Saint John of God Housing Association clg
(A company limited by guarantee and having no share capital)

Directors' Report and Financial Statements

Financial Year Ended 31 December 2020

CONTENTS

DIRECTORS AND OTHER INFORMATION

Board of Directors

Laurence McCabe	
Patrick J Drudy	(Chairperson)
Michael Francis	
John Lennon	(appointed 16 July 2020)
Margaret Burns	(appointed 23 October 2020)
Marianne Garvey-McMahon	(appointed 25 November 2020)
Dr. Liz Murphy	(appointed 25 November 2020)
Aidan Burke	(appointed 25 November 2020)
Joyce Loughnan	(appointed 25 November 2020)

Solicitors

Porter Morris & Co.
10 Clare Street
Dublin 2

Secretary and Registered Office

Ciaran Cuddihy
“Granada”
Stillorgan
Co Dublin

Bankers

Bank of Ireland
College Green
Dublin 2

Chief Executive Officer

Michelle Thunder

Investment Managers

Davy Stockbrokers
49 Dawson Street
Dublin 2

Company Number: 426952

Charity Tax Exemption Number: CHY 18279

Charity Reg Number: 20069834

Independent Auditors

PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
One Spencer Dock
North Wall Quay
Dublin 1

Internal Auditors

Crowleys DFK
16/17 College Green
Dublin 2

DIRECTORS/TRUSTEES' REPORT

The Directors present their report and the audited financial statements for the financial year ended 31 December 2020. The Directors confirm that the financial statements of the Company comply with the current statutory requirement of the companies governing documents and are prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland, and with the provisions of the Statement of Recommended Practice for social housing providers applicable to charities preparing their financial statements in accordance with the financial reporting standard applicable in the Republic of Ireland (FRS102) hereafter denoted as the Housing SORP 2018. The Housing SORP 2018 is not yet mandatory in the Republic of Ireland and neither the Irish Charities Regulator nor the Approved Housing Bodies Regulatory Authority (AHBRA) has yet prescribed accounting regulations for Irish Charities. In the absence of such prescriptive guidance, this Board has adopted many of the Housing SORP 2018 recommendations as it is considered best practice and most appropriate to the circumstances of this organisation.

Statement of Directors' responsibilities for financial statements

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

Irish law requires the Directors to prepare financial statements for each financial year giving a true and fair view of the Company's assets, liabilities and financial position at the end of the financial year and the surplus or deficit of the Company for the financial year. Under that law, the Directors have prepared the financial statements in accordance with Irish Generally Accepted Accounting Practice in Ireland (accounting standards issued by the UK Financial Reporting Council, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and Irish law).

Under Irish law, the Directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the Company's assets, liabilities and financial position as at the end of the financial year and the surplus or deficit of the Company for the financial year.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; and,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the Company;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy; and
- enable the Directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Accounting records

The measures taken by the Directors to secure compliance with the Company's obligation to keep proper books of account are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at Hospitaller House, Stillorgan, Co. Dublin.

Review of business and results

The results for the year are set out in the Statement of Comprehensive Income on page 12. The Company continues to grow its number of tenants and is in a strong financial position at the year end.

DIRECTORS'/TRUSTEES' REPORT - continued

Directors
The following served as Directors during the year (unless indicated otherwise, they served as Directors for the full year).

John Lowe	(Chairperson) (resigned 22 February 2021)
Patrick J. Drudy	(Chairperson) (appointed 5 March 2021)
Michael Francis	
Laurence McCabe	
James Crowe	(resigned 4 May 2021)
Paul Kinsella	(resigned 1 July 2020, reappointed 19 August 2020, resigned 7 April 2021)
Mary Condell	(resigned 16 June 2020)
William Maher	(resigned 16 June 2020)
Karen Herbert	(resigned 16 June 2020)
Hubi Kos	(resigned 16 June 2020)
Lisa Vaughan	(resigned 16 June 2020)
John Lennon	(appointed 8 July 2020)
Margaret Burns	(appointed 23 October 2020)
Marianne Garvey-McMahon	(appointed 25 November 2020)
Dr. Liz Murphy	(appointed 25 November 2020)
Aidan Burke	(appointed 25 November 2020)
Joyce Loughnan	(appointed 25 November 2020)

Transactions involving Directors and Secretary
There are no contracts or arrangements of any significance in relation to the business of the Company in which the Directors or Secretary had any interest, as defined within the Companies Act 2014, at any time during the year ended 31 December 2020.

Principal activities and objectives
The principal activities of the Company are:

(a) To carry on for the benefit of the community the provision of housing and associated amenities for persons in deprived or necessitous circumstances;
(b) To provide for relief of poverty and deprivation caused by poor housing conditions and homeless or other social and economic circumstances.

In November 2019 the Board in association with the CEO and Executive agreed a new Housing Strategy 2019-2024. This commits the Board to providing homes especially for people with intellectual disabilities, mental illness and older people. See page 7 for details.

At 31 December 2020, the Housing Association had 432 units in counties Dublin, Kerry, Kildare, Louth, Meath, Monaghan and Wicklow with a further 7 units either planned or under construction. Over the last couple of years, human resources have increased to manage tenancies and assets, new facilities have substantially expanded and the events calendar organized to promote our tenants' wellbeing and their sense of belonging. Included in the 432 units are 43 Caretaker units which are provided to support our tenants.

Property development
In partnership with the Department of Housing, Planning and Local Government and Local Authorities, Saint John of God Housing Association clg sources capital to build and manage suitable accommodation, based on clients' needs, through acquiring or leasing properties, developing new builds or by refurbishing the existing housing stock. The Housing Association's development plan includes an assessment of accommodation needs of individuals who are supported by Saint John of God Community Services clg, which provides professional care to tenants with intellectual disability or mental health issues using Health Service Executive funding. These include tenants under the HSE decongregation programme as well as adults living with their families where many parents are elderly or ill. The professional care provided by Community Services is imperative in ensuring that people with specific needs have a good quality of life in tenanted accommodation as part of the community.

DIRECTORS'/TRUSTEES' REPORT - continued

Property development – continued

The Housing Association sources capital funding through, for example, the Capital Assistance Scheme (CAS) or the Shared Leasing funding models and from private financing via the Housing Finance Agency which allows the Housing Association to buy or lease properties to accommodate people from local authority waiting lists.
The Housing Association brought 15 new units of accommodation into service in 2020, mostly through CAS funding.

Housing maintenance
The Company's funds are not only used to buy new properties; the maintenance and refurbishment of existing stock is an essential part of the Company's operations. In line with the Company's Asset Management Strategy the company completes a 20% Stock condition survey of the Housing stock annually. This generates an annual and a five year planned maintenance programme.

Number of tenants
At year ended 31 December 2020, there were 354 tenants; an increase of 4 in the year.

Housing management
The impact of Covid-19 during Q2-Q4 had a significant impact in providing tenancy management.

Regular face to face contact through house visits and tenant meetings were postponed as staff moved to remote working during Q2-Q4. Staff engaged with tenants via phone and flyer updates to ensure that all tenants and in particular tenants who were vulnerable or self-isolating were able to access meals or household purchases.

Funding
The Housing Association continues to work closely with the Department of Housing, Planning and Local Government to provide capital for the acquisition and development of housing. Securing additional Capital Assistance (CAS) funds from the Department of Housing, Planning and Local Government to continue the development of housing for tenants gained momentum during 2020 despite the challenge of the significant turnaround times between sourcing suitable properties and the granting of funding approvals by the Department. The Housing Association secured several applications under the Department of Housing, Planning and Local Government leasing scheme. The Housing Association also seeks funding through the Housing Finance Agency when appropriate. The Housing Association's 5 year Business Plan was provided to the Housing Agency Regulation Office for review in October 2020. Each project reflects a need identified by Community Services or other care service providers of persons with special needs.

Principal risks and uncertainties
The principal strategic risk to the planned growth of the Saint John of God Housing Association clg is the ability of the key Service Provider, Community Services clg, to obtain appropriate funding in respect of professional supports to persons in need of housing. Other challenges include:

(a) The lack of funding to accommodate and provide professional care for those with intellectual disabilities and mental health difficulties moving from institutional congregated residential settings and those still living in families in line with the National Housing Strategy for People with a Disability 2011 – 2016.
(b) Management of the growth and development of the Company envisaged in the new Housing Strategy 2019-2024.
(c) The Covid-19 Pandemic and the implications for staff, tenants and development.

The Housing Association recognises the huge need for accommodation for persons who cannot provide it from their own resources. Whilst there are many challenges for the Company in continuing housing provision, opportunities must also be exploited, and it will continue to seek and create innovative housing solutions in the current changed environment. The Company has developed steadily over a number of years and this has strengthened the Company's position in the sector.

DIRECTORS'/TRUSTEES' REPORT - continued

Principal risks and uncertainties - continued

Coronavirus risk
Compared to the initial assessment in 2020, the impact on the business is considered to be less in 2021 and beyond given the demonstrated flexibility of the business to adapt to the changed business practices, and the continued cooperation and hard work of all staff who continue to work remotely.
Being in a pandemic, the risk of a losing any of our key staff for a sustained period due to personal or family illness is still an undesirable prospect, albeit it is one that will hopefully diminish as the national vaccination campaign continues. We have considered the risks that coronavirus poses to the business and the actions taken to mitigate the impact. As an essential service, the company continues operate as normal. The Directors continue to manage costs across the business units. We believe that our management of costs alongside new business opportunities will ensure that we will continue to operate within our available cash facilities.

Structure, governance and management
The Board is responsible for providing leadership, setting strategy and exercising control over the Company. It must work effectively, with integrity, transparency and accountability. The Directors bring to the Board their significant professional skills, experience and decision-making abilities reflecting their broad range of views and life experiences.

The Board is committed to maintaining the highest standard of corporate governance and believes that this is essential in directing and controlling the activities of the Saint John of God Housing Association clg. It recognises that robust and transparent governance is essential to maintain credibility and trust.
Over recent months the Board has recruited new directors and has facilitated an Independent Review of Governance which found no serious gap in governance.

The role of the Directors is to manage the affairs of the Company and inter alia provide vision, leadership and guidance through review, approval and establishment of policies and strategic plans for the Company. The Chief Executive together with management and other staff is responsible for the day to day management of the Company and reports and is responsible to the Board of Directors.

The Company has a comprehensive process for reporting management information to the Board by providing a significant Board pack every two months in advance of the Board meeting. It has an active Finance, Audit & Risk Subcommittee which met in advance of each Board meeting and a Remuneration Subcommittee which met once during the year.
On appointment, Directors and all staff receive briefing sessions in order to familiarise themselves with the values, operations, management and governance structure of the Company.

The Board of Directors and Executive continue to work with the Housing Agency Regulation Office to achieve compliance with the Voluntary Regulation code and the three additional Standards.

Legal
The Housing Association has registered all tenancies with the Residential Tenancies Board in compliance with the Residential Tenancies (Amendment) Act 2015.

GDPR
The change in the new European Union-wide framework known as the General Data Protection Regulation (GDPR) came into force across the EU on 25 May 2018, replacing the previous data protection framework in Ireland required the Company to carefully review all activities and ensure they are fully compliant with current legislation. To ensure rigour in all our processes, the Company has engaged with a firm of GDPR consultants for their expert input into the review of all processes and documentation which has ensured compliance by the due date.

Strategic Plan 2019-2024
The new company strategic plan was agreed by the Board in November 2019 and was based on a review of the environment, key stakeholder analysis and a review of the societal needs currently not being met by other housing associations. The strategy focuses on three main pillars of housing provision: Intellectual Disability, Mental Health and Older Persons. The strategy sets out the path for delivery and reinforces the role of the Saint John of God Housing Association as a leading specialist housing provider. Resources, particularly human resources may be required to achieve its ambitious plans.

DIRECTORS'/TRUSTEES' REPORT - continued

Strategic Plan 2019-2024 – continued

In summary, there are three pillars of the strategy and high level objectives as per the following:

Pillar I: Housing for People with Intellectual Disability
- SJOG HA plans to increase its stock of housing for people with Intellectual Disability from 325 units in 2019 to 425 by 2024.
- In addition to SJOG CS clg, SJOG HA proposes to partner with other intellectual disability care organisations, in order to complement existing care services.
- SJOG HA will seek opportunities to provide appropriate housing in the community for people with intellectual disability now living with their families. It will work with CS and other care organisations to advocate and seek the statutory funding for care services that would make such housing in the community feasible.
- SJOG HA will work with care organisations to define Pathways for Ageing for adults with intellectual disability so that residents and their families can have confidence that plans are in place for residents' long-term housing needs.
- SJOG HA will commit Board and management time to advocating for increased housing provision for adults with intellectual disability. It will give specialist input to future policies on housing needs. It proposes to host a conference on the specific housing needs of adults with intellectual disability that will bring together the various housing and care providers in the sector and set an agenda for appropriate housing for this community.

Pillar II: Housing for People Mental Health Issues
- SJOG HA plans to increase its stock of housing for people with mental health issues from 44 units in 2019 to 80 by 2024.
- SJOG HA intends to partner with mental health care agencies, in addition to SJOG CS, to provide housing services to complement their care services.
- SJOG HA will seek opportunities, within the Housing First policy framework, to provide long-term housing for people with mental health issues, who have experienced homelessness.
- SJOG HA will commit management time to advocating for appropriate housing provision for adults with mental health issues, including people with acquired brain injuries. This advocacy will focus on issues such as the length of time that single adults with mental health issues remain on Local Authority housing lists and the adequacy of care in the community.

Pillar III: Supported Housing for Older People
- SJOG HA plans to increase its provision of supported housing for older people. The HA already had 39 units of accommodation for older persons in 2019 where the residents' support needs were very limited. The rate of growth in housing units will depend on the complexity of the needs to be met and the funding framework for new housing projects.
- SJOG HA will prepare a Feasibility Study for a Supported Housing Project for Older People, within the policy context of Housing Options for an Ageing Population. The Feasibility Study will complement work to be prepared by the SJOG Research Department. Having established an appropriate model for housing for older people, SJOG HA will seek to partner with statutory, voluntary and commercial agencies to agree an implementation plan.

Financial review

Results

There was total Comprehensive income for the financial year of €0.76m (2019 €1.17m). The incoming resources includes the amortisation of local authority mortgages of €1.32m (2019 €1.28m) and the expenditure includes depreciation on properties of €0.81m (2019 €0.74m). Both the amortisation of mortgages income and the depreciation of properties charge are non-cash items. These two non-cash items account for €0.51m (2019 €0.54m) of the net income for the financial year.

Turnover

The income of the Company increased to €1.37m from €1.3m in 2019, an increase of 5.3%. The Primary sources of income are rental income and rental payments from Local Authorities. Payment and Availability payments continued to increase, in 2020 this income type amounted to €0.25m, an increase of 32.2% on the 2019 figure.

DIRECTORS'/TRUSTEES' REPORT - continued

Financial review - continued

Expenditure

The Company has a total expenditure of €2.29m which, if depreciation is excluded, equals net expenditure of €1.48m. Of that, €0.49m relates to payroll costs, representing 33% of our costs, excluding depreciation.

Attendance at Board Meetings

The attendance of the Board of Directors members at meetings and at the Finance, Audit and Risk Committee meetings is as follows:

Board member	Eligible	Attended
John Lowe	17	16
Mary Condell	5	5
Patrick J Drudy	17	17
Aidan Burke	1	1
Michael Francis	17	16
Laurence McCabe	17	11
James Crowe	0	0
Paul Kinsella	14	11
John Lennon	10	10
William Maher	5	2
Karen Herbert	5	4
Hubi Kos	5	5
Lisa Vaughan	5	3
Joyce Loughnan	1	1
Margaret Burns	3	3
Marianne McMahon	1	1
Dr. Liz Murphy	1	1

Finance, audit and risk committee	Eligible	Attended
Laurence McCabe	10	10
Mary Condell	3	3
Michael Francis	1	1
James Crowe	1	0
William Maher	3	3
Patrick J Drudy	9	9
Karen Herbert	2	2
Hubi Kos	2	1
Paul Kinsella	6	5

Subsequent events

There were no significant events which occurred between 31 December 2020 and the date these financial statements were approved.

Political donations

There were no political donations made by the company during the financial period ended 31 December 2020.

Research and development

The company did not engage in research and development activities during the financial period ended 31 December 2020.

Disclosure of information to auditors

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

- as far as he/she is aware, there is no relevant audit information of which the Company's statutory auditors are unaware; and,
- he/she has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.

Independent auditors

The auditors, PricewaterhouseCoopers, will be re-appointed in accordance with Section 383 (2) of the Companies Act, 2014.

On behalf of the board

P. J. Drudy   Laurence McCabe

Date: 27 September 2021

Independent auditors' report to the members of Saint John of God Housing Association CLG

Report on the audit of the financial statements

Opinion

In our opinion, Saint John of God Housing Association CLG's financial statements:

- give a true and fair view of the company's assets, liabilities and financial position as at 31 December 2020 and of its surplus and cash flows for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Irish law); and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

We have audited the financial statements, included within the Directors' Report and Financial Statements, which comprise:

- the Statement of Financial Position as at 31 December 2020;
- the Statement of Comprehensive Income for the year then ended;
- the Statement of Changes in Reserves for the year then ended;
- the Statement of Cash Flows for the year then ended; and
- the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

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

Independence

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

Conclusions relating to going concern

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

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

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

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

Reporting on other information

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

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

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

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

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

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

This description forms part of our auditors' report.

Use of this report

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

Other required reporting

Companies Act 2014 opinions on other matters

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

Other exception reporting

Directors' remuneration and transactions

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

Aisling Fitzgerald
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin
27 September 2021

STATEMENT OF COMPREHENSIVE INCOME
Financial Year Ended 31 December 2020

		2020			2019		
	Notes	Unrestricted funds €	Endowment funds €	Total €	Unrestricted funds €	Endowment funds €	Total €
Rental Income	5	1,367,135	-	1,367,135	1,299,016	-	1,299,016
Operating expenditure	7	(2,292,893)	-	(2,292,893)	(1,904,293)	-	(1,904,293)
Other income	6	1,573,914	-	1,573,914	1,484,642	-	1,484,642
Operating surplus		648,156	-	648,156	879,365	-	879,365
Net gains on investment	13	107,554	-	107,554	289,472	-	289,472
Surplus before non-recurring items		755,710	-	755,710	1,168,837	-	1,168,837
Non recurring transfer of net assets	11	-	-	-	-	679,202	679,202
Surplus before tax		755,710	-	755,710	1,168,837	679,202	1,848,039
Taxation	10	-	-	-	-	-	-
Surplus for the year		755,710	-	755,710	1,168,837	679,202	1,848,039
Total comprehensive income for the year		755,710	-	755,710	1,168,837	679,202	1,848,039

The results above derive wholly from continuing operations.

STATEMENT OF FINANCIAL POSITION
As at 31 December 2020

	Notes	2020 €	2019 €
Fixed assets			
Tangible fixed assets	11	39,678,766	38,131,366
Current assets			
Debtors(including €nil (2019: €nil) due after more than one year)	12	22,446	72,943
Current investments	13	3,394,873	1,687,319
Cash and cash equivalents		622,967	1,212,563
		4,040,286	2,972,825
Less:			
Creditors: amounts falling due within one year	14	(1,832,099)	(1,968,802)
Net current assets		2,208,187	1,004,023
Total assets less current liabilities		41,886,953	39,135,389
Creditors: amounts falling due after more than one year	15	(22,572,864)	(20,577,010)
Net assets		19,314,089	18,558,379
Reserves			
Development fund		1,142,491	1,142,491
Sinking fund		400,000	
Endowment fund		9,311,490	9,311,490
Accumulated unrestricted income funds		8,460,108	8,104,398
Total equity		19,314,089	18,558,379

On behalf of the board

P. J. Duffy Laura McCole

Date: 27 September 2021

STATEMENT OF CHANGES IN RESERVES
Financial Year Ended 31 December 2020

	Development fund	Sinking fund	Endowment fund	Accumulated unrestricted income funds	Total
	€	€	€	€	€
At 1 January 2019	1,142,491	-	8,632,288	6,935,561	16,710,340
Surplus for the year	-	-	679,202	1,168,837	1,848,039
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	679,202	1,168,837	1,848,039
Transfer between reserves	-	-	-	-	-
As 31 December 2019	1,142,491	-	9,311,490	8,104,398	18,558,379
At 1 January 2020	1,142,491	-	9,311,490	8,104,398	18,558,379
Surplus for the year	-	-	-	755,710	755,710
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	755,710	755,710
Transfer between reserves	-	400,000	-	(400,000)	-
As 31 December 2020	1,142,491	400,000	9,311,490	8,460,108	19,314,089

The profit and loss account represents accumulated comprehensive profits for the year and prior periods.

The notes on pages 16 to 27 form part of these financial statements.

STATEMENT OF CASH FLOWS
Financial Year Ended 31 December 2020

	Notes	2020 €	2019 €
Net cash generated from operating activities	16	5,715	308,280
Cash flow from investing activities			
Purchase of tangible fixed assets		(2,356,396)	(2,929,079)
Sale of investments		107,544	289,472
(Purchase)Sale of investments		(1,600,000)	1,500,000
Grants received		2,244,400	530,747
Loans received		1,168,000	942,150
Net gain on investments		(107,544)	(289,472)
Capital paid on loans		(26,371)	(2,338)
Interest paid on loans		(24,944)	(5,256)
Cash (outflow)inflow from investing activities		(595,311)	36,224
Net changes in cash and cash equivalents		(589,596)	344,504
Cash and cash equivalents at the beginning of the year		1,212,563	868,059
Cash and cash equivalents at the end of the year	17	622,967	1,212,563

NOTES TO THE FINANCIAL STATEMENTS

1 General information

Saint John of God Housing Association clg is a company incorporated under the Companies Acts, limited by guarantee and not having a share capital, registered number 426952. The objectives of the Company are charitable in nature with established charitable tax exemption (CHY 18279) and charity registered number 2069834.

2 Statement of compliance

The entity financial statements have been prepared on a going concern basis and in accordance with accounting standards issued by the UK Financial Reporting Council and the Companies Act 2014. The entity financial statements comply with Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Housing SORP 2014 is not yet mandatory in the Republic of Ireland and the Irish Charities Regulator has not yet prescribed accounting regulations for Irish Charities. In the absence of such prescriptive guidance, this board has adopted many of the recommendations of the Housing SORP 2014 as it is considered best practice.

3 Summary of significant accounting policies

The significant accounting policies used in the preparation of the Company's 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 entity financial statements have been prepared under the historical cost convention as modified by the measurement of certain fixed assets at fair value. 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.

(b) Reporting currency
The financial statements are expressed in Euro (€).

(c) Going concern
The Company meets its day-to-day working capital requirements through its cash reserves. At the balance sheet date the company had cash reserves of €622k and current investments of €3.39m. The company's revised forecasts and projections, taking account of reasonably possible changes in trading performance, and having considered in detail the potential risks and likely impacts of the Coronavirus pandemic, continue to show that the company should be able to operate within the level of its current cash reserves. The directors are confident that adequate support will be made available for the company to continue operations next year and into the future. The company therefore continues to adopt the going concern basis in preparing company financial statements.

(d) Funds
All transactions of the organisation have been recorded and reported as income into or expenditure from funds which are designated as "restricted", "endowment" or "unrestricted".

Restricted funds
Income is treated as restricted where the income may only be used for a particular purpose. All other income is treated as unrestricted. Expenditure is treated as being made out of restricted funds to the extent that it meets the criteria specified by the donor or the terms under which it was raised. All other expenditure is treated as unrestricted.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(d) Funds – continued

Unrestricted funds
Unrestricted funds represent funds which are expendable at the discretion of the company in the furtherance of the objects of the company. Such funds are held in order to finance both working capital and capital investment.

Endowment funds
Endowment funds are a permanent fund whereby the initial capital amount invested will not be accessed but rather the return on the initial investment will provide funding or access to fixed assets on an annual basis. The properties transferred from Hospitaller Order of Saint John of God Western European Province are considered to be restricted endowment funds.

The balance on each restricted fund at the end of the year represents the asset held by the organisation for particular purposes specified by the donors. The balance of the unrestricted fund at the end of the year represents the assets held by the organisation for general use in furtherance of its work. Endowment funds represent amounts held for investment or specific charitable purpose. Income from these principal amounts will either be (a) unrestricted and used for general purposes, or (b) restricted by the donor or by the Board.

Sinking fund
The Board reviewed and changed its policy on Reserves following the implementation of FRS 102.
The company has created a Sinking fund reserve in 2020, and one years anticipated average annual maintenance spend has been transferred to that reserve.

The reserve will facilitate the company in maintaining properties and is a fund for the planned maintenance programme to maintain properties to a very high standard and meet the long-term refurbishment of the properties.

The budgets and cash projections prepared by Saint John of God Housing Association, indicate that an annual average spend of c. €400k over the next 5 years, increasing to an average of €500k per annum thereafter is required to maintain its current housing stock appropriately and in a manner which seeks to prolong the useful life of the housing assets and to ensure that they are in good lettable condition for the long term. Unrestricted reserves include €4.02m of unrestricted cash and liquid investments which is available to fulfil that requirement for the foreseeable future.

In 2011 the Board agreed to establish a Development Fund from rental income for the purpose of meeting the cost of future major purchases. This fund has been kept at 2019 level and is seen as sufficient to fund major purchases.

(e) Incoming resources
Incoming resources are included in the Statement of Financial Position when the Company is entitled to the income, it is virtually certain that it will be received and the income can be quantified with reasonable certainty. Income is shown gross before deduction of associated costs. No amounts are included for services donated by volunteers.

Rental income
Rental income, including rental accommodation scheme supplement arising on the rental of properties held by the Company is recognised as the rental income falls due.

Government grants
Capital grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected life of the mortgage, which ranges between 30 and 50 years. Grants towards revenue expenditure are released to the statement of comprehensive income as the related expenditure is incurred.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies – continued

Interest income
Interest income is recognised as it is earned.

(f) Resources expended
Expenditure is recognised on an accruals basis.

(g) Tangible fixed assets and depreciation
Tangible fixed assets are stated at cost or fair value less accumulated depreciation and accumulated impairment loss. Cost includes all costs that are directly attributable to bringing the asset into working condition for its intended use. No interest costs or fixtures and fittings were capitalised in the current year. Properties under the course of construction are stated at cost.

(h) Depreciation
Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost less estimated residual value, of each asset systematically over its expected useful life, as follows:

Buildings (apartment and housing properties)	30 to 50 years
Land	Not depreciated
Fixtures and fittings	10 years

No depreciation is provided on properties under the course of construction.

(i) 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, other debtors, cash and cash equivalents are initially recognised at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial asset is initially measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Other debtors, cash and cash equivalents, are subsequently measured at amortised cost using the effective interest method.

At the end of each financial year, financial assets measured at amortised cost are assessed for objective evidence of impairment. If there is objective evidence that a financial asset measured at amortised cost is impaired, an impairment loss is recognised in profit or loss. The impairment loss is the difference between the financial asset's carrying amount and the present value of the financial asset's estimated cash inflows discounted at the asset's original effective interest rate.

If in a subsequent financial year, the amount of an impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised the previously recognised impairment loss is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment loss not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised 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 ability to unilaterally sell the financial asset to an unrelated third party without imposing additional restrictions.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(*ii*) *Financial liabilities*
Basic financial liabilities, including trade and other creditors, bank loans, and loans from fellow group companies, 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.

Trade and other creditors, bank loans, and payment to related parties which constitute financing transactions are subsequently carried at amortised cost, using the effective interest method.

(j) Capital Assistance Scheme
Mortgage Loans received under the Capital Assistance Scheme (CAS) for the purchase of properties are accounted for as performance based loans, as the mortgage contracts criteria are not considered to be met until the term of the mortgage has expired. Therefore they are amortised to the Statement of Comprehensive Income over the period of the mortgage. The terms of the Scheme provide that repayment and interest due from the approved housing body may be fully waived, provided the approved housing body continues to comply with the terms and conditions of the scheme and the mortgage deed contract signed with the local authority.

(k) Investments
Investments are stated at market value. Realised and unrealised gains and losses on investments are included in the Statement of Comprehensive Income.

The value of financial instruments traded in active markets (such as publically traded equities) is based on quoted market prices at the statement of financial position date. The market valuations are provided to the investment advisors by a third party pricing source. The value of the remaining financial instruments that are not traded in an active market is the lower of:

(a) the valuation as determined by the investment advisors using valuations techniques or
(b) the estimated recoverable amount as determined by the Directors.

(l) Taxation
The Company is a not for profit organisation with charitable tax status and is exempt from corporation tax.

(m) Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities. Cash and cash equivalents are initially measured at transaction price and subsequently measured at amortised cost. Bank deposits which have original maturities of more than three months are not cash and cash equivalents and are presented as current asset investments.

(n) Provisions and contingencies
(*i*) *Provisions*
Provisions are liabilities of uncertain timing or amount. Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that a transfer of economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably. Provisions are measured at the present value of the best estimate of the amount required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are reviewed at the end of each financial year and adjusted to reflect the current best estimate of the amount required to settle the obligation. The unwinding of the discount is recognised as a finance cost in profit or loss, presented as part of ‘interest payable and similar charges’ in the financial year in which it arises. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(ii) Contingencies
Contingent liabilities, arising as a result of past events, are not recognised as a liability because it is not probable that the Company will be required to transfer economic benefits in settlement of the obligation or the amount cannot be reliably measured at the end of the financial year. Possible but uncertain obligations are not recognised as liabilities but are contingent liabilities. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

4 Critical accounting judgements and estimation uncertainty

Estimates and judgements made in the process of preparing the entity financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

(i) Impairment of debtors
The Directors make an assessment at the end of each financial year of whether there is objective evidence that a trade or other debtor is impaired. When assessing impairment of trade and other debtors, the Directors consider factors including the current credit rating of the debtor, the age profile of outstanding invoices, recent correspondence and trading activity, and historical experience of cash collections from the debtor. See note 12 for the net carrying amount of the debtors and the impairment loss recognised in the financial year.

(ii) Fair value of properties transferred

The transfer of two properties from the Lighthouse Fellowship was completed on 28 November 2019. The fixed assets were valued at fair value by Churches Estate agents as €750,000, and continue to be held at that valuation in the financial statements see note 11.

Property valuations and the assumptions used to arrive at such valuations are by their nature judgemental.

(iii) Tangible fixed assets depreciation
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 11 for the carrying amount of the tangible fixed assets.

NOTES TO THE FINANCIAL STATEMENTS - continued

5 Rental Income

	2020	2019
	€	€
Analysis of rental income by category		
Rental income from tenants	797,508	762,144
Rental accommodation scheme supplement	569,627	536,872
	1,367,135	1,299,016

All turnover arose in Ireland.

6 Other income

	2020	2019
	€	€
Amortisation of capital grants	1,321,190	1,283,301
Payment and availability grant	252,724	191,174
Rent and other income	-	10,167
	1,573,914	1,484,642

7 Operating expenses

	2020	2019
	€	€
The following operating expenses have been recognised:		
Staff costs	490,918	352,643
Depreciation	808,996	739,417
Repairs and Maintenance of property	358,906	341,845
Legal fees	96,611	25,923
Service charges	118,414	44,116
ICT costs	32,015	25,539
Admin Support	19,887	55,868
Head office contribution	46,027	33,000
Travel and Subsistence	9,493	16,002
Sundry Costs	23,010	44,467
Loan interest and charges	41,490	10,780
Facility costs	47,746	42,158
Insurance	38,592	41,378
Professional fees	160,788	131,157
	2,292,893	1,904,293

NOTES TO THE FINANCIAL STATEMENTS - continued

8 Employees and remuneration

	2020 €	2019 €
Staff costs comprise:		
Salaries	442,016	318,010
Cost of Defined Contribution scheme	10,719	-
Social insurance	38,183	34,633
	490,918	352,643

Includes termination benefits to staff of €90,000(2019: Nil)

The average number of employees employed by the Company during the year was 6 (2019:6).
The company joined the Saint John of God Hospital CLG defined contribution pension plan in January 2020.
Salary banding for all employees earning over €70,000 (including salaries, performance-related pay and benefits in kind but excluding pension contributions paid by the employer and any termination payments)

	2020 Number	2019 Number
€70,000 to €80,000	1	0
€80,000 to €90,000	0	0
€90,000 to €100,000	0	0

(i) Directors/trustees

Trustees received no remuneration (2019: €nil) or expenses (2019: €nil) during the reporting year. There were no loans advanced to Directors/Trustees during the year and no loans outstanding at 31 December 2020.

(ii) Key management compensation

The key management personnel of the group have been identified as the directors (of whom none is appointed to any salaried office or position within the company), and the senior management team (4 personnel) (2019: 4). The total compensation paid to these personnel in 2020 was €196,770, (2019: €135,539) and this includes salary and pension contributions. This does not include professional fees of €103,725 paid to an external consultant who acted in the role of CEO from August 2020 to April 2021. These professional fees are included in the Professional fees costs line in note 7.

The Interim CEO received total remuneration including salary and termination benefits of €152,199 in 2020 (2019: Nil).

The Interim CEO was remunerated in 2019 through another entity in the group, Saint John of God Community Services clg, and no direct recharge has been received in respect of this salary, therefore there is no charge in these financial statements in respect of same.

The €19k (2019: €56k) management charge from Saint John of God Community Services clg is in relation to the re-charge of salaries. The re-charge is based on an hourly rate to reflect the input of Saint John of God Community Services clg staff. The hourly rate is applied to the hours spent dealing with tenants to compute the total charge. The hourly rate is a blended rate which is intended to cover the varying rates attributable to various grades and types of Saint John of God Community Services clg staff including the Interim CEO who contribute time. This cost is included in the Admin support costs line in note 7.

St John of God Housing Association (HA) has entered into a Memorandum of Understanding with St John of God Hospitaller Services Group (HSG). The Head Office charge of €46k included contributions for the ICT, Secretarial, HSG Executive office and HR functions and is included in the Head Office Contribution cost line in note 7.

NOTES TO THE FINANCIAL STATEMENTS - continued

9 Operating surplus

	2020	2019
	€	€
The operating surplus for the year is stated after charging:		
Directors' remuneration for services as Directors	-	-

10 Taxation

The Company has been granted charitable tax exemption by the Revenue Commissioners and is recognised as a charity under Section 207 of the Tax Consolidation Act 1997, registered number CHY 18279.

11 Tangible assets

	Completed	Total
	€	€
Financial year ended 31 December 2019		
Opening carrying amount	35,181,986	35,181,986
Transfer from Lighthouse Fellowship	750,000	750,000
Transfer from CAS loans	12,808	12,808
Additions	2,925,989	2,925,989
Depreciation	(739,417)	(739,417)
Carrying amount	38,131,366	38,131,366
Financial year ended 31 December 2019		
Cost or deemed cost	40,763,578	40,763,578
Accumulated depreciation and impairment	(2,632,212)	(2,632,212)
Carrying amount	38,131,366	38,131,366

	Completed	Total
	€	€
Financial year ended 31 December 2020		
Opening carrying amount	38,131,366	38,131,366
Additions	2,356,396	2,356,396
Depreciation	(808,996)	(808,996)
Carrying amount	39,678,766	39,678,766
Financial year ended 31 December 2020		
Cost or deemed cost	43,119,974	43,119,974
Accumulated depreciation and impairment	(3,441,208)	(3,441,208)
Carrying amount	39,678,766	39,678,766

The transfer of two properties from the Lighthouse Fellowship was completed on 28 November 2019.

The fixed assets were valued at fair value by Churches Estate agents as €750,000 at the time of transfer and continue to be held at this value in the 31 December 2020 accounts.

NOTES TO THE FINANCIAL STATEMENTS - continued

12 Debtors

	2020	2019
	€	€
Debtors	14,708	9,783
Other debtors, prepayments and accrued income	7,738	63,160
	22,446	72,943

Trade debtors are after a provision for bad debts of €nil (2019: €nil).
All amounts are receivable within one year.

13 Current investments

Current investments represent the market value of a portfolio of gilts, equities and other investments, and the movements were as follows:

	2020	2019
	€	€
At 1 January	1,687,319	2,897,847
Bought (Sold) in year	1,600,000	(1,500,000)
Net gains on investments	107,554	289,472
At 31 December	3,394,873	1,687,319

	2020	2019
	€	€
Analysis of investment by class of investment are as follows:		
Cash	240,906	61,940
Government bonds	662,159	412,488
Corporate and other bonds	864,274	379,444
International equity	901,005	460,690
Absolute return	388,903	199,839
Property	93,414	-
Emerging Market equity	36,988	-
Other Alternatives	35,228	121,656
European equity	69,091	34,112
Commodities	102,905	17,150
	3,394,873	1,687,319

Basis of valuation

In valuing exchange-traded equities, depository receipts, investment trusts and warrants, the prices used generally comprise of the mid-price (derived from the closing bid and ask/offer prices), the closing bid or the last traded price for that instrument on the relevant stock exchange.

Fixed interest securities such as government and corporate bonds are priced, exclusive of accrued interest (also known as the ’clean price’). This means that the price shown will not include any interest accrued. The clean price becomes equal to the market price immediately following a coupon payment.

Investments in unit funds or unquoted investment funds are valued at the prices provided by the third party fund administrator whose role it is to calculate the net asset value. Valuations reflect the most recent net asset value per unit. The securities within the funds are calculated at market price, and factors that need to be considered, for example a liquidity discount, are applied to securities without sufficient liquidity to meet the market price.

NOTES TO THE FINANCIAL STATEMENTS - continued

14 Creditors: amounts falling due within one year

	2020 €	2019 €
Accruals	238,463	359,308
Other creditors	185,202	12,823
Deferred - CAS loans	1,348,379	1,264,887
Amounts due to related parties	60,055	331,784
	1,832,099	1,968,802

15 Creditors: amounts falling due after more than one year

	2020 €	2019 €
Deferred income - CAS loans	20,393,912	19,554,194
Opening	19,554,194	20,371,019
Received in year	2,244,400	530,747
Amortised in year	(1,321,190)	(1,283,301)
Net Transfer to less than one year Deferred income - CAS loans	(83,492)	(56,528)
Transfer from other Housing Associations	-	58,799
Transfer to fixed assets	-	12,808
Reclass to CALF loan	-	(79,350)
	20,393,912	19,554,194
CALF loan	670,735	609,654
HFA loan	1,508,217	413,162
	22,572,864	20,577,010

The transfer of two properties from the Lighthouse Fellowship to Saint John of God Housing Association clg was completed on 28 November 2019. The fixed assets had a net book fair value of €750,000, and related Local Authority mortgage loans to the value of €58,799.

The Capital Assistance Scheme provides primarily for the payment of a mortgage loan in respect of each sanctioned rental housing project by the Department of Housing, Planning and Local Government to a housing authority following its approval of a housing project under the scheme. The housing authority then lends this money typically in the form of a 30-year annuity mortgage loan to the approved housing body towards the approved costs it incurs in completing the dwellings. The terms of the Scheme provide that repayment and interest due from the approved housing body may be fully waived, provided the approved housing body continues to comply with the terms and conditions of the scheme and the mortgage deed contract signed with the local authority.

16 Net cash generated from operating activities

	2020 €	2019 €
Operating surplus for the year	648,156	879,365
Amortisation of loans	(1,321,190)	(1,283,301)
Depreciation of tangible fixed assets	808,996	739,417
Transfer to less than one year – Deferred income CAS loans	(83,492)	(56,528)
Interest accrued on loans	39,450	-
Decrease/(Increase) in debtors	50,497	(61,826)
(Decrease)/Increase in creditors	(136,702)	91,153
Cash inflow from operating activities	5,715	308,280

NOTES TO THE FINANCIAL STATEMENTS - continued

17 Analysis of changes in net cash

	2020	2019
	€	€
Opening balance	1,212,563	868,059
Net cash (outflow)/inflow	(589,596)	344,504
Closing balance	622,967	1,212,563

18 Related party items

At the end of the year, Saint John of God Housing Association clg had the following balances with related parties.

	2020	2019
	€	€
Amounts (receivable from)/payable to related parties and affiliates:		
Saint John of God Community Services clg	(21,856)	185,326
Saint John of God Hospitaller Services Group	7,095	81,000
Saint John of God Hospital	6,590	-
Hospitaller Order of Saint John of God West European Province	68,226	65,458
	60,055	331,784

Certain costs incurred in the running of the Company are shared with other entities within the Hospitaller Order Group and administered by Saint John of God Community Services clg. The Housing Association's portion of these costs amounted to €19,887 (2019: €55,868). The Saint John of God Community Services clg also pays for repairs and maintenance on properties used by tenants which are then recharged to Saint John of God Housing Association clg. The amount recharged during the year was €Nil (2019: €Nil Certain costs relating to tenancy support personnel funded by the HSE Service Reform Fund are incurred by the Saint John of God Housing Association clg and charged to Saint John of God Community Services. The costs in the year amounted to €86,425 (2019: €Nil).
Saint John of God Community Services clg is the group remitter for VAT. During the year €41,575 (2019: €78,312) was remitted on behalf of and reclaimed from Saint John of God Housing Association clg.
Certain costs incurred in the running of the Company are shared with other entities within the Hospitaller Order Group and administered by Saint John of God Hospitaller Services Group. The Housing Association's portion of these costs amounted to €93,000. (2019: €81,000). The Management charge of €93,000 included contributions for the ICT, Secretarial, Data Protection, HSG Executive office and HR functions.

19 Contingent liabilities, commitments and guarantees

In 2015, 2016, 2017 and 2018 a number of assets transferred from West European Province to The Saint John of God Housing Association clg at a nominal consideration of €10, representing less than €1 per property transferred. The assets transferred related only to assets which had previously been grant funded by a grant awarding body, Capital Assistance Scheme (CAS) loans or capital donation. In advance of transferring the assets across from Hospitaller Order of Saint John of God West European Province to Saint John of God Housing Association clg, management considered whether there were any related grants, loans or other obligations attaching to the various assets, which might impact on the future use of the assets within Saint John of God Housing Association clg.

NOTES TO THE FINANCIAL STATEMENTS - continued

19 Contingent liabilities, commitments and guarantees - continued

A number of loans attaching to the fixed assets have been transferred with the assets and are included as a liability in the balance sheet. In addition, certain of the assets transferred had grants attaching to them. There were some restrictions noted in relation to the grants, principally around the fact that a future sale of the asset within a specific time period would trigger an obligation to repay the grant to the funder. It was agreed as part of the directions transferring the assets that Saint John of God Housing Association clg would take over the obligation in relation to any future clawbacks arising as a result of any decision to sell the assets. These obligations are considered to be contingent liabilities and are therefore disclosed as same in this note to the financial statements.

The Company has issued a guarantee to secure the EFT Bank of Ireland facility of €550,000 (2019: €550,000).

Included within loans owned to credit institutions are amounts owing to the HFA and CALF of €2,178,952 (2019: €1,022,816).Housing loans provided by the HFA are secured by fixed charges on specific housing properties. The loans are subject to interest rates ranging from 2% to 3.25% (2019: 2% and 3.25%). The loans are due for repayment in monthly instalments ranging over a 30-year period.

20 Post balance sheet events

There were no significant events affecting the Company since year end.

21 Approval of financial statements

The financial statements were approved by the members of the Board of Directors on the 22 September 2021.