

Financial Statements

Peamount Healthcare CLG

For the financial year ended 31 December 2020

Company Information

| | |
|----------------------------|---|
| Directors | Michael Tutty (Chairperson) John Delaney (resigned 31 December 2020) Patrick Lyons Jill Long Rozanne Barrow Dermot Smyth Brendan Barrett Derek Montgomery Mary McCarron Caroline Roche (appointed 8 September 2020) Gustavo Pregoni (appointed 19 January 2021) |
| Company secretary | M. Power |
| Registered number | 3954 |
| Registered office | Newcastle Co. Dublin |
| Independent auditor | Grant Thornton Chartered Accountants & Statutory Audit Firm 13-18 City Quay Dublin 2 |
| Bankers | Permanent TSB St. Stephen's Green Dublin 2 Bank of Ireland College Green Dublin 2 |
| Solicitors | A&L Goodbody IFSC North Wall Quay Dublin 1 |

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Directors' report

For the financial year ended 31 December 2020

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

Legal status

The company is a charitable company with a registered office at Newcastle, Co, Dublin. The company's registered number with the Companies Registry Office is 3954, and the registered number with the Charities Regulatory Authority is 20003913.

The charity has been granted charitable tax status under sections 207 and 208 of the Taxes Consolidation Act 1997, with registration number CHY 3126.

Principal activities and review of the financial year

The principal activity of Peamount Healthcare ("the Company") is that of the provision of health and social care through our rehabilitation, residential and community services.

Farming activities continued through Peamount Farm during the financial year.

The Company continues to comply with the regulations from the Department of Health on patients' contributions towards their maintenance and expends its income on the above services in line with its Service Level Agreement with the Health Services Executive (HSE).

An analysis of our places/beds at the end of the financial year under review is as follows:

| | No. of places/beds 2020 | No. of places/beds 2019 |
|--------------------------|-------------------------------|-------------------------------|
| Intellectual disability | 107 | 107 |
| Rehabilitation | 85 | 50 |
| Neurological disability | 19 | 19 |
| Care of the older person | 50 | 50 |
| Total | 261 | 226 |

Organisation

The Company is governed by a Board of Directors. Additional directors may be appointed at any time by the existing directors. The term of office of a director is three years and no director may serve more than three such terms of office. The directors shall not retire by rotation.

Results for the financial year

The challenges for the financial year under review were very similar to the previous year; in particular the impact on our budgetary position arising from our increased cost of care due to the aging profile and challenging behavioural needs of our intellectual disability service users. An increase in funding from the HSE in 2020 resulted in a surplus on healthcare activities of €787,317, compared to a deficit of €789,364 in 2019.

Directors' report (continued)

For the financial year ended 31 December 2020

Directors

The following table shows the attendance of Board members at the scheduled meetings of the Board and the Finance and Audit Committees at which they were eligible to attend.

Unless otherwise indicated, each member served for the full financial year.

| | Board meetings | Audit meetings | Finance meetings |
|---------------|---------------------------|---------------------------|-----------------------------|
| P. Lyons | 7/8 | 6/7 | 6/7 |
| J. Delaney | 8/8 | 7/7 | 7/7 |
| B. Barrett | 6/8 | n/a | n/a |
| M. Tutty | 8/8 | n/a | n/a |
| J. Long | 8/8 | n/a | n/a |
| R. Barrow | 6/8 | n/a | n/a |
| D.Smyth | 6/8 | 7/7 | 7/7 |
| D. Montgomery | 6/8 | 7/7 | 7/7 |
| M. McCarron | 7/8 | n/a | n/a |
| C. Roche | 3/3 | n/a | n/a |

The operation and role of the Board

The Board of Peamount Healthcare has collective responsibility for promoting the success of Peamount Healthcare by leading and directing the activities of the organisation within a framework of prudent and effective controls which enables risk to be assessed and managed. It provides strategic guidance in running its affairs and monitors the activities and effectiveness of management.

The Board fulfil key functions, including reviewing and guiding strategic direction and major plans of action, risk management policies and procedures, annual budgets and business plans, setting performance objectives, monitoring implementation and performance, and overseeing major capital expenditure and investment decisions. Board members have a responsibility to act on a fully informed and ethical basis, in good faith, with due diligence and care, and in the best interests of Peamount Healthcare and its stakeholders. The Board has a key role in setting the ethical tone of Peamount Healthcare, not only by its own actions but also in overseeing senior management and staff.

The Board has responsibility for ensuring that effective systems of internal control are instituted and implemented including financial, operational and compliance controls and risk management.

The Board is responsible for holding the Chief Executive Officer (CEO) and Senior Management to account for the effective performance of their responsibilities.

The Management has a duty to provide the Board with all necessary information to enable the Board perform their duties to a high standard. The Board should take all necessary steps to make themselves aware of any relevant information and access all information as necessary.

Directors' report (continued)

For the financial year ended 31 December 2020

The following matters are reserved for decision by the Board

1. Formulation of strategy and objectives for Peamount Healthcare
2. Approval of annual budgets and corporate plans
3. Approval of the Service Level Agreement with the HSE
4. Approval of annual reports and financial statements
5. Arranging for the independent external audit of the annual financial statements
6. Significant acquisitions, disposals and retirement of assets and general expenditure/contracts with a value greater than €100,000 (excluding VAT)
7. Investment and risk management policies
8. The delegation of authority levels for the CEO
9. The appointment, remuneration and assessment of the performance of, and succession planning for, the CEO and, if necessary, the removal of the CEO
10. Significant amendments to the pension benefits of the CEO and staff.
11. Approval of the terms and conditions of appointment of senior management posts
12. The nomination of new Board members
13. Appointment and removal of members of Board Committees
14. Acceptance by Peamount Healthcare of gifts in excess of €100,000

Authority delegated by the Board to the CEO

1. Day-to-day management, including all aspects of Human Resource management
2. Proposing strategy to the Board and delivering the agreed strategy
3. Responsibility for all matters in relation to the management and operation of Peamount Housing CLG and Friends of Peamount CLG
4. Approval of expenditure up to a maximum of €25,000 excluding VAT (expenditure between €25,000 and €100,000 should be approved by the Finance Committee)
5. Setting an example to Peamount Healthcare employees and communicating to them the Board's expectations on the culture, values and behaviours expected by them from the Board in keeping with the Code of Conduct for employees
6. Monitoring the performance of the Senior Management Team
7. Ensuring that appropriate governance standards as set out by the Board are implemented
8. Ensuring that the Board is made aware of the employees' views on relevant issues
9. Ensuring that high quality information is provided to the Board on the organisation's financial and strategic performance
10. Ensuring that the Board knows the views of the executive team on all material issues pertaining to Peamount Healthcare and explaining to the Board any divergence of views to enable it make a fully informed decision on any such issues if required
11. Ensuring that Peamount Healthcare complies with the provisions of its Service Level Agreement with the HSE
12. Ensuring that there is effective risk management and compliance throughout Peamount Healthcare

Directors' remuneration and transactions with directors

During 2020, none of the directors received any remuneration from the company. There were no transactions with directors during the financial year.

Directors' report (continued)

For the financial year ended 31 December 2020

Quality and risk committee

Governance is enhanced by the existence of the Quality and Risk Committee which is chaired by a Board member. The committee's focus is on improving the quality of care and patient safety. The committee meets quarterly during the financial year.

The Committee is responsible for identifying, measuring and managing corporate risks including maintaining the company's Corporate Risk Register. Depending on the nature of a specific significant risk this may be sent to the HSE for inclusion in their risk register.

The policy of the company is to ensure the health and welfare of its employees by maintaining a safe place and system of work.

Audit committee

The Audit Committee comprises not less than three members of the Board of Directors, and meets at least four times per year.

The duties of the Committee are to assist the Board in fulfilling its duties by providing independent and objective review in relation to financial risks, including but not limited to: Financial reporting; internal financial control and financial risk management; internal audit; external audit and remuneration of external auditors. The main financial risks are captured on the Corporate Risk Register.

In early 2017 the Audit Committee appointed a firm of accountants to perform the internal audit role. As a result of restrictions imposed by the effects of COVID-19, the internal auditor was unable to conduct internal audit during 2020. Internal audits will resume in 2021.

Finance committee

The Finance Committee comprises up to four members of the Board of Directors and meets at least four times per year.

The principal responsibilities of the Finance Committee are: Review monthly financial reports and full year budgets; ensure adherence to financial targets set down by the Board; review the annual budgets prepared by management to ensure that they are aligned with the strategic goals of Peamount Healthcare; ensure that Peamount Healthcare complies with the requirements of the Charities Act 2009.

Strategic plan

The Board and the executive, in conjunction with the HSE, prepared a Strategic Plan for the period 2020 – 2023 in order to provide the organisation with a clear direction for the period, given the changing nature in the planning and delivery of health services. The plan builds on our previous Strategic Plan which outlines the vision of Peamount Healthcare becoming a leader in non-acute rehabilitation and continuing care by delivering high quality health and social care services to enable adults to live more independently.

A key focus for this plan is the development of neurological rehabilitation services, a review of our services for people with intellectual disabilities and the implementation of our capital development plans.

Political contributions

No political donations were made in the year.

Directors' report (continued)

For the financial year ended 31 December 2020

Significant events during the financial year

On 11 March 2020, the World Health Organisation officially declared COVID-19, the disease caused by novel coronavirus, a pandemic. Management are dealing with the effects of the pandemic in accordance with best clinical practice and guidelines from the Department of Health and the Health Service Executive. The board of directors will continue to monitor and assess the ongoing development and respond accordingly.

Events since the financial year end

There have been no significant events affecting the Company since the financial year end.

Principal risks and uncertainties

The Board of Directors is aware of the major risks to which the organisation is exposed, in particular those related to service users and employees, and is satisfied that systems are in place to mitigate exposure to major risks. These risks are managed by having robust policies and procedures in place, and regular training for staff.

The Company maintains a detailed Risk Policy and Register, which outlines the main risks facing the organisation and associated mitigating actions to be taken. Certain high corporate risks are escalated to the Health Services Executive for inclusion in their risk register.

The Company depends on State funding, through the HSE, for a substantial proportion of its funding. The key risk facing the Company is the level of Government funding and whether this will be sufficient to provide the services set out in the Service Level Agreement with the HSE and as reflected in our work with the Health Information and Quality Authority (HIQA). The Directors are particularly concerned at the increased needs of our clients with an intellectual disability and the level of funding being provided to enable us to meet those needs.

Accounting records

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The Company's accounting records are maintained at the Company's registered office at Newcastle, County Dublin.

Research and development activities

The Company does not engage in any research and development.

Statement on relevant audit information

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Branches outside the State

There are no branches of the Company outside the State.

Directors' report (continued)

For the financial year ended 31 December 2020

Statement of compliance

The entity financial statements have been prepared on a going concern basis and in accordance with Irish GAAP (accounting standards issued by the Financial Reporting Council of the UK and ROI) and the Companies Act 2014. The entity financial statements comply with Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and with the Companies Act 2014.

Health service annual compliance statement and board and corporate governance arrangements (section 38 agencies)

The Board of Directors have, since the year end, confirmed to the Health Services Executive its commitment to the annual compliance statement process.

Auditor

The auditor, Grant Thornton, continues in office in accordance with section 383(2) of the Companies Act 2014.

This report was approved by the board and signed on its behalf.

Michael Tutty
Director

Dermot Smyth
Director

Date: 22 June 2021

Directors' responsibilities statement

For the financial year ended 31 December 2020

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

Irish company law requires the directors to prepare the 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'

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, of the profit or loss for that 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's financial statements and then apply them consistently;
- make judgments 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 profit or loss 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 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.

On behalf of the board

Michael Tutty
Director

Dermot Smyth
Director

Date: 22 June 2021



Independent auditor's report to the members of Peamount Healthcare CLG

Opinion

We have audited the financial statements of Peamount Healthcare CLG, which comprise the Income and expenditure account, the Statement of financial position, the Statement of cash flows, the Statement of changes in equity for the financial year ended 31 December 2020, and the related notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'(Generally Accepted Accounting Practice in Ireland).

In our opinion, Peamount Healthcare CLG's financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the assets, liabilities and financial position of the Company as at 31 December 2020 and of its financial performance and cash flows for the financial year then ended; 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 further described in the 'responsibilities of the auditor 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, namely the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard concerning the integrity, objectivity and independence of the auditor, and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. 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.

Conclusions relating to going concern

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.

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 when the financial statements are authorised for issue.

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



Independent auditor's report to the members of Peamount Healthcare CLG (continued)

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies in the financial statements, 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.

Matters on which we are required to report by the Companies Act 2014

- 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.
- In our opinion the information given in the Directors' report is consistent with the financial statements. Based solely on the work undertaken in the course of our audit, in our opinion, the Directors' report has been prepared in accordance with the requirements of the Companies Act 2014.

Matters on which we are required to report by exception

Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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 the Act have not been made. We have no exceptions to report arising from this responsibility.



Independent auditor's report to the members of Peamount Healthcare CLG (continued)

Responsibilities of management and those charged with governance for the financial statements

As explained more fully in the Directors' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, including FRS102, and for such internal control as they determine 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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Responsibilities of the auditor for the audit of the financial statements

The auditor's 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.

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. They will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



Independent auditor's report to the members of Peamount Healthcare CLG (continued)

Responsibilities of the auditor for the audit of the financial statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

The auditor shall communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

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

This 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 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.

John Duffy
for and on behalf of
Grant Thornton
Chartered Accountants
& Statutory Audit Firm
Dublin 2

22 June 2021

Income and expenditure account

For the financial year ended 31 December 2020

| | Note | 2020 € | 2019 € |
|--|------|-------------------|-------------------|
| Income: | | | |
| Health Service Executive funding for the financial year | | 30,724,365 | 25,654,434 |
| Fair Deal funding through HSE | | 4,380,016 | 4,443,862 |
| Patient and service user income | | 2,978,986 | 2,868,787 |
| Payroll superannuation deductions | | 1,075,238 | 1,116,709 |
| Staff restaurant | | 104,915 | 164,432 |
| Donations | | - | 4,952 |
| Sundry income | | 10,826 | 22,206 |
| | | <u>39,274,346</u> | <u>34,275,382</u> |
| Expenditure: | | | |
| Payroll | | (33,302,138) | (29,912,544) |
| Medical supplies | | (1,599,013) | (1,536,155) |
| Maintenance, grounds and security | | (1,120,388) | (1,004,604) |
| Catering | | (641,865) | (706,508) |
| Heat, light and power | | (617,163) | (481,807) |
| Housekeeping | | (291,591) | (270,080) |
| Transport and travel | | (149,698) | (222,142) |
| Legal and professional | | (55,561) | (136,235) |
| Audit fees | | (15,761) | (16,717) |
| Finance and establishment | | (588,498) | (614,018) |
| Sundry expenses | | (127,204) | (163,936) |
| | | <u>765,466</u> | <u>(789,364)</u> |
| Operating surplus/(deficit) healthcare activities | | | |
| Other income and charges: | | | |
| Interest payable and similar expenses | 8 | (53,698) | (34,532) |
| Surplus from other activities | 5 | 14,995 | 22,583 |
| | | <u>726,763</u> | <u>(801,313)</u> |
| Surplus/(deficit) for the financial year before tax | | | |
| Taxation | | - | - |
| | | <u>726,763</u> | <u>(801,313)</u> |

All amounts relate to continuing operations.

There are no other comprehensive income during the financial year (2019: €NIL).

The notes on pages 18 to 32 form part of these financial statements.

Statement of financial position

As at 31 December 2020

| | Note | 2020 € | 2020 € | 2019 € | 2019 € |
|---|------|-------------|--------------------------|------------------|--------------------------|
| Fixed assets | | | | | |
| Tangible assets | 10 | | 34,818,486 | | 34,651,429 |
| Current assets | | | | | |
| Stocks | 11 | 165,213 | | 156,279 | |
| Debtors: amounts falling due within one year | 12 | 4,217,557 | | 2,166,941 | |
| Cash at bank and in hand | 13 | 4,012,164 | | 3,627,522 | |
| | | | <u>8,394,934</u> | <u>5,950,742</u> | |
| Current liabilities | | | | | |
| Creditors: amounts falling due within one year | 14 | (6,329,682) | | (5,147,286) | |
| Net current assets | | | | | |
| | | | <u>2,065,252</u> | | <u>803,456</u> |
| Total assets less current liabilities | | | | | |
| | | | <u>36,883,738</u> | | <u>35,454,885</u> |
| Creditors: amounts falling due after more than one year | 15 | | - | | (2,000,000) |
| Net assets | | | | | |
| | | | <u><u>36,883,738</u></u> | | <u><u>33,454,885</u></u> |
| Reserves | | | | | |
| Capital account | 17 | | 96,558 | | 96,558 |
| Income and expenditure account (capital) | 17 | | (85,637) | | (85,637) |
| Capitalisation account | 17 | | 33,386,891 | | 33,169,422 |
| Development fund reserve | 17 | | 4,624,481 | | 2,124,865 |
| Income and expenditure account | 17 | | (1,138,555) | | (1,850,323) |
| | | | <u><u>36,883,738</u></u> | | <u><u>33,454,885</u></u> |

The financial statements were approved and authorised for issue by the board:

Michael Tutty
Director

Dermot Smyth
Director

Date: 22 June 2021

The notes on pages 18 to 32 form part of these financial statements.

Peamount Healthcare CLG

Statement of changes in equity
For the financial year ended 31 December 2020

| | Capital account | Income and expenditure account - capital | Capitalisation account | Development fund reserve | Income and expenditure account | Total equity |
|--|--------------------|---|---------------------------|-----------------------------|--------------------------------------|-------------------|
| | € | € | € | € | € | € |
| At 1 January 2020 | 96,558 | (85,637) | 33,169,422 | 2,124,865 | (1,850,323) | 33,454,885 |
| Comprehensive income for the financial year | | | | | | |
| Surplus for the financial year | - | - | - | - | 726,763 | 726,763 |
| Other comprehensive income | - | - | - | 3,813,017 | - | 3,813,017 |
| Total comprehensive income for the financial year | - | - | - | 3,813,017 | 726,763 | 4,539,780 |
| Other movements on reserves | | | | | | |
| Transfer to/(from) reserves | - | - | - | 14,995 | (14,995) | - |
| Transfer to/(from) reserves | - | 1,328,396 | - | (1,328,396) | - | - |
| Additions to fixed assets - healthcare | - | (1,328,396) | 1,527,141 | - | - | 198,745 |
| Depreciation charge for the financial year - healthcare | - | - | (1,309,672) | - | - | (1,309,672) |
| At 31 December 2020 | 96,558 | (85,637) | 33,386,891 | 4,624,481 | (1,138,555) | 36,883,738 |

The notes on pages 18 to 32 form part of these financial statements.

Peamount Healthcare CLG

Statement of changes in equity

For the financial year ended 31 December 2019

| | Capital account € | Income and expenditure account - capital € | Capitalisation account € | Development fund reserve € | Income and expenditure account € | Total equity € |
|--|-------------------------|--|--------------------------------|----------------------------------|---|-------------------|
| At 1 January 2019 | 96,558 | (73,891) | 25,001,415 | 2,713,692 | (1,026,426) | 26,711,348 |
| Comprehensive income for the financial year | | | | | | |
| Deficit for the financial year | - | - | - | - | (801,313) | (801,313) |
| Other comprehensive income | - | 7,143,640 | - | - | - | 7,143,640 |
| Total comprehensive income for the financial year | - | 7,143,640 | - | - | (801,313) | 6,342,327 |
| Other movements on reserves | | | | | | |
| Transfer to/(from) reserves | - | - | - | - | (22,584) | (22,584) |
| Transfer to/(from) reserves | - | 1,361,412 | - | (588,827) | - | 772,585 |
| Additions to fixed assets - healthcare | - | (8,516,798) | 8,675,300 | - | - | 158,502 |
| Depreciation charge for the financial year - healthcare | - | - | (507,293) | - | - | (507,293) |
| At 31 December 2019 | 96,558 | (85,637) | 33,169,422 | 2,124,865 | (1,850,323) | 33,454,885 |

The notes on pages 18 to 32 form part of these financial statements.

Statement of cash flows

For the financial year ended 31 December 2020

| | 2020 € | 2019 € |
|---|--------------------|--------------------|
| Cash flows from operating activities | | |
| Surplus/(deficit) for the financial year | 726,763 | (801,313) |
| Adjustments for: | | |
| Depreciation of tangible assets | 71,582 | 69,327 |
| Interest expense | 53,698 | 34,532 |
| (Increase)/decrease in stocks | (8,934) | 20,478 |
| (Increase)/decrease in debtors | (2,053,018) | 2,472,086 |
| Decrease in amounts owed by related parties | 2,402 | 98,263 |
| Increase/(decrease) in creditors | 701,741 | (1,415,891) |
| Net cash (used in)/generated from operating activities | (505,766) | 477,482 |
| Cash flows from investing activities | | |
| Purchase of tangible fixed assets | (1,349,566) | (8,653,118) |
| Net cash used in investing activities | (1,349,566) | (8,653,118) |
| Cash flows from financing activities | | |
| New secured loans | - | 2,000,000 |
| Repayment of loans | (2,000,000) | - |
| Additional capital contribution (HSE) | 3,604,017 | 7,143,640 |
| Additional capital contribution (Friends of Peamount) | 209,000 | 750,000 |
| Interest paid | (53,698) | (34,532) |
| Net cash generated from financing activities | 1,759,319 | 9,859,108 |
| Net (decrease)/increase in cash and cash equivalents | (96,013) | 1,683,472 |
| Cash and cash equivalents at beginning of financial year | 3,117,719 | 1,434,247 |
| Cash and cash equivalents at the end of financial year | 3,021,706 | 3,117,719 |
| Cash and cash equivalents at the end of financial year comprise: | | |
| Cash at bank and in hand | 4,012,164 | 3,627,522 |
| Bank overdrafts | (990,458) | (509,803) |
| | 3,021,706 | 3,117,719 |

The notes on pages 18 to 32 form part of these financial statements.

Analysis of Net Debt

For the financial year ended 31 December 2020

| | At 1 January 2020 € | Cash flows € | At 31 December 2020 € |
|--------------------------|---------------------------|------------------|--------------------------------|
| Cash at bank and in hand | 3,627,523 | 384,641 | 4,012,164 |
| Bank overdrafts | (509,803) | (480,655) | (990,458) |
| Debt due after 1 year | (2,000,000) | 2,000,000 | - |
| | <u>1,117,720</u> | <u>1,903,986</u> | <u>3,021,706</u> |

The notes on pages 18 to 32 form part of these financial statements.

Notes to the financial statements

For the financial year ended 31 December 2020

1. General information

Peamount Healthcare provides health and social care through rehabilitation, residential, and community services.

The Company is incorporated as a company limited by guarantee in the Republic of Ireland. The address of its registered office is Newcastle, Co. Dublin, and it has company registration number of CHY 3126 and charity registration number of 20003913.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and Irish statute comprising of the Companies Act 2014.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The Company meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in Euro (€), which is also the Company's functional currency.

The following principal accounting policies have been applied:

2.2 Going concern

The company meets its day to day working capital requirements through its bank facilities. Taking account of current economic conditions, and the expectation of continuing funding from the HSE, the company's forecasts and projections show that the company should be able to operate within the level of its current facilities. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore these entity financial statements have been prepared on a going concern basis.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Euros.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Notes to the financial statements

For the financial year ended 31 December 2020

2. Accounting policies (continued)

2.3 Foreign currency translation (continued)

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Income and expenditure account within 'finance income or costs'. All other foreign exchange gains and losses are presented in Income and expenditure account within 'other operating income'.

2.4 Income

(i) Income

Income is the amount of revenue derived from the provision of goods and services falling within the company's ordinary activities after deduction of trade discounts and value added tax. Income comprises revenue arising from revenue grants and the sale of food to customers and staff of the Company, provision of healthcare services to patients, and other services provided.

Income is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts allowed by the company and value added taxes.

The company bases its estimate of returns on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

The company deducts retirement benefit contributions from employees in respect of employee participation in various state funded (HSE) retirement benefit schemes. Under the terms of the Company's Service Level Agreement with the HSE, these contributions are in addition to regular income received from the HSE and therefore form part of total income.

The company recognises turnover when (a) the significant risks and rewards of ownership of the goods have been transferred to the buyer; (b) the company retains no continuing managerial involvement or effective control over the goods; (c) the amount of turnover and costs can be measured reliably; (d) it is probable that future economic benefits will flow to the entity; and (e) when specific criteria relating to each of the company's sales channels have been met, as described below.

(ii) Other income

Peamount Healthcare earns interest income. Each of these revenue streams are accounted for as set out below:

Revenue grants

Revenue grants from HSE are recognisable in the financial year to which they relate.

Interest income

Interest income is recognised using the effective interest rate method. Interest income is presented as 'interest receivable and similar income' in the Income and expenditure account.

Notes to the financial statements

For the financial year ended 31 December 2020

2. Accounting policies (continued)

2.5 Employee benefits

The company provides a range of benefits to employees, including short term employee benefits such as paid holiday arrangements and post-employment benefits (in the form of defined benefit or defined contributions pension plans).

(i) Short term employee benefits

Short term employee benefits, including wages and salaries, paid holiday arrangements and other similar non-monetary benefits, are recognised as an expense in the financial year in which employees render the related service.

(ii) Post-employment benefits – defined contribution plan – pensions Voluntary Hospitals Superannuation Scheme

Pensions for certain Healthcare staff are governed by the Voluntary Hospitals Superannuation Scheme 1969 ('VHSS'). The liability in respect of pensions payable to employees who are members of the VHSS has been underwritten by the Minister for Health. Contributions from employees who are members of the Scheme are credited to the Income and expenditure account when received. Pension payments under the Scheme are charged to the Income and expenditure account when paid. The VHSS is an unfunded 'pay as you go' scheme underwritten by the Minister for Health.

2.6 Finance costs

Finance costs are charged to the Income and expenditure account over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Borrowing costs

All borrowing costs are recognised in the Income and expenditure account in the financial year in which they are incurred.

2.8 Income tax

The company is not subject to income tax as a registered charity.

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Notes to the financial statements

For the financial year ended 31 December 2020

2. Accounting policies (continued)

2.9 Tangible fixed assets (continued)

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | |
|-----------------------|------------------|
| Freehold buildings | - 40 - 50 years |
| Plant and machinery | - 10 to 15 years |
| Fixtures and fittings | - 3 to 8 years |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Subsequent additions and major components

Subsequent costs, including major inspections, are included in the assets' carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the company and the cost can be measured reliably.

The carrying amount of any replaced component is derecognised. Major components are treated as separate assets where they have significantly different patterns of consumption of economic benefits and are depreciated separately over their useful lives.

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

Assets in the course of construction

Assets in the course of construction are carried at cost. These assets are not depreciated until they are available for use.

Derecognition

Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in Income and expenditure account.

2.10 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to sell. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Income and expenditure account.

Notes to the financial statements

For the financial year ended 31 December 2020

2. Accounting policies (continued)

2.11 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, including transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, including transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 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 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.

(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.

Notes to the financial statements

For the financial year ended 31 December 2020

2. Accounting policies (continued)

2.15 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Notes to the financial statements

For the financial year ended 31 December 2020

3. Judgements in applying accounting policies and key sources of estimation uncertainty

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.

(a) Critical judgements in applying the entity's accounting policies

The following judgements, apart from those involving estimates, made by the directors has had significant effect on the amounts recognised in the entity financial statements;

(i) Multi-employer defined benefit pension plan

The financial statements do not include pension liabilities and assets of those staff who are members of the Voluntary Hospital's Superannuation Scheme ("VHSS"). Certain staff are members of the VHSS, which is a scheme underwritten by the Minister of Health. The directors of the company believe that the funds required in the future to pay current pension liabilities, as they arise into the future, will be provided by the Department of Health under the VHSS.

The directors have arrived at this opinion having taken account of precedent set on the closure of certain other Healthcare facilities in recent years where pension payments (including retirement lump sum payments) have been honoured by the Department of Health. Therefore, they believe that it would be inappropriate for the financial statements of the company to include the liability in the balance sheet in respect of pension entitlements accrued to that date by employees of the company, nor the other disclosure requirements of FRS 102, because the directors believe that liability in respect of all costs arising out of our participation in the VHSS rests with the Department of Health. The above issue is similar to that applying in the majority of other publicly funded Healthcare facilities.

(ii) Single public service pension scheme

With effect from 1 January 2014 new entrants into the public service are enrolled in the Single Public Service Pension Scheme. The new scheme, which is administered by the Department of Public Expenditure and Reform, will provide index-linked defined-benefit pensions based on career average pay. Under the terms of the legislation, persons employed in the public service at the end of 2012 will stay in their "pre-existing" pension scheme. Under the new scheme, deductions made from staff are remitted on a monthly basis to the exchequer. The Scheme is a multi-employer scheme as defined by FRS 102.

(b) 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) 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.

(ii) 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 age profile of outstanding invoices, recent correspondence, and historical experience of cash collections from the debtor.

Notes to the financial statements

For the financial year ended 31 December 2020

4. Income and revenue grants

An analysis of income that all arose in Ireland is as follows:

| | 2020 € | 2019 € |
|---|-------------------|-------------------|
| Health Service Executive funding for the financial year | 30,724,365 | 25,654,434 |
| Fair Deal funding through HSE | 4,380,016 | 4,443,862 |
| Patient and service user income | 2,978,986 | 2,868,787 |
| Payroll superannuation deductions | 1,075,238 | 1,116,709 |
| Staff restaurant | 104,915 | 164,432 |
| Donations | - | 4,952 |
| Sundry income | 10,826 | 22,206 |
| | <u>39,274,346</u> | <u>34,275,382</u> |

5. Other operating income

| | 2020 € | 2019 € |
|-------------|---------------|---------------|
| Farm profit | <u>14,995</u> | <u>22,583</u> |

6. Auditor's remuneration

Remuneration (including expenses) for the statutory audit and other services carried out for the company by the company's auditor is as follows:

| | 2020 € | 2019 € |
|--------------------------------------|---------------|---------------|
| Audit of entity financial statements | <u>15,761</u> | <u>16,717</u> |

Notes to the financial statements

For the financial year ended 31 December 2020

7. Employees and directors

Staff costs, including directors, were as follows:

| | 2020 € | 2019 € |
|--------------------------------|-------------------|-------------------|
| Wages and salaries | 28,233,267 | 24,745,935 |
| Social insurance costs | 2,586,512 | 2,465,632 |
| Other retirement benefit costs | 2,482,360 | 2,700,977 |
| Staff costs | 33,302,139 | 29,912,544 |

Staff costs above include agency fees and have been treated as an expense in the Statement of comprehensive income.

Capitalised employee costs during the financial year amounted to €Nil (2019: €Nil).

The average monthly number of employees, including the directors, during the financial year was as follows:

| | 2020 No. | 2019 No. |
|---------------------------------|-------------|-------------|
| Nursing | 122 | 111 |
| Patient and client care | 202 | 189 |
| Allied healthcare professionals | 58 | 46 |
| Support services | 51 | 55 |
| Administration | 31 | 30 |
| Medical | 9 | 9 |
| | 473 | 440 |

Directors

There are no emoluments received by the Directors during the financial year (2019: €Nil).

Key management compensation

Key management includes the directors and members of senior management. The compensation paid or payable to 5 (2019: 5) key management for employee services is shown below:

| | 2020 € | 2019 € |
|--|-----------|-----------|
| Salaries and other short term benefits | 475,545 | 467,366 |

Notes to the financial statements

For the financial year ended 31 December 2020

8. Interest payable and similar expenses

| | 2020 | 2019 |
|--------------------------|---------------|---------------|
| | € | € |
| Interest payable to bank | <u>53,698</u> | <u>34,532</u> |

9. Corporation tax

The Company does not pay corporation tax as a registered charity.

Peamount Healthcare CLG

Notes to the financial statements

For the financial year ended 31 December 2020

10. Tangible fixed assets

| | Healthcare buildings € | Healthcare land € | Healthcare equipment € | Healthcare fixtures and fittings € | Healthcare vehicles € | Farm land and buildings € | Farm implements and machinery € | Farm fixtures and fittings € | Total € |
|-------------------------------|------------------------------|-------------------------|------------------------------|---|-----------------------------|------------------------------------|---|--|--------------------------|
| Cost or valuation | | | | | | | | | |
| At 1 January 2020 | 37,110,891 | 16,199 | 3,970,289 | 1,524,708 | 552,998 | 1,915,427 | 294,330 | 136,547 | 45,521,389 |
| Additions | 942,370 | - | 541,907 | 3,854 | 39,000 | 3,757 | 17,423 | - | 1,548,311 |
| At 31 December 2020 | <u>38,053,261</u> | <u>16,199</u> | <u>4,512,196</u> | <u>1,528,562</u> | <u>591,998</u> | <u>1,919,184</u> | <u>311,753</u> | <u>136,547</u> | <u>47,069,700</u> |
| Depreciation | | | | | | | | | |
| At 1 January 2020 | 4,739,159 | - | 3,308,567 | 1,433,641 | 477,674 | 704,380 | 165,921 | 40,618 | 10,869,960 |
| Charge for the financial year | 951,332 | - | 284,048 | 35,627 | 38,666 | 38,384 | 16,128 | 17,069 | 1,381,254 |
| At 31 December 2020 | <u>5,690,491</u> | <u>-</u> | <u>3,592,615</u> | <u>1,469,268</u> | <u>516,340</u> | <u>742,764</u> | <u>182,049</u> | <u>57,687</u> | <u>12,251,214</u> |
| Net book value | | | | | | | | | |
| At 31 December 2020 | <u><u>32,362,770</u></u> | <u><u>16,199</u></u> | <u><u>919,581</u></u> | <u><u>59,294</u></u> | <u><u>75,658</u></u> | <u><u>1,176,420</u></u> | <u><u>129,704</u></u> | <u><u>78,860</u></u> | <u><u>34,818,486</u></u> |
| At 31 December 2019 | <u><u>32,371,732</u></u> | <u><u>16,199</u></u> | <u><u>661,722</u></u> | <u><u>91,067</u></u> | <u><u>75,324</u></u> | <u><u>1,211,047</u></u> | <u><u>128,409</u></u> | <u><u>95,929</u></u> | <u><u>34,651,429</u></u> |

Notes to the financial statements

For the financial year ended 31 December 2020

11. Stocks

| | 2020 € | 2019 € |
|-------------|-----------|-----------|
| Consumables | 165,213 | 156,279 |

12. Debtors

| | 2020 € | 2019 € |
|---|------------------|------------------|
| HSE grants receivable | 2,794,786 | 1,215,586 |
| Trade debtors | 1,294,251 | 812,603 |
| Amounts owed by related parties (note 18) | 80,489 | 82,891 |
| VAT recoverable | 11,440 | 694 |
| Other debtors | 36,591 | 55,167 |
| | <u>4,217,557</u> | <u>2,166,941</u> |

Trade debtors are after provision for impairment of €1,070,484 (2019: €1,003,746).

13. Cash and cash equivalents

| | 2020 € | 2019 € |
|--------------------------|------------------|------------------|
| Cash at bank and in hand | 4,012,164 | 3,627,522 |
| Less: bank overdraft | (990,458) | (509,803) |
| | <u>3,021,706</u> | <u>3,117,719</u> |

Notes to the financial statements

For the financial year ended 31 December 2020

14. Creditors: Amounts falling due within one year

| | 2020 € | 2019 € |
|-------------------------------|------------------|------------------|
| Bank overdraft | 990,458 | 509,803 |
| Trade creditors | 1,082,412 | 714,018 |
| Taxation and social insurance | 816,787 | 625,535 |
| Patient monies | 1,131,226 | 969,819 |
| Accruals | 2,308,799 | 2,328,111 |
| | <u>6,329,682</u> | <u>5,147,286</u> |

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

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

Patient monies are held in separate bank accounts on behalf of patients and are repayable on demand.

| | 2020 € | 2019 € |
|--|----------------|----------------|
| Other taxation and social insurance | | |
| PAYE/PRSI | 811,500 | 620,449 |
| Withholding tax | 5,287 | 5,086 |
| | <u>816,787</u> | <u>625,535</u> |

15. Creditors: Amounts falling due after more than one year

| | 2020 € | 2019 € |
|------------|-----------|------------------|
| Bank loans | - | 2,000,000 |
| | <u>-</u> | <u>2,000,000</u> |

16. Loans

Analysis of the maturity of loans is given below:

| | 2020 € | 2019 € |
|--------------------------------------|-----------|------------------|
| Amounts falling due 1-2 years | | |
| Bank loans | - | 2,000,000 |
| | <u>-</u> | <u>2,000,000</u> |

Notes to the financial statements

For the financial year ended 31 December 2020

17. Reserves

Capital account

This represents the amounts regarded as the core capital of the company.

Development fund reserve

This reserve is designed to identify funds earmarked for future development of the hospital campus. It is funded by transfers from income and expenditure. This reserve represents substantially all of the cash on hand along with the value of the Farm assets at the balance sheet date.

Income and expenditure account - capital

This reserve recognises gains or losses on capital expenditure, typically funded by way of capital grant. It is funded by transfers from income and expenditure.

Capitalisation

This reflects the amounts of capital grants received, less amounts amortised to income and expenditure to match depreciation.

Income and expenditure account

Income and expenditure account represents accumulated comprehensive income for the financial year and prior financial years plus or minus transfer to and from other reserves.

18. Related parties

The company shares management and facilities with Friends of Peamount CLG and Peamount Housing CLG.

| | 2020 € | 2019 € |
|---|---------------|---------------|
| Amounts due from related parties | | |
| Peamount Housing CLG | 74,799 | 75,114 |
| Friends of Peamount CLG | 5,690 | 11,154 |
| | <u>80,489</u> | <u>86,268</u> |

Amounts owed by related parties are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

During the financial year, no new loans were made between Peamount Healthcare CLG and Peamount Housing CLG, a company related by a common directors. Peamount Housing CLG made repayments of €315 to Peamount Healthcare CLG during the financial year. At 31 December 2020, there was €74,799 owed by Peamount Housing CLG to Peamount Healthcare CLG (31 December 2019 €75,114).

During the financial year, no new loans were made between Peamount Healthcare CLG and Friends of Peamount CLG, a company related by a common directors. Friends of Peamount CLG made repayments of €5,464 to Peamount Healthcare CLG during the financial year. At 31 December 2020, there was €5,690 owed by Friends of Peamount CLG to Peamount Healthcare CLG (31 December 2019 €11,154).

Notes to the financial statements

For the financial year ended 31 December 2020

19. Company status

The company is limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding €1 towards the assets of the company in the event of liquidation.

20. Significant events during the year

On 11 March 2020, the World Health Organisation officially declared COVID-19, the disease caused by novel coronavirus, a pandemic. Management are not aware of any cases of COVID-19 infection among their staff and the outbreak has not caused any significant impact to the Charity's operations. The board of directors will continue to monitor and assess the ongoing development and respond accordingly.

21. Post balance sheet events

There have been no significant events affecting the Company since the financial year end.

22. Approval of financial statements

The board of directors approved these financial statements for issue on 22 June 2021.

Detailed income and expenditure account

For the financial year ended 31 December 2020

| | 2020 | 2019 |
|---|---------------------|--------------|
| | € | € |
| | Note | |
| Income | 39,274,346 | 34,275,382 |
| Other operating income | 14,995 | 22,583 |
| Less: overheads | | |
| Operating expenses | (38,508,880) | (35,064,746) |
| Operating surplus/(deficit) | 780,461 | (766,781) |
| Interest payable | (53,698) | (34,532) |
| Surplus/(deficit) for the financial year | 726,763 | (801,313) |

Peamount Healthcare CLG
(A company limited by guarantee)

Schedule to the detailed accounts

For the financial year ended 31 December 2020

| | 2020 € | 2019 € |
|---|-------------------|-------------------|
| Income | | |
| Health Service Executive funding for the financial year | 30,724,365 | 25,654,434 |
| Fair Deal funding through HSE | 4,380,016 | 4,443,862 |
| Patient and service user income | 2,978,986 | 2,868,787 |
| Payroll superannuation deductions | 1,075,238 | 1,116,709 |
| Staff restaurant | 104,915 | 164,432 |
| Donations | - | 4,952 |
| Sundry income | 10,826 | 22,206 |
| | <u>39,274,346</u> | <u>34,275,382</u> |
| | 2020 € | 2019 € |
| Other operating income | | |
| Farm profit | <u>14,995</u> | <u>22,583</u> |
| | 2020 € | 2019 € |
| Operating expenses | | |
| Staff salaries | 33,302,138 | 29,912,544 |
| Canteen | 641,865 | 706,508 |
| Hotels, travel and subsistence | 149,698 | 222,142 |
| Legal and professional | 55,561 | 136,235 |
| Auditor's remuneration | 15,761 | 16,717 |
| Equipment hire | 1,599,013 | 1,536,155 |
| Bank charges | 588,498 | 614,018 |
| Sundry expenses | 127,204 | 163,936 |
| Light and heat | 617,163 | 481,807 |
| Cleaning | 291,591 | 270,080 |
| Repairs and maintenance | 1,120,388 | 1,004,604 |
| | <u>38,508,880</u> | <u>35,064,746</u> |
| | 2020 € | 2019 € |
| Interest payable | | |
| Bank loan interest payable | <u>53,698</u> | <u>34,532</u> |