

Company Number: 112184

Kerry Parents & Friends Association
Annual Report and Financial Statements
for the financial year ended 31 December 2021

Moriarty & Murphy Limited
Chartered Certified Accountants and Statutory Auditors
Flemings Lane
Killarney
Co. Kerry
Ireland

Kerry Parents & Friends Association CONTENTS

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Kerry Parents & Friends Association
DIRECTORS AND OTHER INFORMATION

Directors	Mr. Hugh Ryan Ms. Aoife Thornton (Resigned 8 October 2021) Ms. Maria Tobin Ms. Yvonne Brosnan Ms. Josephine Spring Mr. Ronan Doyle Ms. Nora O'Mahony (Appointed 11 October 2021) Mr. Diarmuid McCarthy (Appointed 11 October 2021)
Company Secretary	Ms. Marie Linehan
Company Number	112184
Registered Office and Business Address	Old Monastery Port Road Killarney Co. Kerry Ireland
Auditors	Moriarty & Murphy Limited Chartered Certified Accountants and Statutory Auditors Flemings Lane Killarney Co. Kerry Ireland
Bankers	AIB Bank 25 Main Street Killarney Co. Kerry Ireland
Solicitors	Downing Courtney & Larkin 84 New Street Killarney Co. Kerry Ireland

Kerry Parents & Friends Association

DIRECTORS' REPORT

for the financial year ended 31 December 2021

The directors present their report and the audited financial statements for the financial year ended 31 December 2021.

Principal Activity and Review of the Business

The principal activity of the company are providing services and support to persons with an intellectual disability and their families throughout Kerry. Revenue funding is primarily sourced from the Health Service Executive - Southern Region (previously Southern Health Board). Other revenue includes the collection of statutory charges. Capital funding is primarily sourced from fundraising, government capital grants and donations.

In the financial year under review, income increased from €14,089,451 in 2020 to €15,448,354 due mainly to funding from the HSE for existing commitments, as well as emergency care needs and respite care services and once off building/maintenance works.

We would like to avail of this opportunity to thank the granting authorities and the following organisations without whose support we would not be able to function and we look forward to working with them in the future.

- Health Service Executive
- RTE Does Comic Relief Fund
- Kerry County Council
- Fundraising carried out by supporters of KPFA

Objectives

Kerry Parents & Friends Association provides services to adults with an intellectual disability. This is facilitated through the provision of day services, residential and respite services.

The principal objectives of the Association is to deliver services and supports relating to needs, wishes and choices of people with intellectual disability, based on their communities and connected to natural support networks.

Structure

Kerry Parents & Friends Association is a company limited by guarantee not having a share capital incorporated in Ireland in 1986 under the Companies Act and is registered with the CRO registration number 112184.

Governance

Kerry Parents & Friends Association is a registered charity CHY 6871, governed by a Board of Directors who come from various professional and other backgrounds, drawn from the community. The Board maintains the legal, financial, professional and ethical standards of Kerry Parents & Friends Association. The Board has implemented "The Charities Governance Code". The Associations Charity Regulator's number is 20013752.

The Board gives of their time to Kerry Parents & Friends Association on a voluntary basis and receives no remuneration. The Board ensures the activities of the Association are consistent with its charitable objectives. There are clear distinctions between the roles of the Board of Directors and Key Management Personnel, to which day to day management is delegated. Pay and remuneration of the charities key management personnel is set in accordance with HSE pay scales.

Mission Statement

The mission statement of Kerry Parents & Friends Association is :

"To deliver life enhancing services and supports responding to the needs, wishes and choices of people with intellectual disability, connect to support networks in their community".

Kerry Parents & Friends Association

DIRECTORS' REPORT

for the financial year ended 31 December 2021

Principal Risks and Uncertainties

Kerry Parents & Friends Association operates as a distinct legal entity and is obliged to run its business in conformity with best practice within its regulatory environment. On an operational basis, it needs to attract and retain the right level, mix and calibre of staff in order to render a quality service to its clients up to the expected standards in its service provision sector.

The Association provides services under contract to the HSE and is dependent on State Agencies and voluntary contributions for funds and any curtailment in either source of funding could have a significant impact on its services.

As an employer and owner/occupier of properties, Kerry Parents & Friends Association needs to comply with the onerous standards set down in the Safety, Health and Welfare Act 2005, with the national Standards for Residential Services (monitored by HIQA) and with all associated employer liability and public liability requirements.

The Association mitigates these risks as follows :

Financial risks

- The company continually monitors the level of activity, prepares and monitors its projections and cashflow forecasts.
- Financial information is subject to detailed review at board level allowing for continuous monitoring of the company's operations and financial position.

Operational & Internal control risk

- The risk is minimised by the implementation of procedures for authorisation of transactions and the requirements for budgets covering all activities.
- Procedures are in place to ensure compliance with Covid-19 restrictions and with health and safety legislation to protect staff, people supported and service providers.

Reputational and Compliance risk

- In common with many charities, the company's principal risk is reputational damage. Reputation damage could be caused by an event either within or outside the company's control. In order to mitigate the risk, the company continues to adapt best practices.
- The company closely monitors emerging changes in regulations and legislations on an on-going basis by ensuring all accreditations are up to date.

Financial Results

The surplus for the financial year after providing for depreciation amounted to €462,509 (2020 - €244,209).

At the end of the financial year, the company has assets of €10,457,828 (2020 - €10,337,737) and liabilities of €4,531,739 (2020 - €4,874,157). The net assets of the company have increased by €462,509.

The 2021 surplus is analysed as follows :

- Operating surplus excluding fundraising of €326,475. This surplus was achieved from savings made when the centres were not operating at full capacity in Q1 and Q2 due to Covid-19. These savings have not been repeated into the second half of 2021 or into 2022.
- Fundraising income of €136,034.
- Loan repayments of €148,124 are not included in the surplus as the repayments are recorded in the balance sheet to reduce the loan amounts.

Directors and Secretary

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

Mr. Hugh Ryan
Ms. Aoife Thornton (Resigned 8 October 2021)
Ms. Maria Tobin
Ms. Yvonne Brosnan
Ms. Josephine Spring
Mr. Ronan Doyle
Ms. Nora O'Mahony (Appointed 11 October 2021)
Mr. Diarmuid McCarthy (Appointed 11 October 2021)

The secretary who served throughout the financial year was Ms. Marie Linehan.

Kerry Parents & Friends Association DIRECTORS' REPORT

for the financial year ended 31 December 2021

In accordance with the Articles of Association, the directors retire by rotation and, being eligible, the following directors offer themselves for re-election:

Mr. Hugh Ryan
Ms. Josephine Spring
Mr. Ronan Doyle

Future Developments

The company plans to continue its present activities and current trading levels. Employees are kept as fully informed as practicable about developments within the business.

Post Statement of Financial Position Events

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

Auditors

The auditors, Moriarty & Murphy Limited, (Chartered Certified Accountants) have indicated their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

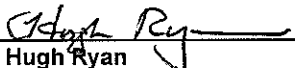
Statement on Relevant Audit Information

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

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 Old Monastery, Port Road, Killarney, Co. Kerry.

Signed on behalf of the board


Mr. Hugh Ryan
Director


Ms. Yvonne Brosnan
Director

23 May 2022

Kerry Parents & Friends Association

DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 31 December 2021

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


Mr. Hugh Ryan
Director


Ms. Yvonne Brosnan
Director

23 May 2022

INDEPENDENT AUDITOR'S REPORT

to the Members of Kerry Parents & Friends Association

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Kerry Parents & Friends Association ('the company') for the financial year ended 31 December 2021 which comprise the Income Statement, the Statement of Financial Position, 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 2021 and of its surplus for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

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

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.

Emphasis of Matter-Going Concern

In forming our opinion, which is not qualified in this respect, we have considered the adequacy of the disclosures made in notes to the financial statements concerning the company's ability to continue as a going concern. As set out in note 5 there are material uncertainties which include ongoing funding shortfalls. While the ultimate outcome of these matters cannot be assessed with certainty at this time, the directors are of the opinion that it is appropriate to prepare the financial statements on the going concern basis. The financial statements do not include the adjustments that would result if a company was unable to continue as a going concern.

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.

INDEPENDENT AUDITOR'S REPORT

to the Members of Kerry Parents & Friends Association

Opinions on other matters prescribed by the Companies Act 2014

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

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

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

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

Matters on which we are required to report by exception

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

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

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 7, 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.

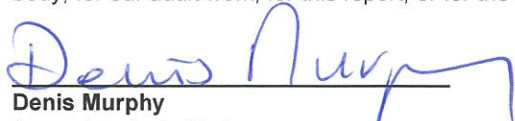
Auditor's responsibilities for the audit of the financial statements

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 10, 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.



Denis Murphy

for and on behalf of

MORIARTY & MURPHY LIMITED

Chartered Certified Accountants and Statutory Auditors

Flemings Lane

Killarney

Co. Kerry

Ireland

23 May 2022

Kerry Parents & Friends Association

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.

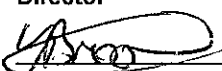
Kerry Parents & Friends Association INCOME STATEMENT

for the financial year ended 31 December 2021

	Notes	2021 €	2020 €
Income	6	15,448,354	14,089,451
Expenditure		<u>(14,955,738)</u>	<u>(13,810,907)</u>
Surplus before interest		492,616	278,544
Finance costs	8	<u>(30,107)</u>	<u>(34,335)</u>
Surplus for the financial year		<u>462,509</u>	<u>244,209</u>
Total comprehensive income		<u><u>462,509</u></u>	<u><u>244,209</u></u>

Approved by the board on 23 May 2022 and signed on its behalf by:


Mr. Hugh Ryan
Director

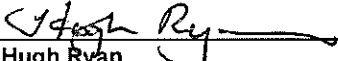

Ms. Yvonne Brosnan
Director

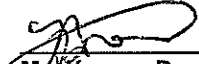
Kerry Parents & Friends Association
STATEMENT OF FINANCIAL POSITION

as at 31 December 2021

	Notes	2021 €	2020 €
Non-Current Assets			
Property, plant and equipment	10	<u>8,803,318</u>	<u>8,789,824</u>
Current Assets			
Receivables	11	217,967	440,513
Cash and cash equivalents		<u>1,436,543</u>	<u>1,107,400</u>
		<u>1,654,510</u>	<u>1,547,913</u>
Payables: amounts falling due within one year	12	<u>(2,882,068)</u>	<u>(2,880,962)</u>
Net Current Liabilities		<u>(1,227,558)</u>	<u>(1,333,049)</u>
Total Assets less Current Liabilities		<u>7,575,760</u>	<u>7,456,775</u>
Payables:			
amounts falling due after more than one year	13	(560,436)	(691,068)
Government grants	15	<u>(1,089,235)</u>	<u>(1,302,127)</u>
Net Assets		<u><u>5,926,089</u></u>	<u><u>5,463,580</u></u>
Reserves			
Retained surplus		<u>5,926,089</u>	<u>5,463,580</u>
Equity attributable to owners of the company		<u><u>5,926,089</u></u>	<u><u>5,463,580</u></u>

Approved by the board on 23 May 2022 and signed on its behalf by:


 Mr. Hugh Ryan
 Director


 Ms. Yvonne Brosnan
 Director

Kerry Parents & Friends Association
RECONCILIATION OF MEMBERS' FUNDS

as at 31 December 2021

	Retained surplus	Total
	€	€
At 1 January 2020	<u>5,219,371</u>	<u>5,219,371</u>
Surplus for the financial year	<u>244,209</u>	<u>244,209</u>
At 31 December 2020	<u>5,463,580</u>	<u>5,463,580</u>
Surplus for the financial year	<u>462,509</u>	<u>462,509</u>
At 31 December 2021	<u>5,926,089</u>	<u>5,926,089</u>

Kerry Parents & Friends Association

STATEMENT OF CASH FLOWS

for the financial year ended 31 December 2021

	Notes	2021 €	2020 €
Cash flows from operating activities			
Surplus for the financial year		462,509	244,209
Adjustments for:			
Finance costs		30,107	34,335
Depreciation		263,415	273,200
Surplus/deficit on disposal of property, plant and equipment		551	2,148
Amortisation of government grants		(212,892)	(189,560)
		<u>543,690</u>	<u>364,332</u>
Movements in working capital:			
Movement in receivables		222,546	(272,312)
Movement in payables		4	875,771
		<u>766,240</u>	<u>967,791</u>
Cash generated from operations		766,240	967,791
Interest paid		(30,107)	(34,335)
		<u>736,133</u>	<u>933,456</u>
Cash flows from investing activities			
Payments to acquire property, plant and equipment		(277,460)	(32,033)
Cash flows from financing activities			
New short term loan		209,250	206,404
Repayment of short term loan		(331,047)	(244,184)
Capital element of finance lease contracts		(7,733)	(3,164)
		<u>(129,530)</u>	<u>(40,944)</u>
Net cash used in financing activities		(129,530)	(40,944)
		<u>329,143</u>	<u>860,479</u>
Net increase in cash and cash equivalents		329,143	860,479
Cash and cash equivalents at beginning of financial year		1,107,400	246,921
		<u>1,436,543</u>	<u>1,107,400</u>
Cash and cash equivalents at end of financial year	20	1,436,543	1,107,400

Kerry Parents & Friends Association

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2021

1. General Information

Kerry Parents & Friends Association is a company limited by guarantee incorporated in the Republic of Ireland. Old Monastery, Port Road, Killarney, Co. Kerry, Ireland is the registered office, 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 year ended 31 December 2021 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

All revenue funding is accounted for on an accrual basis and is therefore included in the Income & Expenditure Account in the year to which it relates. If the expenditure to which the grant relates has not been incurred in full, the excess of the grant revenue is deferred.

All other income is accounted for on a cash receipts basis.

Inventories

Expense inventories are valued at the lower of cost and net realisable value. Full provision has been made for damaged, deteriorated, obsolescent or unusable materials.

Property, plant and equipment and depreciation

Property, plant and equipment 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 property, plant and equipment, less their estimated residual value, over their expected useful lives as follows:

Land and buildings freehold	-	2%-15% Reducing Balance
Fixtures, fittings and equipment	-	15% Reducing Balance
Motor vehicles	-	20% Reducing Balance

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Leasing and hire purchases

Property, plant and equipment held under leasing and Hire Purchases arrangements which transfer substantially all the risks and rewards of ownership to the company are capitalised and included in the Statement of Financial Position at their cost or valuation, less depreciation. The corresponding commitments are recorded as liabilities. Payments in respect of these obligations are treated as consisting of capital and interest elements, with interest charged to the Income Statement.

Kerry Parents & Friends Association

NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2021

Trade and other receivables

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

Cash and cash equivalents

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

Borrowing costs

Borrowing costs relating to the acquisition of assets are capitalised at the appropriate rate by adding them to the cost of assets being acquired. Investment income earned on the temporary investment of specific borrowings pending their expenditure on the assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Trade and other payables

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.

Employee benefits

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. The assets of this scheme are also held separately from those of the company, being invested with pension fund managers.

Taxation

The Company is not liable to corporation tax as it has charitable status.

Government grants

Capital grants received and receivable are treated as deferred income and amortised to the Income Statement annually over the useful economic life of the asset to which it relates. Revenue grants are credited to the Income Statement when received.

Pensions

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

3. Significant accounting judgements and key sources of estimation uncertainty

Preparation of the financial statements requires management to make certain estimations, assumptions and judgements that affect the reported profits, assets and liabilities.

Estimates and underlying assumptions are reviewed on an on-going basis. Changes in accounting estimates may be necessary if there are changes in the circumstances on which the estimate was based or as a result of new information or more experience. Such changes are recognised in the period in which the estimate is revised.

4. Departure from Companies Act 2014 Presentation

The directors have elected to present an Income and Expenditure Account instead of a Profit and Loss Account in these financial statements as this company is a not-for-profit entity.

Kerry Parents & Friends Association

NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2021

5. Going concern

Kerry Parents & Friends Association had a surplus during the year of €462,509 (2020: €244,209). The Net Current Liabilities are €1,227,558 in 2021 as compared to €1,333,049 in 2020.

The financial statements have been prepared on a going concern basis which assumes that the Association will continue in operational existence for the foreseeable future, having adequate resources to meet its obligation as and when they fall due.

Cash flow projections for 2022 show a deterioration of cash balances, however, the organisation intends to stay within the current overdraft limit.

The validity of the going concern is primarily dependent upon the continued support of the HSE. The directors have reviewed the projected cashflow for the next 12 months which highlights the continued need for funding from the HSE. It is the directors' view that the HSE recognises the Association as a key provider of service for people with significant intellectual disability in Kerry and has committed to working with the Association to deliver key services going forward.

6. Income

The income for the financial year is analysed as follows:

	2021 €	2020 €
By Category:		
Health Service Executive - South	14,568,248	13,270,091
Client contributions	490,380	462,121
Sales income	2,579	2,289
Sundry income	38,221	7,246
Fundraising income	136,034	158,144
Other operating income	212,892	189,560
	<u>15,448,354</u>	<u>14,089,451</u>

The whole of the company's income is attributable to its market in the Republic of Ireland and is derived from the principal activity of providing services and support to persons with an intellectual disability and their families throughout Kerry.

7. Operating surplus

	2021 €	2020 €
Operating surplus is stated after charging/(crediting):		
Depreciation of property, plant and equipment	263,415	273,200
Deficit on disposal of property, plant and equipment	551	2,148
Amortisation of Government grants	(212,892)	(189,560)
	<u> </u>	<u> </u>

8. Finance costs

	2021 €	2020 €
On bank loans and overdrafts	<u>30,107</u>	<u>34,335</u>

Kerry Parents & Friends Association
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2021

9. Employees and remuneration

Number of employees

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

	2021 Number	2020 Number
Management/Administration	16	16
Residential & Day Services	246	242
General Support Services	7	7
	<u>269</u>	<u>265</u>

The staff costs comprise:

	2021 €	2020 €
Wages and salaries	10,216,355	9,903,099
Social welfare costs	1,130,611	1,039,817
Pension costs	628,026	520,401
	<u>11,974,992</u>	<u>11,463,317</u>

Pay band disclosures for the 2021 financial year are calculated based upon emoluments (excluding employer pension costs) paid in the financial year and include full time and part time employees.

In the band €60,000 - €69,999 13 employees (2020: 11)

In the band €70,000 - €79,999 2 employees (2020: 1)

In the band €80,000 - €89,999 2 employees (2020: 3)

In the band €90,000 - €99,999 2 employees (2020: 0)

10. Property, plant and equipment

	Land and buildings freehold €	Fixtures, fittings and equipment €	Motor vehicles €	Total €
Cost				
At 1 January 2021	10,607,321	910,950	723,840	12,242,111
Additions	-	-	277,460	277,460
Disposals	-	-	(36,000)	(36,000)
At 31 December 2021	<u>10,607,321</u>	<u>910,950</u>	<u>965,300</u>	<u>12,483,571</u>
Depreciation				
At 1 January 2021	2,198,627	728,081	525,579	3,452,287
Charge for the financial year	184,655	27,430	51,330	263,415
On disposals	-	-	(35,449)	(35,449)
At 31 December 2021	<u>2,383,282</u>	<u>755,511</u>	<u>541,460</u>	<u>3,680,253</u>
Carrying amount				
At 31 December 2021	<u>8,224,039</u>	<u>155,439</u>	<u>423,840</u>	<u>8,803,318</u>
At 31 December 2020	<u>8,408,694</u>	<u>182,869</u>	<u>198,261</u>	<u>8,789,824</u>

Kerry Parents & Friends Association
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2021

10.1. Property, plant and equipment continued

Included above are assets held under finance leases or hire purchase contracts as follows:

	2021	2020		
	Carrying amount	Depreciation charge	Carrying amount	Depreciation charge
	€	€	€	€
Motor vehicles	<u>20,194</u>	<u>5,049</u>	<u>25,243</u>	<u>6,131</u>
11. Receivables			2021	2020
			€	€
Trade receivables			27,577	279,268
Expense Inventories			39,356	21,542
Prepayments			151,034	139,703
			<u>217,967</u>	<u>440,513</u>
12. Payables			2021	2020
Amounts falling due within one year			€	€
Amounts owed to credit institutions				
Bank loan			270,145	263,896
Net obligations under finance leases and hire purchase contracts			2,586	7,733
Trade payables			131,595	123,734
Other creditors			1,847,876	1,868,465
Accruals			629,866	617,134
			<u>2,882,068</u>	<u>2,880,962</u>

AIB Bank holds as security, all sums mortgage/charge over the following properties: The Clieveragh Centre, Listowel, Co. Kerry, Old Monastery Centre, Port Road, Killarney, Co. Kerry and Woodford, Listowel, Co. Kerry registered in the name of Kerry Parents & Friends Association.

Kerry Parents & Friends Association
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2021

13. Payables	2021	2020
Amounts falling due after more than one year	€	€
Bank loan	560,436	688,482
Finance leases and hire purchase contracts	-	2,586
	<u>560,436</u>	<u>691,068</u>
Loans		
Repayable in one year or less, or on demand (Note 12)	270,145	263,896
Repayable between one and two years	130,190	126,093
Repayable between two and five years	402,973	390,383
Repayable in five years or more	27,273	172,006
	<u>830,581</u>	<u>952,378</u>
Net obligations under finance leases and hire purchase contracts		
Repayable within one year	2,586	7,733
Repayable between one and five years	-	2,586
	<u>2,586</u>	<u>10,319</u>

14. Pension costs - defined contribution

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 €628,026 (2020 - €520,401).

15. Government Grants Deferred	2021	2020
	€	€
Capital grants received and receivable		
At 1 January 2021	1,302,127	1,491,687
Amortisation		
Amortised in financial year	(212,892)	(189,560)
Carrying amount		
At 31 December 2021	<u>1,089,235</u>	<u>1,302,127</u>

These grants were received from the Department of Environment, Kerry County Council in respect of the development of Valentia, Castleisland, Park House & Hawthorn, Killarney, Brook Lodge, Listowel, Marian House, Rathmore, Kilmorna, Listowel and Old Monastery, Killarney. The grants are repayable at any time within 20 years, only if the terms of the grant are not complied with.

16. Status

The liability of the members is limited.

Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while they are members or within one year thereafter for the payment of the debts and liabilities of the company contracted before they ceased to be members and 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.

Kerry Parents & Friends Association
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2021

17. Capital commitments

The company had no material capital commitments at the financial year-ended 31 December 2021.

18. Directors' remuneration

The directors do not receive any remuneration for services provided to the company and they did not claim reimbursement of expenses e.g. travel.

19. Events After the End of the Reporting Period

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

20. Cash and cash equivalents	2021	2020
	€	€
Cash and bank balances	<u>1,436,543</u>	<u>1,107,400</u>

21 Reconciliation of Net Cash Flow to Movement in Net Debt

	Opening balance	Cash flows	Other changes	Closing balance
	€	€	€	€
Long-term borrowings	(688,482)	-	128,046	(560,436)
Short-term borrowings	(263,896)	121,797	(128,046)	(270,145)
Finance lease and hire purchase	(10,319)	7,733	-	(2,586)
Total liabilities from financing activities	<u>(962,697)</u>	<u>129,530</u>	<u>-</u>	<u>(833,167)</u>
Total Cash and cash equivalents (Note 20)				<u>1,436,543</u>
Total net cash				<u>603,376</u>

22. RELATED PARTY TRANSACTIONS

The company paid rent for two properties amounting to €14,040 during 2021 to a company with a common director.

23. Approval of financial statements

The financial statements were approved and authorised for issue by the board of directors on 23 May 2022.

KERRY PARENTS & FRIENDS ASSOCIATION

SUPPLEMENTARY INFORMATION

RELATING TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

NOT COVERED BY THE REPORT OF THE AUDITORS

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

Kerry Parents & Friends Association
SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS
DETAILED INCOME STATEMENT
for the financial year ended 31 December 2021

	2021 €	2020 €
Income		
Health Services Executive	14,568,248	13,270,091
Client Contributions	490,380	462,121
Sales income	2,579	2,289
Sundry income	38,221	7,246
Fundraising income	136,034	158,144
Amortisation of government grants	212,892	189,560
	<u>15,448,354</u>	<u>14,089,451</u>
Expenditure		
Wages and salaries	10,216,355	9,903,099
Social welfare costs	1,130,611	1,039,817
Staff defined contribution pension costs	628,026	520,401
Staff training	43,378	29,499
Food	196,568	212,261
Rent payable	118,235	81,911
Rates	13,769	15,920
Insurance	170,598	160,057
Light and heat	152,724	145,721
Cleaning	35,300	42,356
Repairs and maintenance	845,191	244,091
Landscaping, gardening and general maintenance	9,615	38,042
Household items	168,947	177,070
Stationery, Postage & Telephone	90,710	82,320
Advertising & Public Education	12,589	6,223
Computer costs	54,104	88,853
Travelling and subsistence	463,242	426,276
Legal and professional	73,149	70,545
Bank charges	3,907	4,899
Discounts received	(262)	(270)
General expenses	87,195	81,404
Agency Costs	99,212	33,489
Service User Costs	20,397	200
Medicines, First Aid & Appliances	41,382	114,545
Profits/losses on disposal of tangibles	551	2,148
Auditor's remuneration	16,830	16,830
Depreciation	263,415	273,200
	<u>14,955,738</u>	<u>13,810,907</u>
Finance		
Bank interest paid	30,107	34,335
Net surplus	<u>462,509</u>	<u>244,209</u>

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