

Western Care Association
Annual Report and Financial Statements
for the financial year ended 31 December 2022

Western Care Association CONTENTS

	Page
Directors and Other Information	3
Directors' Report	4 - 6
Directors' Responsibilities Statement	7
Independent Auditor's Report	8 - 9
Income Statement	10
Statement of Comprehensive Income	11
Statement of Financial Position	12
Statement of Changes in Equity	13
Statement of Cash Flows	14
Notes to the Financial Statements	15 - 25
Supplementary Information on Trading Statement	27 - 29

Western Care Association

DIRECTORS AND OTHER INFORMATION

Directors	Patrick Geraghty Kieran McGloin Frances Burke Michael Leyden Iarla Duffy Marilyn McNicholas (Resigned 20 June 2022) Michael Prendergast Angela Campbell Hugh Farrell Alan McCarron
Company Secretary	Michael Leyden
Company Number	28067
Charity Number	CHY 5578
Registered Office and Business Address	John Moore Road Castlebar Co. Mayo
Auditors	Mazars Chartered Accountants & Statutory Audit Firm Mayoralty House Flood Street Galway
Bankers	Bank of Ireland Ellison Street Castlebar Co. Mayo
Solicitors	P. O'Connor & Sons Solicitors The Old House Market Street Co. Mayo

Western Care Association

DIRECTORS' REPORT

for the financial year ended 31 December 2022

The directors present their report and the audited financial statements for the financial year ended 31 December 2022.

Principal Activity and Review of the Business

The principal activity of the Association continued to be that of a charitable non-profit making body whose aim is to provide services to people with an intellectual disability and/or autism in Mayo. In providing this service we recognise the financial and other assistance of the Health Service Executive, government agencies and the general public. The company is a public benefit entity.

The Association is a company limited by guarantee not having a share capital.

Review of Services

2022 is a year that continued to challenge the organisation in terms of continuity of service delivery due to covid and the Association's ability to meet the level of demand within existing budgets.

Western Care Association continued to provide a range of services and supports including the provision of day, residential and respite services as well as home support services. Service delivery increased in 2022 with an intake of school leavers in September necessitating the establishment of a number of hubs including the Bright Horizons Hub for young adults. There was also an increase in the delivery of home support services in 2022.

Recruitment and retention of staff remains a challenge for the organisation.

While the Covid-19 pandemic has affected the company, there has been no significant change in the activities of the Association during the financial year ended 31 December 2022.

Principal Risks and Uncertainties

The Association acknowledges that their continuing existence depends on the financial support of the Health Service Executive and other government agencies and also the goodwill and generosity of the volunteers to the organisation and the people of Mayo. Its operation as a going concern depends on that support continuing into the future.

The company's operations expose it to a variety of financial risks that include liquidity risk and key funder risk.

Financial risk management

Liquidity risk is the risk that the entity will encounter difficulty in meeting obligations associated with its financial liabilities. The Association aims to mitigate liquidity risk by managing cash generation by its operations. The Association also manages liquidity risk via revolving credit facilities.

A lack of availability of capital funding represents a risk to the organisation, as funding is not available to replace/renew assets as required.

Key funder risk is the risk that the entity will lose the support of its principal funder. The company pro-actively manages its relationship with its key funder to ensure that it is protected.

Reputational Risk

Western Care Association continues to enjoy the support of the local community and its reputation in the community is valued by the Association. The main risk to its reputation is in a failure of governance in the use of public monies or the delivery of a service that fails to ensure the safeguarding of vulnerable people.

The Association seeks to enhance its governance, to be transparent in its actions and to be open to the involvement of families, the community and the relevant regulatory bodies to ensure and promote best practice in all areas.

Other Non-Financial Risks

Western Care Association established a Quality and Safety Committee to oversee the development and implementation of a risk register that considers risks in the areas of Governance, Staffing, Compliance with Regulations and Standards, Finance, Injury, Person Using Services Experience, Transport, Housing and Data Protection. This committee meets regularly to review the risk register, the actions being implemented to reduce the risks and the effectiveness of those actions. The differentiation in rates of pay and absence of pay parity between Western Care Association and other organisations providing similar services in Mayo continues to challenge the organisation in relation to the recruitment and retention of staff.

Covid-19

The Covid 19 pandemic while still presenting a challenge is not as significant a challenge as in previous years.

Western Care Association has developed a new strategic plan 2022- 2026 which sets out the organisation's mission and values. The strategic plan will guide the organisation in dealing with any challenges it may face.

Western Care Association

DIRECTORS' REPORT

for the financial year ended 31 December 2022

Financial Results

The surplus for the financial year after providing for depreciation amounted to €1,313,242 (2021 - €765,177).

At the end of the financial year, the company has assets of €20,385,769 (2021 - €19,411,846) and liabilities of €11,150,149 (2021 - €11,494,633). The net assets of the company have increased by €1,318,407.

The continuing impact of the COVID-19 pandemic and the conflict in Ukraine have resulted in significant increases in the cost of living and has therefore increased the level of volatility and uncertainty and has created significant economic disruption. The demands on the funding received by the Association are increasing and the continued support of the Association's main funders will be critical.

As the services provided by the Association are essential, the Association operated throughout the year whilst taking a significant number of precautionary measures to monitor and prevent the effects of the COVID-19 virus, with a particular focus on the health and safety of its people and the people it services. Western Care redeployed staff and delayed filling vacancies and therefore savings were made throughout the year. This surplus is offsetting legacy deficits.

Directors and Secretary

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

Patrick Geraghty
Kieran McGloin
Frances Burke
Michael Leyden
Iarla Duffy
Marilyn McNicholas (Resigned 20 June 2022)
Michael Prendergast
Angela Campbell
Hugh Farrell
Alan McCarron

The secretary who served throughout the financial year was Michael Leyden.

Future Developments

The company plans to continue its present level of charitable activities.

Post Statement of Financial Position Events

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

Political Contributions

The Association did not make any political donations during the current year.

Auditors

The auditors, Mazars, (Chartered Accountants & Statutory Audit Firm) have indicated their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

Statement on Relevant Audit Information

In the case of each of the persons who are directors at the time this report is approved in accordance with section 332 of Companies Act 2014:

- (a) so far as each director is aware, there is no relevant audit information of which the company's statutory auditors are unaware, and
- (b) each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

Audit Committee

In accordance with Companies Act 2014, the association has an Audit Committee in place.

Going Concern

The directors are of the opinion that there is no material uncertainty in relation to the company's ability to continue as a going concern. See note 5 to the financial statements.

Western Care Association DIRECTORS' REPORT

for the financial year ended 31 December 2022

Compliance Statement

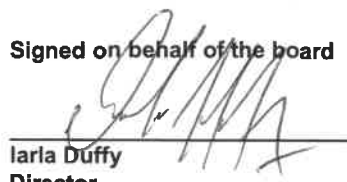
The directors are responsible for securing the company's compliance with its relevant obligations (compliance with both company and tax law) and with respect to each of the following three items, we confirm that it has been done. We confirm:

- the existence of a compliance policy statement;
- appropriate arrangements or structures put in place to secure material compliance with the company's relevant obligations; and
- a review of such arrangements and structures has taken place during the year.

Accounting Records

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

Signed on behalf of the board


Iarla Duffy
Director

Date: 26/04/2023


Michael Leyden
Director

Date: 26/04/2023

Western Care Association DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 31 December 2022

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

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

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

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

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

Signed on behalf of the board


Iarla Duffy
Director

Date: 26/04/2023


Michael Leyden
Director

Date: 26/04 / 2023

INDEPENDENT AUDITOR'S REPORT

to the Members of Western Care Association

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Western Care Association ('the company') for the financial year ended 31 December 2022 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2022 and of its surplus for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

Other Information

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

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

Opinions on other matters prescribed by the Companies Act 2014

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

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

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

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

INDEPENDENT AUDITOR'S REPORT

to the Members of Western Care Association

Matters on which we are required to report by exception

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

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

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 7, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: www.iaasa.ie/wp-content/uploads/2022/10/Description_of_auditors_responsibilities_for_audit.pdf.> The description forms part of our Auditor's Report.

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

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

Austin Sammon
for and on behalf of
MAZARS
Chartered Accountants & Statutory Audit Firm
Mayoralty House
Flood Street
Galway

Date: _____

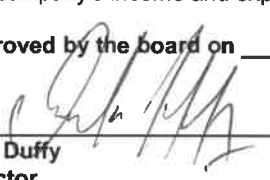
Western Care Association INCOME STATEMENT

for the financial year ended 31 December 2022

	Notes	2022 €	2021 €
Income	6	47,541,074	44,250,975
Expenditure		(46,227,832)	(43,485,798)
Surplus for the financial year	19	1,313,242	765,177

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

Approved by the board on 24/04/2023 and signed on its behalf by:


Iarla Duffy
Director


Michael Leyden
Director

Western Care Association
STATEMENT OF COMPREHENSIVE INCOME
for the financial year ended 31 December 2022

		2022 €	2021 €
Surplus after taxation		1,313,242	765,177
Revaluation reserve unrealised movement on revaluation of property		-	(4,127)
Remeasurement of defined benefit scheme assets and liabilities	16	89,000	96,000
Total comprehensive income for the financial year		<u>1,402,242</u>	<u>857,050</u>

Western Care Association
STATEMENT OF FINANCIAL POSITION
as at 31 December 2022

	Notes	2022 €	2021 €
Non-Current Assets			
Property, plant and equipment	9	13,906,900	14,099,002
Current Assets			
Debtors	10	4,653,272	3,682,028
Cash and cash equivalents		1,825,597	1,630,816
		6,478,869	5,312,844
Creditors: amounts falling due within one year	12	(7,446,699)	(7,232,138)
Net Current Liabilities		(967,830)	(1,919,294)
Total Assets less Current Liabilities		12,939,070	12,179,708
Provisions for liabilities	14	(455,000)	(814,000)
Capital Grants	17	(3,248,450)	(3,448,495)
Net Assets		9,235,620	7,917,213
Reserves			
Revaluation reserve	19	7,322,190	7,322,190
Capital reserves and funds	19	351,562	435,397
Retained surplus	19	1,561,868	159,626
Members' Funds		9,235,620	7,917,213

Approved by the board on 24/04/2023 and signed on its behalf by:


Iarla Duffy
Director


Michael Leyden
Director

Western Care Association
STATEMENT OF CHANGES IN EQUITY

as at 31 December 2022

	Retained surplus	Revaluation reserve	Capital conversion reserve	Total
	€	€	€	€
At 1 January 2021	(701,551)	7,326,317	481,292	7,106,058
Surplus for the financial year	765,177	-	-	765,177
Other gains and losses	96,000	(4,127)	-	91,873
Total comprehensive income	861,177	(4,127)	-	857,050
Other movements in Members' Funds	-	-	(45,895)	(45,895)
At 31 December 2021	159,626	7,322,190	435,397	7,917,213
Surplus for the financial year	1,313,242	-	-	1,313,242
Other gains and losses	89,000	-	-	89,000
Total comprehensive income	1,402,242	-	-	1,402,242
Other movements in Members' Funds	-	-	(83,835)	(83,835)
At 31 December 2022	1,561,868	7,322,190	351,562	9,235,620

Western Care Association
STATEMENT OF CASH FLOWS
for the financial year ended 31 December 2022

	Notes	2022 €	2021 €
Cash flows from operating activities			
Surplus for the financial year		1,313,242	765,177
Adjustments for:			
Depreciation		657,203	624,345
Movement on pension reserve		89,000	96,000
Movement on defined benefit pension scheme		(359,000)	(350,000)
Amortisation of government grants		(283,880)	(283,880)
		<u>1,416,565</u>	<u>851,642</u>
Movements in working capital:			
Movement in debtors		(971,244)	(2,678,572)
Movement in creditors		161,752	700,802
		<u>607,073</u>	<u>(1,126,128)</u>
Cash generated from/(used in) operations			
		<u>607,073</u>	<u>(1,126,128)</u>
Cash flows from investing activities			
Payments to acquire property, plant and equipment		(465,101)	(453,747)
Receipts from sales of property, plant and equipment		-	2,500
		<u>(465,101)</u>	<u>(451,247)</u>
Net cash used in investment activities			
		<u>(465,101)</u>	<u>(451,247)</u>
Cashflows from financing activities			
Capital grants		-	37,939
		<u>-</u>	<u>37,939</u>
Net increase/(decrease) in cash and cash equivalents		141,972	(1,539,436)
Cash and cash equivalents at beginning of financial year		915,534	2,454,970
		<u>915,534</u>	<u>2,454,970</u>
Cash and cash equivalents at end of financial year	11	1,057,506	915,534
		<u>1,057,506</u>	<u>915,534</u>

Western Care Association

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2022

1. General Information

Western Care Association is a company limited by guarantee incorporated in the Republic of Ireland. The registered office is John Moore Road, Castlebar, Co. Mayo, which is also the principal place of business of the company. The company's registration number is 28067. The principal activity of the company continues to be that of a charitable non-profit making body whose aim is to provide services to people with an intellectual disability and/or autism in Mayo.

The financial statements comprising the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows, the Accounting Policies and the related notes constitute the individual financial statements of Western Care Association for the financial year ended 31 December 2022.

The financial statements have been presented in Euro (€) which is also the functional currency of the company and rounded to the nearest euro.

2. Summary of Significant Accounting Policies

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

Statement of compliance

The financial statements of the company for the year ended 31 December 2022 have been prepared on the going concern basis and in accordance with generally accepted accounting principles in Ireland and Irish statute comprising the Companies Act 2014 and in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) issued by the Financial Reporting Council.

Basis of preparation

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

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

Income

Income is represented by funding from the Health Services Executive, contributions from Person Using Services, fund raising activities and the sale of goods.

All income is recognised in the financial statements for the year in which it relates with the exception of income from Person Using Services contributions, fundraising activities and donations which is recognised on a cash receipts basis. The recognition of certain types of income on a cash receipts basis is deemed to be appropriate given the uncertain nature of the receipt of the income.

Share Capital of the Company

The Association is a company limited by guarantee not having a share capital.

Concessionary Loans

Mortgages received from Mayo County Council for the purpose of purchasing properties for use by Western Care Association are repayable if more properties are disposed of or cease to be used for the intended purpose prior to the expiry of the term of the mortgage. The deemed repayments are amortised to the income statement over the period of the mortgage.

Provisions

Provisions are recognised when the company has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the same value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Western Care Association

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2022

continued

Reserves

Western Care Association is a registered charity and is reliant on funding from a number of sources including the Health Services Executive, contributions from Person Using Services, community employment schemes and other fundraising initiatives and donations. Income from the Health Service Executive and other public bodies is restricted for the purpose as set out by those bodies. Such purposes are within the overall aims of the company.

Other funds are unrestricted funds and are expendable at the discretion of the company in furtherance of any of the objects of the charity. If part of the unrestricted funds are earmarked for a particular project, it may be designated as a separate fund. Such designated funds consist primarily of funds which have been allocated towards the funding of the company's operating activities and/or in support of the Association's charitable objectives and may be utilised at the discretion of the Board for those purposes.

The Western Care Association has a retained surplus in the current year of €1,561,868 (2021: retained surplus of €159,626).

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of property, plant and equipment, less their estimated residual value, over their expected useful lives as follows:

Land and Buildings	-	2% Straight line
Fixtures, Fittings & Equipment	-	20% Straight line
Motor vehicles	-	20% Straight line

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

Land and buildings are revalued on the basis of fair value determined from market-based evidence by appraisal undertaken by professional valuers. Revaluations are subsequently carried out with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the financial year.

Revaluation gains, are recognised in other comprehensive income and accumulated in equity unless the gain reverses a previous revaluation loss on the same assets that was previously recognised in the income statement, in which case the gain is also recognised in the income statement.

Revaluation losses are recognised in other comprehensive income to the extent that they reverse previous gains recognised in equity in respect of the same asset. Revaluation losses in excess of previously accumulated gains in equity on individual assets are recognised in the income statement.

Leasing

Rentals payable under operating leases are dealt with in the Income Statement as incurred over the period of the rental agreement.

Trade and other debtors

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

Cash and cash equivalents

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

Trade and other creditors

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

Employee benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

Western Care Association
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2022

continued

Taxation

The company has charitable status (CHY 5578) for tax purposes and therefore no corporation tax liability arises.

Capital Grants

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

Pensions

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

The pension costs in respect of a defined benefit scheme are charged to the Income Statement on a systematic basis, based on the actuary's calculations. Amounts charged are calculated using the following rates:

Current service costs	-	Discount rate at the start of the financial year
Interest cost	-	Discount rate at the start of the financial year
Expected return on assets	-	Expected rate of return at the start of the financial year

Past service costs are recognised in the Income Statement on a straight line basis over the period in which the increases in the benefits vest.

Differences between the amounts charged in the Income Statement and payments made to pension funds are treated as assets or liabilities.

Assets in the scheme are measured at their fair value at the Statement of Financial Position date. Defined benefit liabilities are measured on an actuarial basis using the projected unit method. The assets and liabilities of the scheme are subject to a full actuarial valuation by an external professionally qualified actuary triennially and are reviewed annually by the actuary and updated to reflect current conditions.

The excess/shortfall in the value of the assets in the scheme over/below the present value of the scheme liabilities is recognised as an asset/liability when the amounts can be recovered through reduced contributions or refunds from the scheme. Any potential deferred taxation is offset against the asset/liability.

Current service cost and net interest on scheme assets/liabilities are recognised in the Income Statement. Remeasurement of net defined benefit scheme assets and liabilities are recognised in the Statement of Comprehensive Income.

3. Significant accounting judgements and key sources of estimation uncertainty

Management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors consider that apart from the accounting policies and the note disclosed above, there are no other accounting judgements, estimates and assumptions which are required to be disclosed.

4. Departure from Companies Act 2014 Presentation

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

Western Care Association
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2022

continued

5. Going concern

The Directors have prepared budgets and cash flows for a period of at least twelve months from the date of the approval of the financial statements which demonstrate that there is no material uncertainty regarding the Company's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis, the Directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the Company was unable to continue as a going concern.

Western Care Association recorded an operating surplus for 2022 and 2021. These surplus arose as a result of Western Care Association continuing with the cost containment measures implemented by the directors in 2018 and an increase in the funding support received.

The directors are of the opinion that there is no material uncertainty in relation to the company's ability to continue as a going concern. While it creates uncertainty, the impact of COVID-19 from a financial perspective is not deemed to be significant given the continued support of the Association's main funders and the essential nature of the services provided by the Association.

6. Income

The income for the financial year is analysed as follows:

	2022 €	2021 €
By Category:		
Health Services Executive - Allocation	45,851,622	42,358,850
Health Services Executive - Rehabilitative Training	359,824	376,824
Health Services Executive - Other	-	77,848
Contribution from Person Using Services	481,914	502,243
Sundry Income	34,959	95,695
Community Employment Scheme Income	270,514	206,859
Fundraising Income & Donations	224,305	295,766
Other operating income	317,936	336,890
	<u>47,541,074</u>	<u>44,250,975</u>

The total Health Services Executive Allocation for the year ended 31 December 2022 was €45,416,297 (2021: €42,810,659), an amount of €45,851,622 (2021: €42,358,850) is recognised as income in current year. The remaining amount, €435,325 (2021: €451,809), is recognised as deferred income at 31 December 2022 and will be recognised as income when the related performance obligations are satisfied.

The whole of the company's income is attributable to its market in the Republic of Ireland and is derived from the principal activity of providing services to people with an intellectual disability and/or autism in Mayo.

The income granted from the Dept. of Social Protection for the year ended 31 December 2022 was €270,514 (2021: €206,859). This was used for the operation of the Community employment scheme and was administered by Western Care in accordance with the terms and conditions of the grant. Grants received from Exchequer funds is protected and will not be used as security for any other activity without prior consultation with the parent Department and sanction of DPER.

7. Operating surplus

	2022 €	2021 €
Operating surplus is stated after charging/(crediting):		
Depreciation of property, plant and equipment	657,203	624,345
Operating lease rentals		
- Land and buildings	591,730	482,356
Auditor's remuneration		
- audit of individual company accounts	24,417	28,552
Capital Grants received	(40,056)	(57,010)
Amortisation of Capital Grants	(283,880)	(283,880)

Western Care Association
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2022

continued

8. Employees and remuneration

Number of employees

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

	2022 Number	2021 Number
Employees	944	939
The staff costs comprise:	2022 €	2021 €
Wages and salaries	33,530,311	31,793,713
Social welfare costs	3,556,211	3,549,929
Pension costs	2,316,068	2,239,502
	39,402,590	37,583,144

9. Property, plant and equipment

	Land and Buildings	Fixtures, Fittings & Equipment	Motor vehicles	Total
	€	€	€	€
Cost				
At 1 January 2022	13,726,441	383,188	2,716,314	16,825,943
Additions	-	9,047	456,054	465,101
At 31 December 2022	13,726,441	392,235	3,172,368	17,291,044
Depreciation				
At 1 January 2022	502,162	382,548	1,842,231	2,726,941
Charge for the financial year	287,465	2,454	367,284	657,203
At 31 December 2022	789,627	385,002	2,209,515	3,384,144
Net book value				
At 31 December 2022	12,936,814	7,233	962,853	13,906,900
At 31 December 2021	13,224,279	640	874,083	14,099,002

Buildings were valued on 26 March 2020 by K Fox, M.I.P.A.V., Fox & Gallagher Limited and their assessment was based on a Market Value Report. This resulted in an increase in the net book value of the assets of €1,395,795 at that date which is reflected in the opening balances above. The directors are of the opinion that the assets are carried at their fair value.

10. Debtors

	2022 €	2021 €
Trade debtors	4,050,708	3,131,666
Other debtors	355,825	343,605
Prepayments	246,739	206,757
	4,653,272	3,682,028

All debtors are due within one year. All trade debtors are due within the charity's normal terms.

Western Care Association
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2022

continued

11. Cash and cash equivalents	2022	2021
	€	€
Cash and bank balances	1,825,597	1,630,816
Bank overdrafts	(768,091)	(715,282)
	<u>1,057,506</u>	<u>915,534</u>
12. Creditors	2022	2021
Amounts falling due within one year	€	€
Amounts owed to credit institutions	768,091	715,282
Payments received on account	-	50,650
Trade creditors	818,624	789,957
Taxation (Note 13)	1,112,883	1,148,572
Other creditors	51,551	52,900
Accruals	3,838,228	3,202,674
Deferred Income	857,322	1,272,103
	<u>7,446,699</u>	<u>7,232,138</u>

The repayment terms of trade creditors vary between on demand and ninety days. No interest is payable on trade creditors.

Other amounts included within creditors not covered by specific disclosures are unsecured, interest free and repayable on demand.

The amounts owed to credit institutions are secured by the following:

Equitable Deposit held with St. Francis, Curragh, Castlebar; Equitable Deposit held with St. Stephen's, 27 Rathbawn Drive, Castlebar; Equitable Deposit held with St Dymphna's School, Trawley, Castlebar; Equitable Deposit held with St. Kevins, 4 Saleen, Castlebar; Letter of Set off held; Assignment of Deposit held Held Over 1070506; Assignment of Deposit held Held Over 1070502; Mortgage/Charge held over - Primrose Hill Claremorris Co. Mayo.

13. Taxation	2022	2021
	€	€
Creditors:		
PAYE	<u>1,112,883</u>	<u>1,148,572</u>

14. Provisions for liabilities

The amounts provided for post-retirement benefits are analysed below:

	Post-retirement benefits	Total
	2022	2021
	€	€
At financial year start	814,000	1,164,000
Charged to income and expenditure	(359,000)	(350,000)
At financial year end	<u>455,000</u>	<u>814,000</u>

15. Pension costs - defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Pension costs amounted to €2,592,068 (2021 - €2,497,502).

Western Care Association
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2022

continued

16. Pension costs - defined benefit

(a) General description of type of scheme

The Association operated a defined benefit pension scheme for its employees providing benefits based on final pensionable pay, the scheme is closed to new members since the late 1980's. The assets of the scheme are held separately from those of the company, being invested with pension fund managers. Contributions to this scheme are charged to the Income Statement so as to spread the cost of pensions over the employees' working lives with the company. The pension cost of the defined benefit scheme is assessed on an annual basis in accordance with the advice of qualified actuaries using the projected unit method. The most recent full actuarial review of the scheme was prepared at 1 July 2022. The defined benefit pension scheme has been closed to new members.

The latest actuarial assessment of the scheme, for FRS 102 purposes, was prepared at 31 December 2022 by a qualified independent actuary.

The trustee of the scheme is Irish Pensions Trust Limited..

	2022	2021
Discount rate	3.75%	0.85%

Investigations have been carried out within the past three financial years into the mortality experience of the company's major schemes. These investigations concluded that the current mortality conclusions include sufficient allowance for future improvements in mortality rates.

The assumed life expectations on retirement at age 65 are:

	2022	2021
Retiring today:		
Males	22	21
Females	24	24

Assets in the scheme and expected rate of return were:

	Long term expected rate of return	Value €	Long term expected rate of return	Value €
Equities	4.10%	134,767	4.20%	182,952
Bonds	69.30%	2,277,891	70.10%	3,053,556
Property	4.20%	138,054	4.00%	174,240
Other	22.40%	736,288	21.70%	945,252
Total Market Value of assets		3,287,000		4,356,000
Present value of scheme liabilities		(3,742,000)		(5,170,000)
Deficit in the scheme		(455,000)		(814,000)
Net pension liability		(455,000)		(814,000)

Western Care Association

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2022

continued

16.1. Pension costs - defined benefit continued	2022	2021
	€	€
Analysis of amount credited to other income		
Net interest on net fund assets/liabilities	(6,000)	(4,000)
Analysis of movement in scheme during the financial year		
Deficit as at 31 December 2021	(814,000)	(1,164,000)
Movement in financial year :		
Contributions to the scheme	276,000	258,000
Net interest on net fund assets/liabilities	(6,000)	(4,000)
Remeasurement of fund assets and liabilities	89,000	96,000
Deficit as at 31 December 2022	(455,000)	(814,000)
Analysis of movement recognised in other comprehensive income		
Experience gains and losses arising on pension scheme liabilities	89,000	96,000

16.2. Pension costs - defined benefit continued		
History of pension scheme experience gains and losses	2022	2021
Total amount recognised in other comprehensive income		
Amount	89,000	96,000
Percentage of the present value of the scheme liabilities	-2.57%	-1.86%

16.3. Pension costs - defined benefit continued

Nature and extent of the risks arising from financial instruments held by the defined benefit scheme

At 31 December 2022 the scheme assets were invested in Irish Life Bonds Funds and Aviva with profit assets.

The scheme has less exposure to investment risk due to the investment portfolio being weighted in favour of bonds which are less volatile than equities and property. Currently, all the scheme assets are invested in bonds expect for the profit with Avivia portion incorporating guaranteed annuity rates.

The scheme is secured by a charge on land on folio 55526F County Mayo.

17. MAYO COUNTY COUNCIL MORTGAGE	2022	2021
	€	€
Capital grants received and receivable		
At 1 January 2022	3,448,495	3,648,541
Amortisation		
Amortised in financial year	(200,045)	(200,046)
Net book value		
At 31 December 2022	3,248,450	3,448,495

Mortgages received from Mayo County Council for the purpose of purchasing properties for use by Western Care Association are repayable if properties are disposed of or cease to be used for the intended purpose prior to the expiry of the term of the mortgage. The deemed repayments are amortised to the income and expenditure account over the period of the mortgage.

The deeds of charge held by Mayo County Council are for the following properties: 1). Property held at townland of Carrowbeg and comprised in Folio 4713f, Barony of Murisk, County Mayo, 2). Property held at Bohernasup, Ballina, Barony of Tyrrawley, County Mayo, 3). Property at 9 Curfew Hill, Belmullet, County Mayo, 4). Property held at Number 7 & Number 8, Riverwalk, Crossmolina, County Mayo, 5). Property held at 43 Abbeytown, Crossmolina, County Mayo, 6). Townland of Gorteen and comprised in Folio 15782f, County Mayo, 7). Property

Western Care Association

NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 December 2022

held at 12 Abbeyvale, Ballyhaunis, County Mayo comprised in Folio my51188f, 8). Property held at 4 Abbeyvale, Ballyhaunis, County Mayo comprised in Folios my58811f and my51189f, 9) Property at Linden House, Ballyhaunis, County Mayo comprised in Folio 3444f, 10). Property at 20 Knockthomas, Castlebar, County Mayo comprised in Folio my298f, 11) Townland of Newport and being all of the property comprised in folio 53624f, 12) Townland of Newport and being all of the property comprised in folio 23595f, 13) Townland of Kilcassel and being all of the property comprised in folio 56429f, 14) Property at no.13 Pontoon Carrowncurry, Castlebar, County Mayo, 15) Townland of Rathkelly and being all of the property comprised in folio 26086f, 16) Part of the lands at curragh, situate in the town and urban district of Castlebar, Parish of Aglish, Barony of Carra and County of Mayo, 17) The plot of ground at Davis Street, Belmullet, Barony of Erris and County of Mayo, 18) Part of the lands of garryduff and more particularly comprised in all of folio 9648f, 19) Part of the lands of carrowbeg barony of murrisk and county of Mayo being all of the property comprised in folios my30736f, 20) Part of the townland of rathkelly being all of the property comprised in folio my60253f and 21) part of the townland of rathkelly and being all of the property comprised in folio my1183f

18. Status

The liability of the members is limited.

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

19. Reserves

	Revaluation reserve	Capital conversion reserve fund	Retained Surplus/deficit	Total
	€	€	€	€
At 1 January 2022	7,322,190	435,397	159,626	7,917,213
Amortisation charge	-	(83,835)	-	(83,835)
Surplus for the financial year	-	-	1,313,242	1,313,242
Other gains/losses	-	-	89,000	89,000
At 31 December 2022	<u>7,322,190</u>	<u>351,562</u>	<u>1,561,868</u>	<u>9,235,620</u>

20. Financial commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and Buildings	
	2022	2021
	€	€
Due:		
Within one year	380,806	346,602
Between one and five years	360,188	258,748
In over five years	63,000	11,685
	<u>803,994</u>	<u>617,035</u>

The association have entered into a number of operating leases in relation to the occupancy of a number of properties in the Mayo region. An amount of €412,985 (2021: €355,378) was paid in respect of these operating leases in the current year and has been included as an expense in the Income Statement.

A number of the above leases have a defined expiry date and a financial commitment is included up to the date of the expiry of these leases. In addition, the association lease 12 properties on a rolling lease basis, resulting in the company having a minimum of one year financial commitment in relation to these leases.

21. Capital commitments

The company had no material capital commitments at 31 December 2022.

22. Contingent liabilities

Western Care Association

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 December 2022

continued

Implementation of the Lansdowne Road Agreement:

As a major provider of services to the HSE, Western Care Association's employees are remunerated in line with HSE pay scales although full HSE terms and benefits do not apply and the Association has been unable to implement pay restoration in accordance with the Lansdowne Road Agreement.

In October 2017, SIPTU representing the Association's staff, sought a Labour Court hearing in respect of this matter. The published Labour Court recommendation confirms that the Association's staff pay is aligned with the Department of Health Consolidated pay scales and the Court recommends the application of the pay increases set out in the Lansdowne Road Agreement.

In February 2018, the HSE in conjunction with the Dept. of Health and the Workplace Relations Commission commenced a process to gather information to address the issue of pay restoration for Section 39 funded organisations including Western Care Association.

In 2019 the HSE outlined a pathway to enable the Association to implement pay restoration in accordance with the Lansdowne Road Agreement. Following receipt of funding from HSE pay increments were awarded in September 2019 and back dated to April 2019. Further increments were funded in 2020. At the date of signing the financial statements an estimated amount to be paid cannot be quantified as discussions are ongoing.

In October 2021 the Association fully implemented pay restoration in line with the Lansdowne Road Agreement. The company no longer has a contingent liability in respect of same.

Grants:

There exists a contingent liability to repay capital and revenue grants received if certain circumstances set out in the grant agreements occur.

23. Related party transactions

It is noted that children of serving directors are in receipt of services from the Association which, under other circumstances, might be deemed as related party transactions. However, it is further noted that it is a requirement of the Articles of Association that one director from each of the four regions of Mayo must be a parent or legal guardian of a special needs person (Person Using Services) and co-opted members may also have that relationship. Accordingly it has been deemed that the cost of the provision of such services to children or guardians of directors does not constitute a related party transaction.

24. Events After the End of the Reporting Period

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

25. Changes in Equity

Other Comprehensive Income	2022 €	2021 €
Revaluation reserve unrealised movement on revaluation of property	-	(4,127)
Retained earnings staff defined benefit pension remeasurement	89,000	96,000
	<u>89,000</u>	<u>91,873</u>

26. Employee Salary Bands

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

	2022 €	2021 €
€60,000 - €64,999	17	9
€65,000 - €74,999	10	8
€75,000 - €84,999	6	7
€85,000 - €94,999	2	4
€95,000 - €104,999 (Executive Director 2021)	2	1
	<u>37</u>	<u>29</u>

Western Care Association
NOTES TO THE FINANCIAL STATEMENTS
for the financial year ended 31 December 2022

continued

27. Key Management Personnel

The management who have authority and responsibility for planning, directing and controlling activities of the company are considered to be key personnel. Total remuneration in respect of these individuals is €253,623 (2021: €351,034).

28. Approval of financial statements

The financial statements were approved and authorised for issue by the board of directors on

WESTERN CARE ASSOCIATION

SUPPLEMENTARY INFORMATION

RELATING TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

NOT COVERED BY THE AUDITORS REPORT

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

Western Care Association
SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS
TRADING STATEMENT
for the financial year ended 31 December 2022

	Schedule	2022 €	2021 €
Income		<u>47,223,138</u>	<u>43,914,085</u>
Overhead expenses	1	<u>(46,227,832)</u>	<u>(43,485,798)</u>
		995,306	428,287
Miscellaneous income	2	<u>317,936</u>	<u>336,890</u>
Net surplus		<u>1,313,242</u>	<u>765,177</u>

Western Care Association
SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS
SCHEDULE 1 : OVERHEAD EXPENSES
for the financial year ended 31 December 2022

	2022 €	2021 €
Administration Expenses		
Wages and salaries	33,530,311	31,793,713
Social welfare costs	3,556,211	3,549,929
Retirement benefit costs	2,592,068	2,497,502
Employer contributions to the pension scheme	(276,000)	(258,000)
Staff development	150,608	144,870
Agency Staff & Private Therapies	1,794	35,985
Staff Travel & Subsistence	250,049	187,034
Homesharing	327,184	271,315
Recruitment Expenses	50,659	30,637
Rent and Property Expenses	591,730	482,356
Furniture & Household Expenses	268,638	325,571
Insurance	564,961	523,095
Light and heat	447,165	348,555
Cleaning	109,831	93,605
Repairs and maintenance	500,819	468,080
Printing, postage and stationery	98,324	110,983
Telephone	142,146	142,367
Computer costs	337,316	337,680
Motor expenses	878,742	742,820
Person Using Services Food Supplies	423,137	408,252
Medical Equipment	189,666	148,805
Legal and professional	436,467	249,850
Bank charges	9,462	3,033
General expenses	364,924	194,864
Auditor's remuneration	24,417	28,552
Depreciation of property, plant and equipment	657,203	624,345
	46,227,832	43,485,798

Western Care Association**SUPPLEMENTARY INFORMATION RELATING TO THE FINANCIAL STATEMENTS****SCHEDULE 2 : MISCELLANEOUS INCOME**

for the financial year ended 31 December 2022

	2022 €	2021 €
Miscellaneous Income		
Amortisation of government grants	83,835	83,834
Mayo County Council Mortgage Amortised	200,045	200,046
Government grants received	40,056	57,010
Net interest on pension fund assets/liabilities	(6,000)	(4,000)
	<u>317,936</u>	<u>336,890</u>

