



Society of St Vincent de Paul

Society of St Vincent de Paul, Ireland

Reports and Consolidated Financial Statements
for the year ended
31 December 2020

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Society of St Vincent de Paul (Ireland)

Legal and Administrative Information

For the year ended 31 December 2020

STATUS	The Society of St Vincent de Paul is registered in Ireland as a charity.	
GOVERNING DOCUMENT	The Society of St Vincent de Paul was established in Ireland in 1844 and is governed under the "Rule", which derives from the International Rule of the worldwide Society of St Vincent de Paul.	
CHARITY REGULATOR NUMBER	20013806	
CHARITY NUMBER	CHY 6892	
NATIONAL OFFICE	SVP House 91/92 Sean MacDermott Street Dublin 1, Ireland D01 WV38	
NATIONAL MANAGEMENT COUNCIL TRUSTEES	Rose McGowan John Lupton Peter Fitzpatrick Larry Butler Marie Cronin Bernadette Doyle Rosa Glacken Maureen Mitchell Paddy O'Flynn Teresa Ryan Mary Waide Fr. Paschal Scallion	National President National Vice President National Treasurer Spiritual Advisor
NATIONAL SECRETARY	Andy Heffernan	
PRINCIPAL BANKERS	Bank of Ireland 40 Mespil Road, Saint Peters, Dublin 4, Ireland Allied Irish Bank plc Bankcentre Ballsbridge Dublin 4, Ireland	
AUDITORS	Deloitte Ireland LLP Chartered Accountants and Statutory Audit Firm 29 Earlsfort Terrace Dublin 2, Ireland	
SOLICITORS	Kilcullen & Associates 30 Ardagh Grove Blackrock Co. Dublin, Ireland McCann Fitzgerald Riverside One Sir John Rogerson Quay Dublin 2, Ireland	

Society of St Vincent de Paul (Ireland)

National Management Council Report

For the year ended 31 December 2020

The National Management Council (NMC) presents its annual report and the audited consolidated financial statements for the Society of St Vincent de Paul (SVP or the Society) in respect of the island of Ireland for the year ended 31 December 2020.

The financial statements follow the current requirements of the Statement of Recommended Practice, Accounting and Reporting (SORP) by Charities and the Financial Reporting Standard applicable in the UK and Republic of Ireland FRS 102. In the Republic of Ireland, charities are governed by the Charities Acts 2009 (only partially enacted), 1961 and 1973. In Northern Ireland, charities are governed by the Charities Act (Northern Ireland) 2008, Charities Act (Northern Ireland) 1964 and the Charities (Northern Ireland) Order 1987.

BACKGROUND

The Society of St Vincent de Paul is an International Christian organisation of lay people, Catholic from its origins, formed in Paris in 1833, by Frederic Ozanam and his companions. Placed under the patronage of St Vincent de Paul, the Society is inspired by his thinking and works. It seeks, in the spirit of justice and charity, to help those who are experiencing poverty in any form. It does this mainly through the person-to-person visitations by its members.

OBJECTIVES OF THE CHARITY

The relief of poverty, both material and emotional, in Ireland and abroad, without differentiation on the grounds of race, colour, creed, ideology or gender.

ACHIEVING THE SOCIETY'S OBJECTIVES

Support and Friendship: Through person-to-person contact, we are committed to respecting the dignity of those we assist and thus to foster their self-respect. In the provision of material and other support, we assure confidentiality at all times and endeavour to establish relationships based on trust and friendship.

Promoting Self-Sufficiency: We believe it is not enough to provide short-term material support. Those we serve must also be helped to achieve self-sufficiency in the long term and the sense of self-worth this provides. When the problems we encounter are beyond our competence, we build bridges of support with others more specialised.

Working for Social Justice: We are committed to identifying the root causes of poverty and social injustice on the island of Ireland and in solidarity with the poor and disadvantaged, to advocate and work for the changes required to create a more just and caring society.

Society of St Vincent de Paul (Ireland)

National Management Council Report (Continued)

For the year ended 31 December 2020

ORGANISATIONAL STRUCTURE

Individual members join a Conference. On the island of Ireland, there are 1,175 Conferences (2019: 1,201) grouped into 108 Area Councils (2019: 108). The Areas, in turn, are grouped into 8 Regional Councils (2019: 8). Each Conference, Area Council and Regional Council has an elected President who appoints the Vice President, Treasurer and Secretary.

The National Council is comprised of Presidents of the Area Councils and the members of the National Management Council (NMC). The National Council and the Trustees elect a National President. The NMC consists of the National President, 8 Regional Presidents, 1 National Vice President, a National Treasurer and a Spiritual Advisor. These NMC members are also the Trustees of the Society. In addition, there are several attendees at the NMC who are not Trustees, nor have they a vote. They include the National Secretary and the Chair of Governance committee.

The National President is a member of the International Council General, which coordinates the Society in almost 150 countries.

MANAGEMENT AND DECISION MAKING

The NMC manages the affairs of the Society and reports to the National Council. All decisions proposed by the NMC, and not covered by the Rule of the Society, must be ratified by the National Council before they become Society policy. The NMC normally meets monthly. The National Council normally meets once per year. The NMC is assisted in the discharge of its duties by various Committees, including the National Audit Committee, whose membership comprises volunteers.

The Society employs a National Secretary whose role is to oversee the national operations and administration of the Society and who reports directly to the National President. The National Secretary is accountable to the NMC and the National Council.

Staff members' remuneration is established by the Society's Remuneration and Compensation Committee.

RELATED PARTIES AND CONNECTED ORGANISATIONS

The nature of the Society's work means that it has connections to a number of organisations. None of these relationships confers any ability to exercise any control over the activities of the Society. All transactions are within the ordinary course of business.

VOLUNTARY MEMBERS

The Society is a volunteer-led organisation. All the Society's work is carried out by more than 11,000 members and volunteers supported by a staff of full time, part-time and seasonal basis employees. The Home Visitations are entirely carried out by volunteer members. The NMC consists solely of volunteer members who receive no remuneration other than the reimbursement of expenses incurred in the course of their duties for the Society.

The NMC recognises and appreciates the commitment of the Society's members and volunteers in the island of Ireland and the many supporters of the work of the Society. It is not possible to place a monetary value on this voluntary effort, but this is essential to enable the Society to achieve its core objective of relieving poverty.

NATIONAL PRESIDENT'S REVIEW

I am pleased to present our consolidated financial statements for 2020. Total income for the year was €78.6 million compared with €83.3 million in 2019. The Society's ethos is based on our founder Blessed Frederic Ozanam's motivation from his strong Christian faith, spirituality, humanity, and a strong desire for social justice. During the year, we continued our work, within visitations and special works, to be effective and efficient in helping those in need.

Having assumed the role of National President mid-way through 2020, my immediate concern was to ensure we had the capacity to provide ongoing support to those we assist and the means to do so given the significant effects of the global pandemic on our ability to generate income. Thankfully the outcome was that we did indeed overcome such challenges in terms of income and as outlined in the Trustees' Report, we responded to new challenges in delivering assistance in many innovative, enterprising, and creative ways.

I want to thank all our members and staff for their response in difficult times in stepping up to the challenges and finding different ways of ensuring the continuance of our mission. I never ceased to be impressed by the sense of "business as usual" demonstrated by members and staff where we continued to discharge our responsibilities and work, whilst also planning for the future. The structures that have been put in place in recent years facilitated this approach and allowed for timely, effective activity and functional specific decision making.

I also want to recognise the leadership demonstrated by the members of the NMC during 2020 who responded to the needs of the organisation in providing governance and oversight throughout the year, meeting many more times than usual to consider in-depth significant proposals and decisions arising from Covid-19. Time after time they were charged with making difficult decisions, always guided by what was best for the people we support, our staff and members.

I also want to acknowledge the effect of the pandemic on our members and staff who often felt isolated in their homes whilst our usual visitation and work patterns changed. I am very mindful of the ongoing psychological impact and I want to ensure the Society does all in its power to recognise this but also facilitate a return to normal interaction and sociable activities.

The aim of the Society is to bring friendship and support to people in need and suffering marginalisation; and this work is only possible due to the passion and commitment of the SVP members, volunteers, and staff, and through the ongoing generosity of the people of the island of Ireland which has remained as strong as ever. This generosity was particularly evident in 2020, wherein the absence of church gate collections, closed charity shops etc., our donors found ways and means of giving to the Society enabled by the creation of alternative channels and methods. A positive from the pandemic was the noticeable reset in the Irish psyche, where a sense of solidarity was manifest in our collective concern for those less privileged and those affected by Covid-19.

For the Society in Ireland, our input into Social Justice and Policy has increased significantly over the past number of years. We continue to speak out on behalf of those struggling in Ireland including those on low incomes and people traditionally regarded as 'middle class', who now face significant challenges due to one or more being out of work, coupled in many instances with high debt levels. The general perception that the economy is doing better and consequently people should be in a better position to meet every day needs, is not the feedback from our members across the country and the level of demand on our resources. In addition, as the gap between those who have and those who have not grows ever wider at a time when we have 'consensus' Governments, it is appropriate that our policy makers make some courageous longer-term decisions to break this inequality.

NATIONAL PRESIDENT'S REVIEW (Continued)

I want to thank our members for their volunteer work during the year as it is only through the work of our members that we can reach those in need. Our members are in a unique and privileged position of being invited into people's homes, which enables us to better understand their real needs, thus enabling the Society, in many instances, to provide long-term solutions and assist people towards self-sufficiency. Visitation is non-judgemental and underpinned by compassion, dignity and a generosity of time for those we serve. In doing this, our members work closely with other relevant organisations and bodies, and we appreciate their ongoing support and advice. During this year we continued to reach out to those in need including those who may not previously have sought the support of the SVP.

The experience of 2020 and 2021 instils me with confidence that we are ready and prepared to overcome whatever we may be presented with.

Rose McGowan
National President

TRUSTEES REPORT

Background

The aim of the Society of St. Vincent de Paul is to tackle poverty in all its forms through home visitation, the delivery of services and the provision of practical assistance and supports to those in need.

The Society derives its inspiration from St. Vincent de Paul and our founder, Blessed Frederic Ozanam, to do something practical about poverty and social exclusion whilst ensuring that the structures which have contributed to disadvantage are removed.

We strive in a spirit of justice, charity, and respect through the personal involvement of members and employees, to enable those experiencing exclusion to take control of their own lives. We do not seek to impose our beliefs on the people we work with, rather we use them as the guiding inspiration for our work.

We are a Society open to all who wish to live their faith by loving and serving their neighbours. In Ireland, we welcome all people who accept the principles under which we work. We serve everyone in need, regardless of creed, race, colour, ideology, or gender.

The concept of need is broader than financial hardship, so, visiting those that are ill, the lonely and the imprisoned form a large proportion of the Society's work.

Our mission statement sets out the three core principles of what we hope to achieve, namely:

Support and Friendship: Through a person to person contact, we are committed to respecting the dignity of those we assist and fostering self-respect. We assure confidentiality at all times and endeavour to establish relationships based on trust and friendship.

Promoting Self-Sufficiency: We believe It is not enough to provide short-term material support. Those we assist are also helped to achieve self-sufficiency in the longer term and the sense of self-worth this provides. When problems are beyond our competence, we build bridges of support with others who can provide more specialised support.

Working for Social Justice: We are committed to identifying the root causes of poverty and social exclusion in Ireland and, in solidarity with those in need, to advocate and work for the changes required to create a more just and caring society.

In striving to achieve the mission, we are guided by our values which are:

- Respect
- Love of neighbour
- Joy through mission
- Personal contact with those in need
- Humility
- Empathy

TRUSTEES REPORT (Continued)

Activities of the Society

The Society is organised in small groups or branches, called "Conferences", often based in local parishes, which meet regularly and their work is usually concentrated on local home visitation. Home visitation is the core activity of the Society and one in which most members are engaged on a weekly basis.

Throughout the history of the Society on the island of Ireland we have responded to social and societal changes, often providing solutions and innovative services to local unmet needs and have developed a range of additional services. Such services and activities are known as "Special Works". In 2020 they comprised a significant proportion of the activities of the Society, and the organisation has had to manage the associated obligations regarding employment, quality standards and adherence to funding service arrangements, all within an increasingly regulated environment.

The restructuring of the Society in 2014, during which the National Special Works structures were introduced provided for national operational line management structures in both Homeless Services and Shops. Social Housing and other specialist services continued to be supported on a co-ordinating and consultancy basis. National committees were established to give effect to the member led strategic direction of such activities.

In 2020, the experience of the changes over the previous five years allowed for a means of "taking stock", and to strategically plan for the future, considering what worked well, and what did not work well during this time. Whilst, those structural changes in 2014-2015 set out the broad parameters of the frameworks, they were not overly prescriptive, which was right and correct, and subsequently there was a good degree of organic development within those parameters. Whilst this allowed for growth, lack of clarity on a shared vision for the various non-core activities sometimes led to uncertainty and unaligned decision making.

Additionally, given the natural turnover and change in volunteer leadership in the organisation, new officers and councils understandably assume scope for change and implementation of new structures and approaches, which are not necessarily in line with those previously agreed and understood. In late 2019 the Society decided that the time was right to commence a process of evaluation of the new structures, given the experience of the previous five years and to establish the needs for future years. Accordingly, notwithstanding Covid-19, in 2020 strategic planning processes were commenced across several areas including Shops, Social Housing and Visitation. 2021 is seeing the detailed plans arising from those strategies, which will set out a road map for the next three to five years.

The process towards the partnering, or divestment, of Homeless Services continued in 2020 and detailed discussions have been held with the myriad of funders across the country. The day-to-day operational management obligations continue, and centralised resources have been enhanced to ensure sufficient operational capacity to ensure appropriate oversight of the activity. At the time of writing the transfer of those services is imminent and will complete a long process, but ultimately an outcome that will ensure the provision of professional and quality services to those that are supported.

A gap in terms of national structures which was deemed a priority in 2020 in other Special Works such as Holiday Homes, Resource Centres, Children's Services, etc., has now been addressed, with the appointment of a National Manager for Child & Family Services. A committee has also been established which will provide direction, support, and oversight for those many and varied Services. This ensures that the Society now has the governance framework to allow for appropriate Trustee oversight of all the activities.

TRUSTEES REPORT (Continued)

Activities of the Society (Continued)

Covid-19

Of course, 2020 was dominated by the global pandemic, and Covid-19 impacted on every aspect of the activities of the Society resulting in significant challenges, upheaval, and reduced income. However, due to ongoing flexibility, enterprise, and innovation in dealing with the many day to day challenges presented, together with sound policy platforms and appropriate governance frameworks which have all combined to allow for the mitigation of the potential catastrophic impact of the pandemic.

Following the introduction of national restrictions in mid-March 2020, a Covid-19 Crisis Group was established comprising senior members and staff which met daily for a number of months of the restrictions. This forum made the operational decisions in terms of closures, guidance, and communications, all of which were activity / functional specific and utilised the established and effective communication channels available within the organisation. This forum was mandated by the National Management Council (NMC) to manage the situation. However, certain matters were referred to the NMC for decision making and the first full remote meeting of the NMC was held on the 21st of March 2020, followed by five more meetings over the next two months to ensure that the principles of oversight and governance were applied during the period. A number of services including Homeless, Social Housing and forms of Visitation did not cease operating, and the fact that Covid-19 was effectively managed to reduce the effects of contagion in both Social Housing and Homeless Services shows the commitment of both volunteers and staff.

The seamless move to remote working was facilitated by the IT infrastructure already in place, together with existing Human Resources Policies, which had been developed for flexible working.

As the restrictions extended into the summer, the publication of the Government roadmap allowed for reopening of certain activities including Charity Shops. However, subsequent increases in Covid numbers led to further restrictions, which once again had significant impact. The experience of the earlier shutdowns was replicated and the structures which had been established over the previous six years became invaluable in ensuring systematic approaches across the Society. This was particularly evident in the reopening (and subsequent reclosure) of the Charity Shops, where detailed planning allowed for the reopening of nearly 200 Charity Shops in a two-week period in June. Likewise, the move to online sales was maximised, which together with recycling sales ensured income during periods of closure.

Communications with members and staff were very important, and constant throughout the year, with updates, policies, support, and general information. There were many additional meetings of the NMC National Remuneration and Compensation Committee (RemCom) to consider the potential of redeployment, potential lay-offs, and general staffing issues. This required significant data collation, together with accurate communications, and the Society, with the assistance of the TWSS, managed to keep everybody in employment for the duration of 2020. This was a significant achievement and the Trustees met on numerous occasions to make decisions on potential layoffs, and other potential measures, whilst maintaining a balance between commitment to staff, ensuring sufficient resources were available to achieve the Society's charitable objectives, together with commitment to Donors. This achievement epitomised the values and ethos of the Society.

Income generation was seriously hampered by the restrictions, however a strategic and innovative approach to planning for fundraising appeals during May and Christmas was adopted. This approach was underpinned by the concept of creating alternative channels to Churchgate collections and local giving, to a more centralised approach, with subsequent reallocation of the funds raised going to the Area or Conference. The donations and fundraising outcomes are a testament to the success of those campaigns.

TRUSTEES REPORT (Continued)

Activities of the Society (Continued)

Covid-19 (Continued)

Whilst the impact of Covid-19 was significant, day to day activities continued through the operations of the Finance, Communications, HR, IT, and Facilities departments. Consolidation of 2020 accounts was completed with no significant delays from the schedule. New staff were recruited, inducted, and became operational despite the restrictions, whilst various IT pilots and rollouts continued. The Society availed of the TWSS and EWSS schemes operated by the Irish Government to subsidise staff costs during 2020.

Both internal and external communications were especially important in 2020, and Covid-19 did not prevent us from being a significant voice in advocating for a fairer society, whilst the internal communications channels were invaluable in keeping all up to date and connected. It was truly a team effort in 2020 where trustees, members, volunteers, and staff all played their part in ensuring the work of the Society continued. The contribution of ancillary services such as Security and Housekeeping should also be acknowledged in looking after our buildings and offices and ensuring safe access and environments for those who continued to work from the office. Additionally, the capacity of Facilities to ensure all premises were Covid-19 safe readily contributed to the sense of wellbeing for members and staff.

An important aspect of 2020 was the continuation of activity, or function specific strategic planning, to ensure the Society was well placed, with clear direction, for the post Covid-19 environment and beyond. An area in which the Society attached particular importance to in 2020 was that of Safeguarding, given the Covid-19 restrictions, and the reduction in face-to-face visitation. Members and staff were reminded of the referral pathways, whilst the Designated Liaison Persons (DLP's) were supported and provided with further training to consider the unique Safeguarding risks associated with lockdown. Given the size and complexity of the Society, there is always a continuous need to recruit new members on an ongoing basis.

Home Visitation & Core Activities

The effects of Covid-19 were significant on the core activity of Visitation. Given the demographic of much of membership of the Society, their safety, and that of the people we support, were paramount. Whilst Home Visitation and Conference meetings were suspended, the Society came up with imaginative ways to ensure that the Society's work would and could continue.

Meetings began to move online, home visits were replaced with parcel drops, remote assessment of need was supported with guidance on listening skills and wellbeing. An Post lent their support by ensuring SVP members could use the postal service to distribute assistance, whilst members ensured that there was sufficient stock of vouchers and reinforced envelopes disbursed amongst members. Conferences invested and distributed personal protective equipment for themselves and for people in need. Foodbanks became a vital part of SVP assistance in some places, while SVP staff and members became part of the wider Community Call initiatives. Such was the everchanging nature of the pandemic, members information needs were met by Guidance Notes, Videos and Podcasts, while an online Mass proved a very meaningful solace in such difficult times.

TRUSTEES REPORT (Continued)

Activities of the Society (Continued)

Home Visitation & Core Activities (Continued)

Recruitment and Training: The new phenomenon and terminology of cocooning led not only to concerns about the possible isolation of existing members, but it raised the question would we have enough members on the ground when things improved. Thankfully, over 1,800 people expressed an interest in joining SVP and notwithstanding the uncertainty posed by Covid-19, 547 completed their applications of whom 417 completed online training. The National Member Development and Recruitment Committee, Regional Trainers, and Membership Support Officers, are working hard to ensure these new members have an opportunity to complete face-to-face training when restrictions allow.

Keeping Members Connected: Three months into the pandemic there was a real sense and fear that members were becoming isolated from one another. In order to overcome this virtual Area Gatherings were offered to help bridge that gap. Twenty-four Area Gatherings took place, and these were attended by 686 members. The feedback to the Gatherings was so good that not only will this format continue into 2021 and beyond, but the Society is in discussion with providers about ensuring that every Conference has access to its own video conferencing account for 2021.

Over and above online Area Gatherings, specialised Online Gatherings were also offered to members of the Education and the Prison Visitation committees. Members of the eight Regional Education committees and their ten sub-committees, who are supporting nearly 1,000 students in all aspects of further and higher education, met to discuss the online tools required to support students. Despite the absence of Prison Visitation, the Prison Visitation committees met to share best practice and ideas for providing assistance during the pandemic.

Amongst the Society's priorities, is to ensure that leadership at conference and area level is supported during the pandemic. 84% of areas had an area president in 2020. The Society's ambition is to increase this to 90% in 2021, and to offer conference presidents the same level of training and support.

The Membership Committee has made Assessment of Need and Quality Visitation a central priority of their work, and work on the application and rollout of systematic and standardised approaches to this continues into 2021, whilst in terms of training, the previous establishment of online training and recruitment platforms served us in good stead in ensuring ongoing activity in this area.

Young SVP

Young SVP is the Society's Youth Development Programme designed for young people attending secondary school, YouthReach, and other educational settings; those taking part in youth groups / clubs; and those at 3rd level – be it in college or university. The Programme focuses on social action within the ethos and mission of SVP. Young people are offered opportunities to learn about SVP, about social justice and about how to engage in social action in a positive, purposeful, and meaningful way.

The Young SVP team is made up of Regional Youth Development Officers (YDO), one National College Support Officer (CSO) and a National Youth Development Co-ordinator. The team offer ongoing support to all those engaging in the Young SVP Programme – whether part of a Conference, Class, or Young SVP group in various settings. The CSO and YDO's visit their groups several times through the year delivering core workshops and supporting them with their Young SVP action projects.

TRUSTEES REPORT (Continued)

Activities of the Society (Continued)

Young SVP (Continued)

The programme statistics for the 2019 / 2020 academic year are set out below and illustrate the reach of this very important programme and the associated potential to open young people's minds to the concepts of Social Justice.

- The team delivered a total of 826 school visits across more than 209 different schools and other settings where they informed students about the work of SVP, explored issues of Social Justice, and supported them in designing and delivering activities to address needs in their own communities.
- 9,473 young people were reached through the Guest Speaker visits and over 5,000 chose to engage in the Developmental School's Programme taking part in workshops and designing action projects through the year.
- A total of 283 social action projects were completed by these Young SVP members, in 236 Young SVP Conferences / Groups this year, helping and supporting many people in local schools and communities. Traditionally there are more projects completed in the final term of the year, however as the country was in lockdown opportunities for these were severely limited.

The young SVP team responded to the challenges of the pandemic in several ways ensuring that our connections with Young SVP members remained intact, and that the programme participants completed their Young SVP journey. A #youngsvpathome programme was initiated, as were virtual end of year events and Youth Days, so the process was commenced the process of adapting resources to be used in new and varied ways, mainly in the virtual and online area.

The Young SVP Champions programme was also developed over the summer months in preparation for a pilot to be launched in September 2020. This programme allows individual young people to take part in the programme and is useful for those who do not have access to Young SVP in school or are interested in learning more about SVP and the social justice issues we address.

To see the young members engaging in their workshops and their actions is inspiring and exciting and it is a real example of an organisation effecting societal change, as these young people are the decision makers of tomorrow and exposing them to the concepts of social justice will hopefully inform them in making those decisions and choices.

Electric Ireland continued to support the programme throughout the year, as they have since 2013, and are committed to supporting the programme until at least 2023.

Social Justice

Working for Social Justice is one of three key pillars of the Society of St. Vincent De Paul's mission and requires us to challenge and address the structures that create, or perpetuate, poverty in Ireland today. SVP policy and advocacy work is based on the on-the-ground experiences of members who work in communities across the island of Ireland providing direct support to people experiencing poverty and marginalisation. Using traditional and social media, submissions to government departments, meeting with Ministers, their advisors, and political parties, and by working jointly with other NGOs, awareness of issues of concern are raised and evidence-based solutions proposed.

Social justice advocacy continued to be a key activity for the Society throughout 2020 as our role as an early warning system for issues became even more important throughout the pandemic.

TRUSTEES REPORT (Continued)

Activities of the Society (Continued)

Social Justice (Continued)

Social Justice activity in 2020 included the following:

- 5 meetings with government Ministers
- 15 submissions to government consultations focused on issues such as Direct Provision, Climate Action, Capping Moneylending Interest Rates, the new National Economic Plan, and Family Homelessness
- 15 meetings with senior government officials
- 8 meetings with key party spokespersons
- 10 meetings with key energy suppliers and the Regulator
- 4 reports and policy briefings
- 2 online events
- 1 social justice network survey focused on rural issues
- 7 guidance notes for members in conjunction with Membership Support
- 54 references to SVP social justice work in the Dáil in 2020

2020 began with the publication of the Election 2020 Priorities document entitled “Investing in measures to end poverty”. The accompanying social media campaign asked General Election candidates to commit to introducing a poverty act which would be to make the ambition of the Sustainable Development Goal of No Poverty (Goal 1) by 2030 legally binding. The SVP Election 2020 Priorities also outlined actions in four key areas in relation to housing, education, income, and energy.

The Programme for Government published later in the year included several welcome commitments aligned with SVP key asks such as delivering a living wage for workers, a new ambitious strategy for affordable and social housing, measures to tackle educational disadvantage, and a focus on the need to address energy poverty within climate policy. Importantly, it also committed to fully implement the Roadmap for Social Inclusion which aims to reduce consistent poverty to 2% or less by 2025. In February, the Minister for Social Protection appointed SVP as an external member of the Roadmap Steering Group which is tasked with overseeing its implementation. The Steering Group is chaired by the Minister for Communities and includes senior officials from every government department.

As the socioeconomic impact of the Covid-19 pandemic restrictions became apparent, SVP quickly engaged with government and regulators to ensure supports were in place for individuals and families on low incomes. As a result of advocacy work, support was provided to help low-income households with extra energy costs through an extension of the Fuel Allowance period in March 2020, benefiting approximately 375,000 people. Engagement with the Utility Regulator provided extra security and support to the one-in-six households in Ireland that experience energy poverty. SVP continued to advocate for a comprehensive package of supports for households struggling with utility and rent arrears throughout 2020 and into 2021.

As a member of the newly formed National One Parent Family Alliance, SVP advocated for the payment of the Pandemic Unemployment Payment (PUP), in addition to in-work supports for families who lost their jobs due to Covid-19 related closures, protecting the incomes of approximately 20,000 families. The alliance was also successful in its advocacy efforts to ensure government implemented retail family friendly measures in supermarkets, as the decision to ban children in some shops had a disproportionate impact on people parenting alone.

TRUSTEES REPORT (Continued)

Activities of the Society (Continued)

Social Justice (Continued)

SVP continued to highlight the difficulties faced by households caught in moneylending debt cycles. As a result of engagement with the Director of Consumer Protection in the Central Bank, and the Minister for Finance, new regulations on enhanced warnings on all advertising material were brought forward and introduced in September 2020. All moneylending advertisements must now carry a warning and customers who are seeking loans to pay for basics will now have to be referred to MABS. Unsolicited roll-over and top-up loans are now also banned.

In June, a new report on the Hidden Cost of Poverty was published. The research, carried out by Dr. Michael Collins from University College Dublin, estimated that dealing with the consequences of poverty costs the State €4.5 billion every year – more than the respective annual government budgets for housing, justice, transport, and agriculture. The report received widespread media coverage and continues to be used as an important advocacy tool for the Society and the wider community sector.

In September, an online event was hosted with policymakers, advocates and child poverty experts from Ireland, Scotland, and New Zealand. At the event we learned about the policy context in both Scotland and New Zealand, the development and introduction of their respective Child Poverty legislation, and the progress and challenges around implementation during Covid-19. The event was well attended by policymakers, NGOs, and SVP members interested in international approaches to tackling child poverty.

Budget 2021 delivered a number of key SVP asks including an increase in payments to children in low-income households, and improvement in supports for working families. The announcement by the Irish Government of an additional €65.0 million funding for the retrofit of social housing to help those on the lowest incomes experiencing energy poverty was welcomed. However, for a second year in a row, there was no increase in primary social welfare payments. This decision particularly impacts one parent households, single adults and people with disabilities who already have the highest rates of poverty and deprivation. SVP continue to advocate that social welfare rates, and the minimum wage, are benchmarked against the cost of a Minimum Essential Standard of Living.

In conjunction with Threshold, SVP appeared before the Oireachtas Committee on Housing in December to present the findings from the joint report 'The Housing Assistance Payment (HAP): making the right impact?'. The appearance received widespread media coverage and resulted in the Committee making a recommendation to the Minister for Housing to review the current operation of the HAP and its interaction with the private rented market. Housing remains a key social justice priority for the Society.

There is a strong sense that after Covid-19, there is an opportunity to do things differently and reimagine a more socially just and equitable future. This year shows what is possible to achieve when all sectors work together, and the Government rightly committed to offering security and stability for individuals and families. It is hoped that this sense of common purpose will continue to shape policy, and Irish society, after the crisis has ended. SVP will continue to work to ensure the right policies are put in place to move people out of poverty for good and prevent more people falling into poverty as a result of the pandemic. Making the right investments now means we can reduce future expenditure dealing with the damage poverty causes.

TRUSTEES REPORT (Continued)

Activities of the Society (Continued)

Special Works Activities

In 2020, the Society continued to develop Special Works, with National Sub Committees assuming more Board / Governance style oversight, and accountability. This, together with regulatory and funder requirements, allowed for a framework of more formalised reporting structures and standardised approaches to operational matters and practices. The following provides an overview in terms of the activity levels across the various Special Works in 2020.

Charity Shops Retail Services

One of the activities that was significantly impacted by Covid-19 was our Retail Service. On March 16th 2020, The Society took the precautionary step of closing the charity shops in response to the emerging situation with Covid-19. Full national lockdowns were to follow on March 27th, 21st October and again on 30th December.

Despite providing an essential service to customers with limited or no disposable income, and those without means to shop online, SVP charity shops were deemed as “non - essential”, requiring them to either shut completely or operate a limited “click and collect” or “click and delivery” service. A core of about 80 shops operated “Click and Collect” throughout the lockdowns of 2020, whilst the Order Fulfilment Centres (OFC’s) operated “Click and Delivery”. The retail network continued to generate income throughout 2020 for SVP, albeit at a significantly reduced rate.

Teams across the country continued to offer emergency assistance from the shops and OFC’s to ensure that essential clothing, blankets, and other items got to where they were needed. Shop managers also continued to use their shop windows to brighten up our towns and villages whilst communicating key Vincentian messages of hope. When the shops were permitted to reopen between lockdowns, a comprehensive list of social distancing measures, a Return to Business Protocol, and a Covid Risk Assessment were introduced by the National Retail Team.

The Impact of Covid 19

Whilst the primary concern of the Society was, and continues to be, the health and well-being of our family, friends, and wider community, it became clear that this pandemic and associated lockdown would have a devastating impact on the network of community shops and their fundraising capabilities, in addition to impacting on those who depend on our services.

In 2020, the shops temporarily lost many experienced shop volunteers who correctly followed government advice to shield at home. Whilst this kept our volunteers safe. Government Covid-19 restrictions had a profound effect on our charity shop operations.

Thankfully, the creativity, resilience, resourcefulness and adaptability of the SVP staff, volunteers and members, involved in retail, has put us back on the front foot. Despite the severe restrictions placed on the business, charity shop sales for 2020 were €18.6 million.

TRUSTEES REPORT (Continued)

Activities of the Society (Continued)

Charity Shops Retail Services (Continued)

The Impact of Covid 19 (Continued)

The Order Fulfilment Centres (OFC's) were able to operate a skeleton service throughout lockdown, as the collection and recycling of clothes is seen as an integral part of waste management, and therefore was permitted under level 5 lockdown. On that basis, the OFC teams in Dublin, Drogheda, Cork, Nenagh, Tralee and Waterford continued to clear and sort donations from the clothing banks across the country. An additional pop-up OFC was opened by West Region and Galway Area with the generous support of Holy Family Church in Mervue.

By developing its digital capabilities and "green" credentials in direct response to Covid-19, the Charity shops established new connections through on line channels and in doing so, generated income for SVP.

Homeless Services

In 2020, the Society continued to offer emergency accommodation services across the country in 10 Hostel Services, with additional support services through Tenancy Sustainment Officers in Cork and Limerick City, and Outreach Workers in the Carlow and Letterkenny services. The number of spaces available was lower than usual, and this was a result of both fire safety compliance works on a number of the properties, and the impacts of the pandemic, as we needed to reduce capacity to create effective social distancing inside the buildings.

In total, the Society provided 109,812 spaces to Service Users in 2020, down 878 on the previous year. This represented an overall average of 300 spaces per day, and we liaised closely with statutory partners to temporarily move individuals into alternative accommodation, where social distancing or fire safety projects required it. 634 people were admitted over the course of the year, consisting of 631 adults and 3 children. These numbers include 131 additional places for the Cold Weather Initiative in collaboration with statutory partners in 8 separate Local Authorities and 5 HSE CHO offices.

The management of the Covid situation was particularly challenging given the nature of the services provided, and the often-close contact between Service Users and staff. It is testament to the professionalism and commitment of all involved that Covid-19 was effectively managed across the Hostels in 2020.

In 2020, the Society gave our statutory partners 12 months' notice of the Society's intention to exit the delivery of emergency accommodation services by means of a transfer to third party service providers. The Society is planning to exit 9 of the 10 hostel services and the Letterkenny service remains. In the meantime, focus on implementing the quality standards framework for homeless services through the ongoing work of the peer-led Quality Standards Implementation Team (Q-SIT) continued. The Q-SIT's plans to undertake a series of internal quality audits in 2020 to support the ongoing implementation of the standards that was disrupted by the pandemic and has been scheduled for review in 2021.

At the time of writing the proposed transfer of the services is imminent and the expectation is that the process will have been completed before the end of the year.

TRUSTEES REPORT (Continued)

Activities of the Society (Continued)

Social Housing

Against the backdrop of a global pandemic, the Society's Social Housing continued to deliver on its mission to provide homes for people in communities managing 861 homes and 918 tenants nationally. In overcoming challenges and demonstrating resilience the year saw the Society adapting innovative ways to meet those social housing service demands. Forming part of Society's Covid-19 Response Group, the Social Housing Team placed emphasis on business continuity planning ensuring the co-ordination of efforts including backup support to volunteers through regional and local resources, rolling out up to date advice, guidance and procedures to ensure tenants, members, and staff remained updated and informed.

From the very outset of the restrictions and upheaval, the Society's focus was on the safety and wellbeing of tenants, and across the lockdowns hundreds of calls were made to tenants to check on their welfare and provide support. The calls enabled the Society to put tenants in touch with local community supports if required and helped to combat loneliness and isolation for many. The Society's strong presence across communities nationally was reinforced through successful collaboration with wider community / local authority support networks which ensured appropriate co-ordination of approach to tenant wellbeing and safety.

A key task throughout the year was to ensure that the Society remained connected, whilst staying safely apart, and the Society's staff and volunteers embraced technology and online working which saw social housing meetings across local Conferences, Regional and National Committees taking place remotely. Meetings with all social housing staff nationally co-ordinated by the National Team were held weekly to identify risks, address challenges, and ensure a common approach to resolution of issues.

In terms of financial position, the Society maintained rental income levels consistent to previous years having regard to the tenant cohort being unaffected by the economic impact of Covid-19, and the Society maintaining its enhanced focus on performance monitoring in addition to moving towards standard payment methods in some areas. The Society's planned implementation of social housing rent rates across tenancies nationally were during the year, however the Society will continue to work towards this across 2022 and 2023 in relation to the implementation of social housing rent rates, working, in particular, to access state rent assistance as applicable through the support of local authorities.

The allocation of homes continued to be a priority across the year and people were moved into homes where health and safety measures could be adhered to. Innovative solutions were applied in some cases in the form of online interviews and virtual house tours. New allocations included eight tenants receiving keys to the newly completed Phase 2 of our Cuan Iosa Scheme in Ballymote, Sligo.

In terms of the repairs and maintenance service, whilst the service had to be reduced for a number of months to cover only emergency repairs, the Society worked to maintain a service to ensure compliance with statutory and regulatory requirements. Across the service, 96% of our repairs were completed within the target timescales. Despite national restrictions and the closure of the construction sector, the Society saw a significant increase in planned maintenance work during the year which included several refurbishment and energy upgrades.

TRUSTEES REPORT (Continued)

Activities of the Society (Continued)

Social Housing (Continued)

Regulation: The Society continued to engage positively with the Regulation Office during the year and is committed to continuing work across governance and overall operations to build capacity and tenant service. The year saw the review of the Social Housing Risk Management Framework which will assist in guiding our work in achieving a sustainable operational model over the coming years.

Tenant Satisfaction: The Society's tenant satisfaction levels were highlighted through a completed tenant survey (200 tenants surveyed nationally) with 83% of respondents indicating they had no issues with their home, 79% outlining that they were satisfied that their home is maintained to an appropriate standard, and 82% indicating satisfaction with their last repair completed. 87% indicated that living in a St. Vincent De Paul home improved the quality of their life.

Child & Family Services

As previously mentioned, the Society have this year developed a new area of function within the national services structure - Children and Family Services. This new function now encompasses all of SVP's child and family services throughout the island of Ireland which would formerly have been referred to as 'Specialist Services'.

Services: In total there are 41 different services in this area operating in 43 locations across the country. There are 11 different types of services offered and the variety of services in this area include:

- Childcare Centres
- Breakfast Clubs
- Youth Clubs
- Community Resource Centres
- Day Care Centres for the Elderly
- Residential Units for the Elderly
- Drop-in Services for the Homeless
- Holiday Centres for Children
- Holiday Centres and Homes for Families
- Meals on Wheels / Hamper Services
- Seafarers Club
- Prison Visitor Centres

Volunteers & Staff: These services are incredibly well supported, with 430 volunteer members working in our child and family services network throughout the year. This number rises significantly during the summer months when hundreds of volunteers join us to support summer youth projects and the holiday homes across the country leading to us having up to 1,000 volunteers working in this area throughout the year.

Members take on such a variety of roles in services, acting as role models and mentors to the children in the youth clubs and youth groups, sharing talents and skills in adult education classes, being a listening ear and support to older members of the community in day care centres and social activity groups, offering advice and support to people who find themselves homeless, delivering meals to those most in need, having a cup of tea and a friendly chat with sailors who arrive at port, or supporting children and families as they visit loved ones in prisons.

We also have 170 staff working in Child and Family Services across the island of Ireland, with 144 staff working in services in the Republic of Ireland, and 32 staff working in Northern Ireland.

TRUSTEES REPORT (Continued)

Activities of the Society (Continued)

Child & Family Services (Continued)

Service Users: When operating at full capacity (prior to March 2020) 3,400 people are supported across the country who benefit from these services every week ranging from the youngest member aged 3 months in St. Joseph's Childcare Centre in Waterford City, to the eldest member aged 98 in Ozanam House Residential Centre, Bundoran, County Donegal. Throughout Child and Family Services, the Vincentian ethos of the Society is strong and evident in all that we do. The care and compassion that is central to our mission is witnessed in every classroom, every club, Care Centre, Holiday Home and Visitor Centre in every corner of the country.

To co-ordinate this new area of function, the National Management Council have established the new role of 'National Children and Family Services Manager'. This post was filled in September 2020 and the new manager is now working with Services to comply with the legal and regulatory obligations in this area of work. The Manager will also work with the newly established NMC Subcommittee to establish strategies for the various activities to inform future direction, in addition to developing a systematic implementation framework to address the recommendations contained in our recent 'Keeping Children Safe' National Children's Services Safeguarding Audit. The development of a cohesive and active network among services is also planned to share wisdom, experience, and ideas.

Society of St Vincent de Paul (Ireland)

National Management Council Report (Continued)

For the year ended 31 December 2020

FINANCIAL REVIEW

The Society continues to see in our communities the need for significant support to individuals and families through Visitation Work and the Society's Special Works.

The financial statements for 2020 are in line with FRS102 and the Charities SORP. The Society depreciates property assets and capital grants are amortised over the life of the asset.

The Society continues to aim for a balance of our income with expenditure over multiple year periods. The income sources and levels are the critical factors in creating the Society's capacity to provide direct financial assistance to individuals, families and the provision of services to recipients.

The financial outcome for the year ended 2020 show a net deficit of €3.2 million compared to €1.0 million in 2019. This is driven mainly a decrease in income while expenditure remains relatively stable year on year. The income loss from the closure of our charity shops due to Covid-19 restrictions was somewhat offset by an increase in donations and legacies.

Analysis of Income

In 2020, the Society's total income, which arises from several income streams, was €78.6 million versus €83.3 million in 2019. The Society's income is analysed in Notes 3, 4 and 5 to the Financial Statements.

The income from church collections was €3.8 million (2019: €9.4 million). Church gate collections were lower due to the Government Covid-19 restrictions.

The income from donations increased to €26.3 million (2019: €14.9 million). The income from donations and collections will vary year-on-year due to their intermittent nature, the occurrence of exceptional once-off collections or donations. The Society benefitted from several special fundraising initiatives which included an appeal in May 2020 and the Late Late Show and Blue Envelope appeals. These were incremental to the recurring annual appeal in December 2020.

The income from legacies was €4.7 million (2019: €8.0 million). The receipts from legacies are irregular, with dependency on an individual's preferences when finalising their will, and the interim time between death and notification of the legacy.

The community charity shops turnover decreased to €18.6 million (2019: €28.8 million) due to Government Covid-19 Policy on retail trading restrictions in 2020.

The Society received government funding for the provision of services to recipients and other government grants of €16.8 million (2019: €12.5 million), which includes €4.6 million of government Covid-19 financial support schemes, €1.5 million (2019: €1.5 million) from the Department of Housing, Planning, Community and Local Government for the Poverty Relief Fund.

Society of St Vincent de Paul (Ireland)

National Management Council Report (Continued)

For the year ended 31 December 2020

FINANCIAL REVIEW (Continued)

Analysis of Expenditure

The Society's total expenditure in 2020 decreased to €82.8 million, compared to €84.5 million in 2019. The foreign exchange loss of €652k (2019: €648k gain) arose on the consolidation of sterling balances into euros for reporting purposes. Adjusting for the currency translation, the 2020 expenditure is €82.2 million, compared to €85.1 million in 2019. The Society's expenditure is analysed in Note 6 to the Financial Statements.

Expenditure on members' visitation work, which includes assistance to individual and families, was €28.8 million (2019: €31.0 million). The decrease in direct assistance is, in part, due to changes in the type of support and assistance provided, direct support developments, changing needs of those whom we serve and the added impact of Covid-19 restrictions. The SVP members' visitation work includes non-financial support, advisory assistance, befriending and supporting access to social services.

The total expenditure for Activities in furtherance of the Charity's Objectives was €41.7 million (2019: €42.4 million).

The community charity shops expenditure represents 27% (2019: 28%) of the Society's total expenditure. The community charity shops expenditure decreased to €22.0 million from €23.6 million in 2019.

The provision of services to recipients, excluding shops, represents 24% (2019: 22%) of Society expenditure and principally relates to Homeless Hostels and Social Housing. The services expenditure was at €19.6 million for 2020 (2019: €18.9 million).

The Society's properties (Note 10) include social housing, hostels, holiday homes, resource centres, and retail units. Due to planned maintenance and stock condition assessments, the maintenance cost for the properties is expected to increase in future years and the Society is continuously assessing the quantum of reserves which will be required to be dedicated for such expenditure through reserve designation.

Balance Sheet

At 31 December 2020, the Society is in a good financial position, created over the 175 years of its existence and arising from a prudent approach to its activities and risks. This facilitates the Society in its continuing wide range of visitation work and provision of services.

The Society's tangible assets are analysed in Note 10 which shows a net book value was €100.7 million (2019: €106.1 million), with additions of €3.3 million (2019: €4.2 million) during the year of which €2.9 million are properties. As stated in Note 10, the carrying cost of properties for accounting purposes is based upon the deemed valuation of these assets completed in 2012. Assets acquired post 2012 are accounted for at purchase price or market value if gifted to the Society. The Society annually reviews property values to determine if an impairment needs to be recorded. As noted overleaf, the Society had Property Valuation Reserves of €80.8 million (2019: €80.8 million) of at 31 December 2020 (Note 19). In addition, the NMC reviewed the depreciation rate for owned properties considering the impact of stock condition surveys carried out in Social Housing and findings from property valuation reviews which resulted in the rate increasing from 2% to 3.2% from 2017 onwards.

The cash at bank and in hand at 31st December 2020 was €85.6 million compared to €84.6 million in 2019 which is further considered in Note 14. The Society has a pension surplus of €96k (2019: €51k).

Society of St Vincent de Paul (Ireland)

National Management Council Report (Continued)

For the year ended 31 December 2020

FINANCIAL REVIEW (Continued)

Balance Sheet (Continued)

Creditors amounts falling due within one year were €6.9 million (2019: €7.6 million) and creditors amounts falling due after more than one year were €32.2 million (2019: €32.1 million). Included in creditors are capital grants net of amortisation at €33.5 million (2019: €33.5 million).

The Society's reserves were €151.1 million (2019: €154.4 million) and are analysed as €5.5 million (2019: €5.4 million) of restricted funds, €20.4 million (2019: €22.8 million) of designated funds, €80.8 million (2019: €80.8 million) being property valuation reserves and €44.5 million (2019: €45.4 million) of general reserves. The designation of reserves aims to be forward looking with the purpose of making resources specific to special works and other activities.

Future Financial Aims

A key objective for the Society is to support individuals and families through members' visitations, befriending, and short-term financial support to those subjected to poverty or social inequality, and the support of the SVP services to recipients. This is achieved through quality visitation work, services to recipients, careful management of the Society's resources and continuing to achieve a balance of the Society's income with expenditure, cash flow management, and the available financial resources to provide direct assistance to families and individuals during the next year.

Cash Flow

The Society's consolidated net cash outflow from operating activities was €1.3 million (2019: €4.3 million inflow). The net expenditure was €4.2 million (2019: €1.2 million). Depreciation less the amortisation of capital grants was a net inflow of €4.0 million (2019: €4.8 million). The movement in debtors and creditors, which included bequests, was a net cash outflow of €1.3 million (2019 inflow: €545k).

The cash inflows in investing activities was €709k (2019: €3.7 million outflow). Properties acquired and capital expenditure in the year was €3.3 million (2019: €4.2 million) on the development of the community charity shops, social housing, resource and services centres. The proceeds from the disposal of fixed assets was €4.0 million (2019: €345k). The proceeds from the disposal of investments was €0k (2019: €66k).

The cash inflows from financing activities was €1.7 million (2019: €205k). Capital Grants received in the year was €1.7 million (2019: €205k). There was bank interest and investment income of €25k in the year (2019: €38k).

The consolidated liquid resources movement for the year was an increase of €1.1 million (2019: €774k). The Society is well advanced in its plans as to how such additional funds will be expended and a number of these are outlined in the following section and Note 19 to the accounts. The Society aims to have reserves and liquid resources to ensure the sustainability and viability of the Society, its Visitations Work and Special Works.

RESERVES POLICY

The Society's Total Reserves (represented by Restricted, Designated and Unrestricted Funds) are an amalgamation of assets employed in Special Works owned directly by the Society, and assets (principally tangible fixed assets and cash) held at National, Regional, Area and Conference levels.

FINANCIAL REVIEW (Continued)

RESERVES POLICY (Continued)

The overall policy of the Society is to maintain liquid resources to facilitate the funding of the Society's work in the service of the poor, on whose behalf the funds are held. The reserves and liquid resources are maintained at a level which ensures that the Society Visitations Work and Special Works can continue during a period of unforeseen challenges. The reserve level takes account of the risks associated with each stream of income and expenditure, social housing stock condition and planned activities.

This policy is driven by the need to provide for future expenditure on a planned basis and at the same time be in a position to respond to urgent deserving causes at short notice. The reserves of the Society are held for its charitable purpose and aims, working with poor and disadvantaged people, bringing support and friendship. Local Conferences and Councils are encouraged to share unrestricted funds with other Conferences within the Society, to address the needs of the wider community.

Where appropriate, funds are designated for use within the Society, for particular purposes and the related expenditure may be made over several accounting periods. This principle also applies to certain funds which have been restricted in their use under the terms of their donation. The balances of such designations and restrictions, together with the categories to which they relate, are explained in Note 19 to the Accounts.

PRINCIPAL RISKS AND UNCERTAINTIES

Overview

The National Management Council (NMC) is the directive, coordinating and management body of the Society on the island of Ireland, who establish continually evolving systems, policies, and procedures to help mitigate the significant risks to which the Society is exposed. These policies and procedures are monitored and updated in light of legislative and other relevant factors. The Society's systems, policies, and procedures seek to ensure members and staff can identify risks and in turn have a responsibility to manage and mitigate risks.

Structures are in place within the Society to regularly assess risks and internal controls. The structure of the Society is based on Conferences (primary membership unit of the Society) with Area and Regional Councils being bodies who have oversight and accountabilities to their Region and the NMC for the work and risks within their geographical area.

Conferences and Councils appoint officers who manage the day-to-day activities of the Conferences and Councils in accordance with laws, the Society Rule and the policies set by the NMC. The risk management for the Society is achieved through Conference and Council internal controls, by the work of the Trustees, governance officers, Treasurers and the functions of National Office, Regional Offices, Special Works Operations, Finance, HR and Internal Audit.

Income Risk

Each Conference and Council within the Society manage their income and expenditure through continuous monitoring, Conference reviews, and plans. Income and cash positions are key drivers for the level of charitable acts the Society can perform. Conferences and Councils work on a conservative and risk management approach. The aim is to minimise the risk of financial and reputational loss while reducing liquidity risks due to the mismatch of income to expenditure.

The Society is reliant on donations from the public for most of its income. The development of a broad range of sources of income is necessary to reduce the risk of significant income fluctuations (e.g. donations, church gate collections, bequests, fundraising, funders of services and activities, and community charity shops). For some emergency accommodation services, the Society is dependent on the ongoing support of the HSE for funding to deliver these emergency accommodation services. Funding at an appropriate level is fundamental to the Society's ability to continue these activities.

Governance Risk

The geographical distribution of the Society across the island of Ireland, coupled with the diversity of activities the Society is engaged in, creates inherent governance and management risks. The primary structure of the Society is based on local Conferences (the membership unit of the Society who perform the charitable visitations acts of the Society or establish services), which are part of an Area (geographical area), who in turn are part of a Region and then the NMC.

Conferences, Area Councils, Regional Councils, National Council and NMC, are the primary governance bodies within the Society. Conferences and Councils appoint officers who manage the activities of the Conference or Council in accordance with laws, the Society Rule and the policies set by the NMC. Conferences, Councils, and Management, have direct responsibility for ensuring that the members and staff are addressing the risks within their remit. The National Council is the body responsible for adopting and amending the Mission and Values Statements, offering an opinion on policy when requested by the NMC and amending the Rule as permitted by its terms, subject to the approval of the International Council-General.

PRINCIPAL RISKS AND UNCERTAINTIES (Continued)

Operational Risk

The Society places a priority on the safety and security of its members, volunteers, employees, beneficiaries, services recipients and general members of the public. The Society Rule, policies, procedures and practices aim to ensure risks are appropriately managed to protect any individual the Society comes in contact with, including vulnerable adults and children.

Risks are mitigated by training, monitoring, the use of appropriately trained members and staff, having appropriate procedures and practices to reduce risks. An incident reporting system is used to record incidents. We have adequate cover in place for public liability.

Market Risk

Currency Risk

The Society in Ireland is an island of Ireland organisation, it operates in both Euro and Sterling. The currency risk within the Society is managed through minimisation of cross-region cash flow dependencies. The reporting currency of the Society is Euro; therefore, the Financial Statements include translation of our Sterling income and expenditure at the average exchange rate for the year and related balance sheet items at the exchange rate on the balance sheet date. The effect resulting from the restatement of the opening net assets at closing rates is recorded in the statement of financial activities.

Interest Rate Risk

There is minimal interest rate risk due to the Society's Rule that any loans are to be approved by the NMC. There is no loan covenant compliance risk as there are no financial debt instruments.

Credit Risk

The Society manages its financial assets and liabilities to ensure it will continue as a going concern. The principal financial assets of the Society are bank and cash balances, and receivables. The principal financial liabilities of the Society are payables and capital grants. Credit risk on liquid funds is mitigated by spreading funds over several financial institutions.

Health, Safety and Environmental Risk

The well-being of the Society's members, volunteers, employees, beneficiaries, services recipients and the public are safeguarded through adherence to health and safety standards, policies and good practices, with the aim to minimise any negative impact on any individual, or the Society's activities and reputation. Health and safety legislation imposes certain requirements on the Society as a member-based organisation and as an employer. The Society continually acts to create a healthy and safe environment, provide policies and expect good practices from members and staff, including the implementation of new quality visitation programs and operational structures. The Society will seek to minimise adverse impact on the environment from its activities while continuing to address health, safety, and environmental risks.

Infectious disease

The risk of infectious diseases, like COVID-19, will be an evolving event, and its future effects may be uncertain. While recognising that it may be difficult to assess or predict with precision the broad impact of COVID-19, we acknowledge that the actual result will depend on many factors beyond our control and knowledge. The Society will respond to evolving events and plan its reaction to the occurrence of such risks, including communication about the known or reasonably likely effects and the types of risks based on facts, government guidance and circumstances analysis.

Society of St Vincent de Paul (Ireland)

National Management Council Report (Continued)

For the year ended 31 December 2020

PRINCIPAL RISKS AND UNCERTAINTIES (Continued)

General Data Protection (GDPR) and Information Security

The Society's transactions processing, recording and storing of data are particularly sensitive. The Society's data protection policies, procedures, and systems aim to mitigate risks related to information security.

INVESTMENT POLICY AND PERFORMANCE

The investments are from legacies received by the Society. These investments are regularly reviewed by the Society, with the aim to realise funds for use by the Society to achieve its purpose and aims.

EVENTS AFTER THE BALANCE SHEET DATE

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

NATIONAL MANAGEMENT COUNCIL'S RESPONSIBILITIES STATEMENT

The National Management Council (NMC) has elected to prepare the financial statements in accordance with the Statement of Recommended Practice (SORP FRS 102) and FRS 102 The Financial Reporting Framework applicable in the UK and Republic of Ireland (relevant financial reporting framework). The NMC prepares consolidated financial statements for each financial year, which give a true and fair view of the state of affairs of the Society and its incoming resources and application of resources, including its income and expenditure of the Society for the year.

In preparing those financial statements, the NMC is required to:

- select suitable accounting policies for the Society's Financial Statements and then apply them consistently.
- observe the methods and principles in the Charities SORP.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in operation.

The NMC is responsible for keeping proper accounting records which disclose with reasonable certainty the financial position of the Society and which enable it to ensure that the financial statements comply with relevant legislation. The NMC is also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The NMC is also responsible for the maintenance and integrity of the corporate and financial information included on the Society's website.

Society of St Vincent de Paul (Ireland)

National Management Council Report (Continued)

For the year ended 31 December 2020

THE NATIONAL MANAGEMENT COUNCIL

The National Management Council (NMC) is comprised of the National President, eight Regional Presidents, two members appointed at the sole discretion of the National President and the Spiritual Advisor. The National President may exercise, in accordance with the Rule of the Society and after consultation with the members of the NMC, to appoint any other member to the NMC as a National Officer.

<u>TRUSTEE</u>	<u>OFFICE HELD</u>	<u>DATE OF APPOINTMENT TO NMC</u>
Rose McGowan	National President	August 2020
John Lupton	National Vice President for Members	September 2020
Peter Fitzpatrick	National Treasurer	June 2017
Larry Butler	Regional President North-East & Midlands	June 2018
Marie Cronin	Regional President East	July 2020
Bernadette Doyle	Regional President South-East	February 2017
Rosa Glacken	Regional President North-West	December 2017
Maureen Mitchell	Regional President West	October 2020
Paddy O'Flynn	Regional President South-West	February 2020
Teresa Ryan	Regional President Mid-West	July 2020
Mary Waide	Regional President North	July 2020
Fr Paschal Scallon	Spiritual Advisor	May 2018

NON-TRUSTEES

Andy Heffernan Attendee only - National Secretary

		<u>DATE OF RESIGNATION FROM NMC</u>
Kieran Stafford	National President	August 2020
William Casey	Regional President East	July 2020
John Lupton	Regional President Mid-West	July 2020
Christy Lynch	Regional President South-West	February 2020
Frankie McClure	Regional President North	April 2020
Michael McCann	Regional President West	October 2020
Ciara Reynolds	National Vice President for Governance and the Rule	September 2020

The President of the National Council, elected in accordance with the Rule, is Rose McGowan (August 2020). The members of the National Council elect the National President. The National Council comprises the Regional Council Presidents (No. 8), the Area Council Presidents (No. 108), the National President, the members nominated by the National President (No. 2) and the Spiritual Advisor. The National President shall hold office for three years and is eligible for re-election for one further term of two years. The National President is then ineligible for re-election until the expiration of a further five years. A person shall be ineligible to serve, or continue to serve, as National President if they become ineligible to be a charity trustee.

The Regional President is elected by the members of the Regional Council, comprising the Area Council Presidents, together with all the Presidents of the Conferences in the Region. The Regional President shall hold office for a period of three years and is eligible for re-election for one further term of two years. The Regional President is then ineligible for re-election until the expiration of a further five years. A Regional President can cease to hold office if asked to do so by the National Management Committee or if they become ineligible to serve.

THE NATIONAL MANAGEMENT COUNCIL (Continued)

The persons appointed members of the NMC, by the National President, cease to be members when a new National President takes office. A Regional President (Trustee) must be a member of the Society for at least six years before becoming a Trustee of the Society and thus has insights into the activities of the Society. In their initial months, a new Trustee will meet with the National President, the National Secretary and Heads of Functions to discuss Society governance, structures and activities and is provided with a copy of the governing document, the Rule and relevant documents.

TRUSTEES' STATEMENT OF RELEVANT AUDIT INFORMATION

So far as each of the Trustees in office at the date of approval of the financial statements is aware:

- There is no relevant audit information of which the Society's auditors are unaware; and
- The Trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the Society's auditors are aware of that information.

AUDITORS

Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, continue as Auditors of the Society.

Signed on Behalf of the National Management Council on the 25th September 2021 by:

Rose McGowan
National President

Peter Fitzpatrick
National Treasurer

Independent auditor's report to the National Management Council of the Society of St. Vincent de Paul (Ireland)

Report on the audit of the financial statements

Opinion on the financial statements of Society of St. Vincent de Paul (Ireland) (the 'Society')

In our opinion the non-statutory consolidated financial statements:

- give a true and fair view of the state of the affairs of the Society as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure for the financial year then ended: and
- have been properly prepared in accordance with the relevant financial reporting framework.

The financial statements we have audited comprise:

- the Consolidated Statement of Financial Activities;
- the Consolidated Balance Sheet;
- the Consolidated Statement of Cash Flows; and
- the related notes 1 to 27, including a summary of significant accounting policies as set out in note 1.

The relevant financial reporting framework that has been applied in the preparation of the consolidated financial statements is FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council ("the relevant financial reporting framework").

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 Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, 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 National Management Council's 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 Society's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. The National Management Council is responsible for the other information contained within the annual report. 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 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.

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**Independent auditor's report to the National Management Council of the
Society of St. Vincent de Paul (Ireland)**

Responsibilities of the National Management Council

As explained more fully in the National Management Council's Responsibilities Statement, the National Management Council of the Society is responsible for the preparation of the consolidated financial statements that give a true and fair view, and for such internal control as the National Management Council of the Society 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 consolidated financial statements, the National Management Council of the Society is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the National Management Council of the Society either intend to liquidate the Society or to cease operations, or have 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 consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the National Management Council of the Society.
- Conclude on the appropriateness of the National Management Council of the Society's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society'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 the auditor's report. However, future events or conditions may cause the Society (or where relevant, the group) 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the group to express an opinion on the (consolidated) financial statements. The group auditor is responsible for the direction, supervision and performance of the group audit. The group auditor remains solely responsible for the audit opinion.

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**Independent auditor's report to the National Management Council of the
Society of St. Vincent de Paul (Ireland)**

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 the auditor identifies during the audit.

Use of our report

This report is made solely to the National Management Council of the Society of St. Vincent de Paul (Ireland), as a body, in accordance with our engagement letter. Our audit work has been undertaken so that we might state to the National Management Council of the Society those matters we are expected to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the National Management Council of the Society as a body, for our audit work, for this report, or for the opinions we have formed.

Margarita Martin
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Dublin

Date: 12 October 2021

Society of St Vincent de Paul (Ireland)

Consolidated Statement of Financial Activities

As at 31 December 2020

	Notes	2020 Continuing Restricted €'000	2020 Continuing Unrestricted €'000	2020 Discontinuing Unrestricted* €'000	2020 Total €'000	2019 Continuing €'000	2019 Discontinuing* €'000	2019 Total €'000
Income from:								
Donations and legacies	3	3,002	34,960	265	38,227	34,192	145	34,336
Charitable activities	5	381	30,797	5,620	36,798	39,545	5,894	45,439
Investments		-	25	-	25	37	1	38
Fundraising		-	2,110	12	2,122	3,136	23	3,159
Other		-	1,385	2	1,387	346	1	348
Total income		3,383	69,277	5,899	78,559	77,256	6,064	83,320
Expenditure on:								
Fundraising		-	1,184	-	1,184	822	-	822
Charitable activities		3,208	69,248	9,163	81,619	75,851	7,713	83,671
Total expenditure	6	3,208	70,432	9,163	82,803	76,673	7,713	84,493
Net income/(expenditure)	7	175	(1,155)	(3,264)	(4,244)	583	(1,648)	(1,173)
Net (losses)/gains on revaluation of investments	11/19	(32)	23		(9)	(4)	-	(24)
Net income/(expenditure) before the transfer of funds		143	(1,132)	(3,264)	(4,253)	579	(1,648)	(1,197)
Transfer between funds	19	(72)	72	-	-	-	-	-
Net gains on disposal of assets	19	-	1,026	-	1,026	156	-	156
Net movement in funds		71	(34)	(3,264)	(3,227)	735	(1,648)	(1,041)
Total funds brought forward	19	5,403	151,880	(2,905)	154,377	156,547	(1,257)	155,418
Total funds carried forward	18/19	5,474	151,846	(6,169)	151,150	157,282	(2,905)	154,377

*On 30th September 2020, the Society issued a Notice to Quit to its statutory funders in relation to the Hostels it operates and as a result, the Hostels are treated as a Discontinuing Operation in the Financial Statements.

Society of St Vincent de Paul (Ireland)

Consolidated Balance Sheet

As at 31 December 2020

	Note	2020 €'000	2019 €'000
FIXED ASSETS			
Tangible Assets	10	100,681	106,124
Investments	11	48	57
TOTAL FIXED ASSETS		100,729	106,181
CURRENT ASSETS			
Stocks	12	9	7
Debtors	13	3,874	3,310
Cash at bank and in hand	14	85,650	84,619
TOTAL CURRENT ASSETS		89,533	87,936
LIABILITIES			
Creditors: Amounts falling due within one year	15	(6,906)	(7,642)
NET CURRENT ASSETS		82,627	80,294
TOTAL ASSETS LESS CURRENT LIABILITIES		183,356	186,475
Creditors: Amounts falling due after more than one year	16	(32,206)	(32,098)
NET ASSETS	18	151,150	154,377
THE FUNDS OF THE CHARITY:			
Restricted funds	18/19	5,475	5,402
Property valuation funds	18/19	80,817	80,817
Designated funds	18/19	20,392	22,803
General funds	18/19	44,466	45,355
TOTAL CHARITY FUNDS		151,150	154,377

The consolidated financial statements were approved and authorised for issue by the National Management Council on the 25th September 2021 and signed on its behalf by:

Rose McGowan
National President

Peter Fitzpatrick
National Treasurer

Society of St Vincent de Paul (Ireland)

Consolidated Statement of Cash Flows

For the year ended 31 December 2020

Reconciliation of Net Expenditure to Net Cash Flows from Operating Activities	Notes	2020 €'000	2019 €'000
Net Expenditure for the reporting period		(4,244)	(1,172)
Adjustments for:			
Investment income		(25)	(38)
Depreciation	10	5,483	6,249
Tangible fixed assets reclassification		-	371
Amortisation of capital grants		(1,498)	(1,444)
Operating cash flows before movement in working capital		(284)	3,966
Increase/(decrease) in creditors		(756)	802
(Increase) in debtors		(564)	(283)
(Increase)/decrease in stocks		(2)	26
Fixed asset translation adjustment		218	(239)
Net cash flows from charitable operating activities		(1,388)	4,272
Cash flows used in investing activities			
Investment income		25	38
Proceeds from disposal of investments	11	0	66
Acquisition tangible fixed assets	10	(3,312)	(4,152)
Proceeds from disposal of fixed assets		4,070	345
Net cash flows used in investing activities		783	(3,703)
Cash flows provided by financing activities			
Government capital grants received	4/17	1,658	205
Net cash flows provided by financing activities		1,658	205
Net increase in cash and cash equivalents in the reporting period		1,053	774
Cash and cash equivalents at the beginning of the reporting period		84,589	83,815
Total cash and cash equivalents at the end of the reporting period (Note 14)		85,642	84,589

1. ACCOUNTING POLICIES

Basis of preparation

The accounts have been prepared under the historical cost convention modified to include certain items at fair value and in accordance with the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and FRS 102.

Going concern

The consolidated financial statements have been prepared on a going concern basis. The National Management Council (NMC) has reviewed the Society's financial position and consequently believes there are sufficient resources to manage any operational or financial risks. The NMC, therefore, considers there is a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future.

In the going concern review, we have considered the current conditions, current financial position, the outlook for twelve months, obligations and liquidity over twelve months in assessing the ability to continue as a going concern.

A global pandemic was declared by the World Health Organisation in relation to the outbreak of Coronavirus (COVID-19) in March 2020. The NMC has considered the effects of this pandemic on the continued operations of the Society and believes the Society has sufficient cash reserves to deal with any reduction in income that may result from the crisis. The NMC has also considered the impact of the pandemic on the services provided by the Society and is satisfied that these can continue, albeit that these services have been somewhat adapted to the current circumstances.

The NMC believes that there is no material uncertainty about the ability to continue as a going concern.

The Society of St Vincent de Paul (Ireland) is a public benefit entity as defined by FRS 102.

Basis of consolidation

The Consolidated Financial Statements include the results of all the Society's Councils and Conferences situated in the Republic of Ireland and Northern Ireland. The financial year for all reporting entities is coterminous with the exception of one Conference.

Income

Income included in the financial statements represents income from the public (i.e. donations and legacies), grants, services funding, fundraising and deposit and investment income received during the year.

Income is accounted for when the Society becomes entitled to the funds, the income can be measured reliably, and it is probable the funds will be received. Where income has been received in advance, it is deferred until the donor's conditions are met. Where income has not yet been received, but all criteria for recognition have been satisfied, the income is accrued as a debtor in the balance sheet.

1. ACCOUNTING POLICIES (Continued)

Income (Continued)

In the case of voluntary donations, income is recognised when received. Proceeds from the sale of donated goods are recognised in the financial statements in the period in which they are realised. The value of donations-in-kind is not included in the statement of financial activities as, due to their nature; the cost of recognition and measurement of individual donations would outweigh the benefit.

Revenue grants are recognised in full in the year in which they are receivable. A summary of all revenue funding and capital grants from government bodies is included in Note 4.

Income from legacies is accounted for on a receivable basis and is recognised in full in the financial statements in the period in which probate is granted, where the amount can be reliably ascertained.

Other income is from a temporary source or once-off in nature and is accounted for on a receivable basis.

Expenditure

Resources expended are recognised on an accruals basis and include attributable VAT which cannot be recovered.

Fundraising expenditure relates to the costs incurred by the Society in generating funds for its charitable work.

Charitable activities expenditure is allocated to the activity, where the cost relates directly to that activity.

Management, support and administration comprise both National and Regional Councils support services. These comprise members support services, beneficiaries' services, Regional and National Council services for core visitations work. Included in this expenditure are costs for governance and statutory compliance.

Deferred capital grants, including Capital Assistance Schemes, are included in creditors and are amortised to the statement of financial activities, at a rate of 3.2% per annum (2019: 3.2%), in line with the estimated useful life of the related assets.

Gift in Kind

Items donated for resale are included in shop income when sold and no value is placed on stock at year end.

Funds

The Society's total reserves (represented by Restricted, Designated and Unrestricted Funds) are an amalgamation of assets employed in Special Works owned directly by the Society and assets (principally tangible fixed assets and cash) held nationally at Council and Conference level.

The overall policy of the Society is to maintain a balance of long-term assets and liquid resources to facilitate the funding of the Society's work in the service of those experiencing poverty, on whose behalf the funds are held. This policy is driven by the need to provide for future expenditure on a planned basis and at the same time be in a position to respond to urgent deserving causes at short notice.

1. **ACCOUNTING POLICIES (Continued)**

Funds (Continued)

Reserves held at Conference level are for direct relief of poverty in local areas and for that reason mainly consist of liquid funds. Local Conferences and Councils are encouraged to share surplus unrestricted funds with other Conferences within the Society, to facilitate needs within the wider community.

Restricted Funds represent donations, bequests and grants which have been received and recognised in the financial statements and are subject to specific conditions imposed by the donors or grant-making bodies.

Unrestricted Funds are funds that are expendable at the discretion of the Society in furtherance of the objectives of the Society and include a property reserve that represents valuation movements since the inception of the assets in 2005.

Designated Funds have been set aside for particular purposes by the Society itself in the furtherance of the Society's charitable objectives.

Taxation

No charge to current or deferred taxation arises as the Society has been granted charitable status.

Fixed Assets and Impairment

Tangible fixed assets are stated at cost less accumulated depreciation and any allowance for impairment. The Society decided to take the 2012 valuation of properties as their deemed cost as at 1 January 2014, as allowed on the transition to FRS 102.

At each reporting date, under FRS 102, the assets will be assessed as to whether there are any indicators that would result in a reduction to the carrying value of the asset. If the recoverable amount is less than the carrying value, the carrying value of the asset will be reduced to the recoverable amount.

Gifts of property are recorded at "Open market value" for existing use basis.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value, over its expected useful life, on a straight-line basis. The depreciation rates in use are as follows:

Properties	3.2%
Leasehold improvements	33%
Office equipment	33%
Motor vehicles	20%

The residual value represents the estimated amount which would currently be obtained from the disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

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

1. **ACCOUNTING POLICIES (Continued)**

Fixed Assets and Impairment (Continued)

Property Capital Expenditure in excess of €10,000 and Office Equipment and Motor Vehicles expenditure in excess of €5,000 is capitalised in the year it is incurred and depreciated over its useful life. Expenditure less than this amount is expensed to the Statement of Financial Activities accordingly.

Investments

Investments are carried at market value at the balance sheet date.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Pension Schemes

The Society operates defined contribution pension schemes and a defined benefit pension scheme. The Republic of Ireland defined benefit scheme terminated in April 2019. The assets of the schemes are held separately from those of the Society in independently administered funds. The pension cost charge in the statement of financial activities represents contributions payable by the Society under the defined contribution schemes together with any charges related to the defined benefit scheme.

The Society has no liability under the defined contribution schemes other than for the payment of contributions due.

For defined benefit schemes the amounts charged to the statement of financial activities are the costs arising from employee services rendered during the financial year and the cost of plan introductions, benefit changes, settlements and curtailments. They are included as part of staff costs. The net interest cost on the net defined benefit liability is charged to the statement of financial activities. Remeasurement comprising actuarial gains and losses and the return on scheme assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the statement of financial activities.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the charity, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

Capital Grants and Capital Assistance Schemes

Capital Grants and Capital Assistance Scheme amounts received since 1 January 2004 are initially deferred and are subsequently amortised to the statement of financial activities at a rate of 3.2% (2019: 3.2%) per annum. Unamortised balances are recognised under creditors in the Society's balance sheet.

Foreign Currencies

Translation of sterling income and expenditure is at the average exchange rate for the year and related balance sheet items at the exchange rate on the balance sheet date. The effect resulting from the restatement of the opening net assets at closing rates is recorded in the statement of financial activities

1. ACCOUNTING POLICIES (Continued)

Financial Instruments

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

The financial instruments are recognised and measured in accordance with Section 11 and Section 12 of FRS 102.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when (a) the contractual rights to the cash flows from the financial asset expire or are settled, (b) the entity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the entity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Operating Leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Society's accounting policies, which are described in Note 1, the NMC is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Critical judgements in applying the Society's accounting policies

The following are the critical judgements and estimations that the NMC has made in the process of applying accounting policies that have the most significant effect on the amounts recognised in the financial statements:

Valuation of Properties

Tangible fixed assets are stated at cost less accumulated depreciation and any allowance for impairment.

The annual depreciation of tangible assets is sensitive to change in the estimated useful lives of the assets. The useful economic lives are reviewed annually. They are amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of the assets.

3. DONATIONS AND LEGACIES

	2020	2019
	€'000	€'000
Church collections	3,805	9,434
Legacies	4,729	8,021
Donations	26,326	14,909
Members' contributions	44	150
Special Government Grant (Note 4)	1,656	1,451
Other Government Funding (Note 4)	1,667	371
	38,227	34,336
	2020	2019
	€'000	€'000
Discontinuing Activities Income		
Legacies	4	53
Donations	261	92
	265	145

4. GOVERNMENT GRANTS

A summary of all Revenue and Capital Grants from government bodies is included below:

	2020	2019
	€'000	€'000
REVENUE SERVICES FUNDING GRANTS (Note 3/5)		
Revenue Grants for Assistance to Individuals and Families		
Included under:		
Special Government Grant*	1,456	1,451
Special Government Grant - DRCD Covid 19 stability fund**	200	-
Other Government Grant/Funding	1,667	371
Income from Donations and Legacies (Note 3)	3,323	1,822
*Department of Housing, Planning, Community and Local Government		
**The Society received grants from the Department of Rural and Community Development (DRCD) during the year and adhered to the restrictions applied in the rules of the grant.		
Revenue Grants for Charitable Activities		
Shops	5,254	2,648
Holiday homes	280	324
Housing	110	429
Hostels	4,655	4,776
Youth clubs	3	16
Resource centres and crèches	3,135	2,509
Income from Charitable Activities (Note 5)	13,437	10,702
Total Revenue Grants	16,760	12,525

The Society received €4.6 million in Other Government state grants which has been recognised as income. €4.2 million relates to TWSS and EWSS and €0.4 million for restart grants and other supports.

	2020	2019
	€'000	€'000
CAPITAL GRANTS (Note 17)		
Housing	1,654	103
Hostels	4	100
Shops	-	2
Total Capital Grants	1,658	205

Society of St Vincent de Paul (Ireland)

Notes to the Consolidated Financial Statements (Continued)

For the year ended 31 December 2020

5. INCOME FROM: CHARITABLE ACTIVITIES

	Shops €'000	Holiday homes €'000	Housing €'000	Hostels (Dis- continuing) €'000	Youth clubs €'000	Resource centres and crèches €'000	Seafarers shelter €'000	2020 Total €'000	2019 Total €'000
Shop sales	18,563	-	-	-	-	-	-	18,563	28,768
Holiday Home fees	-	80	-	-	-	-	-	80	396
Charges to residents	-	-	2,716	965	-	153	-	3,834	4,297
Fees for services	-	-	-	-	2	882	-	884	1,276
Government revenue funding/grants (Note 4)	5,254	280	110	4,655	3	3,135	-	13,437	10,702
Total by Activity - 2020	23,817	360	2,826	5,620	5	4,170	-	36,798	
Total by Activity - 2019	31,432	720	3,301	5,894	31	4,061	-		45,439

Society of St Vincent de Paul (Ireland)

Notes to the Consolidated Financial Statements (Continued)

For the year ended 31 December 2020

6. TOTAL EXPENDITURE

	Assistance to individuals and families	Activities in furtherance of charity's objectives							Total: Activities in furtherance of the charity's objectives	Twinning	Fundraising Costs	Management, Support costs and Administration	2020	2019
		Shops	Holiday homes	Housing	Hostels (Discontin-uing)	Resource centres and crèches	Youth clubs	Seafarers shelter	Total					
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Staff costs (Note 8)	-	12,232	410	665	4,768	3,478	-	-	21,553	-	-	5,070	26,623	27,303
Cash assistance	4,667	-	-	34	93	21	-	-	148	-	-	-	4,815	5,859
Vouchers	12,872	-	-	-	5	3	-	-	8	-	-	-	12,880	11,488
Food/Hampers	1,738	-	1	-	-	23	-	-	24	-	-	-	1,762	1,615
Clothing/Furniture	965	-	-	-	-	-	-	-	-	-	-	-	965	1,172
Fuel/Electricity	4,150	-	6	-	-	-	-	-	6	-	-	-	4,156	4,728
Holidays/Outings	91	-	-	-	-	-	-	-	-	-	-	-	91	614
Twinning/Overseas support	-	-	-	-	-	-	-	-	-	440	-	-	440	437
Job/Employment training	6	-	-	-	-	-	-	-	-	-	-	-	6	44
Education	4,301	-	-	-	-	22	-	-	22	-	-	-	4,323	5,362
Overheads	122	2,758	91	189	568	285	5	9	3,905	-	-	951	4,978	5,229
Supplies	54	310	67	108	423	254	-	-	1,162	-	-	(5)	1,211	1,720
Programme costs	70	46	3	-	416	189	25	-	679	-	-	-	749	970
Personal development	100	-	-	-	-	1	-	-	1	-	-	-	101	155
Administration	444	867	13	85	158	78	1	6	1,208	-	-	1,329	2,981	3,719
Professional fees	49	414	10	127	390	59	-	-	1,000	-	-	562	1,611	1,760
Premises costs	274	3,686	108	1,256	2,014	607	1	4	7,676	-	-	294	8,244	6,683
Publication costs	-	63	-	2	2	1	-	-	68	-	-	48	116	235
Audit fees	58	106	9	21	50	26	-	-	212	-	-	295	565	532
Advertising/fundraising	170	8	-	-	-	13	-	-	21	-	1,184	-	1,375	1,224
Training and development	1	64	1	5	38	10	-	-	118	-	-	55	174	337
Depreciation	63	1,338	285	2,392	476	483	35	21	5,030	-	-	390	5,483	5,399
Capital grants amortised	(18)	(16)	(3)	(914)	(371)	(115)	(2)	-	(1,421)	-	-	(59)	(1,498)	(1,444)
Sub Total	30,177	21,876	1,001	3,970	9,030	5,438	65	40	41,420	440	1,184	8,930	82,151	85,141
Loss arising on translation of sterling balances	246	169	49	4	2	24	-	1	249	-	-	157	652	(648)
Total by activity – 2020	30,423	22,045	1,050	3,974	9,032	5,462	65	41	41,669	440	1,184	9,087	82,803	
Total by activity – 2019	32,041	23,562	1,907	4,020	7,713	5,074	122	37	42,435	437	822	8,758		84,493

7. NET EXPENDITURE FOR YEAR

This is stated after charging/(crediting):

	2020	2019
	€'000	€'000
Depreciation	5,483	5,399
Capital grants amortisation	(1,498)	(1,444)
National Management Council members:		
• Indemnity insurance	41	41
• Remuneration	-	-
• Reimbursed expenses for NMC members	14	22
Auditor's remuneration:		
• National audit	123	125
• Local Audits and Accounting Services	409	407

During the year NMC members' expenses, incurred in the course of their duties for the Society, e.g. travel, accommodation, subsistence, telephone, postage and stationery, were reimbursed.

8. STAFF COSTS AND NUMBERS

Staff costs were as follows:

	2020	2019
	€'000	€'000
Wages and salaries	24,620	24,281
Social welfare costs	1,156	2,166
Pension and related costs (Note 20)	847	856
	26,623	27,303

A total of 10 employees (2019: 9) earned remuneration in excess of €70,000 per annum (excluding employer PRSI and pension contribution), as follows:

	2020	2019
	No.	No.
€70,001 to €80,000	5	5
€80,001 to €90,000	4	3
€90,001 to €100,000	-	-
€100,001 to €110,000	-	-
€110,001 to €130,000	1	1

The Society is a volunteer-led organisation. All the Society's work is carried out by more than 11,000 members and volunteers supported by a staff of full time, part-time and seasonal basis employees. The Home Visitations are entirely carried out by members and volunteers. The NMC consists solely of members / volunteers and they receive no remuneration other than reimbursed expenses included in Note 7. The National Secretary supports the NMC and is the most senior employee role.

8. STAFF COSTS AND NUMBERS (Continued)

The total remuneration (inclusive of employer PRSI and pension contribution) of the key management personnel of the Society for the financial year ended 31 December 2020 was €1.1 million (2019: €1.1 million), comprising 13 full-time equivalent employees (2019: 13).

The average weekly number of employees (full-time equivalents) during the year was as follows:

	2020	2019
	No.	No.
Shops	466	476
Holiday homes	12	28
Housing	30	30
Hostels	149	145
Resource centres and crèches	142	141
Support staff	116	109
	915	929

The Society relies substantially on voluntary services provided by its members and volunteers across the country. It is not possible to quantify the value of these services carried out by the Society's members and volunteers.

9. TAXATION

The Society is exempt from income tax as all its income is applied for charitable purposes.

10. TANGIBLE ASSETS

	Properties	Leasehold Improvements/ Office Equipment	Motor Vehicles	Totals 2020
	€'000	€'000	€'000	€'000
Deemed cost				
At beginning of year	142,044	10,649	1,200	153,893
Additions/donated in year	2,946	226	140	3,312
Disposals in year	(4,300)	(29)	(118)	(4,447)
Translation adjustment	(450)	(31)	(16)	(499)
At end of year	140,240	10,815	1,206	152,259
Depreciation and Impairment				
At beginning of year	37,371	9,549	849	47,769
Charge for year	4,517	820	103	5,440
On disposals	(1,336)	(9)	(58)	(1,403)
Impairment	-	-	-	-
Translation adjustment	(198)	(25)	(3)	(226)
At end of year	40,354	10,335	891	51,580
Net book value				
At end of year	99,886	480	315	100,681
At beginning of year	104,673	1,100	351	106,124

10. TANGIBLE ASSETS (Continued)

The Society's properties were valued at €123.0 million, on an existing use basis, as at 31 December 2012 by independent chartered surveyors. The Society has decided to use this valuation as the properties' deemed cost upon transition to FRS 102 as at 1 January 2014 (date of transition) and depreciate these assets in line with the current accounting policy. Additions since that date are included at their historical cost. Impairment is applied if a periodic assessment results in the estimated recoverable value being less than the carrying value. The Society's properties include Charity Shops, Hostels for the Homeless, Day Care and Community Resource Centres, Sheltered Housing, Holiday Centres, Youth Clubs, National and Regional offices.

11. INVESTMENTS

	2020	2019
	€'000	€'000
Market value at the beginning of the year	57	146
Disposals at market value	-	(66)
Investment translation adjustment	-	1
Movement in market value	(9)	(24)
Market value at the end of year	48	57

All shares in investments are held in publicly quoted companies. No current or deferred tax liability would arise on the disposal of these investments, due to the Society's tax-exempt status.

The Society also has a wholly owned subsidiary, St Vincent de Paul Community Employment Scheme, a company limited by guarantee by virtue of the fact that all members and directors of the company are required to be members of the NMC of the Society of St Vincent de Paul according to the Company's constitution.

12. STOCK

	2020	2019
	€'000	€'000
Stock	9	7
	9	7

Society of St Vincent de Paul (Ireland)

Notes to the Consolidated Financial Statements (Continued)

For the year ended 31 December 2020

13. DEBTORS (Amounts falling due within one year)

	2020	2019
	€'000	€'000
Debtors	342	586
Accrued Income	1,924	1,327
Pension scheme surplus (Note 20)	96	51
Prepayments	1,512	1,346
	3,874	3,310

14. CASH AT BANK AND IN HAND

	2020	2019
	€'000	€'000
Cash at Bank and in Hand	85,650	84,619
Bank Overdrafts (Note 15)	(8)	(30)
Net Bank Funds	85,642	84,589

The net bank funds represent cash held across 1,175 (2019: 1,201) Conferences and Councils. It includes funds restricted for specific areas or projects of €5.5 million (2019: €5.4 million) and designated funds of €20.4 million (2019: €22.8 million), leaving available funds of €59.7 million (2019: €56.4 million). Further detail on restricted and designated funds are set out in Note 19 Movement in Funds.

15. CREDITORS: (Amounts falling due within one year)

Deferred income arises under the terms of a bequest and in connection with period specific Hostel or Community Employment Scheme grants, received in advance.

	2020	2019
	€'000	€'000
Bank overdrafts (unsecured) (Note 14)	8	30
Other creditors and accruals	3,817	4,769
Deferred Income	838	735
PAYE & PRSI	746	663
Capital Grants (Note 16)	1,497	1,445
	6,906	7,642
Deferred income at the beginning of the year	735	990
Deferred during year	172	41
Released during year	(69)	(296)
Deferred income at the end of year	838	735

Society of St Vincent de Paul (Ireland)

Notes to the Consolidated Financial Statements (Continued)

For the year ended 31 December 2020

16. CREDITORS: (Amounts falling due after more than one year)

	2020	2019
	€'000	€'000
Capital Grants (Note 17)	33,703	33,543
Less: Amounts falling due within one year (Note 15)	(1,497)	(1,445)
Capital Grants: (Amounts falling due after one year)	<u>32,206</u>	<u>32,098</u>

17. CAPITAL GRANTS

	2020	2019
	€'000	€'000
Capital Grants		
At the beginning of year	45,138	44,933
Additions in year	1,658	205
At the end of year	<u>46,796</u>	<u>45,138</u>
Amortisation		
At the start of year	11,595	10,151
Credit for year	1,498	1,444
At the end of year	<u>13,093</u>	<u>11,595</u>
Net book value		
At the end of year (Note 16)	<u>33,703</u>	<u>33,543</u>
At the start of year	<u>33,543</u>	<u>34,782</u>

Deeds of Charge have been registered by Local Authorities and other grantors in respect of grants in relation to Special Works. These grants may become repayable in the event the conditions of the related agreements are not adhered to.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted	Designated	Unrestricted Funds General	2020 Total	2019 Total
	€'000	€'000	€'000	€'000	€'000
Tangible assets	32,206	-	68,475	100,681	106,124
Investments	-	-	48	48	57
Net current assets	5,475	20,392	56,760	82,627	80,294
Creditors: Amounts falling due after one year	(32,206)	-	-	(32,206)	(32,098)
Net assets at end of year	<u>5,475</u>	<u>20,392</u>	<u>125,283</u>	<u>151,150</u>	<u>154,377</u>

Society of St Vincent de Paul (Ireland)

Notes to the Consolidated Financial Statements (Continued)

For the year ended 31 December 2020

19. MOVEMENT IN FUNDS

MOVEMENT IN FUNDS 2020

	At Start of Year €'000	Income €'000	Expenditure €'000	Revaluation Movement on Investments €'000	Gain on Disposal of Assets €'000	Impairment of Tangible Assets €'000	Transfers Between Funds €'000	At end of Year €'000
Restricted Funds	5,402	3,385	(3,208)	(32)	-	-	(72)	5,475
Property Valuation	80,817	-	-	-	-	-	-	80,817
Designated Funds	22,803	16,000	(18,322)	(2)	-	-	(87)	20,392
General Funds	45,355	59,174	(61,273)	25	1,026	-	159	44,466
	154,377	78,559	(82,803)	(9)	1,026	-	-	151,150

The Society has made a transfer of €72k from restricted funds as funds were no longer required to be restricted. Further details on restricted and designated funds are detailed on the following pages.

Society of St Vincent de Paul (Ireland)

Notes to the Consolidated Financial Statements (Continued)

For the year ended 31 December 2020

19. MOVEMENT IN FUNDS (Continued)

MOVEMENT IN FUNDS 2019

	At Start of Year €'000	Income €'000	Expenditure €'000	Revaluation Movement on Investments €'000	Loss on Disposal of Assets €'000	Impairment of Tangible Assets €'000	Transfers Between Funds €'000	At end of Year €'000
Restricted Funds	5,263	3,306	(3,083)	29	-	-	(113)	5,402
Property Valuation	80,817	-	-	-	-	-	-	80,817
Designated Funds	22,763	19,771	(19,844)	7	-	-	106	22,803
General Funds	46,575	60,243	(61,566)	(60)	156	-	7	45,355
	155,418	83,320	(84,493)	(24)	156	-	-	154,377

In 2019, the Society has made a transfer of €113k from restricted funds as funds were no longer required to be restricted. The designated funds include €3.0 million allocated for fire safety upgrades in hostel properties and €5.0 million in funds for education.

Society of St Vincent de Paul (Ireland)

Notes to the Consolidated Financial Statements (Continued)

For the year ended 31 December 2020

19. MOVEMENT IN FUNDS (Continued)

	2020	2019
	€'000	€'000
Restricted Funds		
McGwire Trust Fund	129	138
21 Separate Funds Restricted to Local Area Use (2019: 22)	5,271	5,052
O'Connell Bequest Restricted to Co. Galway	75	212
	5,475	5,402
	2020	2019
	€'000	€'000
Designated Funds		
Social Housing	9,023	8,906
Emergency Hostels	1,895	2,205
Holiday Homes	594	634
Schools & Universities	326	243
Twinning	341	410
Education	4,500	5,000
Property Sinking Fund	2,414	2,417
Hostel Fire Safety Works	1,299	2,988
	20,392	22,803

The Society's financial reserves are €151.2 million, divided between property valuation reserves of €80.8 million, restricted reserves of €5.5 million, designated reserves of €20.4 million and general reserves of €44.5 million.

The designated reserves are specific to special work services and distinct activities within the Society. The designation of the reserves aims to make the resources available within special works and other activities for these particular purposes and to use resources over a period of time.

The general reserves reflect the aim of the Society to maintain resources to facilitate the funding of the Society's visitation work as we reach out in service to those experiencing poverty, continuing the support and assistance to families and individuals, to make sure that the Society has the required funds to function on a day to day basis, and to enable the Society's work and services to continue during a period of unforeseen challenges.

20. PENSION SCHEMES

Amounts charged to staff costs were as follows:

	2020	2019
	€'000	€'000
Current service costs	847	856
Total charge (Note 8)	847	856

20. PENSION SCHEMES (Continued)

The Society operates a Defined Contribution Scheme.

The Society had a Defined Benefit Scheme, which terminated in April 2019. Under the scheme, the employees are entitled to retirement benefits calculated based on salary and service. No other post-retirement benefits are provided.

The Defined Benefit Scheme exposes the Society to risks such as investment risk, interest risk, longevity risk and salary risk.

Investment Risk

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to high-quality corporate bond yields; if the return on plan assets is below this rate, it will create a planned deficit.

Interest Rate Risk

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to high-quality corporate bond yields at the measurement date. A decrease in corporate bond yields will increase the scheme's liabilities.

Longevity Risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The Assets of the Schemes are held in independently managed funds.

Defined Benefit Scheme

Details of the most recent actuarial valuation of the scheme, which was conducted as at 31 December 2020, using the projected unit basis, are as follows:

Principal actuarial assumptions (% per annum)

	At	At
	31/12/20	31/12/19
Rate of increase in salaries	-	-
Rate of increase in pensions payment	-	-
Discount rate	1.6	1.6
Inflation assumption	-	-
Pension increases	3	3

20. PENSION SCHEMES (Continued)

Analysis of the amount charged through the Statement of Financial Activities

	2020	2019
	€'000	€'000
Credit to staff costs for Defined Benefit Scheme:		
Pension finance costs	-	131
Expected return on pension scheme assets	(5)	(9)
Interest on pension scheme liabilities	4	8
	<u>(1)</u>	<u>130</u>

Actuarial (gains) / losses on Defined Benefit Scheme

	2020	2019
	€'000	€'000
Actual return less expected return on pension scheme assets	(79)	(57)
Experience losses arising on pension scheme liabilities	11	32
Changes in assumptions underlying the present value of pension scheme liabilities	17	15
Exchange rate movements	(16)	15
	<u>(67)</u>	<u>5</u>
Charge for year	<u>(68)</u>	<u>135</u>

The Assets of the Scheme and the expected rate of return were:

	Ratio	Value at	Ratio	Value at
	31/12/20	31/12/20	31/12/19	31/12/19
	%	€'000	%	€'000
Equities	12.2	46	18.7	63
Bonds	75.1	284	79.2	267
Property	1.3	5	0.3	1
Cash	11.4	43	1.8	6
	<u>100</u>	<u>378</u>	<u>100</u>	<u>337</u>
Present value of scheme liabilities		<u>(282)</u>		<u>(286)</u>
Net Pension Surplus (Note 13)		<u>96</u>		<u>51</u>

20. PENSION SCHEMES (Continued)

Reconciliation of the value of the Scheme's Assets

The overall expected return on the Scheme's Assets has been derived as the weighted average of the expected returns on the categories of assets held by the Scheme, at the opening Balance Sheet date.

	2020	2019
	€'000	€'000
Opening value of pension scheme's assets	337	1,258
Expected return	5	9
Actuarial gains	79	57
Employer contributions	-	13
Exchange rate movements	(22)	19
Benefits paid	(21)	(32)
Settlement payment	-	(987)
	378	337

Reconciliation of the value of the Scheme's Liabilities

	2020	2019
	€'000	€'000
Opening value of scheme's liabilities	287	1,103
Service cost	17	15
Interest on scheme's liabilities	4	8
Actuarial losses	11	33
Benefits paid	(21)	(32)
Exchange rate movements	(16)	15
Settlements	-	(856)
	282	286

Return on Scheme's Assets

	2020	2019
	€'000	€'000
Actual return on scheme's assets	1	1

20. PENSION SCHEMES (Continued)

Analysis of the amount credited to financing of provisions

	2020 €'000	2019 €'000
Expected return on scheme assets	(5)	(9)
Interest on scheme liabilities	4	8
Total	<u>(1)</u>	<u>(1)</u>

Amount recognised in the Statement of Financial Activities

	2020 €'000	2019 €'000
Actual expected return on pension scheme assets	(79)	(57)
Experience losses on the liabilities	11	32
Changes in assumptions underlying the present value of liabilities	17	15
Exchange rate movements	(16)	15
Actuarial losses/(gains) recognised in the Statement of Financial Activities	<u>(67)</u>	<u>5</u>

Cumulative actuarial gain or loss recognised in the Statement of Financial Activities

Over the coming year, the Society expects a nil contribution.

Amounts for the current and previous period

	2020 €'000	2019 €'000
Scheme's liabilities	(282)	(286)
Scheme's assets	378	337
Surplus (Note 13)	<u>96</u>	<u>51</u>
Actuarial gains/(losses) on liabilities	17	15
Experience adjustment on asset	<u>(5)</u>	<u>(9)</u>

Balance sheet amounts

Under FRS102 the scheme surplus is recognised as an asset, as the trust deed for the scheme allows any monies remaining in the scheme after all the benefits have been paid to be refunded to the Council of Ireland.

20. PENSION SCHEMES (Continued)

Company contribution

The recent actuarial valuations of scheme assets and the present value of the defined benefit obligation were carried out as at 31 December 2020 by a Fellow of the Society of Actuaries in Ireland, PwC.

Given the surplus on an on-going basis, the recommended contributions rate is €Nil in respect of retirement benefits.

The next formal triennial actuarial valuation of the plan is due to take place January 2022.

21. CAPITAL COMMITMENTS

The Society has €0.2 million in capital commitments contracted at the balance sheet date. (2019: €1.6 million)

22. LEASE COMMITMENTS

The Society's lease commitments are broken down as follows:

	Buildings	Buildings
	2020	2019
	€'000	€'000
Less than 1 year	1,899	1,873
Between 1 and 5 years	4,475	4,336
Over 5 years	2,325	2,007
	<u>8,699</u>	<u>8,216</u>

23. FINANCIAL INSTRUMENTS

The carrying value of the Society's financial assets and liabilities are summarised by category below:

	2020	2019
	€'000	€'000
Financial Assets		
<i>Measured at undiscounted amount receivable</i>		
Debtors and Accrued Income (Note 13)	<u>2,266</u>	<u>1,913</u>
Financial Liabilities		
<i>Measured at undiscounted amount payable</i>		
Trade creditors (Note 15)	<u>3,817</u>	<u>2,022</u>

24. COMPARATIVE AMOUNTS

Certain comparative amounts have been reclassified, where necessary, to ensure comparability with current year disclosure.

25. DISCONTINUING ACTIVITIES

On 30th September 2020, the Society issued a Notice to Quit to its statutory funders in relation to the Hostels it operates and as a result, the Hostels are treated as a Discontinuing Operation in the Financial Statements. See Notes 5 and 6.

26. POST BALANCE SHEET EVENTS

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

27. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved by the National Management Council on the 25th September 2021.



Society of St Vincent de Paul

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