

Hope House

**Report and financial statements
for the year ended 31st December 2022**

Charity Reg. No. 20028718

Chy Number: 10912

Hope House

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Hope House

Legal & Administrative Information

Trustees	Peter Hynes Attracta Canny Mary P. O'Donohue Andrea Wills Pat O'Connor Maureen O'Malley
CRA Number	20028718
CHY Number	10912
Principal office	Hope House, Foxford, Co. Mayo.
Auditors	O'Malley & Company, Chartered accountants & statutory audit firm Chapel Street, Castlebar, Co. Mayo.
Business address	Foxford, Co. Mayo.
Bankers	AIB, Pearse Street, Ballina, Co. Mayo. Bank of Ireland, Ballina, Co. Mayo. AIB, Shop Street, Westport, Co. Mayo.
Solicitors	P. O'Connor & Son, Solicitor, Swinford, Co. Mayo.

Hope House

Trustee's report for the year ended 31 December 2022

The trustees present their report and the financial statements for the year ended 31st December 2022.

The financial statements are prepared in accordance with accounting standards issued by the Financial Reporting Council including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective January 2019. The charity has applied the Charities SORP on a voluntary basis as its application is not a requirement of the current regulations for charities registered in the Republic of Ireland however it is considered best practice.

The Trustees' Report contains the information required to be provided in the Trustees' Annual Report under the Statement of Recommended Practice (SORP) guidelines.

The charity is in full compliance with the Charities Governance Code.

In this report the trustees of Hope House present a summary of its purpose, governance, activities, achievements and finances for the financial year ended 31st December 2022.

OBJECTIVES AND ACTIVITIES

Mission Statement

To provide the highest standard of quality rehabilitation to individuals and families affected by addiction in an environment that is reflective, warm and welcoming and where people are treated with dignity.

Objectives

The organisation is a legal trust. The primary purpose of the charity is to provide treatment & rehabilitation to people affected by addictions.

Strategy

The programme at Hope House is designed so that residents learn to become responsible for their own recovery.

The services provided include the following:

- (1) 30-day residential service located at 'Hope House' in Foxford, Co. Mayo for the rehabilitation, treatment and care of people affected by addictions and their families. The charity treats people who are chemically dependent including (but not limited to) alcohol, drugs and gambling.
- (2) A 2 year aftercare service to those who have attended the residential service and their family members.
- (3) Assessments and Brief Interventions.
- (4) An Educational programme each Wednesday for the addicted person and their family member/concerned person.
- (5) One to One Counselling.
- (6) Telephone counselling and support.
- (7) Carries out its own internal research and auditing and participates in the Health Research Board national research on Addiction which highlights national trends.

Hope House

Trustee's report for the year ended 31 December 2022

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STRUCTURE, GOVERNANCE & MANAGEMENT

Organisational Structure

Hope House is a Charitable Trust, a not for profit registered charity that has legal and statutory obligations. The charity is registered with the Charities Regulatory Authority (No. 20028718) and has been granted charitable tax status under Sections 207 and 208 of the Taxes Consolidation Act 1997, Charity No. CHY 10912.

Composition of the Board

- The board members are the trustees of the charity.
- All members of the board are also official members of the charity.
- There are currently 6 members on the board of Hope House.
- Employees of Hope House cannot be trustees of the board.
- All appointments are officially appointed by the board at meetings and the AGM.

The board of trustees met 6 times during the year. The directors serving during the year and their attendance record is as follows:

Peter Hynes (Chairperson)	5/6
Attracta Canny	6/6
Mary P. O'Donohue	4/6
Andrea Wills	5/6
Pat O'Connor	3/6
Maureen O'Malley	5/6

Transactions with Trustees

Trustees do not receive remuneration for their services. There were no transactions with trustees during the year. Pat O'Connor, Solicitor was appointed to the board in April 2018. He is a partner of P. O'Connor & Son, Solicitors, Swinford who are solicitors to Hope House. Any legal work regarding Hope House is dealt with by one of the other partners of the practice. There were no legal fees incurred in the year ended 31 December 2022.

Management

The day to day operations of Hope House are managed by Sr. Dolores Duggan. At the 31 December 2022 the charity employed 20 staff, comprising the director, counsellors, night supervisors, administrative, housekeeping and catering staff.

ACHIEVEMENTS AND PERFORMANCE

There has been no significant change in the charity's activities in the financial year.

The charity's main source of income is fees from residents. Residents and their families and the road to recovery are at the very core of Hope House service provision. The number of residents increased from 92 in 31 December 2021 to 125 in 31 December 2022.

Hope House felt the effects of the COVID-19 pandemic from 2020 to 2022. The centre has gradually returned to full occupancy in 2023. We are confident that as an organisation we will be able to manage through any challenges ahead keeping the safety and well-being of our staff and residents at the forefront of everything we do. Risk Management is embedded in all areas of the organisation and service delivery.

Hope House

Trustee's report for the year ended 31 December 2022

..... continued

Facilities Management

The servicing and maintenance of the building, equipment and facilities at Hope House are very well managed and maintained to a very high standard.

During 2022 the old conservatory building was demolished and replaced with a new spacious and light filled multi purpose area comprising of a coffee room, tv room and seating area for residents and visitors and affording them the opportunity to observe the landscaped gardens through large modern glass doors. Hope House is forward thinking on the flexible use of facilities to meet future needs.

Hope House acknowledge the HSE support received towards the project

Accreditation

CHKS an International Accrediting Body carried out an audit of Hope House facilities in December 2022. Hope House was awarded Accreditation with all areas surveyed deemed to be fully compliant. This objectivity demonstrates the commitment of all in the organisation to continuous quality improvement and independently confirms that Hope House works to the highest standards.

FINANCIAL REVIEW

The financial results for the year ended 31st December 2022 are shown in the Statement of Financial Activities on page 11. Total income amounted to €1,227,807 (2021: €1,392,212). Total expenditure amounted to €1,200,410 (2021: €1,060,193).

The charity received a number of grants/subsidies/supports from government agencies in 2022. Supports totalling €631,046 were received in the current year (2021: €887,925). The decrease was mainly due to the cessation of the government wage subsidy (EWSS) following the COVID 19 pandemic.

Hope House received the government wage subsidy amounting to €62,395, (2021: €338,377) which helped the charity to maintain services in the difficult operating and economic conditions.

At the year end the charity had assets (fixed & current assets) of €3,483,650 and liabilities of €121,336. The net funds of the charity at the year end are €3,362,314. The trustees are satisfied with the level of retained reserves at the year end.

Reserves Policy

Hope House continues to maintain strong financial stewardship from Board level down to the effective management of financial activity on a day to day basis. At the year end the charity has total unrestricted reserves (including fixed assets) of €3,436,855. Some of the funds will be spent in the short term. Amounts not required in the short term are invested in non-risk investment funds/deposit accounts. To ensure Hope House has sufficient funds to deliver core functions during a period of unforeseen difficulty it operates a reserve procedure which takes the following into consideration:

- the ability to continue to provide a stable service to those who need them;
- the ability to meet unexpected costs;
- the planned activity level and potential opportunities;
- the need for working capital when funding is paid in arrears;
- the need to have adequate resources freely available to spend (i.e. not restricted).

Hope House

Trustee's report for the year ended 31 December 2022

..... continued

Principal Risks & Uncertainties

There are no major risks or uncertainties affecting the charity at present. The charity gets funding from Tusla and the HSE to assist in providing its services and these sources of funds have been agreed for the year ended 31st December 2023. The charity also availed of the government wage subsidy in 2022 until it ceased in April.

One of the board's policies is that no client will be refused treatment on financial grounds in so far as is possible. Bad debts are currently about 5% of annual residents fees. An increase in the incidence of bad debts would have a negative effect on the financial resources of the charity. Management make every effort possible to collect money owed.

Plans for Future Periods

The trustees are not expecting to make any significant changes in the nature of the business in the near future.

Hope House are delighted to have such wonderful facilities. The buildings are very well maintained. The residential buildings are over 50 years old. The Board and management are considering a significant upgrade to the residential facilities in the short term.

There are also plans to lease & renovate a building beside Hope House premises in 2023.

Events after the end of the reporting period

Hope House has returned to full occupancy in 2023 following the COVID 19 pandemic. The charity continues to monitor the ongoing impact of the Covid-19 pandemic.

REFERENCE AND ADMINISTRATIVE DETAIL

Registered Office: Hope House, Foxford, Foxford,

Advisors: Auditors: O'Malley & Company, Chartered accountants & Statutory Audit Firm
Chapel Street, Castlebar, Co. Mayo.

Solicitors: P. O'Connor & Son, Solicitor, Swinford, Co. Mayo.

Bankers: AIB, Pearse Street, Ballina, Co. Mayo.

Trustees' Statement of relevant audit information

- there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware, and
- the trustees' have taken all the steps that they ought to have taken as a trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

O'Malley & Company, Chartered accountants & Statutory Audit Firm continue as Auditors of Hope House.

Acknowledgements

The Board acknowledge that the running costs of the treatment centre are reduced by the support of the participants on the Community Employment Scheme and Rural Social Scheme.

Hope House

**Trustee's report
for the year ended 31 December 2022**


..... continued

We are extremely thankful to those who work with us in the HSE to financially support clients who do not have the means to fund the cost of their treatment. We also continue to work collaboratively with our private funders and healthcare insurers to provide services for their members.

The Board acknowledge the support of the Sisters of Mercy in the operation of Hope House in providing the services of Sr. Attracta Canny on a voluntary basis. This along with the Community Employment Scheme and Rural Social Scheme reduces the annual running costs of Hope House by €150,000 approximately.

The Board acknowledge the strong leadership of the Senior Management Team comprising the Director and Chief Operating Officer and the continued dedication and commitment of all staff.

This report was approved by the board on 23rd February 2023 and signed on behalf of the board by:


.....
Peter Hynes
Trustee


.....
Attracta Canny
Trustee

Hope House

Statement of trustees responsibilities for the financial statements

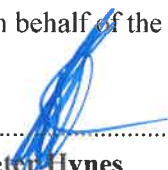
The trustees are required under the terms of the Deed of Trust, to prepare financial statements for each year and to have those audited. The financial statements have been prepared in accordance with accounting standards issued by the Financial Reporting Council including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective January 2019.

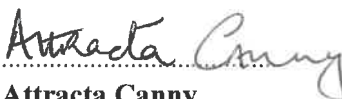
In preparing those financial statements, the trustees are required to:

- select suitable accounting policies 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 departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that the financial statements comply with relevant legislation. They are also responsible for safeguarding the assets of the charity and hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are also responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website.

On behalf of the board


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Peter Hynes
Trustee


.....
Attracta Canny
Trustee

Independent auditor's report to the members of Hope House

Opinion

We have audited the financial statements of Hope House for the year ended 31st December 2022 which comprise the statement of financial activities, the balance sheet, statement of cash flows and the notes to the financial statements, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland (Generally Accepted Accounting Practice in Ireland) as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective January 2019.

In our opinion the non statutory financial statements:

- give a true and fair view of the assets, liabilities and financial position of Hope House as at 31st December 2022 and of its Surplus for the year then ended; and
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the charity in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standards for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and the Provisions Available for Small Entities, in the circumstances set out in note 25 to the financial statements 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 Trust'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 about the charity's ability to continue to adopt the going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

Other information

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

Independent auditor's report to the members of Hope House

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

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

As explained more fully in the Trustees' Responsibilities Statement set out on page 2 - 6, trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 trustees either intends to liquidate the charity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

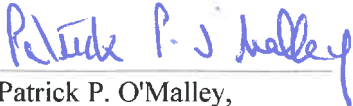
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of Internal Control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the trustees' 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 charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity 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 statement represent the underlying transactions and events in a manner that achieves fair presentation.

Independent auditor's report to the members of Hope House

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in Internal Control that we identify during our audit.

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

Our report is made solely to the Trust, as a body. Our audit work has been undertaken so that we might state to the Trust those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the Trust, as a body, for our audit work, for this report, or for the opinions we have formed.



Patrick P. O'Malley,
for and on behalf of
O'Malley & Company,
Chartered Accountants and Statutory Audit Firm
Chapel Street,
Castlebar,
Co. Mayo.

Date: 23/02/2023

Hope House

Statement of Financial Activities (incorporating an Income & Expenditure Account) for the year ended 31st December 2022

Continuing operations

	Notes	Restricted Funds €	Unrestricted Funds €	2022 Total €	2021 Total €
Incoming Resources					
<i>Incoming resources from generated funds:</i>					
- Grants & Donations	4	630,110	86,303	716,413	1,028,141
- Charitable Activities	5		511,394	511,394	363,831
- Investment Income		-	-	-	240
Total Incoming Resources		<u>630,110</u>	<u>597,697</u>	<u>1,227,807</u>	<u>1,392,212</u>
Resources Expended on					
Charitable Activities	6	694,241	506,169	1,200,410	1,060,193
Total Resources Expended		<u>694,241</u>	<u>506,169</u>	<u>1,200,410</u>	<u>1,060,193</u>
Net Incoming Resources	8	(64,131)	91,528	27,397	332,019
Total Funds Brought Forward		(10,410)	3,345,327	3,334,917	3,002,898
Total Funds Carried Forward		<u>(74,541)</u>	<u>3,436,855</u>	<u>3,362,314</u>	<u>3,334,917</u>

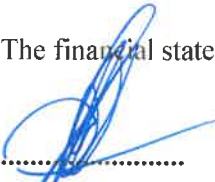
The notes on pages 14 to 27 form an integral part of these financial statements.

Hope House

**Balance sheet
as at 31 December 2022**

		2022		2021	
Notes	€	€	€	€	
Fixed assets					
Tangible assets	12		886,507		822,928
Investments	13		145,200		145,200
			1,031,707		968,128
Current assets					
Stocks	14	10,745		8,924	
Debtors	15	115,569		206,873	
Cash at bank and in hand		2,325,629		2,293,310	
		2,451,943		2,509,107	
Creditors: amounts falling due within one year	16	(121,336)		(142,318)	
Net current assets			2,330,607		2,366,789
Net assets			3,362,314		3,334,917
Funds of the Charity					
Unrestricted Funds	18		3,436,855		3,345,327
Restricted Funds	18		(74,541)		(10,410)
Charity Funds			3,362,314		3,334,917

The financial statements were approved by the Board on 23rd February 2023 and signed on its behalf by


.....
Peter Hynes
Trustee


.....
Attracta Canny
Trustee

Hope House

Cash flow statement for the year ended 31st December 2022

	2022	2021
	€	€
Reconciliation of Net Income to Net Cash Flow from Operating Activities		
Net Income for the year	27,397	332,019
Depreciation	61,180	57,595
(Increase) in stocks	(1,821)	-
Decrease / (increase) in debtors	91,304	(150,331)
(Decrease) / increase in creditors	(20,982)	77,560
Net cash outflows from operating activities	<u>157,078</u>	<u>316,843</u>
Cash flows from investing activities		
Purchase of Fixed Assets	(124,760)	(3,434)
Net cash inflow from financing activities	<u>(124,760)</u>	<u>(3,434)</u>
Increase in cash and cash equivalents	32,318	313,409
Cash and cash equivalents at 1st January 2022	<u>2,293,310</u>	<u>1,979,901</u>
Cash and cash equivalents at 31st December 2022	<u>2,325,628</u>	<u>2,293,310</u>

Hope House

Notes to the financial statements for the year ended 31st December 2022

1. Statement of accounting policies

The financial statements are prepared in accordance with accounting standards issued by the Financial Reporting Council including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective January 2019. The charity has applied the Charities SORP on a voluntary basis as its application is not a requirement of the current regulations for charities registered in the Republic of Ireland however it is considered best practice. As noted below the trustees consider the adoption of the SORP requirements as the most appropriate accounting practice and presentation to properly reflect and disclose the activities of the organisation.

Hope House is a Charitable Trust, a not for profit registered charity located in Foxford, Co. Mayo.

The significant accounting policies adopted by the trust and applied consistently are as follows:

1.1. Basis of Preparation

The financial statements are prepared on the going concern basis, under the historical cost convention, and comply with the financial reporting standards of the Financial Reporting Council.

Going concern

Given the level of net funds the trust holds the trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The financial statements are prepared in Euro which is the functional currency of the trust.

1.2. Income

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income, the amount can be quantified with reasonable accuracy and it is probable the income will be received. The following specific policies are applied to particular categories of income:

Voluntary Income

Voluntary income is received by way of grants, donations and gifts.

Grants

Income from government and other grants (including wage subsidy) is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Donations & Gifts

Donations and legacies include all income received by the charity that is, in substance, a gift made to it on a voluntary basis. Donations and legacies are credited to income in the period in which they are receivable.

Income from donations and gifts includes donations and gifts made by individuals and corporations.

Income from Charitable Activities

Residents Fees

Residents fees represents the amount invoiced during the year.

Aftercare income & outpatients fees

Aftercare income and outpatients fees are included in the Statement of Financial Activities when it is received by the charity and entered into the charity's accounting records.

Hope House

Notes to the financial statements for the year ended 31st December 2022

Miscellaneous Sales Income

Miscellaneous sales income represents sales of books and candles. It is recognised as the money is received.

1.3. Expenditure

Expenditure is recognised when there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measure reliably.

Expenditure is classified under the following headings:

- *Expenditure on charitable activities*

Expenditure on charitable activities includes the costs incurred in undertaking the various activities which are performed for the benefit of Hope House's beneficiaries including those support costs and costs relating to the charity apportioned to charitable activities.

- *Other expenditure*

Other expenditure represents those items not falling into the category above.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include payroll costs which support the charity's programmes and activities. The basis on which support costs have been allocated is set out in note 6.

1.4. Tangible assets and depreciation

Tangible assets are stated at cost less accumulated depreciation. Cost includes all costs that are directly attributable to bringing the asset into working condition for its intended use.

Depreciation

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

Freehold Properties	-	3% per annum Straight Line
Leasehold properties	-	5% per annum Straight Line
Fixtures, Fittings & Equipment	-	20% Straight Line

1.5. Investments

Investments are stated at market value on the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

1.6. Stock

Purchased stock is valued at the lower of cost and net realisable value.

Hope House

Notes to the financial statements for the year ended 31st December 2022

1.7. Trade Debtors

Trade and other debtors are recognised initially at transaction price. Subsequently they are measured at amortised cost less any provision for impairment. A provision for impairment is established when it is likely that the balances due will not be paid. All movements in the provision are recognised in the statement of financial activity.

1.8. Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

1.9. Trade & other creditors

Trade and other creditors are classified as current liabilities if payment is due within one year or less. Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost.

1.10. Fund Accounting

The following funds are operated by the Charity:

Unrestricted Funds

Unrestricted funds represent amounts which are expendable at the discretion of the trustees in furtherance of the objectives of the charity and which have not been designated for other purposes. Such funds may be held in order to finance working capital or capital expenditure.

Restricted Funds

Restricted funds represent funds that can only be used for particular restricted purposes specified by the donors or sponsorship programmes binding on the trustees. Such purposes are within the overall aims of the charity.

1.11. Taxation

No charge to current or deferred taxation arises as the charity has been granted charitable status under Sections 207 and 208 of the Taxes Consolidation Act 1997, Charity No CHY 10912.

1.12. Employee Benefits

The charity provides a range of benefits to employees, including paid holiday arrangements and defined contribution pension plans.

(i) Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

(ii) Defined contribution pension plans

Pension benefits are met by payments to a defined contribution pension fund. Contributions are charged to the Statement of financial activities in the year in which they fall due. The assets are held separately from those of the charity in an independently administered fund. Differences between the amounts charged in the Statement of financial activities and payments made to pension funds are treated as assets or liabilities.

Hope House

Notes to the financial statements for the year ended 31st December 2022

1.13. Deferred Income

The charity recognised deferred income where the terms and conditions have not been met. Income is then deferred as a liability until it is probable that the terms and conditions imposed can be met.

Some of the grants received are subject to performance related conditions. When performance related or other conditions are met, the deferred income is credited to income in the Statement of Financial Activities.

2. Critical Accounting Judgements and Estimates

The preparation of these financial statements requires the management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

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

The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) Establishing useful lives of tangible fixed assets

Long-lived assets comprising primarily of property and fixtures and equipment represent a significant portion of total assets. The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The trustees regularly review these useful lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in the useful lives can have a significant impact on the depreciation charge for the current year. Detail of the useful economic lives is included in the accounting policies.

(b) Providing for doubtful debts

The charity makes an estimate of the recoverable value of trade debtors. The estimates are based on historical experience in determining the level of debts which will not be collected. Any significant reduction in the level of residents that default on payments or other significant improvements that resulted in a reduction in the level of bad debt provision would have a positive impact on operating results. The level of provision required is reviewed on an on-going basis. See note 15 for details of the provision.

3. Operating Policy

The board of Hope House has adopted the following policies:

- (1) that the treatment centre will be run as a viable unit, generating a surplus of income over running costs, and
- (2) that no client, otherwise assessed as suitable for treatment, will be refused treatment on financial grounds, in so far as it is possible.

In the furtherance of the above the Board has agreed that if, as a result of these policies, bad debts arise and are identified, provision will be made for same in the annual accounts.

Hope House

Notes to the financial statements for the year ended 31st December 2022

4. Income

Grants & Other State Funding

<i>Name of Agency</i>		<i>Restricted</i>	<i>Unrestricted</i>	Total	Total
		€	€	2022	2021
		€	€	€	€
<i>HSE</i>					
HSE West (CHO2)	Core Funding	156,838	-	156,838	156,838
HSE - Primary Care (CHO2)	Residents Fees *	182,047	-	182,047	134,600
HSE - Social Inclusion Tier 4	Residents Fees *	113,250	-	113,250	72,000
HSE - MMHS (CHO2)	Residents Fees *	42,300	-	42,300	46,500
HSE - Primary Care (CHO2)	COVID Infastructure	20,000	-	20,000	-
HSE - MMHS (CHO2)	COVID Infastructure	20,000	-	20,000	-
Western Region Drugs & Alcohol Task Force		-	-	-	5,091
<i>Total HSE Funding</i>		<u>534,435</u>	<u>-</u>	<u>534,435</u>	<u>415,029</u>
<i>Other State Funding</i>					
Tusla	FSS	33,280	-	33,280	32,000
Tusla	COVID Expenditure	-	-	-	1,600
Pobal	Sustainability Fund	-	-	-	100,000
Revenue Commissioners	EWSS	62,395	-	62,395	338,377
Revenue Commissions	VAT Refund	-	936	936	919
<i>Total Grants & State Funding</i>		<u>630,110</u>	<u>936</u>	<u>631,046</u>	<u>887,925</u>
<i>Other Voluntary Income</i>					
Donations		-	85,367	85,367	140,216
		<u>630,110</u>	<u>86,303</u>	<u>716,413</u>	<u>1,028,141</u>

5. Income from Charitable Activities

	Unrestricted	Unrestricted
	2022	2021
	€	€
Residents Fees (Privately Funded) *	426,700	281,380
Aftercare Income	68,970	67,098
Outpatient Fees	14,350	13,620
Miscellaneous Sales Income	1,374	1,733
	<u>511,394</u>	<u>363,831</u>

* Total Residents Fees (private & publically funded) for the year were €764,297 : (2021: €534,480)

Hope House treated 125 people in 2022. 29 people were funded from HSE Primary Care funds, 16 were funded from the HSE Social Inclusion Tier 4 funding and 6.5 were funded from HSE MMHS funds.

Hope House

Notes to the financial statements for the year ended 31st December 2022

6. Expenditure on Charitable Activities

	<i>Restricted</i>		<i>Unrestricted</i>	Total	Total
	Direct	Support		2022	2021
	Costs	Costs		€	€
	€	€	€	€	€
Wages and salaries *	278,681	87,018	400,663	766,362	682,798
Staff pension costs	4,821	2,303	10,167	17,291	12,995
Rent & rates	-	6,204	-	6,204	4,900
Insurance	-	23,666	-	23,666	21,263
Light and heat	-	49,273	-	49,273	25,923
Cleaning & hygiene	-	5,119	-	5,119	5,814
Food & beverages	66,930	-	-	66,930	54,240
Repairs and maintenance	-	36,737	-	36,737	55,024
CHKS Costs	13,378	-	-	13,378	11,942
Postage, stationery & computer	-	31,368	-	31,368	27,110
Promotional expenses	-	21,979	-	21,979	15,613
Education & training expenses	-	17,800	-	17,800	15,797
Medical Expenses	20,275	-	-	20,275	28,900
Telephone & fax	-	9,278	-	9,278	11,731
Travel & subsistence	1,619	-	2,310	3,929	497
Professional fees	-	4,504	-	4,504	1,440
Audit	-	7,995	-	7,995	7,995
Bank charges	-	2,629	-	2,629	2,209
Bad debts	-	-	31,849	31,849	15,442
Sundry expenses	-	2,664	-	2,664	965
Depreciation	-	-	61,180	61,180	57,595
	<u>385,704</u>	<u>308,537</u>	<u>506,169</u>	<u>1,200,410</u>	<u>1,060,193</u>

Hope House

Notes to the financial statements for the year ended 31st December 2022

6. (b) Expenditure on Charitable Activities (continued)

Support Costs	Basis of Apportionment	2022 €	2021 €
Wages and salaries (Administration & Kitchen Staff)	Pro Rata **	87,018	56,291
Staff pension costs	Pro Rata **	2,303	2,068
Rent & rates	Actual	6,204	4,900
Insurance	Actual	23,666	-
Light and heat	Actual	49,273	6,374
Cleaning & hygiene	Actual	5,119	5,814
Repairs and maintenance	Actual	36,737	52,109
Postage, stationery & computer	Actual	31,368	22,333
Promotional expenses	Actual	21,979	15,613
Education & training expenses	Actual	17,800	15,797
Telephone & fax	Actual	9,278	2,861
Professional fees	Actual	4,504	1,440
Audit	Actual	7,995	7,995
Bank charges	Actual	2,629	2,209
Sundry expenses	Actual	2,664	965
		<u>308,537</u>	<u>196,769</u>

Allocation of costs

* Counsellors/night staff salaries are allocated between HSE (restricted) & non HSE (unrestricted) expenditure in proportion to HSE income/total income from treatment centre activities.

** Wages & Salaries & Pension costs (administration staff/kitchen/cleaning) are allocated between support costs & unrestricted costs based on resident numbers. i.e. number of HSE funded residents/total number of residents.

7. Governance	2022 €	2021 €
Professional fees	4,504	1,440
Audit	7,995	7,995
	<u>12,499</u>	<u>9,435</u>

8. Net Incoming Resources	2022 €	2021 €
Is stated after charging:		
Depreciation and other amounts written off tangible assets	61,180	57,595
Property Rental	7,419	7,267
Auditors' remuneration	7,995	7,995
	<u>76,594</u>	<u>72,857</u>

Hope House

Notes to the financial statements for the year ended 31st December 2022

9. Employees

Number of employees

The average monthly numbers of employees (including the trustees) during the year were:

	2022 Number	2021 Number
Director	1	1
Chief Operating Officer	1	1
Clinical Team Lead	0	1
Administration	2	2
Counsellors	10	9
Supervisor	0	1
Kitchen Staff/House-keeping	3	3
Night Staff	3	3
	20	21

Employment costs

	2022 €	2021 €
Wages and salaries	714,489	678,773
Social insurance costs	51,873	4,025
Other pension costs	17,291	12,995
	783,653	695,793

Analysis of Staff Costs

The number of employees whose total employee benefits (excluding employer pension costs) for the period fell within the bands below:

	Number of Employees	Number of Employees
€60,000 - €69,999	2	1

Hope House director, is paid €67,942 per year and receives 5% contribution to a defined contribution pension scheme. There are no additional benefits.

10. Transactions with Trustees

No members of the board of trustees were paid a salary during the year. Board member Sr Attracta Canny works in Hope House on a voluntary basis..

No travel costs were paid to any of the trustees in 2022 (2021: €Nil).

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year.

Pat O'Connor, Solicitor was appointed to the board in April 2018. He is a partner of P. O'Connor & Son, Solicitors, Swinford who are solicitors to Hope House. Any legal work regarding Hope House is dealt with by one of the other partners of the practice. There were no legal fees incurred in the year ended 31st December 2022.

Hope House

Notes to the financial statements for the year ended 31st December 2022

11. Taxation

No charge to current or deferred taxation arises as the charity has been granted charitable status under Sections 207 and 208 of the Taxes Consolidation Act 1997, Charity No CHY 10912.

12. Tangible assets

	Land and buildings freehold €	* Long Leasehold Property €	Fixtures Fittings & Equipment €	Total €
Cost				
At 1 January 2022	1,574,384	445,131	606,074	2,625,589
Additions	-	103,744	21,016	124,760
At 31 December 2022	<u>1,574,384</u>	<u>548,875</u>	<u>627,090</u>	<u>2,750,349</u>
Depreciation				
At 1 January 2022	776,822	419,767	606,073	1,802,662
Charge for the year	47,232	9,745	4,203	61,180
At 31 December 2022	<u>824,054</u>	<u>429,512</u>	<u>610,276</u>	<u>1,863,842</u>
Net book values				
At 31 December 2022	<u>750,330</u>	<u>119,363</u>	<u>16,814</u>	<u>886,507</u>
At 31 December 2021	<u>797,562</u>	<u>25,364</u>	<u>1</u>	<u>822,927</u>

* Hope House has a lease with the St. Nathy's Diocesan Trust for a premises (Counselling Centre, Church & part of Grounds) at Foxford, Co. Mayo. The annual rent is €1 (one euro).

13. Investments

	2022 €	2021 €
Cost		
At 1 January 2022	145,200	145,200
At 31 December 2022	<u>145,200</u>	<u>145,200</u>
Net book values		
At 31 December 2022	<u>145,200</u>	<u>145,200</u>
At the year end the investments were valued as follows:	2022	2021
An Post Bond	<u>€ 145,200</u>	<u>€ 145,200</u>

Hope House

Notes to the financial statements for the year ended 31st December 2022

14. Stocks	2022	2021
	€	€
Stock (Food, Stationery, Books, candles, cards etc).	10,745	8,924
	<u>10,745</u>	<u>8,924</u>

There is no difference between the replacement cost of the stock and the balance sheet amount.

15. Debtors	2022	2021
	€	€
Trade debtors	115,569	69,244
Prepayments and accrued income	-	137,629
	<u>115,569</u>	<u>206,873</u>

The fair values of trade and other receivables approximate to their carrying amounts. Trade debtors are stated after provisions for impairments of €31,849 (2021: €15,442).

16. Creditors: amounts falling due within one year

	2022	2021
	€	€
Trade creditors	13,851	11,522
Accruals & Deferred Income	7,993	7,995
Deferred income *	78,750	102,000
Taxation & Social Security	20,742	20,801
	<u>121,336</u>	<u>142,318</u>

* Deferred income represents HSE Tier 4 funding of €78,750 received in 2022 for treatments, not done by the year end.

Hope House

Notes to the financial statements for the year ended 31st December 2022

17. Details of Government Funding and other information

Included in Income is the following funding received from government, government agencies and similar bodies in the year ended 31 December 2022:

Name Funding Agency	Total Funding Awarded	Term of Agreement End Date	Funding deferred/ due @ 01/01/22	Received during period	Funding deferred/ due @ 31/12/22	Amount of Funding taken to income in period	Name of Funding Programme Purpose of Funding	Capital Funding if relevant	Is the funding restricted to a project or for the delivery of service	Expenditure in period
Department of Health (HSE West)	€156,838	31/12/22	€0	€156,838	€0	€156,838	Core Funding	N/A	Restricted	260,969
Department of Health (HSE)	€110,000	31/12/22	€82,000	€110,000	€78,750	€113,250	Social Inclusion Tier 4 Funding Residents Fees	N/A	Restricted	113,250
Department of Health (HSE West)	€182,047	31/12/22	€0	€182,047	€0	€182,047	Primary Care Residents Fees	N/A	Restricted	182,047
Department of Health (HSE West)	€42,300	31/12/22	€0	€42,300	€0	€42,300	Mayo Mental Health Service Residents Fees	N/A	Restricted	42,300
Tusla - Child and Family Agency	€33,280	31/12/22	€0	€33,280	€0	€33,280	Family Support Service Funding	N/A	Restricted	33,280
Department of Health (HSE West)	€20,000	31/12/22	€0	€20,000	€0	€20,000	Primary Care COVID Infrastructure	€62,380	Restricted	N/A
Department of Health (HSE West)	€20,000	31/12/21	€20,000	€0	€0	€20,000	Mayo Mental Health Service COVID Infrastructure	€62,380	Restricted	N/A

Hope House

Notes to the financial statements for the year ended 31st December 2022

18. Analysis of Net Funds

	General Funds €	Restricted Funds €	Total Funds €
As at 1st January 2022	3,345,327	(10,410)	3,334,917
Net Incoming Resources for the year	91,528	(64,131)	27,397
As at 31st December 2022	<u>3,436,855</u>	<u>(74,541)</u>	<u>3,362,314</u>

The general reserve represents the free funds of the charity which are not designated for particular purposes. Further details of the fund by class are detailed in note 19.

The restricted funds deficit was funded from the unrestricted funds surplus.

19. Analysis of Net Assets between Funds

	General Funds €	Restricted Funds €	Total Funds €
Tangible Assets	886,507	-	886,507
Investments	145,200	-	145,200
Current Assets	2,447,734	4,209	2,451,943
Current Liabilities	(42,586)	(78,750)	(121,336)
	<u>3,436,855</u>	<u>(74,541)</u>	<u>3,362,314</u>

Hope House

Notes to the financial statements for the year ended 31st December 2022

20. Movements in Funds

	As at 01/01/22	Income	Expenditure	As at 31/12/22
	€	€	€	€
Restricted Funds:				
Counselling service	-	33,280	(33,280)	-
HSE	(10,410)	534,435	(598,566)	(74,541)
Revenue Commissioners EWSS	-	62,395	(62,395)	-
<i>Total restricted funds</i>	<u>(10,410)</u>	<u>630,110</u>	<u>(694,241)</u>	<u>(74,541)</u>
Unrestricted Funds				
General Funds	3,345,327	597,697	(506,169)	3,436,855
<i>Total unrestricted funds</i>	<u>3,345,327</u>	<u>597,697</u>	<u>(506,169)</u>	<u>3,436,855</u>
Total Funds	<u>3,334,917</u>	<u>1,227,807</u>	<u>(1,200,410)</u>	<u>3,362,314</u>

General funds

The general reserve represents the free funds of the charity which are not designated for particular purposes.

21. Capital commitments

The charity had no capital commitments at 31st December 2022. Hope House have plans to lease & renovate a building adjacent to their premises. The renovations, which will be done in 2023 are expected to cost €250k approximately.

22. Contingent liabilities

The trustees/management are not aware of the existence of any contingent liabilities at 31 December 2022.

23. Contribution of Unpaid Staff & Community Employment Scheme Staff

The trustees are very grateful to the Sisters of Mercy in the operation of Hope House in providing the services of Sr. Attracta Canny on a voluntary basis. The support of the participants on the Community Employment Scheme and the Rural Social Scheme is also acknowledged.

It is estimated that these three supports reduce the annual running costs of Hope House by €150,000.

24. Accounting periods

The current accounts are for a full year. The comparative accounts are for a full year.

25. Ethical Standards

In common with many other businesses of our size and nature we use our auditors to assist with the preparation of the financial statements.

Hope House

Notes to the financial statements for the year ended 31st December 2022

26. Comparative Amounts

Comparitive amounts have been re-grouped where necessary on the same basis as those for the current year.

27. Approval of financial statements

The board of directors approved these financial statements for issue on 23rd February 2023.

