>
Total charity funds	14	<u>7,670,515</u>	<u>8,630,885</u>

The notes on pages 24 to 44 form an integral part of these financial statements.

The financial statements on pages 19 to 44 were authorised for issue by the board of directors on 9 August 2023 and signed on its behalf:

By order of the board

Christine Moloney

James O'Shaughnessy

COMPANY BALANCE SHEET
As at 31 December 2022

	Notes	2022 €	2021 €
Fixed assets			
Tangible assets	9	9,869,996	9,022,135
Investments	10	1,206,748	1,348,706
Investment in South East Simon	10	300,000	300,000
		<u>11,376,744</u>	<u>10,670,841</u>
Current assets			
Debtors	11	839,957	443,846
Cash at bank		5,073,461	6,803,904
		<u>5,913,418</u>	<u>7,247,750</u>
Creditors - Amounts falling due within one year	12	<u>(2,844,548)</u>	<u>(2,670,847)</u>
Net current assets		<u>3,068,870</u>	<u>4,576,903</u>
Total assets less current liabilities		14,445,614	15,247,744
Creditors - Amounts falling due after more than one year	13	<u>(7,000,250)</u>	<u>(6,927,734)</u>
Net assets		<u>7,445,364</u>	<u>8,320,010</u>
Total funds of the charity			
Unrestricted funds	14	2,488,049	3,783,503
Restricted funds	14	183,632	150,145
Designated building fund	14	2,430,000	2,430,000
Restricted building funds	14	2,343,683	1,956,362
		<u>7,445,364</u>	<u>8,320,010</u>
Total charity funds	14	<u>7,445,364</u>	<u>8,320,010</u>

The notes on pages 24 to 44 form an integral part of these financial statements.

The financial statements on pages 19 to 44 were authorised for issue by the board of directors on 9 August 2023 and signed on its behalf:

On behalf of the board

Christine Moloney

James O'Shaughnessy

CONSOLIDATED CASH FLOW STATEMENT
For the financial year ended 31 December 2022

	Notes	2022 €	2021 €
Net cash (used in)/provided by charitable activities	16	<u>(445,471)</u>	<u>1,492,540</u>
Cash flows from investing activities			
- investment income		426	149
- payments to acquire tangible assets		<u>(1,730,807)</u>	<u>(675,570)</u>
Net cash used in investing activities		<u>(1,730,381)</u>	<u>(675,421)</u>
Cash flows from financing activities			
- proceeds from capital assistance scheme		<u>588,809</u>	<u>249,342</u>
Net cash generated from financing activities		<u>588,809</u>	<u>249,342</u>
(Decrease)/increase in cash and cash equivalents in the year	16	<u>(1,587,043)</u>	<u>1,066,461</u>
Cash and cash equivalents at the beginning of year		7,245,029	6,178,568
(Decrease)/increase in cash and cash equivalents		<u>(1,587,043)</u>	<u>1,066,461</u>
Cash and cash equivalents at the end of year	16	<u>5,657,986</u>	<u>7,245,029</u>

COMPANY CASH FLOW STATEMENT
For the financial year ended 31 December 2022

	Notes	2022 €	2021 €
Net cash (used in)/provided by charitable activities	16	<u>(768,521)</u>	<u>1,686,358</u>
Cash flows from investing activities			
- investment income		426	144
- payments to acquire tangible assets		<u>(1,429,158)</u>	<u>(556,256)</u>
Net cash used in investing activities		<u>(1,428,732)</u>	<u>(556,112)</u>
Cash flows from financing activities			
- proceeds from capital assistance scheme		<u>466,810</u>	<u>186,874</u>
Net cash generated from financing activities		<u>466,810</u>	<u>186,874</u>
(Decrease)/increase in cash and cash equivalents in the year	16	<u>(1,730,443)</u>	<u>1,317,120</u>
Cash and cash equivalents at the beginning of year		6,803,904	5,486,784
(Decrease)/increase in cash and cash equivalents		<u>(1,730,443)</u>	<u>1,317,120</u>
Cash and cash equivalents at the end of year		<u>5,073,461</u>	<u>6,803,904</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 2022 and ending 31 December 2022.

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. 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 2022.

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. The corresponding figures included in the comparative financial statements are prepared on the same basis.

3 Summary of significant accounting policies

The significant accounting policies used in the preparation of the 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. The corresponding figures included in the comparative financial statements are prepared on the same basis.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(a) Basis of preparation – continued

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.

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).

(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. There are ever-present risks about the ability of the Group and Company to maintain the same level of income we have achieved in previous years including: risks to fundraising and grant income streams in the future, which are presently unknown; the risk of cost inflation; and how the economic impact of macroeconomic issues might impact on future demands for our services. We are engaging with statutory funders, mainly Cork City Council and HSE, to address ongoing shortfalls in grant income.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(d) Going concern – continued

The Board have assessed the impact of these challenges and risks 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 13.

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.

(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 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.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(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.

(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.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(k) Tangible fixed assets - continued

(i) Depreciation and residual values

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

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

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

(ii) Repairs and maintenance

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

(iii) De-recognition

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

(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 finance, human resources, volunteer coordination, 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.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies – continued

(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.

(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 2022 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 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 financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Useful economic lives of tangible fixed assets

The annual depreciation on tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reviewed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for the carrying amount of the tangible fixed assets and note 3 for the useful economic lives for each class of tangible fixed assets.

Recognition of bequests

When 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.

Recoverability of debtors

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

NOTES TO THE FINANCIAL STATEMENTS - continued

5 Resources expended	Staff costs €	Direct costs €	Depreciation €	Support costs €	Total 2022 €
For the year ended 31 December 2022					
Homeless services	6,546,477	1,604,699	764,530	1,240,813	10,156,519
Campaigns and research	205,840	655,356	-	43,223	904,419
Charitable activities	6,752,317	2,260,055	764,530	1,284,036	11,060,938
Raising funds	590,454	1,583,086	-	15,118	2,188,658
Training, volunteering and other support	881,106	414,212	3,836	(1,299,154)	-
Total 2022	8,223,877	4,257,353	768,366	-	13,249,596
For the year ended 31 December 2021					
Homeless services	5,847,455	1,419,514	696,133	956,277	8,919,379
Campaigns and research	280,671	690,671	-	33,393	1,004,735
Charitable activities	6,128,126	2,110,185	696,133	989,670	9,924,114
Raising funds	560,909	911,112	-	11,810	1,483,831
Training, volunteering and other support	636,569	318,800	46,111	(1,001,480)	-
Total 2021	7,325,604	3,340,097	742,244	-	11,407,945

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.

NOTES TO THE FINANCIAL STATEMENTS - continued

6 Comparative Consolidated Statement of Financial Activities for the financial year ended 31 December 2021

	Restricted funds	Unrestricted funds	Restricted building fund	Total 2021
	€	€	€	€
Income from:				
Donations	170,971	5,281,897	36,000	5,488,868
Legacies	-	501,501	-	501,501
Other fundraising activities	-	19,979	-	19,979
Charitable activities	4,575,705	835,150	-	5,410,855
Interest and other income	-	149	-	149
Other income	-	4,335	-	4,335
Total income	<u>4,746,676</u>	<u>6,643,011</u>	<u>36,000</u>	<u>11,425,687</u>
Expenditure on:				
Charitable activities	(6,408,469)	(3,515,645)	-	(9,924,114)
Raising funds	-	(1,483,831)	-	(1,483,831)
Total expenditure	<u>(6,408,469)</u>	<u>(4,999,476)</u>	<u>-</u>	<u>(11,407,945)</u>
Net gain on investments	-	143,271	-	143,271
Capital Assistance Scheme repayments relieved	-	540,241	-	540,241
Net income	<u>(1,661,793)</u>	<u>2,327,047</u>	<u>36,000</u>	<u>701,254</u>
Transfer from restricted building fund	-	59,893	(59,893)	-
Transfer from unrestricted fund	1,636,850	(1,636,850)	-	-
Net movement in funds	<u>(24,943)</u>	<u>750,090</u>	<u>(23,893)</u>	<u>701,254</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

	2022	2021
7 Net (expenditure)/income		
	€	€
Net (expenditure)/income resources is stated after charging/(crediting):		
Staff costs (note 8)	8,223,878	7,325,604
Depreciation (note 9)	768,366	742,244
Capital Assistance Scheme financing repayments relieved (note 13)	(552,100)	(540,241)
Grant amortised	(1,350)	(1,350)
Directors' remuneration	-	-
Directors' expenses	-	-
Auditors' remuneration (including expenses):		
- Audit of the financial statements	28,000	9,471
- Other assurance services	-	861
Bank interest and similar charges	22,249	14,841
Other income	-	(193)
Interest income	(426)	(149)
	<u>8,223,878</u>	<u>7,325,604</u>

None of the directors have been paid any remuneration or received any other financial benefit from Cork Simon. A total of €Nil of out-of-pocket expenses were reimbursed to directors in 2022.

8 Employee information and benefits

(a) The average number of whole time equivalent staff employed by the Community during the year is 152. At the end of the year the whole time equivalent are analysed below:	2022	2021
	Number	Number
Homeless services	134	109
Campaigning and research	2	3
Raising funds	10	11
Community employment scheme	6	9
South East Simon Community	8	7
	<u>160</u>	<u>139</u>
(b) The company's employment costs for all employees comprise:	2022	2021
	€	€
Wages and salaries	7,292,418	6,482,550
Social insurance costs	741,675	665,769
Other retirement benefit costs	189,785	177,285
	<u>8,223,878</u>	<u>7,325,604</u>

(c) The staff working in South East Simon Community are employees of Cork Simon Community.

(d) At the end of 2022, 205 (2021: 179) individual people were employed. Of these 87 (2021: 76) people were employed full time, 70 (2021: 60) were part time, 11 (2021: 18) were on the Community Employment Scheme (CES) and 37 (2021: 25) 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 2022, the number of whole-time equivalent staff with pay, excluding employer retirement benefit costs, falling within the following bands was:

	2022 Number	2021 Number
Up to €29,999	46	27
Between €30,000 and €39,999	56	55
Between €40,000 and €49,999	30	31
Between €50,000 and €59,999	14	12
Between €60,000 and €69,999	8	9
Between €70,000 and €79,999	2	1
Between €80,000 and €89,999	2	3
Between €90,000 and €99,999	2	1
	<u>160</u>	<u>139</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 €189,785 (2021: €177,285). Contributions of €Nil (2021: €Nil) are outstanding at balance sheet date.

(g) Included in wages and salaries is €88,229 (2021: €60,000) which is the cost of redundancy payments made to staff during 2022.

(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 €95,366 (2021: €95,791), employers' PRSI of €10,537 (2021: €10,591) and employer pension contribution of €4,801 (2021: €4,739). The directors' remuneration is €Nil (2021: €Nil).

9 Tangible assets	Freehold property	Fixtures, fittings and equipment	Motor vehicles	Construction in progress	Total
Group	€	€	€	€	€
Cost					
At 1 January 2022	21,772,282	528,813	11,700	32,724	22,345,519
Transfer	1,255,500	-	-	(1,255,500)	-
Additions	306,469	180,194	15,900	1,228,244	1,730,807
At 31 December 2022	<u>23,334,251</u>	<u>709,007</u>	<u>27,600</u>	<u>5,468</u>	<u>24,076,326</u>
Accumulated depreciation					
At 1 January 2022	9,821,407	449,244	9,500	-	10,280,151
Charge for the year	713,867	50,974	3,525	-	768,366
At 31 December 2022	<u>10,535,274</u>	<u>500,218</u>	<u>13,025</u>	<u>-</u>	<u>11,048,517</u>
Net book value					
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>
At 31 December 2021	<u>11,950,875</u>	<u>79,569</u>	<u>2,200</u>	<u>32,724</u>	<u>12,065,368</u>
At 31 December 2022	<u>12,798,977</u>	<u>208,789</u>	<u>14,575</u>	<u>5,468</u>	<u>13,027,809</u>

Of the net book value of tangible assets, €1,012,581 (2021: €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 2022	17,536,872	401,856	11,700	32,724	17,983,152
Additions	16,282	168,732	15,900	1,228,244	1,429,158
Transfer	1,255,500	-	-	(1,255,500)	-
At 31 December 2022	<u>18,808,654</u>	<u>570,588</u>	<u>27,600</u>	<u>5,468</u>	<u>19,412,310</u>
Accumulated depreciation					
At 1 January 2022	8,612,641	338,876	9,500	-	8,961,017
Charge for the year	540,199	37,573	3,525	-	581,297
At 31 December 2022	<u>9,152,840</u>	<u>376,449</u>	<u>13,025</u>	<u>-</u>	<u>9,542,314</u>
Net book value					
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>
At 31 December 2021	<u>8,924,231</u>	<u>62,980</u>	<u>2,200</u>	<u>32,724</u>	<u>9,022,135</u>
At 31 December 2022	<u>9,655,814</u>	<u>194,139</u>	<u>14,575</u>	<u>5,468</u>	<u>9,869,996</u>

Of the net book value of tangible assets, €993,681 (2021: €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 Investments

	2022	2021
	€	€
Group and company		
Investments held:		
Managed funds	1,206,621	1,348,580
Prize bonds	127	126
	<u>1,206,748</u>	<u>1,348,706</u>
		Managed funds
		€
Market value at 1 January 2022		1,348,580
Unrealised loss in investments		(141,959)
Market value at 31 December 2022		<u>1,206,621</u>
Historic cost at 31 December 2022		<u>1,028,622</u>

All listed investments are held on recognised stock exchanges.

These funds can be converted to cash on demand. 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

10 Investments - continued

Company	€
Investment in subsidiary undertaking	
Cost at 1 December 2022 and 31 December 2022	<u>300,000</u>
Carrying value at 31 December 2021 and 31 December 2022	<u>300,000</u>

The company holds an investment in Simon Community (South East) CLG, incorporated in Ireland, with its registered office at 10A Waterside, Waterford. The subsidiary's principal activity is the charitable purpose of alleviating homelessness.

11 Debtors	2022	2021
	€	€
Group		
Prepayments and sundry debtors	184,782	136,434
Grants receivable	477,456	400,669
	<u>662,238</u>	<u>537,103</u>
Company		
Prepayments and sundry debtors	111,363	60,771
Amounts due from subsidiary undertaking	494,307	102,406
Grants receivable	234,287	280,669
	<u>839,957</u>	<u>443,846</u>

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

12 Creditors - Amounts falling due within one year	2022	2021
	€	€
Group		
Bank overdraft (note 16)	689	1,044
Trade creditors	492,716	127,443
PAYE and pay related social insurance	206,004	187,676
Deferred income	1,411,994	1,600,671
Accruals	390,196	420,884
Capital Assistance Scheme loans (note 13)	554,858	534,036
	<u>3,056,457</u>	<u>2,871,754</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

12 Creditors - Amounts falling due within one year – continued

	2022	2021
	€	€
Company		
Trade creditors	467,280	108,753
PAYE and pay related social insurance	206,004	187,676
Deferred income	1,411,994	1,600,671
Accruals	369,539	391,336
Capital Assistance Scheme loans (note 13)	389,731	382,411
	<u>2,844,548</u>	<u>2,670,847</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.

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; €483,907 from the HSE towards a stabilisation facility; €47,000 from the HSE drugs and alcohol service towards addiction counsellor and dialectical behaviour therapy in Cork; €12,193 from the HSE drugs and alcohol service towards needle exchange service and safer injecting training; and €698,037 from the HSE towards recruitment of posts for the homeless integrated team, self-isolation and West Cork respite projects. We release these to income as the related activity is performed. Furthermore, deferred income includes an advance of €30,857 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.

13 Creditors - Amounts falling due after more than one year

	2022	2021
	€	€
Group		
Loans under the Capital Assistance Scheme	<u>9,828,498</u>	<u>9,694,611</u>
These loans are repayable in the following years after 31 December		
Within one year (note 12)	<u>554,858</u>	<u>534,036</u>
Between one and two years	554,858	525,795
Between two and five years	1,664,576	1,577,389
After five years	7,609,064	7,591,427
	<u>9,828,498</u>	<u>9,694,611</u>
	<u>10,383,356</u>	<u>10,228,647</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, €552,100 (2021: €540,241) was recognised in the Consolidated Statement of Financial Activities in respect of this matter.

NOTES TO THE FINANCIAL STATEMENTS - continued

13 Creditors - Amounts falling due after more than one year - continued

Under the terms of the Capital Assistance Schemes the amounts repayable to the local authority as at the balance sheet date of €10,383,356 (2021: €10,228,647) represent the aggregate finance received to date amounting to €18,666,869 (2021: €17,960,060) as reduced by the cumulative repayments relieved to date of €8,283,513 (2021: €7,731,413). The movement for the year relates to new Capital Assistance Schemes funding received of €706,809 (2021: €369,342), offset by repayments relieved (and credited to the Consolidated Statement of Financial Activities) of €552,100 (2021: €540,241) in 2022.

	2022	2021
	€	€
Company		
Loans under the Capital Assistance Scheme	7,000,250	6,927,734
These loans are repayable in the following years after 31 December		
Within one year (note 12)	389,731	382,411
Between one and two years	389,731	374,170
Between two and five years	1,169,192	1,122,511
After five years	5,441,327	5,431,053
	<u>7,000,250</u>	<u>6,927,734</u>
	<u>7,389,981</u>	<u>7,310,145</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 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 €7,389,981 (2021: €7,310,145) represent the aggregate finance received to date amounting to €14,351,045 (2021: €13,884,235) as reduced by the cumulative repayments relieved to date of €6,961,064 (2021: €6,574,090). The movement for the year relates to new Capital Assistance Schemes funding received of €466,810 (2021: €186,874), offset by repayments relieved (and credited to the company's Statement of Financial Activities) of €386,974 in 2022 (2021: €386,532).

NOTES TO THE FINANCIAL STATEMENTS - continued

14 Reconciliation of movements in accumulated funds

Group		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)	-	2,893,575	(3,628,680)	-	-	737,105	2,000
HSE Drugs and alcohol service	(b)	22,376	126,048	(214,130)	-	-	65,706	-
CCC housing provision	(c)	-	741,937	(1,351,350)	-	-	609,413	-
CCC rapid rehousing	(c)	-	150,100	(325,088)	-	-	174,988	-
CCC intensive support	(d)	100,000	100,000	(108,302)	-	-	8,302	100,000
CCC Night Light	(e)	-	195,258	(196,366)	-	-	1,108	-
CCC Cork Region Housing First	(f)	14,640	373,727	(363,666)	-	-	32,451	57,152
DSP CE scheme	(g)	-	235,705	(240,858)	-	-	5,153	-
European Solidarity Corps	(h)	-	104,490	(104,490)	-	-	-	-
Cork ETB youth drugs service	(i)	-	55,149	(76,860)	-	-	23,194	1,483
Cork ETB employment & training	(j)	7,274	94,333	(97,538)	-	-	-	4,069
Other restricted grants	(k)	-	29,936	(20,172)	-	-	-	9,764
Restricted fundraising income	(l)	5,855	183,461	(180,152)	-	-	-	9,164
Restricted income - South East Simon	(m)	98,945	224,527	(206,119)	-	-	10,345	127,698
		<u>249,090</u>	<u>5,508,246</u>	<u>(7,113,771)</u>	<u>-</u>	<u>-</u>	<u>1,667,765</u>	<u>311,330</u>
Restricted building fund		<u>1,976,612</u>	<u>450,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(64,029)</u>	<u>2,362,583</u>
Total restricted funds		<u>2,225,702</u>	<u>5,958,246</u>	<u>(7,113,771)</u>	<u>-</u>	<u>-</u>	<u>1,603,736</u>	<u>2,673,913</u>
Unrestricted funds		<u>3,675,183</u>	<u>5,920,839</u>	<u>(6,135,825)</u>	<u>(141,959)</u>	<u>552,100</u>	<u>(1,603,736)</u>	<u>2,266,602</u>
Designated building fund		<u>2,730,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,730,000</u>
Accumulated funds		<u><u>8,630,885</u></u>	<u><u>11,879,085</u></u>	<u><u>(13,249,596)</u></u>	<u><u>(141,959)</u></u>	<u><u>552,100</u></u>	<u><u>-</u></u>	<u><u>7,670,515</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued

14 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)	-	2,893,575	(3,628,680)	-	-	737,105	2,000
HSE Drugs and alcohol service	(b)	22,376	126,048	(214,130)	-	-	65,706	-
CCC housing provision	(c)	-	741,937	(1,351,350)	-	-	609,413	-
CCC rapid rehousing	(c)	-	150,100	(325,088)	-	-	174,988	-
CCC intensive support	(d)	100,000	100,000	(108,302)	-	-	8,302	100,000
CCC Night Light	(e)	-	195,258	(196,366)	-	-	1,108	-
CCC Cork Region Housing First	(f)	14,640	373,727	(363,666)	-	-	32,451	57,152
DSP CE scheme	(g)	-	235,705	(240,858)	-	-	5,153	-
European Solidarity Corps	(h)	-	104,490	(104,490)	-	-	-	-
Cork ETB youth drugs service	(i)	-	55,149	(76,860)	-	-	23,194	1,483
Cork ETB employment & training	(j)	7,274	94,333	(97,538)	-	-	-	4,069
Other restricted grants	(k)	5,855	29,936	(26,027)	-	-	-	9,764
Restricted fundraising income	(l)	-	183,461	(174,297)	-	-	-	9,164
Income/(expenditure) re South East Simon	(n)	-	680,048	(680,048)	-	-	-	-
		150,145	5,963,767	(7,587,700)	-	-	1,657,420	183,632
Restricted building fund		1,956,362	450,000	-	-	-	(62,679)	2,343,683
Total restricted funds		2,106,507	6,413,767	(7,587,700)	-	-	1,594,741	2,527,315
Unrestricted funds		3,783,503	5,367,837	(5,313,565)	(141,959)	386,974	(1,594,741)	2,488,049
Designated building fund		2,430,000	-	-	-	-	-	2,430,000
Accumulated funds		8,320,010	11,781,604	(12,901,265)	(141,959)	386,974	-	7,445,364

NOTES TO THE FINANCIAL STATEMENTS - continued

14 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 2022. Total includes one off 2022 grant of €2,000 for period poverty, and €108,000 towards staff costs relating to COVID-19 demands, out of hours cover for Housing First service and addiction and aftercare service. Deferred grants released to income of €283,579 for provision of a respite and isolation facility in West Cork.
- (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 2022. Total includes €30,549 released from deferred income for needle exchange worker and service.
- (c) Cork City Council, Section 10 annual bed-night grant for the provision of emergency and high support accommodation and grant towards the tenancy sustainment supports in 2022.
- (d) Cork City Council, Section 10 homeless services grant towards the staff costs of the Cork Simon extended Housing First service in 2022 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 2022.
- (f) Cork City Council grant toward Cork Regional Housing First service, including grants receivable for the extension of this service in Co Cork and Co Kerry.
- (g) Department of Social Protection grant for the Community Employment Scheme staffing, materials and training costs. The schemes run from September to October.
- (h) European Commission, Léargas, European Solidarity Corps grant towards the organisational supports and complementary activities of the volunteer programme.
- (i) Department of Children Equality, Disability, Integration and Youth grants through Cork Education & Training Board. A 2022 grant of €53,149 under the provisions of UBU (Your Place Your Space), towards the staff and administration costs of the Cork Simon youth homelessness and drugs prevention service. This also includes a one off grant of €2,000 under the MentWell programme.
- (j) Cork Education and Training Board, community education grant towards the cost of training courses and back to training and employment, as part of the Cork Simon Employment and Training programme. It includes €44,260 under the Great to Train programme, €19,669 under the REACH grant, €9,290 under the 'gaps in service' grant, €2,664 for music therapies and €18,450 for training facility under Mitigating Against Education Disadvantage grant.
- (k) Other restricted grants
- | | |
|---|-----------|
| | 2022
€ |
| Local authority, one off furniture grants for tenants | 26,966 |
| Cork City Partnership grant for training supports | 2,970 |
| | 29,936 |
- (l) Restricted fundraising income is comprised of donations restricted to specific expenditure.

NOTES TO THE FINANCIAL STATEMENTS - continued

14 Reconciliation of movements in accumulated funds – continued

	2022
	€
(m) Restricted income received in South East Simon	
Health Service Executive Area 5, social inclusion, section 39 annual grant in aid for case management and enhancement of the Housing First service.	81,864
Health Service Executive Area 5, social inclusion, one off grant for staff mental health training	71,000
Waterford City and County Council grant towards staffing and administration costs of delivering housing first services and supports.	71,663
	<u>224,527</u>
(n) 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.	

In addition to the amounts set out in the note above, the directors also note that the Group receives food and related products through FoodCloud under the Support for the Most Deprived (SMD) programme, through the Department of Social Protection and European Union grants. This supports individuals availing of meals provided at Cork Simon services and through food packs. This matter has not been quantified in these financial statements.

15 Analysis of net assets between funds

Group	Unrestricted fund	Designated fund	Restricted fund	Restricted building fund	Total funds 2022
	€	€	€	€	€
Tangible assets	11,565,226	-	-	1,462,583	13,027,809
Investments	1,206,748	-	-	-	1,206,748
Current assets	2,379,583	2,730,000	311,330	900,000	6,320,913
Creditors falling due within one year	(3,056,457)	-	-	-	(3,056,457)
Creditors falling due after more than one year	<u>(9,828,498)</u>	-	-	-	<u>(9,828,498)</u>
Total funds at 31 December 2022	<u>2,266,602</u>	<u>2,730,000</u>	<u>311,330</u>	<u>2,362,583</u>	<u>7,670,515</u>
Company	Unrestricted fund	Designated fund	Restricted fund	Restricted building fund	Total funds 2022
	€	€	€	€	€
Tangible assets	8,426,313	-	-	1,443,683	9,869,996
Investments	1,206,748	-	-	-	1,206,748
Investment in South East Simon	300,000	-	-	-	300,000
Current assets	2,399,786	2,430,000	183,632	900,000	5,913,418
Creditors falling due within one year	(2,844,548)	-	-	-	(2,844,548)
Creditors falling due after more than one year	<u>(7,000,250)</u>	-	-	-	<u>(7,000,250)</u>
Total funds at 31 December 2022	<u>2,488,049</u>	<u>2,430,000</u>	<u>183,632</u>	<u>2,343,683</u>	<u>7,445,364</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

16 Reconciliation of net incoming resources to net cash flow from charitable activities	2022	2021
	€	€
Group		
Net (expenditure)/income for the reporting year (as per Statement of Financial Activities)	(960,370)	701,254
Depreciation charges	768,366	742,244
Interest income	(426)	(149)
Decrease in stock	-	4,936
Increase in debtors	(7,135)	(50,527)
(Decrease)/increase in deferred income	(188,677)	879,620
Increase/(decrease) in creditors	352,912	(101,326)
Losses/(gains) on investments	141,959	(143,271)
Capital Assistance Scheme loan repayments relieved	(552,100)	(540,241)
Net cash (used in)/provided by charitable activities	<u>(445,471)</u>	<u>1,492,540</u>

Analysis of net funds	At	Cash	Other	At
	1 January	flow	non-cash	31 December
	2022		charges	2022
	€	€	€	€
Cash at bank and in hand	7,246,073	(1,587,398)	-	5,658,675
Bank overdraft	(1,044)	355	-	(689)
Total cash and cash equivalents	<u>7,245,029</u>	<u>(1,587,043)</u>	<u>-</u>	<u>5,657,986</u>
Loans under capital assistance scheme (note 13)	(10,228,647)	(706,809)	552,100	(10,383,356)
Net debt	<u>(2,983,618)</u>	<u>(2,293,852)</u>	<u>552,100</u>	<u>(4,725,370)</u>

Company

Reconciliation of net incoming resources to net cash flow from charitable activities	2022	2021
	€	€
Net (expenditure)/income for the reporting year (as per Statement of Financial Activities)	(874,646)	578,967
Depreciation charges	581,297	568,801
Interest income	(426)	(144)
Decrease in stock	-	4,936
(Increase)/decrease in debtors	(396,111)	297,986
(Decrease)/increase in deferred income	(188,677)	879,620
Increase/(decrease) in creditors	355,057	(114,005)
Losses/(gains) on investments	141,959	(143,271)
Capital Assistance Scheme loan repayments relieved	(386,974)	(386,532)
Net cash (used in)/provided by charitable activities	<u>(768,521)</u>	<u>1,686,358</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

16 Reconciliation of net incoming resources to net cash flow from charitable activities – continued

Company	At 1 January 2022 €	Cash flow €	Other non-cash charges €	At 31 December 2022 €
Analysis of net funds				
Cash at bank and in hand	6,803,904	(1,730,443)	-	5,073,461
Loans under capital assistance scheme (note 13)	(7,310,145)	(466,810)	386,974	(7,389,981)
Net debt	<u>(506,241)</u>	<u>(2,197,253)</u>	<u>386,974</u>	<u>(2,316,520)</u>

17 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.

18 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 2022 the income and expenditure transactions incurred by Cork Simon on behalf of South East Simon amounted to €680,048 (2021: €392,780). These were fully recharged to South East Simon with no margin being earned on the transactions that occurred during the year.

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

During the year Simon Communities of Ireland dispersed €113,981 (2021: €70,604) of fundraising income to Cork Simon Community group. Debtors include €60,000 (2021: €nil) in respect of this matter.

Company

As part of the supports it provides, Cork Simon Community provides payroll and accounting services for the South East Simon Community. In 2022, the expenditure transactions incurred by Cork Simon on behalf of South East Simon amounted to €680,048 (2021: €392,780). These were fully recharged to South East Simon with no margin being earned on the transactions that occurred during the year. The fundraising income received by Cork Simon on behalf of South East Simon amounted to €121,391 (2021: €35,763). This was credited directly to South East Simon and not recognised by Cork Simon. The balance owing to Cork Simon at the 31 December 2022 was €494,307 (2021: €102,406).

During the year Simon Communities of Ireland dispersed €105,707 (2021: €30,187) of fundraising income to Cork Simon Community. Debtors include €45,000 (2021: €nil) in respect of this matter.

19 Events after the balance sheet date

There have been no significant events affecting the Group and Company since the year-end.

NOTES TO THE FINANCIAL STATEMENTS - continued

20 Capital commitments	2022	2021
	€	€
Group		
Authorised by directors but not contracted	625,000	962,882
Contracted not provided	-	-
	<u>625,000</u>	<u>962,882</u>
Company		
Authorised by directors but not contracted	625,000	705,382
Contracted not provided	-	-
	<u>625,000</u>	<u>705,382</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.

21 Net movement in funds for the financial year

Group

There was no material difference between the reported net income/(expenditure) and the net income/(expenditure) 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 expenditure for the financial year is €874,646 (2021: €578,967 net income).

22 Approval of financial statements

The financial statements were approved and authorised for issue by the board of directors on 9 August 2023 and were signed on its behalf on that date.