

**Company Number: 51144**

**SOS Kilkenny Company Limited by Guarantee  
Annual Report and Financial Statements  
for the financial year ended 31 December 2022**

**O'Neill Foley Unlimited Company  
Chartered Accountants and Registered Auditors  
The Brewhouse  
Abbey Quarter  
Kilkenny**

# SOS Kilkenny Company Limited by Guarantee

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## **SOS Kilkenny Company Limited by Guarantee DIRECTORS AND OTHER INFORMATION**

<b>Directors</b>	Brian Walsh (Chairperson) Michael Hogan (Resigned 28 January 2022) Brian Kiely Rosaleen O'Keefe Frank Tobin Ian Coulter Rt Rev Mgr. Kieron Kennedy William Murphy Morgan Doyle Jacinta Culliton (Resigned 20 February 2023)
<b>Company Secretary</b>	Ann English
<b>Company Number</b>	51144
<b>Charity Number</b>	20024727
<b>Registered Office</b>	Kells Road Kilkenny
<b>Auditors</b>	O'Neill Foley Unlimited Company Chartered Accountants and Registered Auditors The Brewhouse Abbey Quarter Kilkenny
<b>Bankers</b>	Allied Irish Banks plc 3 High Street Kilkenny
<b>Solicitors</b>	Poe Kiely Hogan Lanigan 21 Patrick Street Kilkenny
<b>Members</b>	Patrick McAlinney (Chairperson) Vivien Good Patrick Henderson Michael Hogan James Cradock Kieron Kennedy Rosaleen O'Keefe

# **SOS Kilkenny Company Limited by Guarantee**

## **DIRECTORS' REPORT**

for the financial year ended 31 December 2022

The directors present their report and the audited financial statements for the financial year ended 31 December 2022.

The reports and results of the company are presented in a form that complies with the requirements of the Companies Act 2014 and are in compliance with FRS 102. The company as a registered charity has adopted the Statement of Recommended Practice, Charity SORP (FRS 102) - Accounting and Reporting by Charities 2015.

### **Structure Governance and Management**

#### **Constitution**

The charity is registered as a company limited by guarantee not having a share capital, CRO Registration Number 51144. The company was established under a Memorandum of Association which established the objects and powers of the charity and is governed under its Constitution by a Board of Directors, the company has been granted charitable status under Sections 207 and 208 of the Taxes Consolidation Act 197, Charity No. CHY9858. The company is registered with the Charities Regulatory Authority and its RCN is 20024727.

#### **Governance**

The Board met five times during the year. In addition, training was provided for board members. It continues to give priority to achieving the highest standards of corporate governance including strategic planning and financial management.

Key to our activities and central to our core values is a strong commitment to good governance. The company continues the process of reviewing and updating its policies and corporate governance procedures to ensure compliance with and full adoption of "The Governance Codes". The Governance Code is a code of governance developed specifically for the community and voluntary sector.

The State has obligations to provide services to people with disabilities. This responsibility currently rests with the HSE. Under a Service Arrangement the company is appointed as an agent to the HSE to enable it to deliver on its obligations. The company is economically dependent on the HSE who provides over 90% of its funding. In this regard the company recognises the importance of its engagement with the HSE and the need for mutual understanding, transparency, practicable solutions, adequate resources and a partnership approach.

The company applies the four principles of clarity, governance, value for money and fairness in its management of substantial public funding which it receives from the HSE, other state companies and the public.

#### **Selections, Induction and Elections of Directors**

The company has a policy in place in relation to Board Renewal and Appointment of Directors and also has a Code of Conduct for Board Members. There is induction training for new directors which also incorporates training for all board members. Each board member receives an induction briefing together with a handbook covering legal documents, organisation policies, code of practise and rules of procedure in relation to the governance of the Company. Documentation which includes board papers, minutes, reports and other relevant information is managed and shared using Microsoft 365 SharePoint system. There is a minimum of six and a maximum of 15 directors allowed under the Constitution and each year one-third of its directors retire by rotation. The maximum period that any director can serve without a break is 9 years. All directors serve in a voluntary capacity and do not receive any remuneration from the company or otherwise for this service. There are a number of board committees including, an Executive committee, a Finance and Audit committee and a Quality, Safety and Risk Committee. These committees meet a number of times during the year and present their findings/recommendations to the main board. Documentation which includes board papers, minutes, reports and other relevant information is managed and shared using Microsoft 365 SharePoint system.

#### **Management**

Operational decisions concerning the running of the company are the responsibility of the Executive team. The Current Executive comprises Francis Coughlan (Chief Executive Officer), Ann English (Chief Financial Officer/Company Secretary), Ann Corr (Chief Operating Officer), and Lucy Gunning (HR and Training Manager). The Executive team reports to the board on a bi-monthly basis.

#### **Accounting Records**

To ensure that adequate accounting records are kept in accordance with sections 281 to 285 of the Companies Act 2014, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The accounting records are located at the company's office at Kells Road, Kilkenny.

# SOS Kilkenny Company Limited by Guarantee

## DIRECTORS' REPORT

for the financial year ended 31 December 2022

### Directors and Secretary

The directors who served throughout the financial year, except as noted, were as follows:

Brian Walsh (Chairperson)  
Michael Hogan (Resigned 28 January 2022)  
Brian Kiely  
Rosaleen O'Keefe  
Frank Tobin  
Ian Coulter  
Rt Rev Mgr. Kieron Kennedy  
William Murphy  
Morgan Doyle  
Jacinta Culliton (Resigned 20 February 2023)

The secretary who served throughout the financial year was Ann English.

In accordance with the Constitution, the directors retire by rotation and being eligible, offer themselves for re-election.

### Mission, Objectives and Values

#### Vision

The organisation's vision is to enable the persons who avail of our services to belong in a world where people with a disability participate fully in all aspects of life as equal citizens.

#### Mission and Values

The mission of SOS Kilkenny CLG is to provide a lifetime commitment to people with a learning disability. It is motivated in its work as a service provider and an employer by a set of shared values embracing Dignity, Diversity and Inclusion.

- Dignity is about respect and honouring and valuing the individual. It involves communicating with and treating people as equals.
- Diversity is about recognising the uniqueness of the individual and honouring the many dimensions of being a person.
- Inclusion is about people being involved, having genuine connections and being equal. It involves people being part of their own local community and playing socially valued roles in contributing to that context.

As an organisation SOS is informed and led by the belief that the quality of life is greatly enhanced through opportunities for social inclusion and it is guided by the principle that the empowerment of service users is the most effective means of ensuring a person-centred service of the highest standard,

- Founded on genuine empathy with the needs and wishes of its service user.
- Led by the individuals to whom our organisation provides a service.
- Designed and developed in consultation with all relevant stakeholders.
- Based on the provision of individual support packages that increase the potential of the person in a positive manner
- Delivered on a person centred and socially inclusive basis.
- Accountable for the achievement of quality personal outcomes, for the people who use its services.

#### Objectives

- To provide a lifetime service to people with learning disabilities from County Kilkenny and South Tipperary.
- To ensure that the service users receive a service with quality and dignity in accordance with their rights.
- To enable service users, achieve their full potential and fulfil their ambition in accordance with realistic and achievable goals.
- To provide quality-training programmes and work opportunities which cater for the physical, mental, spiritual and emotional development of the individual.
- To provide the means for social integration in accordance with the service users' individual needs and choices.
- To provide a good standard of facilities and conditions which drive and support training, work and development.

# SOS Kilkenny Company Limited by Guarantee

## DIRECTORS' REPORT

for the financial year ended 31 December 2022

### Services and Activities

#### Day Services

The day services within SOS aim to provide meaningful day options for each person with a disability that are compatible with their own needs and wishes. The Day services are provided in a number of locations in Kilkenny including the original campus and ASPECT autism service on the Callan Road in Kilkenny City, Access at Patricks Court, Patricks Street Kilkenny, Deenview Day Services in Castlecomer, Kilkenny, and Johns Quay, Kilkenny. The day services work to implement the HSE's "New Directions" policy by providing person centred services whereby each individual in SOS is helped to identify their own personal choices, dreams and goals.

The delivery of day services to people with disabilities which meet the objective of the New Directions policy is through a combination of programmes and activities which can be broadly categorised as follows:

1. Training and Supported Employment
2. Day Activity based programme.
3. Community Inclusion Programme

Under the training and Supported Employment programme SOS offers the H.S.E. Rehabilitative Training Programme. On completion of this programme certification is achieved through OCR (UK accredited) and FETAC. Central to the Supported Employment service it is SOS's belief that everyone should experience the dignity and purpose of a paid, meaningful job. Thus, SOS sources opportunities for job tasters, placements and paid employments. SOS uses the model of 'customised employment' to match the skills and interests of job seekers to the specific business needs identified by an employer.

Activity based programmes include media, broadcasting, photography, sports, creative arts including felting, painting, drawing, mixed media, pottery, music, singing and drama.

SOS day services are focused on community inclusion and many activities pursued are in community settings such as libraries, leisure centres and other local amenities e.g., banks, post offices, cafes, shops, cinema, parks. Our new city-based locations are specifically chosen to facilitate more natural community inclusion, and employment, volunteering and inclusive education options further enhance community inclusion. SOS continues to expand Day services to enable clients to make informed decisions when making lifestyle and recreational choices.

While much of this activity was curtailed due to the global pandemic in 2020 to 2021. full resumption of activities commenced in 2022.

#### Residential and Respite Services

##### Residential

The S.O.S. Residential Service which continues to expand consists of twenty-two community-based homes in the City of Kilkenny and the town of Castlecomer. Two of these community homes are comprised of apartment units of which one has four apartments and the second has eight individual apartments. Eighty-Seven users avail of residential services with SOS Kilkenny Ltd with residential homes offering varying degrees of support to meet the individual needs of residents. All of our homes are based on the principles of full and active participation within the home and local community, thus creating a home from home atmosphere; this is achieved through the style of support provided, a process of shared decision making and a culture of consultation which has proven to be paramount to the success of our residential programme. SOS Residential Service provides seven different community living and support options which are aimed at maximising independence for all our residents. These options change on a regular basis to reflect the needs and preferences of individual residents as required, this ensures we are constantly evolving to meet new challenges as they arise.

The seven living options available are:

- Wraparound Residential - where residential and day services are provided from a single location.
- Low Support Homes
- Medium Support Homes
- High Support Home
- Semi Independent
- Independent - SOS Community Homes
- Independent - Private residential and County Council tenancies

Each residential service has a line manager whose role it is to provide support and assistance to the staff and residents at evenings and weekends. This helps to enable each resident to achieve their individual goals and to live a full and meaningful life. All homes are supported with a twenty-four hour on-call system which provides support and assistance in an emergency.

# SOS Kilkenny Company Limited by Guarantee

## DIRECTORS' REPORT

for the financial year ended 31 December 2022

### Principal Risks and Uncertainties

#### Principal Risks and Uncertainties

##### Risks and Uncertainties

The Directors consider the principal risk facing the group to be that of its economic dependence on the Health Service Executive (HSE) for funding. This risk is mitigated through a Service Arrangement between the HSE and the company.

#### Changing Needs

Changing needs in the lives of our Service Users is significant for SOS. These issues have arisen in a period of significant funding cuts and as a result the medical and care needs arising from dementia and an ageing clientele are inadequately funded. This issue is critical for SOS and huge efforts have been made to adequately present the associated business cases to the HSE. We continue to work with the HSE to resolve this issue.

#### Sleepovers

Further to a Labour Court Recommendation (LCR20837), SOS will have to treat the time spent on the sleepover as working time and therefore must comply with the Organisation of Working Time Act 1997. SOS has been in ongoing discussions with the HSE on these issues and recognises that increased funding from the HSE will be required to discharge its obligations.

#### Pay Increments

SOS is very conscious of the need to be competitive with regard to pay structures to ensure that they can continue to recruit and retain staff and thus to ensure that it maintains stable and safe services. The company continues to present their case to the HSE in relation to obtaining alignment of salaries with HSE Consolidated Scales and Terms and Conditions of Employment. These efforts continue in conjunction with the work being carried out in this area by the National Federation of Voluntary Providers and the employee representatives.

### Going Concern

The Company is economically dependent on the Health Service Executive for funding and this economic dependency is underpinned by a Service Level Arrangement (SLA) between the Health Service Executive (HSE) and the Company. In 2022 the HSE provided sufficient funding to cover the costs of provision of services. However, as with 2021, much of this funding was of a once-off nature. The Company continues to seek additional funding from the HSE to address its negative reserves and ongoing cost of service provision, and the Directors are confident of the continuing support of the HSE to ensure the sustainability of essential services provided by the company to some of the most vulnerable people in our society. Accordingly, the financial statements have been prepared on a going concern basis.

### Financial Results

The surplus for the financial year after providing for depreciation amounted to €26,573 (2021 - €37,687).

At the end of the financial year, the company has assets of €3,590,985 (2021 - €3,999,902) and liabilities of €4,090,610 (2021 - €4,526,100). The net liabilities of the company have decreased by €26,573.

### Financial Review

SOS had total income of €16,793,939 in 2022 (2021 - €15,290,966). €16,411,846 (98%) was received for specific purposes and was therefore treated as restricted funds. €16,411,846 which represents 98% of total income was received in state funding. €3,429 restricted income more than that was received was spent in the year and thus reduced the balance in restricted reserves in the balance sheet at year end as compared with the opening balance. Total unrestricted income received was €382,093 (2021 - €383,292) which represented 2% of income and was mainly derived from fundraising and donations, contributions from Service Users and amortisation of grants. There was a surplus in unrestricted income of €30,002 which when added to the negative opening balance in unrestricted reserves gives a negative closing unrestricted reserves balance of €499,625.

Total Expenditure in SOS was €16,767,366 of which €14,575,119 (87%) related to Staff and staff related costs and €2,192,247 (13%) related to other costs.

# SOS Kilkenny Company Limited by Guarantee

## DIRECTORS' REPORT

for the financial year ended 31 December 2022

### Achievements and Performance

#### Day Services

In 2022 we provided day services to circa, 180 adults with disabilities. Due to Covid-19, much of the service was focused on fostering an awareness in relation to the importance of infection control measures and supporting the users of our service to live safely. The total costs incurred in relation to day services amounted to €4.4 million. This includes staff and related costs of €3.3 million of which 72% related to direct support staff.

Three persons with disabilities participated in a rehabilitative training programme in 2022. However, participation in volunteer roles in the community and participation in other community activities was substantially curtailed due to Covid-19.

Day Services were substantially returned to day services and community locations in 2022. However, some SOS residences also continued as locations for delivery of day services in 2022. SOS will continue to expand the Day services Activities Programme to enable clients to make informed decisions when making lifestyle and recreational choices.

#### Residential & Respite Services

In 2022 the organisation provided supports in a number of different residential settings including community houses and a number of independent living options. These supports were personalised and included helping people to access and manage their tenancies and live independently in the community. As at 31 December 2022, eighty-seven people, comprising thirty-five females and fifty-two males, all with intellectual disabilities were in receipt of residential supports. The cost of providing residential services amounted to €12.4million. €11.3million related to staff and staff related costs of which 92% related to direct support staff.

#### Management Services

SOS did not provide any management services in 2022.

### Covid-19

The disability sector including SOS Kilkenny CLG has shown great ability to adapt to the changes required to ensure essential services continue to be delivered. The National Vaccination programme has helped to reduce the impact of the virus and normal activities have recommenced. SOS Kilkenny CLG continues to work collaboratively and engages with governing bodies, the Government, HSE and public health to ensure that the residents and day attenders receive the required level of supports and to ensure that the impact on health is minimised. The following measures continue to be implemented by the company:

- Awareness training of residents in relation to risk of pandemic and infection control measures.
- Hand hygiene training.
- Use of PPE.
- Routine cleaning and sanitation
- Monitoring of visitors
- Minimisation of crossover of staff between residences.
- Use of online communication methodologies.

### Strategic Objectives and Future Performance

SOS will focus on twelve strategic objectives in 2022. These objectives reflect our highest priorities. In this regard we will work to;

1. Implement a reconnection plan following COVID-19 pandemic with the aim of re-establishing community presence.
2. Complete upgrade of the Day Services locations at Callan Road and Castlecomer to ensure full compliance with Building and Fire Safety regulations.
3. Continue development of Callan Road campus for identified needs including autism specific services.
4. Develop respite options and services.
5. Ensure that HIQA registration of all residential facilities is safeguarded, and standards are maintained in relation to compliance with all relevant legislation and HIQA requirements,
6. Explore new initiatives to meet housing needs and residential supports.
7. Support people who may be rehoused to meet their changing needs and/or in conjunction with ongoing de-congregation.
8. Address the ongoing transport needs within the service.
9. Continue to review policies, processes and procedures to ensure that governance is in line with best practice.
10. Ensure that service users and their families and employees are kept informed as appropriate regarding developments and changes, within the service.
11. Ensure that all stakeholders are safeguarded through strict implementation and adherence to infection control measures as we continue to manage the global pandemic.
12. Implement new Assisted Decision Making (Capacity) Legislation which is integral to enabling people supported by the Company to live a good life of their choosing.



# SOS Kilkenny Company Limited by Guarantee

## DIRECTORS' REPORT

for the financial year ended 31 December 2022

### Reserves Policy

#### Restricted Funds

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

#### Unrestricted funds

Unrestricted Funds represent amounts which may be spent or applied at the discretion of the Directors in furtherance of the objectives of the Company, they may include designated reserves which are earmarked by the directors for specific projects.

The Company is economically dependent on the Health Service Executive for funding, but this funding is restricted and may only be applied to the costs arising from the provision of agreed services and specified capital projects. The Board of Directors has examined the company's requirements for reserves in light of the main risks of the organisation, It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be maintained at a level equivalent to eight weeks running costs to meet the working requirements of the company. While the board is currently unable to implement this, it is satisfied that its cash-flow management policy ensures that there is sufficient cash to meet future commitments for a period of about five weeks. This issue is currently being addressed with the HSE and the Board hopes to agree a strategy to address this risk.

### Remuneration Policy

It is the policy of the company to offer remuneration at a level that is sufficient to attract, retain and motivate staff. In the case of key executives this is of paramount importance. To achieve value for money and recruit and retain the right calibre of leadership, the company needs the flexibility to offer competitive salaries and benefits. It also has to be set at a level that enables the organisation to compete in the market for key talent. In addition, pay should be fairly scaled and proportionate to the size of the company along with the responsibilities associated with the role. The company follows best practice in the market by accessing appropriate data across a relevant peer group and using it to make decisions on remuneration that reflect the organisation's compensation philosophy. The company has also developed an effective succession plan and a leadership training programme. This is key to ensuring leadership continuity in pivotal positions and helps to retain and develop knowledge, capital, and relationships for the future sustainability of the Company.

All members of staff are eligible to join the Companies Pension Scheme. This is a defined contributions scheme which is operated by the National Federation of Voluntary Bodies. It is registered with the Pensions Board (PB67866) and is approved by Revenue ("Exempt Approved Scheme) SF7346. Other than salary and the company's contribution to the pension scheme, no member of staff receives any further benefit from their employment either from this company or any related entity.

Under its Service Level Agreement SOS is required to have regard to the Department of Health Circular 11/2013, and the requirements of Government pay policy. Under public service pay policy, the Department of Health Consolidated Salary Scales (1 July 2013), as sanctioned by the Minister for Health, set out current salaries for public health service staff. In the case of employees in the public health service, it does not in any circumstances allow such employees receive remuneration in the nature of pay and allowances of an amount greater than the amount prescribed. It also instructs that non-exchequer sources of funding may not be used to supplement approved rates of remuneration. Remuneration is defined as basic salary, allowances and all other benefits in cash or in kind, together with general terms in regard to superannuation, holidays, sick leave etc., approximating to health service norms.

The board notes that while SOS remunerations rates are linked to the HSE salary scales, the overall remuneration of employees in SOS is not exactly the same as those in similar roles in the public health sector. However taking into account the value of public pensions, longer holidays, sick leave and other pay and benefits in the public health sector, it is satisfied that in no instance is the remuneration of any employee (taking the definition of remuneration as defined in the circular) in excess of that of an employee in a similar role in the public health sector, or, where a comparable role does not exist, it does not exceed the remuneration of the closest comparable role.

The directors do not receive any remuneration for their services as directors and the Executive Sub-committee of the board agrees the remuneration of the CEO.

# SOS Kilkenny Company Limited by Guarantee DIRECTORS' REPORT

for the financial year ended 31 December 2022

## Post Balance Sheet Events

The company commenced the upgrade of Day Service Properties at Callan Road Kilkenny and Deenview Castlecomer. These upgrades are required to meet Building and Fire Safety Regulations and the overall project is funded by the HSE.

## Political Contributions

The company did not make any disclosable political donations in the current financial year.

## Auditors

The auditors, O'Neill Foley Unlimited Company, (Chartered Accountants) have indicated their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

## Statement on Relevant Audit Information


In accordance with section 330 of the Companies Act 2014, so far as each of the persons who are directors at the time this report is approved are aware, there is no relevant audit information of which the statutory auditors are unaware. The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

Signed on behalf of the board



Brian Walsh  
Director

Date: 24 April 2023



Frank Tobin  
Director

Date: 24 April 2023

# SOS Kilkenny Company Limited by Guarantee

## DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 31 December 2022

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and regulations.

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

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

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

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

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.

### Disclosure of Information to Auditor

Each person who are directors at the date of approval of this report confirms that:

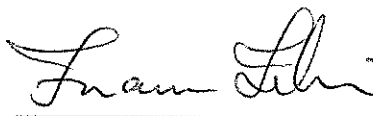
- there is no relevant audit information (information needed by the company's auditor in connection with preparing the auditor's report) of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit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

Signed on behalf of the board



**Brian Walsh**  
Director

Date: 24 April 2023



**Frank Tobin**  
Director

Date: 24 April 2023

# **INDEPENDENT AUDITOR'S REPORT**

## **to the Members of SOS Kilkenny Company Limited by Guarantee**

### **Report on the audit of the financial statements**

#### **Opinion**

We have audited the financial statements of SOS Kilkenny Company Limited by Guarantee ('the company') for the financial year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Reconciliation of Members' Funds, the Cash Flow Statement, and notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities, and financial position of the company as at 31 December 2022 and of its surplus for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

#### **Basis for opinion**

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

#### **Emphasis of Matter – Going Concern**

In forming our opinion we have considered the adequacy of the disclosures made in note 23 to the financial statements concerning the company's ability to continue as a going concern. The company incurred a net surplus of €26,573 during the financial year and at that date, the company had total negative net assets of €499,625. This surplus existed as a result of once off funding from the HSE (including an inflation fund of €545,187 announced in December 2022). As stated in note 23, these events or conditions along with other matters explained in note 23 to the financial statements indicate the existence of a material uncertainty that may cast significant doubt as to whether the company can continue as a going concern. Our opinion is not modified in this respect.

#### **Other Information**

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2014**

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

# **INDEPENDENT AUDITOR'S REPORT**

## **to the Members of SOS Kilkenny Company Limited by Guarantee**

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

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

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

### **Respective responsibilities**

#### **Responsibilities of directors for the financial statements**

As explained more fully in the Directors' Responsibilities Statement set out on page 11, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

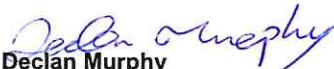
#### **Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: [www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description of auditor's responsibilities for audit.pdf](http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditor's_responsibilities_for_audit.pdf).> The description forms part of our Auditor's Report.

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

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



**Declan Murphy**

**for and on behalf of**

**O'NEILL FOLEY UNLIMITED COMPANY**

Chartered Accountants and Registered Auditors

The Brewhouse

Abbey Quarter

Kilkenny

**Date: 24 April 2023**

# SOS Kilkenny Company Limited by Guarantee

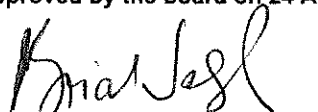
## STATEMENT OF FINANCIAL ACTIVITIES

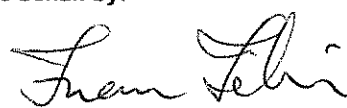
for the financial year ended 31 December 2022

	Notes	2022 Restricted Funds €	2022 Unrestricted Funds €	2022 Total €	2021 Total €
<b>Income from:</b>					
Donations and legacies	5	-	19,758	19,758	19,625
Charitable activities	6				
Day services		4,248,149	121,972	4,370,121	5,152,433
Residential services		12,163,697	212,563	12,376,260	10,094,358
Management services		-	-	-	-
Other trading activities	7	-	26,000	26,000	24,550
Other income	11	-	1,800	1,800	-
<b>Total income</b>		<u>16,411,846</u>	<u>382,093</u>	<u>16,793,939</u>	<u>15,290,966</u>
<b>Expenditure on:</b>					
Raising funds		-	-	-	-
Charitable activities	8				
Day services		4,251,578	118,726	4,370,304	4,923,126
Residential services		12,163,697	233,365	12,397,062	10,330,153
Management services		-	-	-	-
<b>Total expenditure</b>		<u>16,415,275</u>	<u>352,091</u>	<u>16,767,366</u>	<u>15,253,279</u>
<b>NET INCOME/(EXPENDITURE) AND NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<u>(3,429)</u>	<u>30,002</u>	<u>26,573</u>	<u>37,687</u>

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing operations.

Approved by the board on 24 April 2023 and signed on its behalf by:

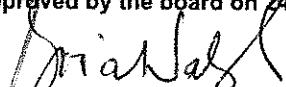
  
 Brian Walsh  
 Director

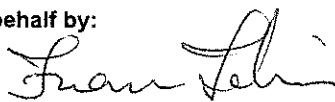
  
 Frank Tobin  
 Director

**SOS Kilkenny Company Limited by Guarantee**  
**BALANCE SHEET**  
as at 31 December 2022

	Notes	2022 €	2021 €
<b>Fixed Assets</b>			
Tangible assets	13	<u>415,870</u>	<u>306,079</u>
<b>Current Assets</b>			
Debtors	14	677,806	132,351
Cash and cash equivalents		<u>2,497,309</u>	<u>3,561,472</u>
		<u>3,175,115</u>	<u>3,693,823</u>
<b>Creditors: amounts falling due within one year</b>	15	<u>(3,664,875)</u>	<u>(4,223,393)</u>
<b>Net Current Liabilities</b>		<u>(489,760)</u>	<u>(529,570)</u>
<b>Total Assets less Current Liabilities</b>		<u>(73,890)</u>	<u>(223,491)</u>
<b>Government grants</b>	18	<u>(425,735)</u>	<u>(302,707)</u>
<b>Net Liabilities</b>		<u>(499,625)</u>	<u>(526,198)</u>
<b>Reserves</b>			
Restricted Funds		-	3,429
Unrestricted Funds		<u>(499,625)</u>	<u>(529,627)</u>
<b>Members' Deficit</b>		<u>(499,625)</u>	<u>(526,198)</u>

Approved by the board on 24 April 2023 and signed on its behalf by:

  
\_\_\_\_\_  
Brian Walsh  
Director

  
\_\_\_\_\_  
Frank Tobin  
Director

**SOS Kilkenny Company Limited by Guarantee**  
**RECONCILIATION OF MEMBERS' FUNDS**  
as at 31 December 2022

	<b>Restricted Funds €</b>	<b>Unrestricted Funds €</b>	<b>Total €</b>
<b>At 1 January 2021</b>	3,950	(567,835)	(563,885)
Surplus for the financial year	<u>(521)</u>	<u>38,208</u>	<u>37,687</u>
<b>At 31 December 2021</b>	3,429	(529,627)	(526,198)
Surplus for the financial year	<u>(3,429)</u>	<u>30,002</u>	<u>26,573</u>
<b>At 31 December 2022</b>	<u>-</u>	<u>(499,625)</u>	<u>(499,625)</u>



**SOS Kilkenny Company Limited by Guarantee****CASH FLOW STATEMENT**

for the financial year ended 31 December 2022

	Notes	2022 €	2021 €
<b>Cash flows from operating activities</b>			
Surplus for the financial year		26,573	37,687
Adjustments for:			
Depreciation		129,833	139,603
Surplus/deficit on disposal of tangible assets		(1,800)	700
Amortisation of government grants		(121,972)	(122,533)
		<u>32,634</u>	<u>55,457</u>
Movements in working capital:			
Movement in debtors		(545,455)	263,547
Movement in creditors		(562,960)	2,177,440
		<u>(1,075,781)</u>	<u>2,496,444</u>
Cash (used in)/generated from operations			
		<u>(1,075,781)</u>	<u>2,496,444</u>
<b>Cash flows from investing activities</b>			
Payments to acquire tangible assets		(239,624)	(31,476)
Receipts from sales of tangible assets		1,800	599
		<u>(237,824)</u>	<u>(30,877)</u>
Net cash used in investment activities			
		<u>(237,824)</u>	<u>(30,877)</u>
<b>Cash flows from financing activities</b>			
Government grants		245,000	-
		<u>245,000</u>	<u>-</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(1,068,605)</b>	<b>2,465,567</b>
<b>Cash and cash equivalents at beginning of financial year</b>		<b>3,561,472</b>	<b>1,095,905</b>
<b>Cash and cash equivalents at end of financial year</b>	<b>26</b>	<b><u>2,492,867</u></b>	<b><u>3,561,472</u></b>

**SOS KILKENNY COMPANY LIMITED BY GUARANTEE**  
**INFORMATION RELATING TO THE GOVERNMENT GRANTS - IN ACCORDANCE WITH**  
**CIRCULAR 13/2014**

for the financial year ended 31 December 2022

**GRANTS AND OTHER INFORMATION**

Name of Grantor	Name of Grant	Purpose	Amount Awarded	Term	Amount Taken as Income 2022
			€		€
Health Service Executive	Section 39 Capitation Funding	Service Provision (Regular)	14,481,617	Annual	14,481,617
Health Service Executive	Section 39 Capitation Funding	Service Provision – Special Funding	1,057,754	Once Off	888,137
Health Service Executive	Section 39 Capitation Funding	Service Provision – Special Funding	124,000	Deferred - 2021	124,000
Health Service Executive	Rehabilitative Training Funding	Rehabilitative Training	22,733	Annual	22,733
Health Service Executive	National Lottery Grant 2021	Health & Wellbeing Services	2,500	Once Off	2,500
Health Service Executive	National Lottery Grant	Health & Wellbeing Services			
Health Service Executive	Pension Funding	Employers Pension Obligations	776,259	Annual	776,259
Kilkenny Carlow ETB	Community Arts and Culture Grant 2022	Connection & Engagement through Media & Music	4,148	Once Off	4,148
Kilkenny Carlow ETB	Community Arts and Culture Grant 2022	Connection & Engagement through Gardening	1,250	Once Off	1,250
Kilkenny Carlow ETB	Reach Fund Grant 2022	Empower learners to build capacity- My learning Journey	7,200	Once Off	7,200
Kilkenny Carlow ETB	Reach Fund Grant 2023	Dreamtime Radio/Media Project	17,618	Once Off	17,618
Kilkenny Carlow ETB	Reach Fund Grant 2024	Deenview Sensory Gardening Project	3,961	Once Off	3,961
Kilkenny County Council	Community Events Grants Scheme 2022	Faces of Kilkenny Photography Exhibition	500	Once Off	500
Kilkenny County Council	Age and Opportunity National Grants Scheme 2022	Participation of Older People in Recreation Sport & Physical Activity	340	Once Off	340
Kilkenny County Council - LCDC	The Social Inclusion and Community Activation Programme	Social Farming	1,200	Once Off	1,200
Kilkenny Recreation and Sports Partnership	KRSP Supports 2022	Adaptation of Services to fit New Covid-19 reality	1,500	Once Off	1,500
POBAL – Dormant Account fund	Supporting Employment of People with Disabilities	Work4Life Project	87,648	Once Off	78,883

**SOS KILKENNY COMPANY LIMITED BY GUARANTEE**  
**INFORMATION RELATING TO THE GOVERNMENT GRANTS - IN ACCORDANCE WITH**  
**CIRCULAR 13/2014**

for the financial year ended 31 December 2022

**GRANTS AND OTHER INFORMATION**

Name of Grantor	Name of Grant	Purpose	Amount Taken as Income 2022	Cash Received	Due at year end
			€	€	€
Health Service Executive	Section 39 Capitation Funding	Service Provision (Regular)	14,481,617	14,472,009	9,608
Health Service Executive	Section 39 Capitation Funding	Service Provision – Special Funding	888,137	342,950	545,187
Health Service Executive	Rehabilitative Training Funding	Rehabilitative Training	22,733	22,733	-
Health Service Executive	National Lottery Grant 2021	Health & Wellbeing Services	2,500	2,500	-
Health Service Executive	Pension Funding	Employers Pension Obligations	776,259	659,531	116,729
Kilkenny Carlow ETB	Community Arts and Culture Grant 2022	Connection & Engagement through Media & Music	4,148	4,148	-
Kilkenny Carlow ETB	Community Arts and Culture Grant 2022	Connection & Engagement through Gardening	1,250	1,250	-
Kilkenny Carlow ETB	Reach Fund Grant 2022	Empower learners to build capacity- My learning Journey	7,200	7,200	-
Kilkenny Carlow ETB	Reach Fund Grant 2023	Dreamtime Radio/Media Project	17,618	17,618	-
Kilkenny Carlow ETB	Reach Fund Grant 2024	Deenview Sensory Gardening Project	3,961	3,961	-
Kilkenny County Council	Community Events Grants Scheme 2022	Faces of Kilkenny Photography Exhibition	500	500	-
Kilkenny County Council	Age and Opportunity National Grants Scheme 2022	Participation of Older People in Recreation Sport & Physical Activity	340	340	-
Kilkenny County Council - LCDC	The Social Inclusion and Community Activation Programme	Social Farming	1,200	1,200	-
Kilkenny Recreation and Sports Partnership	KRSP Supports 2022	Adaptation of Services to fit New Covid-19 reality	1,500	1,500	-
POBAL – Dormant Account fund	Supporting Employment of People with Disabilities	Work4Life Project	78,883	78,883	8,765

SOS Kilkenny Company Limited by Guarantee derives over 50% of its income from Exchequer funds.

Grant income received is applied to the purpose for which it is received as detailed above.

The company holds a valid tax clearance certificate and is compliant with Circular 44/2006 "Tax Clearance Procedures Grants, Subsidies and Similar Type Payments".

# SOS Kilkenny Company Limited by Guarantee

## NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2022

### 1. General Information

SOS Kilkenny Company Limited by Guarantee is a company limited by guarantee incorporated in the Republic of Ireland. The registered office of the company is Kells Road, Kilkenny. The nature of the company's operations and its principal activities are set out in the Directors' Report. The financial statements have been presented in Euro (€) which is also the functional currency of the company.

### 2. Summary of Significant Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### Statement of compliance

The financial statements of the company for the financial year ended 31 December 2022 have been prepared in accordance with the provisions of FRS 102 and in accordance with the Statement of Recommended Practice, Charity SORP (FRS 102) - Accounting and Reporting by Charities 2015.

#### Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention modified to include certain items at fair value and in accordance with Statement of Recommended Practice (SORP 2015) "Accounting and Reporting by Charities". The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council.

The company qualifies as a medium company as defined by section 280F of the Companies Act 2014 in respect of the financial year.

#### Income

##### Income

Income is recognised by inclusion in the Statement of Financial Activities (including Income and Expenditure Account) only when the company is legally entitled to the income, receipt is probable, and the amounts involved can be measured with sufficient reliability.

##### Income from charitable activities

###### Grants from governments and other co-funders

Grants from governments and institutional donors, are recognised as income when the activities which they are intended to fund have been undertaken or offer of funding has been communicated to the company, the related expenditure incurred, and there is reasonable probability of receipt.

Income due to the company from governments and institutional sources but not yet received at year end is included in debtors in the balance sheet, and funds already received but not yet utilised are shown in creditors.

##### Income from donations and legacies

Income from donations and legacies, which consists of monetary donations from the public (including legacies), and from corporate and major donors, together with related tax refunds, is recognised in the period in which the organisation is entitled to the resource, receipt is probable, and when the amount can be measured with sufficient reliability. In the case of monetary donations from the public this income is generally recognised when the donations are received; with legacies it is when the client receives confirmation of unconditional entitlement to the bequest, the activities which it is intended to fund have been undertaken and the related expenditure incurred; whereas, with tax refunds it is when claims are compiled and submitted to the revenue authorities for reimbursement.

# SOS Kilkenny Company Limited by Guarantee

## NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2022

### **Income (continued)**

#### **Income from other trading activities**

Income from other trading activities is recognised once the company is legally entitled to the income, receipt is probable, and the amounts can be measured with sufficient reliability. Other trading activities of the company include (but are not limited to) fundraising, canteen sales and rental income.

#### **Income from investments**

Income from investments is recognised once the company is legally entitled to the income, receipt is probable, and the amounts can be measured with sufficient reliability.

#### **Other income**

Income from sources not defined above is recognised once the company is legally entitled to the income, receipt is probable, and the amounts can be measured with sufficient reliability.

### **Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the measured reliably. Expenditure is classified under the following activity headings:

#### **Cost of raising funds.**

Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.

Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

### **Allocation of support costs**

Support costs are those costs that assist the work of the charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the companies' programmes and activities. These costs have been allocated between costs of raising funds and expenditure on charitable activities as appropriate.

### **Fund Accounting**

#### **Restricted funds**

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

#### **Unrestricted funds**

Unrestricted funds represent amounts which may be spent or applied at the discretion of the Directors in furtherance of the objectives of the company. They may include designated reserves which are earmarked by the directors for specific projects.

# SOS Kilkenny Company Limited by Guarantee

## NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2022

### Tangible assets and depreciation

All tangible fixed assets are initially recorded at historic cost. This includes legal fees, stamp duty and other non-refundable purchase taxes, and also any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, which can include the costs of site preparation, initial delivery and handling, installation and assembly, and testing of functionality. In relation to land and buildings, items which are seen to add value to the property are capitalised whilst those with no added value are taken directly to the Statement of Financial Activity as repairs. The board has adopted the policy that all minor plant, fixtures and fittings, furniture, equipment, and household items with a value of less than €5,000 should be taken directly to the Statement of Financial Activities. Items in excess of €5,000 are treated as Capital Expenditure with a corresponding amount of related income credited to Capital Grants. Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Land and buildings freehold	-	20 years
Long leasehold property	-	20 years
Fixtures, fittings, and equipment	-	8 years
Motor vehicles	-	5 years

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

### Leasing

Rentals payable under operating leases are dealt with in the Statement of Financial Activities as incurred over the period of the rental agreement.

### Taxation

The company has charitable tax exemption on its income under the provision of the section 207 of the Taxes Consolidation Act 1997. The charity number is CHY 9858.

### Government grants

Grants are recognised using the accruals model when there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with. Grants towards capital expenditure are credited to deferred income and are released to the profit and loss account over the expected useful life of the related assets, by equal annual instalments. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

### Pensions

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. Annual contributions payable to the company's pension scheme are charged to the Income Statement in the period to which they relate.

# SOS Kilkenny Company Limited by Guarantee

## NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2022

### Financial Instruments

#### Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the Balance Sheet bank overdrafts are shown within Creditors.

#### Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

### 3. Significant accounting judgements and key sources of estimation uncertainty

The company has made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of the company's accounting policies. Estimates and judgements are continually evaluated and are based in historical experience and other factors that are considered to be reasonable under the circumstances.

The directors are of the assumption that there are no critical judgements (other than those involving estimates) that have a significant effect on the amounts recognised in the financial statements. 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 as follows:

#### Useful lives of Tangible Fixed Assets

Tangible fixed assets comprise office equipment, fixtures and fittings, motor vehicles, leasehold and freehold premises. The annual depreciation charge depends primarily on the estimated lives of each type of asset. The directors regularly review these useful lives and change them if necessary to reflect current conditions by considering changes in technology, physical condition and expected utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation charge for the financial year. The carrying amount of the tangible fixed assets of the company at 31 December 2022 was €415,870 (2021: €306,079).

### 4. Departure from Companies Act 2014 Presentation

To ensure compliance with relevant Statement of Recommended Accounting Practise (Charities SORP (FRS 102)), the directors have elected to present a Statement of Financial Activity instead of a Profit and Loss Account in these financial statements as this company is a not-for-profit entity.

**SOS Kilkenny Company Limited by Guarantee**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the financial year ended 31 December 2022

continued

**5. Income from donations and legacies**

The income for the year has been derived from: -

	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>2022</b>	<b>2021</b>
	€	€	€	€
Donations	-	19,758	<b>19,758</b>	14,625
Legacies and bequests	-	-	-	5,000
<b>Total income from donations and legacies</b>	<b>-</b>	<b>19,758</b>	<b>19,758</b>	<b>19,625</b>

**6. Incoming resources from charitable activities**

Revenue represents amounts received from HSE and other cofounders as follows:

	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>2022</b>	<b>2021</b>
	€	€	€	€
<b>Day Services</b>				
HSE - core funding	3,873,438	-	3,873,438	4,705,495
HSE - pension funding	232,878	-	232,878	233,392
HSE - Lottery grants	2,500	-	2,500	7,650
HSE - rehabilitative training funding	22,733	-	22,733	71,111
External services	-	-	-	-
Amortisation of government grants	-	121,972	121,972	122,533
Other State grant	116,600	-	116,600	12,252
	<b>4,248,149</b>	<b>121,972</b>	<b>4,370,121</b>	<b>5,152,433</b>
<b>Residential Services</b>				
HSE - core funding	11,620,316	-	11,620,316	9,410,989
HSE - pension funding	543,381	-	543,381	466,784
Income from residents	-	212,563	212,563	216,585
	<b>12,163,697</b>	<b>212,563</b>	<b>12,376,260</b>	<b>10,094,358</b>
<b>Management Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total income from charitable activities</b>	<b>16,411,846</b>	<b>334,535</b>	<b>16,746,381</b>	<b>15,246,791</b>

**7. Income from other trading activities**

The income for the year has been derived from:

	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>2022</b>	<b>2021</b>
	€	€	€	€
Rental income	-	24,000	<b>24,000</b>	24,000
Annual and once off fundraising	-	2,000	<b>2,000</b>	550
Aspect fundraising	-	-	-	-
Castlecomer fundraiser	-	-	-	-
Cahir fundraising	-	-	-	-
<b>Total income from other trading activities</b>	<b>-</b>	<b>26,000</b>	<b>26,000</b>	<b>24,550</b>



**SOS Kilkenny Company Limited by Guarantee**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the financial year ended 31 December 2022

continued

**8. Expenditure on charitable activities**

Programme costs represent necessary costs incurred in the provision of the principal activities of the charity. These costs exclude costs of generating service income and can be analysed as follows:

	Day Services €	Residential Services €	2022 €	2021 €
Staff and related costs	2,370,109	10,397,650	<b>12,767,759</b>	12,144,877
Service user programme costs	66,418	191,432	<b>257,850</b>	302,222
Transport travel and motor expenses	150,365	53,702	<b>204,067</b>	148,476
Establishment costs	589,398	621,258	<b>1,210,656</b>	1,066,770
Office and administration costs	39,840	35,468	<b>75,308</b>	81,484
	<u>3,216,130</u>	<u>11,299,510</u>	<u><b>14,515,640</b></u>	<u>13,743,829</u>
Support costs (note 9)	1,149,547	1,072,815	<b>2,222,362</b>	1,477,385
Governance costs (note 10)	4,627	24,737	<b>29,364</b>	32,065
	<u><u>4,370,304</u></u>	<u><u>12,397,062</u></u>	<u><u><b>16,767,366</b></u></u>	<u><u>15,253,279</u></u>

**9. Support costs**

Support costs are allocated by activity on a percentage basis as deemed appropriate by the directors.

	Day Services €	Residential Services €	2022 €	2021 €
Staff and related costs	903,470	903,890	<b>1,807,360</b>	1,187,901
Service user programme costs	3,805	3,805	<b>7,610</b>	22,650
Transport travel and motor expenses	7,518	3,222	<b>10,740</b>	7,814
Establishment costs	121,106	114,065	<b>235,171</b>	87,544
Office and administration costs	20,825	10,824	<b>31,649</b>	31,173
Depreciation	92,823	37,010	<b>129,833</b>	140,303
	<u><u>1,149,547</u></u>	<u><u>1,072,815</u></u>	<u><u><b>2,222,362</b></u></u>	<u><u>1,477,385</u></u>

**10. GOVERNANCE COSTS**

Governance costs are allocated by activity on a percentage basis as deemed appropriate by the directors.

	Day Services €	Residential Services €	2022 Total €	2021 Total €
Health Information and Quality Authority (HIQA)	-	20,110	<b>20,110</b>	23,681
Audit fees	4,500	4,500	<b>9,000</b>	8,364
Legal and CRO fees	127	127	<b>254</b>	20
	<u><u>4,627</u></u>	<u><u>24,737</u></u>	<u><u><b>29,364</b></u></u>	<u><u>32,065</u></u>

**SOS Kilkenny Company Limited by Guarantee**  
**NOTES TO THE FINANCIAL STATEMENTS**

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for the financial year ended 31 December 2022

<b>11. Operating surplus</b>	<b>2022</b>	<b>2021</b>
	€	€
<b>Operating surplus is stated after charging/(crediting):</b>		
Depreciation of tangible assets	129,833	139,603
Surplus/(deficit) on disposal of tangible assets	(1,800)	700
Operating lease rentals		
- Land and buildings	392,476	247,248
Government grants received	(37,717)	(12,252)
Amortisation of Government grants	(121,972)	(122,533)
	<u>                    </u>	<u>                    </u>

**12. Employees and remuneration**

**Number of employees**

The average number of persons employed (including executive directors) during the year was as follows:

	<b>2022</b>	<b>2021</b>
	€	€
Management and administration	28	27
Health and social care	209	199
Support services	10	8
Other patient and client care	33	33
	<u>                    </u>	<u>                    </u>
	<b>280</b>	<b>267</b>

The staff costs comprise:

	<b>2022</b>	<b>2021</b>
	€	€
Wages and salaries	12,534,575	11,474,955
Social welfare costs	1,232,792	1,113,908
Pension costs	776,259	700,176
	<u>                    </u>	<u>                    </u>
	<b>14,543,626</b>	<b>13,289,039</b>

During the financial year sixteen employees were paid a salary of greater than €60,000 as follows.

	<b>2022</b>	<b>2021</b>
	Number	Number
€ 60,001 - € 70,000	10	7
€ 70,001 - € 80,000	4	1
€ 80,001 - € 90,000	1	1
€ 90,001 - € 100,000	1	1
€100,001 - € 110,000	-	-

The total paid to key management personnel in the period was €332,242. Key management personnel consist of the Chief Executive Officer, Chief Financial Officer, Chief Operation Officer and the Human Resource manager.

In 2022, the CEO received a gross salary of €99,645.

The Health Service Executive pay scales are used as a benchmark for setting the pay of key management personnel.

**SOS Kilkenny Company Limited by Guarantee**  
**NOTES TO THE FINANCIAL STATEMENTS**

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for the financial year ended 31 December 2022

13. Tangible assets	Land and buildings freehold €	Long leasehold property €	Fixtures, fittings and equipment €	Motor vehicles €	Total €
<b>Cost</b>					
At 1 January 2022	2,827,545	422,422	507,661	323,286	4,080,914
Additions	-	-	-	239,624	239,624
Disposals	-	-	(507,651)	(6,500)	(514,151)
At 31 December 2022	<u>2,827,545</u>	<u>422,422</u>	<u>-</u>	<u>556,410</u>	<u>3,806,387</u>
<b>Depreciation</b>					
At 1 January 2022	2,677,753	337,936	507,661	251,485	3,774,835
Charge for the financial year	34,692	21,121	-	74,020	129,833
On disposals	-	-	(507,651)	(6,500)	(514,151)
At 31 December 2022	<u>2,712,445</u>	<u>359,057</u>	<u>-</u>	<u>319,005</u>	<u>3,390,517</u>
<b>Net book value</b>					
At 31 December 2022	<u>115,100</u>	<u>63,365</u>	<u>-</u>	<u>237,405</u>	<u>415,870</u>
At 31 December 2021	<u>149,792</u>	<u>84,486</u>	<u>-</u>	<u>71,801</u>	<u>306,079</u>
<b>14. Debtors</b>				<b>2022</b>	<b>2021</b>
				€	€
Prepayments and Receivables				<u>677,806</u>	<u>132,351</u>
<b>15. Creditors</b>				<b>2022</b>	<b>2021</b>
<b>Amounts falling due within one year</b>				€	€
Amounts owed to credit institutions				4,442	-
Trade creditors				249,588	509,358
Taxation (Note 16)				580,379	389,678
Accruals				2,029,784	2,271,468
Deferred Income				800,682	1,052,889
				<u>3,664,875</u>	<u>4,223,393</u>
<b>16. Taxation</b>				<b>2022</b>	<b>2021</b>
				€	€
<b>Creditors:</b>					
PAYE				<u>580,379</u>	<u>389,678</u>
<b>17. Pension costs - defined contribution</b>					

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Pension costs amounted to €776,259 (2021 - €700,176).

**SOS Kilkenny Company Limited by Guarantee**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the financial year ended 31 December 2022

continued

<b>18. Government Grants Deferred</b>	<b>2022</b>	<b>2021</b>
	<b>€</b>	<b>€</b>
<b>Capital grants received and receivable</b>		
At 1 January 2022	<b>3,927,640</b>	3,927,640
Increase in financial year	<b>245,000</b>	-
	<hr/>	<hr/>
At 31 December 2022	<b>4,172,640</b>	3,927,640
	<hr/>	<hr/>
<b>Amortisation</b>		
At 1 January 2022	<b>(3,624,933)</b>	(3,502,400)
Amortised in financial year	<b>(121,972)</b>	(122,533)
	<hr/>	<hr/>
At 31 December 2022	<b>(3,746,905)</b>	(3,624,933)
	<hr/>	<hr/>
<b>Net book value</b>		
At 31 December 2022	<b>425,735</b>	302,707
	<hr/>	<hr/>
At 1 January 2022	<b>302,707</b>	425,240
	<hr/>	<hr/>

**SOS Kilkenny Company Limited by Guarantee**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the financial year ended 31 December 2022

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**19. ANALYSIS OF FUNDS**

	Opening Balance 1 January 2022 €	Incoming Resources €	Outgoing Resources €	Transfers €	Closing Balance 31 December 2022 €
<b>Restricted Funds</b>					
<u>Donations and legacies</u>					
Voluntary donations	-	-	-	-	-
<u>Charitable Activities</u>					
Day Services:					
HSE – Core funding	-	3,873,438	3,873,438	-	-
HSE – Pension funding	-	232,878	232,878	-	-
Other state grants	3,429	116,600	120,029	-	-
HSE – Lottery grants	-	2,500	2,500	-	-
HSE – Rehabilitative training	-	22,733	22,733	-	-
External Service	-	-	-	-	-
	3,429	4,248,149	4,251,578	-	-
Residential Services:					
HSE – Core funding	-	11,620,316	11,620,316	-	-
HSE – Pension funding	-	543,381	543,381	-	-
	-	12,163,697	12,163,697	-	-
Management Services:					
	-	-	-	-	-
<u>Other Trading Activities</u>					
Aspect fundraising	-	-	-	-	-
Cahir fundraising	-	-	-	-	-
	-	-	-	-	-
<b>Total Restricted Funds</b>	3,429	16,411,846	16,415,275	-	-
<b>Total Unrestricted Funds</b>	(529,627)	382,093	352,091	-	(499,625)
<b>Total Funds</b>	(526,198)	16,793,939	16,767,366	-	(499,625)

**SOS Kilkenny Company Limited by Guarantee**  
**NOTES TO THE FINANCIAL STATEMENTS**

continued

for the financial year ended 31 December 2022

**20. Status**

The liability of the members is limited.

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while they are members, or within one year thereafter, for the payment of the debts and liabilities of the company contracted before they ceased to be members, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amount as may be required, not exceeding €2.

**21. Financial commitments**

Total future minimum lease payments under non-cancellable operating leases are as follows:

	<b>Land and Buildings</b>	
	<b>2022</b>	<b>2021</b>
	€	€
<b>Due:</b>		
Within one year	<b>233,797</b>	140,698
Between one and five years	<b>112,722</b>	168,790
In over five years	<b>632,407</b>	400,500
	<u><b>978,926</b></u>	<u>709,988</u>

**22. Capital commitments**

<b>2022</b>	<b>2021</b>
€	€

Details of capital commitments at the accounting date are as follows:

Contracted for but not provided in the financial statements	<u><b>790,879</b></u>	<u>209,892</u>
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**23. Going Concern**

The Company is economically dependent on the Health Service Executive for funding and this economic dependency is underpinned by a Service Level Arrangement (SLA) between the Health Service Executive (HSE) and the Company.

In 2022 the HSE provided sufficient funding to cover the costs of provision of services. However, as with 2021, much of this funding was of a once-off nature. The Company continues to seek additional funding from the HSE to address its negative reserves and ongoing cost of service provision, and the Directors are confident of the continuing support of the HSE to ensure the sustainability of essential services provided by the company to some of the most vulnerable people in our society. Accordingly, the financial statements have been prepared on a going concern basis.

The validity of this assumption is dependent on continued public funding and improved trading and cashflow.

Consequently, having considered the uncertainties noted above it is the Directors' belief that the company will continue in operational existence for the foreseeable future which is 12 months from the date of signing the financial statements. These financial statements do not include any adjustments that would result should the company not secure future funding.

**24. Contingent liabilities**

Capital grants.

There is a contingent liability to repay capital grants amounting to €4,172,640 (2021 - €3,927,640) if the company does not adhere to the terms and conditions of the grant agreements, which include provision for the use of the assets as originally intended.

**SOS Kilkenny Company Limited by Guarantee**  
**NOTES TO THE FINANCIAL STATEMENTS**

continued

for the financial year ended 31 December 2022

**25. Related party transactions**

No director or trustee was remunerated or received any other benefits or expenses from the company during the year.

SOS Kilkenny Company Limited by Guarantee provides management services to related company SOS Kilkenny Housing Association Company Limited by Guarantee under the terms of a joint management agreement. The services provided include management of finance, tenancies and maintenance functions.

Under the terms of the management agreement there is no charge for the services provided as the objectives of both companies are interlinked and the services provided are mutually beneficial.

SOS Kilkenny Company Limited by Guarantee also paid rent to SOS Kilkenny Housing Company Limited by Guarantee in respect of leased property.

**26. Post-Balance Sheet Events**

The company commenced the upgrade of Day Service Properties at Callan Road Kilkenny and Deenview Castlecomer. These upgrades are required to meet Building and Fire Safety Regulations and the Overall project is funded by the HSE.

**27. Cash and cash equivalents**

	2022	2021
	€	€
Cash and bank balances	<u>2,492,867</u>	<u>3,561,472</u>
	<u><u>2,492,867</u></u>	<u><u>3,561,472</u></u>

**28. Approval of financial statements**

The financial statements were approved and authorised for issue by the board of directors on 24 April 2023.