

CoAction West Cork Company Limited By Guarantee

Annual Report and Financial Statements

for the financial year ended 31 December 2020

CoAction West Cork Company Limited By Guarantee

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CoAction West Cork Company Limited By Guarantee DIRECTORS AND OTHER INFORMATION

Directors	Reggie Chambers (Resigned 10 December 2020) Mary Molloy (Resigned 10 December 2020) Tom Wilson Marian Barry Noeleen Murphy Patricia Newman Aine O'Donovan Brian Williams Mary Hegarty John Murphy (Appointed 10 December 2020) Theresa Hickey (Appointed 10 December 2020)
Company Secretary	Marian Barry
Company Number	129834
Charity Number	CHY 10643 & R.C.N 20027506
Registered Office and Business Address	Slip Bantry West Cork Co. Cork
Auditors	MK Brazil Chartered Accountants and Statutory Auditors O'Connell Court 64 O'Connell Street Waterford
Bankers	Bank of Ireland Wolfe Tone Square Bantry Co. Cork Allied Irish Bank Wolfe Tone Square Bantry Co. Cork
Solicitors	O'Donovan Murphy & Partners The Quays Bantry Co. Cork

CoAction West Cork Company Limited By Guarantee

DIRECTORS' REPORT

for the financial year ended 31 December 2020

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

Principal Activity and Review of the Business

The principal activity of the company is the provision of Community based services to children and adults with an Intellectual disability, with or without autism, in the West Cork area. The number of people being supported by CoAction in 2020 was 165 adults and 730 children across all service areas.

The Company is limited by guarantee not having a share capital.

The outbreak of Covid-19 in early 2020 resulted in a significant worldwide slowdown in economic activity. In Ireland, the economic impact of this pandemic was characterised by the temporary closure of many businesses in "non-essential" areas, which was ordered by Government on 28th March to ensure peoples' movements were restricted in order to slow down the spread of the virus. Consequently, the company, in adopting all recommendations and guidelines, significantly changed how services were provided with the objective of continuing as much activity as possible, safely and in line with public health guidance for the remainder of 2020. Therefore, the delivery of services to people whom CoAction is funded to support had a very significant impact.

"Our vision to support people to be 'connected with' and included in the lives of those who are most important to them so that they can live full and meaningful lives, was fundamentally challenged due to the fact that most community facilities and resources were shut down for much of 2020. Even when opened, the desire to keep people safe meant that many of the children and adults we support were not willing to take any risks and refused services. For those who did accept support, the manner in which these could be provided was very limited and restricted as all public facilities were closed. Furthermore, Person-Centered Plans were suspended and replaced with 'Staying Well' plans. Only essential residential services were maintained for much of 2020 with many people losing a significant quantum of their respite support for much of the year.

As the old saying goes, every cloud has a silver lining! In the Strategic Plan, The Road Ahead, the development of one hub each year was set out. Due to the pandemic, this plan was significantly accelerated and we saw the opening of part-time temporary hubs right across West Cork, from as far west as Eyeries to as far east as Courtmacsherry in the second half of 2020. We are forever indebted to the generosity of community groups, GAA clubs and religious groups who worked with us to make services and support available to people within their local villages and communities. Tremendous opportunities were availed of to support people stay somewhat connected in an otherwise very disconnected time in Irish history due to public health restrictions. Ironically then, the pandemic provided us with the perfect opportunity to pilot the delivery of day services in local hubs and there has been invaluable learning about the advantages and disadvantages of this model of support for people as we move forward in 2021 and beyond.

Going forward the Board is concerned about the potential reduction in the level of exchequer funding made available to the HSE for funding the voluntary sector. Nevertheless, considering the uncertainties described above, the directors have a reasonable expectation that the company will continue to receive an adequate level of financial support from the HSE to allow the company to continue to provide supports and services to people in the future.

Structure Governance & Management

The organisation is a charitable company, limited by guarantee. The company does not have a share capital and consequently the liability of the members is limited; subject to an undertaking by each member to contribute to the net assets of the company on winding up such amounts as may be required not exceeding €2.

CoAction was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association and managed by a Board of Directors. The Directors are non-executive members of the organisation, who do not receive remuneration for their services, and represent a diversity of skills, expertise and background. The Board meets on a monthly basis and has non-executive responsibility for the organisation and the services and supports that it provides. The Board delegates the day-to-day management of CoAction to the Chief Executive, who is in turn supported by the Senior Management Team and a tiered management system that identifies clear lines of accountability and responsibility at each level.

CoAction West Cork Company Limited By Guarantee

DIRECTORS' REPORT

for the financial year ended 31 December 2020

The Board recognises the value of high standards of corporate governance and operates with the support of several Board Committees who have responsibility in specific aspects of the organisation and report to the Board.

The following is a list of the Board Committees and a brief outline of their area of oversight:

Nominations Committee

The purpose of this Committee is to develop a plan for the orderly succession of appointments to the Board of CoAction West Cork CLG and to Board Committees.

Quality & Risk Committee

The purpose of the Quality & Risk Committee is to assist the Board in fulfilling its duties by overseeing quality and risk on behalf of the Board.

Remunerations Committee

The purpose of the Remunerations Committee is to assist the Board in fulfilling its duties by overseeing employee remuneration and related matters on behalf of the Board. In addition, it is required to ensure performance evaluation and succession planning at Executive Management level.

Finance, Audit & Buildings Committee

The purpose of the Finance, Audit & Buildings Committee is to assist the Board in fulfilling its duties by overseeing financial governance, including financial risk on behalf of the Board.

Buildings Advisory Group

The Board established this group in 2019 to advise the Finance, Audit & Buildings Committee and ultimately the Board on all buildings related matters.

Principal Risks and Uncertainties

The Directors are satisfied that the risks facing the organisation have been identified and managed through the ongoing maintenance of the Risk Register and Quality & Risk Committee oversight and the development of a corporate risk register in Quarter 4 2020, which is now a standing item at all Board meetings.

The management of risks in the organisation is viewed by the Board as a corporate governance priority and there is a Risk Management Policy in place to support compliance in this area. CoAction's internal control systems are supported by policies, procedures, protocols and standard operating procedures (SOPs) covering all aspects of the work of the organisation. It is noted that due to the unprecedented situation the Senior Management Team were in and associated pressures with managing the provision of services throughout the pandemic, the normal cycle of policy review was temporarily suspended and will recommence once normal operations resume.

The annual budget is approved by the Board at the beginning of the year. Management Accounts are reviewed by the Finance, Audit & Buildings Committee each quarter, including explanation of variances and revised forecasts before presentation to the Board.

It is the policy of CoAction that all staff and volunteers are made aware of their responsibilities through adherence to all relevant policies. CoAction is committed to the development and training of each member of staff, equipping them with the necessary skills and knowledge to provide the best possible quality supports. In Quarter 2 and 3 of 2020 some staff training was delayed as all face-to-face training was cancelled and online mandatory training had to be sourced and organized.

In mid-2020 the Board formally agreed to defer the implementation of the Strategic Plan due to the impact of the pandemic.

CoAction, as a distinct legal entity which is obliged to operate its business in conformity with the best practice within its regulatory environment manages all the usual risks associated with the sizeable entity. The organisation relies heavily on HSE for funds, and any curtailment in this source of funding would have a significant impact on the ability to provide supports and services to the people we serve.

As an employer and owner/occupier of properties, CoAction must comply with the standards set down in Safety, Health & Welfare at Work legislation and with all associated employer liability and public liability requirements.

CoAction West Cork Company Limited By Guarantee

DIRECTORS' REPORT

for the financial year ended 31 December 2020

Financial Results

The surplus/(deficit) for the financial year after providing for depreciation amounted to €13,076 (2019 - €(104,849)).

At the end of the financial year, the company has assets of €11,325,164 (2019 - €9,769,933) and liabilities of €2,813,941 (2019 - €1,357,786). The net assets of the company have increased by €99,076.

Directors and Secretary

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

Reggie Chambers (Resigned 10 December 2020)

Mary Molloy (Resigned 10 December 2020)

Tom Wilson

Marian Barry

Noeleen Murphy

Patricia Newman

Aine O'Donovan

Brian Williams

Mary Hegarty

John Murphy (Appointed 10 December 2020)

Theresa Hickey (Appointed 10 December 2020)

The secretary who served throughout the financial year was Marian Barry.

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

Future Developments

The company plans on continuing the activity outlined above in the future subject to satisfactory funding arrangements. At the time of approving the financial statements, the company continues to be exposed to the effects of the Covid-19 pandemic which has had an effect on the company's activities in the community. In planning its future, the directors will seek to develop the company's activities whilst managing the effects of the difficult period caused by this outbreak. The company intends to continue raising awareness of their organisation.

Post Balance Sheet Events

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

Auditors

MK Brazil, (Chartered Accountants), were appointed auditors by the directors to fill the casual vacancy and they have expressed their willingness to continue in office in accordance with the provisions of section 380 of the Companies Act 2014.

Reserves Policy

As part of good governance CoAction operates a Reserves Policy which is reviewed annually and was updated during 2020. This review looked at the pattern of income and expenditure together with all commitments to which CoAction is or may become obligated under formal or informal arrangements and planned capital expenditure.

Reserves are needed to bridge this gap should a delay arise between the spending and receipt of income and in addition to cover unplanned or emergency expenditure as well as to fund planned projects.

Sinking Fund Policy

CoAction's Reserves Policy ensures that adequate reserves are maintained to fund such unexpected expenditure, shortfalls in income, to provide emergency, short term services or projects, to provide for sinking fund requirements and to accumulate the funds for specific planned major projects or events.

CoAction West Cork Company Limited By Guarantee

DIRECTORS' REPORT

for the financial year ended 31 December 2020

Internal Audit Process

The Board has committed to implementing a robust internal audit process which we aim to commence in 2022, subject to available funding.

Board Evaluation

Every Board has a responsibility to its stakeholders to ensure the organisation is being run and being governed in a responsible and efficient manner. For charities such as CoAction there is the added responsibility of ensuring the organisation complies with all governance provisions of our own constitution and any other relevant statutory or administrative requirements. The Board of Directors has commenced the process of self-evaluation and this is on-going.

Presentation of financial statements

CoAction West Cork's 2020 accounts were independently audited by MK Brazil's and were prepared in accordance with Irish & UK accounting standards. We are working towards compliance with the Statement of Recommended Practice (SORP) for charities, for example, creating providing additional analysis of income, additional disclosure surrounding donations and creating additional reserve accounts.

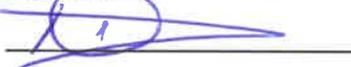
Statement on Relevant Audit Information

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

Accounting Records

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

Signed on behalf of the board



Director



Director

Date: 29/06/2021

CoAction West Cork Company Limited By Guarantee
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 applicable Irish law and regulations.

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

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

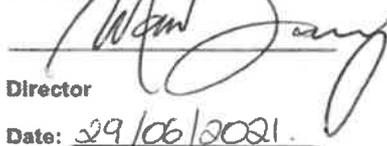
- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify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

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

Signed on behalf of the board



Director



Director

Date: 29/06/2021

INDEPENDENT AUDITOR'S REPORT

to the Members of CoAction West Cork Company Limited By Guarantee

Report on the audit of the financial statements

Opinion

We have audited the financial statements of CoAction West Cork Company Limited By Guarantee ('the company') for the financial year ended 31 December 2020 which comprise the Income and Expenditure Account, the Balance Sheet, the Reconciliation of Members' Funds, the Statement of Cash Flows and notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2020 and of its surplus for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA).

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.

Other Information

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

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

Opinions on other matters prescribed by the Companies Act 2014

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with the Companies Act 2014.

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

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

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report. The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the company. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

to the Members of CoAction West Cork Company Limited By Guarantee

Respective responsibilities

Responsibilities of directors for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is contained in the appendix to this report, located at page 11, which is to be read as an integral part of our report.

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

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

John Foley FCA
for and on behalf of
MK BRAZIL

Chartered Accountants and Statutory Auditors
O'Connell Court
64 O'Connell Street
Waterford

Date: 29th June 2021

CoAction West Cork Company Limited By Guarantee

APPENDIX TO THE INDEPENDENT AUDITOR'S REPORT

Further information regarding the scope of our responsibilities as auditor

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 on 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 the directors.
- Conclude on the appropriateness of the directors' 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 we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 fair presentation.

We 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 we identify during our audit.

CoAction West Cork Company Limited By Guarantee
INCOME AND EXPENDITURE ACCOUNT
for the financial year ended 31 December 2020

	Notes	2020 €	2019 € as restated
Income	5	8,973,861	8,624,741
Expenditure		(8,960,785)	(8,729,590)
Surplus/(deficit) for the financial year	16	13,076	(104,849)

The company's income and expenses all relate to continuing operations.

Approved by the board on 29/06/2021 and signed on its behalf by:



Director



Director

CoAction West Cork Company Limited By Guarantee

BALANCE SHEET

as at 31 December 2020

	Notes	2020 €	2019 € as restated
Fixed Assets			
Tangible assets	9	7,785,087	7,942,294
Current Assets			
Debtors	10	1,124,473	547,666
Cash and cash equivalents		2,415,604	1,279,973
		3,540,077	1,827,639
Creditors: Amounts falling due within one year	11	(1,934,776)	(598,098)
Net Current Assets		1,605,301	1,229,541
Total Assets less Current Liabilities		9,390,388	9,171,835
Capital Funding	14	(879,165)	(759,688)
Net Assets		8,511,223	8,412,147
Reserves			
Revaluation reserve	16	5,310,130	5,310,130
Capital reserves and funds	16	86,000	-
Income and expenditure account	16	3,115,093	3,102,017
Members' Funds		8,511,223	8,412,147

Approved by the board on 29/06/2021 and signed on its behalf by:

Director

Director

CoAction West Cork Company Limited By Guarantee
RECONCILIATION OF MEMBERS' FUNDS

as at 31 December 2020

	Retained surplus	Revaluation reserve	Restricted Capital reserve	Total
	€	€	€	€
At 1 January 2019				
as previously stated	3,377,774	5,438,852	-	8,816,626
Prior financial year error correction (Note 8)	(299,630)	-	-	(299,630)
At 1 January 2019	<u>3,078,144</u>	<u>5,438,852</u>	<u>-</u>	<u>8,516,996</u>
Deficit for the financial year	(104,849)	-	-	(104,849)
Other movements in Members' Funds	128,722	(128,722)	-	-
At 31 December 2019				
as previously stated	2,973,295	5,310,130	-	8,283,425
Prior financial year correction (Note 8)	128,722	-	-	128,722
At 31 December 2019	<u>3,102,017</u>	<u>5,310,130</u>	<u>-</u>	<u>8,412,147</u>
Surplus for the financial year	13,076	-	-	13,076
Other movements in Members' Funds	-	-	86,000	86,000
At 31 December 2020	<u><u>3,115,093</u></u>	<u><u>5,310,130</u></u>	<u><u>86,000</u></u>	<u><u>8,511,223</u></u>

CoAction West Cork Company Limited By Guarantee

STATEMENT OF CASH FLOWS

for the financial year ended 31 December 2020

	Notes	2020 €	2019 € as restated
Cash flows from operating activities			
Surplus/(deficit) for the financial year		13,076	(104,849)
Adjustments for:			
Depreciation		502,657	492,221
Surplus/deficit on disposal of tangible fixed assets		-	24,000
Grant Amortisation		(189,523)	(152,502)
		<u>326,210</u>	<u>258,870</u>
Movements in working capital:			
Movement in debtors		(576,807)	(373,396)
Movement in creditors		1,336,678	(429,595)
		<u>1,086,081</u>	<u>(544,121)</u>
Cash flows from investing activities			
Payments to acquire tangible fixed assets		(345,450)	(315,988)
Receipts from sales of tangible fixed assets		-	210,000
		<u>(345,450)</u>	<u>(105,988)</u>
Cash flows from financing activities			
Capital contribution received		86,000	-
Capital Funding		309,000	-
		<u>395,000</u>	<u>-</u>
Net cash generated from financing activities		<u>395,000</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		1,135,631	(650,109)
Cash and cash equivalents at beginning of financial year		1,279,973	1,930,082
Cash and cash equivalents at end of financial year	20	<u>2,415,604</u>	<u>1,279,973</u>

CoAction West Cork Company Limited By Guarantee

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2020

1. GENERAL INFORMATION

CoAction West Cork Company Limited By Guarantee is a company limited by guarantee incorporated and registered in the Republic of Ireland. The registered number of the company is 129834. The registered office of the company is Slip, Bantry, West Cork, Co. Cork which is also the principal place of business of the company. The nature of the company's operations and its principal activities are set out in the Directors' Report. The financial statements have been presented in Euro (€) which is also the functional currency of the company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Statement of compliance

The financial statements of the company for the financial year ended 31 December 2020 have been prepared on the going concern basis and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102).

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council.

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

Income

State funding and funding from Public Bodies that is predetermined and agreed with the relevant authorities is recognised on an accruals basis. Grants, subsidies, or rebates that are dependent on approval by a grantor on the foot of an application made, are recognised on a cash basis. Funds received for specific projects and not spent at year end are deferred to match the costs that they are intended to compensate.

Income from rents, contributions for summer camps and other activities and other funds generated by voluntary activities are included in the financial statements when received. Incoming resources have been included in the financial statements only when realised or when the ultimate cash realisation of which can be assessed with reasonable certainty.

Fundraising and donations are accounted for on a cash receipt basis and credited to the beneficiary, usually the Service Provider who raised the funds. Accordingly, fundraising and donations are taken to Revenue as and when it is spent in line with the intentions of the donor or the general purpose of the fund.

CoAction West Cork Company Limited By Guarantee

NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of tangible fixed assets, less their estimated residual value, over their expected useful lives as follows:

Land and buildings freehold	-	5% Straight line
Fixtures, fittings and equipment	-	20% Straight line
Motor vehicles	-	20% Straight line

Trade and other debtors

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

Trade and other creditors

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

Taxation and deferred taxation

The Company is a registered charity. The Charity number is CHY 10643.

Capital Grants/Funding

Capital grants received and receivable are treated as deferred income and amortised to the Income and Expenditure Account annually over the useful economic life of the asset to which it relates. Revenue grants are credited to the income and Expenditure Account upon recognition of the associated expense for which the grant was originally received.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Balance Sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Income and Expenditure Account.

Pensions

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

3. GOING CONCERN

CoAction West Cork CLG is economically dependent on the Health Service Executive for funding. This economic dependency is underpinned through a Service Level Arrangement between the Health Service Executive and CoAction West Cork CLG. Accordingly, the financial statements have been prepared on a going concern basis.

CoAction West Cork Company Limited By Guarantee

NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The directors consider the accounting estimates and assumptions below to be its critical accounting judgements and estimates:

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. These 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 discussed below.

Establishing useful economic lives for depreciation purposes of property, plant and equipment

Long-lived assets, consisting primarily of property, plant and equipment, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated useful economic lives and estimates of residual values. The directors regularly review the useful economic lives and change them as necessary to reflect current thinking on the remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have significant impact on depreciation and amortisation charges for the period. Detail of the useful economic lives is included in the accounting policies.

5. INCOME

The income for the financial year has been derived from:-

	2020	2019
	€	€
Membership Fees	80	640
Rent Received	38,848	60,050
Summer Camp & Saturday Club	220	8,380
Activity Income	690	3,120
HSE Allocation	9,163,845	8,138,553
HSE Income other than Allocation	542,055	-
Donations	385,477	-
Deferred Income - Capital	(86,000)	-
Deferred Income - Revenue	(1,263,504)	257,633
Other income	2,612	3,852
Grant Amortisation	189,523	152,502
Interest Received	15	11
	<u>8,973,861</u>	<u>8,624,741</u>

The whole of the company's income is derived from the principal activity of the provision of community based services to children and adults with an intellectual disability, with or without autism, in the West Cork area.

6. OPERATING SURPLUS/(DEFICIT)

	2020	2019
	€	€
Operating surplus/(deficit) is stated after charging/(crediting):		
Depreciation of tangible fixed assets	502,657	492,221
Surplus/(deficit) on disposal of tangible fixed assets	-	(24,000)
Amortisation of Capital Grants	(189,523)	(152,502)
	<u> </u>	<u> </u>

CoAction West Cork Company Limited By Guarantee

NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

7. EMPLOYEES AND REMUNERATION

Number of employees

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

	2020 Number	2019 Number
Staff	<u>215</u>	<u>225</u>
The staff costs comprise:	2020 €	2019 €
Wages and salaries	5,991,632	5,812,539
Social welfare costs	620,029	623,430
Pension costs	259,550	273,574
	<u>6,871,211</u>	<u>6,709,543</u>

The number of employees whose total employee benefits (excluding employer PRSI) for the period fall within each band of €10,000 from €60,000 upwards is as follows:-

Band €60,000 - €70,000 = 5

Band €70,001 - €80,000 = 3

Band €80,001 upwards= 5

8. PRIOR FINANCIAL YEAR ADJUSTMENT

Prior Year Adjustments

2019 Adjustment

The prior year adjustment arose as a result of payroll savings identified in 2018 due to significant recruitment challenges throughout that year. However the HSE did not indicate a retraction of funding would apply until the 2018 Financial Statements had been signed and filed. This occurrence was outside the control of the directors the retraction would have been provided for in the 2018 Accounts had the information been available at the time.

	Original €	Restated €
Income & Expenditure Account		
Income	8,150,593	7,850,963
Surplus for the year	144,920	(154,710)
Retained surplus carried forward	3,377,774	3,078,144
Balance Sheet		
Creditors less than 1 year	728,063	1,027,693
Income & Expenditure account	3,377,774	3,078,144
Cash flow Statement surplus for the year	144,920	(154,710)
Movement in creditors	228,644	528,278

2020 Adjustment

A prior year adjustment was necessary to revise the presentation of the disposal of a property in 2019 as previously stated. The asset was revalued in 2016 however the revaluation reserve in 2019 was not reduced to reflect the sale.

	Original €	Restated €
Balance Sheet		
Building Cost B/F	15,818,296	15,553,832
Accumulated Depreciation B/F	7,957,124	7,692,660
Movement in Revaluation Reserve	Nil	128,722

CoAction West Cork Company Limited By Guarantee
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

9. TANGIBLE FIXED ASSETS

	Land and buildings freehold €	Fixtures, fittings and equipment €	Motor vehicles €	Total €
Cost				
At 1 January 2020	15,553,832	319,018	329,441	16,202,291
Additions	234,000	-	111,450	345,450
At 31 December 2020	<u>15,787,832</u>	<u>319,018</u>	<u>440,891</u>	<u>16,547,741</u>
Depreciation				
At 1 January 2020	7,692,660	267,861	299,476	8,259,997
Charge for the financial year	472,378	14,983	15,296	502,657
At 31 December 2020	<u>8,165,038</u>	<u>282,844</u>	<u>314,772</u>	<u>8,762,654</u>
Net book value				
At 31 December 2020	<u>7,622,794</u>	<u>36,174</u>	<u>126,119</u>	<u>7,785,087</u>
At 31 December 2019	<u>7,861,172</u>	<u>51,157</u>	<u>29,965</u>	<u>7,942,294</u>

The H.S.E. hold an 800 year lease on the Dunmanway property as they paid for part of the building which was netted off against the building costs. This lease commenced in 2009.

Cork County Council hold a charge of £120,600 (Irish Pounds) on 19/20 Slip Bantry (Folio 32381) since 19th December 1994 for 25 years and this charge expired on 19 December 2019. The Directors are in the process of getting this charge removed as it is now satisfied.

Bank of Ireland hold a charge over a Dwelling house at Newbridge, Skibbereen, Co. Cork, Folio 39963 Co. Cork.

John O'Neill Auctioneer and Lehanes & Associates Ltd valued all existing properties at December 2016.

10. DEBTORS

	2020 €	2019 €
Debtors	574,346	21,535
Other debtors	520,000	520,000
Prepayments	30,127	6,131
	<u>1,124,473</u>	<u>547,666</u>

Other debtors relates to funds held by solicitors pending completion of the purchase of a property which is currently awaiting a Grant of Probate to issue.

11. CREDITORS

Amounts falling due within one year	2020 €	2019 €
Trade creditors	237,081	358,342
Taxation (Note 12)	136,101	137,055
Accruals	270,779	75,390
Deferred Income (Note 21)	1,290,815	27,311
	<u>1,934,776</u>	<u>598,098</u>

CoAction West Cork Company Limited By Guarantee
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

12. TAXATION	2020	2019
	€	€
Creditors:		
PAYE	<u>136,101</u>	<u>137,055</u>
13. PENSION COSTS - DEFINED CONTRIBUTION		
<p>The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Pension costs amounted to €259,550 (2019 - €273,574).</p>		
14. CAPITAL FUNDING	2020	2019
	€	€
Capital grants received and receivable		
At 1 January 2020	4,022,454	4,022,454
Increase in financial year	309,000	-
	<u>4,331,454</u>	<u>4,022,454</u>
At 31 December 2020	4,331,454	4,022,454
Amortisation		
At 1 January 2020	(3,262,766)	(3,110,264)
Amortised in financial year	(189,523)	(152,502)
	<u>(3,452,289)</u>	<u>(3,262,766)</u>
At 31 December 2020	(3,452,289)	(3,262,766)
Net book value		
At 31 December 2020	<u>879,165</u>	<u>759,688</u>
At 1 January 2020	<u>759,688</u>	<u>912,190</u>

Friends of CoAction Company Limited by Guarantee:

€120,000 was received from Friends of CoAction Company Limited by Guarantee during the year. €75,000 of these funds were utilised during the year on the purchase of vehicles. €45,000 is held to fund vehicles in 2021.

The Fishermen's Co-Op:

€250,000 was received from Fishermen's Co-Op during the year. €234,000 of these funds were utilised during the year on the purchase of a property. €16,000 is held to fund an upgrade to this property in 2021.

This results in a total of €309,000 of capital funding received in the year.

15. STATUS

The liability of the members is limited.

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

CoAction West Cork Company Limited By Guarantee
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

16. RESERVES

	Revaluation reserve	Income and expenditure account	Restricted Capital reserve	Total
	€	€	€	€
At 1 January 2020 as previously stated	5,310,130	2,973,295	-	8,283,425
Prior financial year adjustment	-	128,722	-	128,722
	<u>5,310,130</u>	<u>3,102,017</u>	<u>-</u>	<u>8,412,147</u>
At 1 January 2020	5,310,130	3,102,017	-	8,412,147
Surplus/(deficit) for the financial year	-	13,076	-	13,076
Other movements	-	-	86,000	86,000
	<u>-</u>	<u>-</u>	<u>86,000</u>	<u>86,000</u>
At 31 December 2020	<u><u>5,310,130</u></u>	<u><u>3,115,093</u></u>	<u><u>86,000</u></u>	<u><u>8,511,223</u></u>

During the financial year a non-returnable capital contribution of €86,000 was received from the following sources:

Friends of CoAction Company Limited by Guarantee:

€120,000 was received from Friends of CoAction Company Limited by Guarantee during the year. €75,000 of these funds were utilised during the year on the purchase of vehicles. €45,000 is held to fund vehicles in 2021.

The Fishermen's Co-Op:

€250,000 was received from Fishermen's Co-Op during the year. €234,000 of these funds were utilised during the year on the purchase of a property. €16,000 is held to fund an upgrade to this property in 2021.

HSE:

€25,000 was received for the purchase of vehicles in 2020 but is as yet unspent.

This results in a total of €86,000 of capital funding deferred to 2021.

17. CAPITAL COMMITMENTS

The company had no material capital commitments at the financial year-ended 31 December 2020.

18. RELATED PARTY TRANSACTIONS

During the year the Company received a donation of €120,000 from Friends of CoAction Company Limited by Guarantee a company with similar board member and objectives.

The Company also made rental payments to Friends of CoAction Company Limited by Guarantee in the amount of €26,951 (2019: €44,426)

19. POST-BALANCE SHEET EVENTS

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

20. CASH AND CASH EQUIVALENTS

	2020	2019
	€	€
Cash and bank balances	1,591,038	355,422
Cash equivalents	824,566	924,551
	<u><u>2,415,604</u></u>	<u><u>1,279,973</u></u>

CoAction West Cork Company Limited By Guarantee
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2020

21. DEFERRED INCOME

Included in deferred income in Creditors: Amounts falling due within one year are the following amounts:

	2020	2019
	€	€
Opening Balance	27,311	284,944
Release of Prior Year Deferred Income	(13,241)	(273,944)
Income Received in 2020 Deferred to 2021	1,276,745	16,311
	<u>1,290,815</u>	<u>27,311</u>

The closing balance in Deferred Income is made up as follows:

Sister of Mercy Convent	11,000	11,000
Orthotics funding	3,070	16,311
HSE - Residential Reconfiguration 2021	327,380	-
HSE – Unfilled Posts 2021	49,508	-
HSE- Enhanced Respite	157,000	-
HSE - Residential Reconfiguration 2022	327,380	-
Donations Received	15,477	-
HSE - Monies deferred to fund future spending	400,000	-
	<u>1,290,815</u>	<u>27,311</u>
Total	<u>1,290,815</u>	<u>27,311</u>

22. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 29th June 2021.

COACTION WEST CORK COMPANY LIMITED BY GUARANTEE

SUPPLEMENTARY INFORMATION

RELATING TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

NOT COVERED BY THE REPORT OF THE AUDITORS

THE FOLLOWING PAGES DO NOT FORM PART OF THE AUDITED FINANCIAL STATEMENTS

CoAction West Cork Company Limited By Guarantee
SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS
TRADING STATEMENT
for the financial year ended 31 December 2020

	Schedule	2020 €	2019 €
Income		8,784,323	8,472,228
Overhead expenses	1	(8,960,785)	(8,729,590)
		<u>(176,462)</u>	<u>(257,362)</u>
Miscellaneous income	2	189,538	152,513
Net surplus/(deficit)		<u><u>13,076</u></u>	<u><u>(104,849)</u></u>

CoAction West Cork Company Limited By Guarantee
SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS
SCHEDULE 1 : OVERHEAD EXPENSES
for the financial year ended 31 December 2020

	2020 €	2019 €
Administration Expenses		
Activity expenses	-	5,247
Wages and salaries	5,991,632	5,812,539
Social welfare costs	620,029	623,430
Staff defined contribution pension costs	259,550	273,574
Staff Training	25,732	61,504
Attendance Allowance	12,067	24,399
Rent & Rates	100,910	84,176
Insurance	119,150	126,072
IT & Computer Equipment Cost	139,954	153,965
Light & Heat	71,213	73,742
Siblink Summer Camp/Saturday Club	403	14,197
Training Centre Resources	20,481	39,051
Repairs & Maintenance	122,191	164,860
Equipment & Renewals	75,506	58,424
Contract services	101,857	138,340
Paramedical Resources	41,370	21,383
Affiliations & Memberships	20,111	14,367
Office Consumables & Postage etc	30,388	21,555
Staff Recruitment & Expenses	33,120	56,884
Promotional Expenses	1,500	2,042
Telephone	46,334	42,494
Housekeeping	145,567	118,589
Recreational and Leisure Expenses	3,373	14,858
Travel Expenses	54,599	77,932
Transport Costs	75,813	133,450
Assets Purchased From Donations	309,000	-
Professional Fees	20,225	43,793
Bank Charges & Interest	1,303	1,525
Sundry Expenses	1,229	4,778
Profits/losses on disposal of tangibles	-	24,000
Auditor's remuneration	13,521	6,199
Depreciation of tangible fixed assets	502,657	492,221
	8,960,785	8,729,590

CoAction West Cork Company Limited By Guarantee
SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS
SCHEDULE 2 : MISCELLANEOUS INCOME
for the financial year ended 31 December 2020

	2020 €	2019 €
Miscellaneous Income		
Interest Received	15	11
Grant Amortisation	189,523	152,502
	<u>189,538</u>	<u>152,513</u>