



RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2022

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

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RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

GENERAL INFORMATION

Members of the Board	Mr. Ned Costello, Chairperson Ms. Patricia Carey Mr. Francis W. Treanor BL Mr. Richard Heenev (to 27 September 2022)
Senior Executive	Mr. Michael Fitzpatrick Executive Director (from 8 November 2021)
Accountants	Crowleys DFK 16/17 College Green Dublin 2
Auditor	Comptroller and Auditor General 3a Mayor Street Upper Dublin 1

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD
GOVERNANCE STATEMENT AND BOARD MEMBERS' REPORT

Governance

The Residential Institutions Statutory Fund Board was established under the Residential Institutions Statutory Fund Act 2012. The functions of the Board are set out in section 7 of this Act. The Board is accountable to the Minister for Education and is responsible for ensuring good governance.

The Residential Institutions Statutory Fund Board effectively closed as an operational organisation on 24 March 2021, with a new reduced Board approved by the Minister for Education from 25 March 2021 and an administrative resource (Executive Director) appointed on 8 November 2021 to support the work of the Board and make final arrangements for its formal dissolution.

Board Responsibilities

The work and responsibilities of the Board are set out in the Board Governance Handbook, which also contain the matters specifically reserved for Board decision. Standing items considered by the Board include:

- statement of interests,
- matters arising,
- chair report,
- reports from executive,
- reserved matters.
- audit and risk

Section 31 of the Residential Institutions Statutory Fund Act 2012 requires the Board to keep, in such form as may be approved by the Minister for Education with consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of money received and expended by it.

In preparing these financial statements, the Board of the Residential Institutions Statutory Fund is required to:

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that it will continue in operation, and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Board is responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, its financial position and enables it to ensure that the financial statements comply with Section 31 of the Residential Institutions Statutory Fund Act 2012. The maintenance and integrity of the corporate and financial information on the Residential Institutions Statutory Fund Board's website is the responsibility of the Board.

The Board is responsible for approving the annual plan and budget. An evaluation of the performance of the Residential Institutions Statutory Fund by reference to the annual plan and budget was carried out at each Board meeting held in 2022. The Board is also responsible for safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board considers that the financial statements of the Residential Institutions Statutory Fund give a true and fair view of the financial performance and the financial position of the Residential Institutions Statutory Fund at 31 December 2022.

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD
GOVERNANCE STATEMENT AND BOARD MEMBERS' REPORT

Board Structure

The Board is comprised of the Chairperson and two members and is focused on the management and oversight of the final affairs of the Residential Institutions Statutory Fund following the substantive exhaustion of the fund and cessation of its operations. In light of the foregoing, the Board is undertaking the functions of the Audit and Risk Committee. All Board members were appointed by the Minister for Education. The table below details the dates of appointment for Board members.

Board Member	Role	Date (Re)appointed
Ned Costello	Board Member (Chair)	18/05/2021
Patricia Carey	Board Member	25/03/2021
Francis W. Traenor BL	Board Member	25/03/2021

Four Board meetings were held in 2022.

The Board commenced a self-evaluation of Board Effectiveness and Evaluation Review in February 2023. The Board discussed and accepted the findings on 10 March 2023.

Schedule of Attendance, Fees and Expenses

A schedule of attendance at Board meetings for 2022 is set out below including fees and expenses. Board members did not receive a fee in 2022.

Board Members	Board Meetings	Audit & Risk Committee	Wind-down Sub-committee	Fees 2022 €	Expenses 2022 €
Ned Costello	4	-	-	-	-
Patricia Carey	4	-	-	-	-
Francis W. Traenor BL	4	-	-	-	-
Richard Heeney	-	-	-	-	-
Total Meetings Held	4	-	-	-	-

Key Personnel Changes

Board

Mr Richard Heeney resigned from the Board on 27 September 2022.

Disclosures Required by Code of Practice for the Governance of State Bodies (2016)

The Board is responsible for ensuring that the Residential Institutions Statutory Fund has complied with the requirements of the Code of Practice for the Governance of State Bodies ("the Code"), as published by the Department of Public Expenditure and Reform in August 2016. The following disclosures are required by the Code:

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD
GOVERNANCE STATEMENT AND BOARD MEMBERS' REPORT

Employee Short-Term Benefits Breakdown

Employees' short-term benefits in excess of €70,000 are categorised into the following bands:

Range From	To	Number of employees	
		2022	2021
€ 70,000	- € 79,999	-	-
€ 80,000	- € 89,999	-	-
€ 90,000	- € 99,999	-	-
€100,000	- €109,999	-	-

Note: For the purposes of this disclosure, short-term employee benefits in relation to services rendered during the reporting period include salary, overtime allowances and other payments.

Consultancy Costs

Consultancy include the cost of external advice and exclude outsourced 'business-as-usual functions.

	2022 €	2021 €
Legal advice	-	-
Human Resources	-	1,379
Internal Audit	-	-
Total consultancy costs	-	1,379
Consultancy costs capitalised	-	-
Consultancy costs charged to the Income and Expenditure and Retained Revenue Reserves	-	1,379
Total	-	1,379

Legal Costs and Settlements

The table below provides a breakdown of amounts recognised as expenditure in the reporting period in relation to legal costs, settlements and conciliation and arbitration proceedings relating to contracts with third parties. This does not include expenditure incurred in relation to general legal advice received by the Residential Institutions Statutory Fund Board which is disclosed in consultancy costs above.

	2022 €	2021 €
Legal fees - legal proceedings	26,537	24,500
Conciliation and arbitration payments	-	-
Settlements	-	-
Total	26,537	24,500

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD
GOVERNANCE STATEMENT AND BOARD MEMBERS' REPORT

Travel and Subsistence Expenditure

Travel and subsistence expenditure is categorised as follows:

	2022 €	2021 €
Domestic		
- Board*	-	-
- Employees	-	-
International		
- Board*	-	-
- Employees	-	-
Total	<u>-</u>	<u>-</u>

* includes travel and subsistence of €nil paid directly to Board members in 2022 (2021: €nil).

Hospitality Expenditure

The Fund Account includes the following hospitality expenditure:

	2022 €	2021 €
Staff hospitality	-	-
Client hospitality	-	-
Total	<u>-</u>	<u>-</u>

Statement of Compliance

The Residential Institutions Statutory Fund Board has complied with the requirements of the Code of Practice for the Governance of State Bodies, as published by the Department of Public Expenditure and Reform in August 2016.

The Code of Practice for the Governance of State Bodies provides that agreement may be sought by State bodies from their relevant Minister/parent Department in respect of provisions that may be applied proportionately for use by them. The Residential Institutions Statutory Fund Board wrote to the relevant Department in this regard in respect of the following:

- Provisions in relation to Head of Internal Audit
The staffing complement of the board consists of one position - the Executive Director. The Executive Director is the formal contact point in relation to internal audit matters.

On behalf of the Board



Ned Costello
Chairperson

Date: 19 June 2023



Michael Fitzpatrick
Executive Director

Date: 19 June 2023

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

STATEMENT ON INTERNAL CONTROL

SCOPE OF RESPONSIBILITY

On behalf of the Residential Institutions Statutory Fund Board, I acknowledge our responsibility for ensuring that an effective system of Internal Control is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or detected in a timely manner. The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform, has been in place in the Residential Institutions Statutory Fund Board for the year ended 31 December 2022 and up to the date of approval of the financial statements.

KEY CONTROL PROCEDURES

In accordance with the provisions of the Residential Institutions Statutory Fund Act 2012, an account was established at the Central Bank for the purposes of receiving cash contributions. Section 29(3) of the Residential Institutions Statutory Fund Act 2012 provides that the Statutory Fund shall establish an investment account into which the amount paid under section 29(1) & (2) shall be deposited. Periodically, the Board withdrew funds from this account to meet its liabilities as they fell due. The Board was established in March 2013 and has taken steps to ensure an appropriate control environment by implementing a system of clearly defined management responsibilities and has developed a procedures manual for the awarding of grants and for the processing and approval of other payments. While expenditure in respect of payments to survivors was demand-led and therefore not amenable to annual budgeting, the Board through its procedures, carefully monitored on a regular basis expenditure patterns and any issues arising. A very limited number of payments, all of which related to ongoing administrative costs, were made by the Board in 2022. The Board has continued to be supported by the Department of Education in respect of the making of payments to ensure that an adequate segregation of functions is observed.

The Residential Institutions Statutory Fund Board effectively closed as an operational organisation on 24 March 2021. A new reduced Board was approved by the Minister for Education from 25 March 2021 and an administrative resource (Executive Director) was appointed on 8 November 2021 to support the work of the Board and make final arrangements for its formal dissolution. A letter from the Minister for Education dated 16 July 2021 confirmed that a quorum for Board meetings would be 3. At a Board meeting on 22 July 2021, the Board agreed to formally dissolve and absorb the sub committees (Audit & Risk and Dissolution) into the main Board remit. There was no internal audit function operating during 2022 and thus no internal audits were undertaken. There were no Protected Disclosures made in 2022 under the Protected Disclosure Act 2014.

The Board has engaged the services of a firm of accountants to prepare the annual financial statements. These services are used also to provide further advice on financial and control matters as required. The Board's External Audit function is provided by the Office of the Comptroller and Auditor General.

The Board's system of Internal Controls is based on a framework of regular management information, a system of delegation and accountability, a set of financial procedures, administrative procedures including segregation of duties and rigorous ongoing checks by the Executive Director, which includes

- a budgeting system on operational expenditure.
- authorisation and processing of payments
- assessment of risk governance, management and ownership
- regular reviews of monthly and annual financial information and reports

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

STATEMENT ON INTERNAL CONTROL

(CONTINUED)

CONTROL WEAKNESSES 2022

Alleged Fraud

The Board was the subject of an alleged fraud dating from 2019. In 2019 Caranua made an advance payment of €11,481 to a hospital in Northern Ireland on foot of an application to fund surgery which was arranged under the HSE Cross Border Directive. Following the surgery, the individual submitted a claim to the HSE who refunded monies to the individual in August 2019. In consequence of that reimbursement, the grant provided by Caranua should have been repaid. However, this was not done. Caranua has referred the matter to An Garda Síochána and it is understood that the matter remains under investigation.

Other than the above, there was no other weakness identified in internal controls that resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements.

APPROVAL BY THE BOARD

The Statement on System of Internal Controls has been reviewed by the Board to ensure it accurately reflects the control system in operation during the reporting period.

The Board conducted an annual review of the effectiveness of Internal Controls on 10 March 2023, including a review of annual performance against budget, risk management policy including a risk appetite statement and risk register, and was satisfied that Internal Controls were operating and effective during 2022.

On behalf of the Board



Ned Costello
Chairperson

Date: 19 June 2023



Michael Fitzpatrick
Executive Director

Date: 19 June 2023



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Residential Institutions Statutory Fund Board (Caranua)

Opinion on the financial statements

I have audited the financial statements of the Residential Institutions Statutory Fund Board for the year ended 31 December 2022 as required under the provisions of section 31 of the Residential Institutions Statutory Fund Act 2012. The financial statements comprise

- the fund account
- the statement of financial position
- the statement of cash flows, and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the Board at 31 December 2022 and of its income and expenditure for 2022 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

Basis of opinion

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Board and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on information other than the financial statements, and on other matters

The Board has presented certain other information together with the financial statements. This comprises the governance statement and Board members' report, and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

Georgina O Mahony
For and on behalf of
Comptroller and Auditor General
30 June 2023

Appendix to the report

Responsibilities of Board members

As detailed in the governance statement and Board members' report, the Board members are responsible for

- the preparation of annual financial statements in the form prescribed under section 31 of the Residential Institutions Statutory Fund Act 2012
- ensuring that the financial statements give a true and fair view in accordance with FRS102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- 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.

Responsibilities of the Comptroller and Auditor General

I am required under section 31 of the Residential Institutions Statutory Fund Act 2012 to audit the financial statements of the Board and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs 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 the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I 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 my 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.
- I 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 internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.

- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Residential Institutions Statutory Fund Board's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Residential Institutions Statutory Fund Board to cease to continue as a going concern.
- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I 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 I identify during my audit.

I report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

**FUND ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 €	2021 €
INCOME			
Cash contributions received	2	-	-
INVESTMENT RETURN			
Interest (charged) / earned		40	(6)
		40	(6)
EXPENDITURE			
Payments to Survivors	4	5,668	115,031
Administration Costs	5	53,005	206,292
		58,673	321,323
NET OPERATING COSTS FOR THE PERIOD		(58,633)	(321,329)
Transfer from capital account	7	-	3,127
DECREASE IN FUND DURING THE PERIOD		(58,633)	(318,202)
FUND VALUE BROUGHT FORWARD		138,538	456,740
TOTAL FUND VALUE AT PERIOD END		79,905	138,538

All income and expenditure for the year relates to continuing activities at the reporting date. The Fund Account includes all gains and losses recognised in the year.

The Statement of Cash Flows and notes 1 to 13 form part of these financial statements.

On behalf of the Board



Ned Costello
Chairperson

Date: 19 June 2023



Michael Fitzpatrick
Executive Director

Date: 19 June 2023

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

	Note	As at 31 December 2022 €	As at 31 December 2021 €
FIXED ASSETS			
Property, plant and equipment	6	-	-
CURRENT ASSETS			
NTMA Investment Account	3	220	180
Bank	3	94,087	164,089
Debtors and prepayments	8	-	8,515
		<u>94,307</u>	<u>172,784</u>
CURRENT LIABILITIES (AMOUNTS FALLING DUE WITHIN ONE YEAR)			
Creditors and accruals	9	(14,402)	(34,246)
		<u>(14,402)</u>	<u>(34,246)</u>
NET CURRENT ASSETS		<u>79,905</u>	<u>138,538</u>
TOTAL NET ASSETS		<u>79,905</u>	<u>138,538</u>
REPRESENTING			
Capital Account	7	-	-
Fund account	7	79,905	138,538
		<u>79,905</u>	<u>138,538</u>

The Statement of Cash Flows and Notes 1 to 13 form part of these financial statements.

On behalf of the Board



Ned Costello
Chairperson

Date: 19 June 2023



Michael Fitzpatrick
Executive Director

Date: 19 June 2023

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 €	2021 €
Net cash flows from Operating Activities			
Decrease in Fund for the period		(58,633)	(318,202)
Depreciation of fixed assets	6	-	3,127
Decrease in debtors		8,515	93,363
(Decrease) in creditors		(19,844)	(75,474)
Capital account movement		-	(3,127)
(Profit) / Loss on disposal of assets		-	(20)
Net cash outflow from operating activities		(69,962)	(300,333)
Cash flow from Investing Activities			
Payments to acquire property, plant & equipment		-	-
Proceeds from sale of fixed assets		-	20
Net Decrease in cash and cash equivalents		(69,962)	(300,313)
Cash and cash equivalents at 1 January 2022		164,269	464,582
Cash and cash equivalents at 31 December 2022		94,307	164,269

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES

STATEMENT OF ACCOUNTING POLICIES

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

GENERAL INFORMATION

The Residential Institutions Statutory Fund Board (RISFB) was established on 25 March 2013 under the provisions of the Residential Institutions Statutory Fund Act 2012. It oversees the use of the cash contributions of up to €110 million pledged by religious congregations to support the needs of survivors of residential institutional child abuse. The key functions of the RISFB as defined in the Act include payments to former residents in order that they may avail of approved services, which include; mental health services, health and personal social services, educational services and a housing support service.

Pending the establishment of the RISFB, a special interest-bearing account was established in the Central Bank under the dual control of the Minister for Public Expenditure and Reform and the Minister of Education to receive cash contributions from religious congregations. In March 2013, in accordance with S. 29(1) of the act, the total funds in this account totalling €41,314,845 including interest of €270,529 were transferred to the RISFB investment account held in the National Treasury Management Agency (NTMA) and the special account was closed. In April 2013 a further €12,376 in accrued interest was paid into the investment account.

Section 29(2) of the Act provides for the receipt of further funds from religious congregations to the RISFB investment account on foot of instructions from the Department of Education with the consent of the Department of Public Expenditure and Reform. In accordance with S.29 (2) of the act, €61,591,273 was received from religious congregations which included interest of €1,099,106.

The Act also provides that the amounts paid into the investment account under S.29 will not exceed €110 million plus any accrued interest, and that monies not required for the time being shall be invested. The cumulative amount received into the investment account to 31 December 2022 is €111,382,011 (2021: €111,382,011), including interest of €1,382,011.

STATEMENT OF COMPLIANCE

The financial statements of the RISFB for the period ended 31 December 2022 have been prepared in accordance with FRS 102, the financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council (FRC).

BASIS OF PREPARATION

The financial statements are prepared under the accrual method of accounting and in accordance with generally accepted accounting principles under the historical cost convention, except as indicated below.

The financial statements are in a form approved by the Minister for Education with the concurrence of the Minister for Public Expenditure and Reform.

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

INCOME

Income is recognised in the financial statements when cash received from religious congregations is deposited in the RISFB investment account on the direction of the Minister for Education with the consent of the Minister for Public Expenditure and Reform as provided for under Section 29 (1) and (2) of the Residential Institutions Statutory Fund Act 2012.

PAYMENTS

Payments to survivors made by the RISFB are recognised in the year in which the claims have been approved for payment by the Board.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at their historical cost less accumulated depreciation. Depreciation is charged to the Fund Account on a straight-line basis, at the rates set out below, so as to write off the assets, adjusted for residual value, over their expected useful lives as follows: -

Computer Equipment and Software	25% per annum
Office Furniture and Fittings	10% per annum

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

CANCELLED PAYMENTS

RISFB make payments to survivors through a third-party arrangement with an external firm for confidentiality purposes. Payments approved by the Board are paid to the firm who in turn issue cheques to survivors and suppliers. Cancelled cheques are recorded in the period to which they relate to and amounts shown as cancelled payments represent cheques for current period which were cancelled after the year end date to the date the financial statements are prepared.

CAPITAL ACCOUNT

The Capital Account balance represents the unamortised value of income applied for capital expenditure purposes.

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

GOING CONCERN

Section 29(4) of the Act provides that amounts paid into the investment account will not exceed €110 million, plus associated interest. At 31 December 2022, the cumulative value of cash contributions received from religious congregations was €111.38 million, including interest €1.38m, and the cumulative value of funds expended was €111.63 million after €307,799 in additional interest was earned since the fund was established. The Board had a cash balance of €94,087 and net assets of €79,905 at 31 December 2022.

Caranua effectively closed as an operational organisation on 24 March 2021 and the then Board's term expired on that date. A reconstituted Board was appointed from 25 March 2021. During 2022 administrative support was provided by the Executive Director, who was appointed by the Department of Education on 8 November 2021, and seconded to Caranua, and the costs of which are borne by the Department of Education. Legislation is required to provide for the dissolution of the Board. It is anticipated that this will provide for the transfer of any remaining assets and liabilities of the Board to the Department of Education. On the basis of the above, the Board considers it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustment to the carrying amounts and classification of assets and liability that may arise if the Board was unable to continue as a going concern.

FOREIGN CURRENCIES

Transactions denominated in foreign currencies are translated into euro and recorded at the rates of exchange ruling at the date of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into euro at the rates of exchange ruling at the balance sheet date or forward purchase contract rates where such contracts exist.

PENSIONS

New entrant public service staff employed by the Residential Institutions Statutory Fund Board after 1 January 2013, were members of the Single Public Service Pension Scheme (the Scheme) in accordance with the Public Services Pensions (Single Scheme and Other Provisions) Act 2012. The Residential Institutions Statutory Fund Board made the necessary deductions from salaries for staff who were part of the Scheme and employee contributions were transferred to the Department of Public Expenditure and Reform on a monthly basis in accordance with the provisions of the Scheme.

There is no charge in these financial statements for any liabilities which may arise in respect of the retirement benefits of staff of the Residential Institutions Statutory Fund Board. Such liabilities, on wind-down of the Residential Institutions Statutory Fund Board, will transfer to the Department of Education for payment, and will be provided for in the legislation governing such wind-down.

CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the financial statements requires management to make judgements, estimates and assumptions that effect the amounts reported for assets and liabilities at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. There were no judgements required that had a significant effect on amounts recognised in the financial statements for the year ended 31 December 2022.

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

**NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 DECEMBER 2022**

2. INCOME

	2022	2021
	€	€
Amounts lodged to investment account under Section 29 (2) of 2012 Act	-	-
	<u>-</u>	<u>-</u>

	Cumulative to 31 December 2022	Cumulative to 31 December 2021
CUMULATIVE AMOUNTS	€	€
Congregations contributions received *	111,382,011	111,382,011
Interest earned	307,799	307,759
Transferred from Education Finance Board	29,490	29,490
Transfer to capital account	-	-
Payments to Survivors	(97,925,490)	(97,919,822)
Administration costs	(13,713,905)	(13,660,900)
Fund value at 31 December 2022	<u>79,905</u>	<u>138,538</u>

* Congregations contributions include interest €1,382,011.

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

3. CASH AND CASH EQUIVALENTS

As provided for under Section 29 (1) & (2) receipts from the religious congregations were paid into the RISFB investment account on the direction of the Minister for Education with the consent of the Minister for Public Expenditure.

Since August 2013, amounts required to make payments are transferred to a commercial bank account. The balance on that account at 31 December 2022 was €94,087 (31 December 2021: €164,089). Prior to August 2013, amounts were transferred to City of Dublin ETB who made payments on behalf of the Board on an agency basis.

Funds not required to make payments may be invested. At 31 December 2022, €nil (31 December 2021: €nil) had been converted to Exchequer notes with the balance remaining in the NTMA investment account of €220 (31 December 2021: €180).

	2022	2021
	€	€
4. PAYMENTS TO SURVIVORS		
Housing Support	(234)	87,027
Health	5,902	26,535
Socially Active and Connected	-	1,817
Education, Learning and Development	-	(894)
Exceptional Needs	-	546
	<u>5,668</u>	<u>115,031</u>

*Included in the payments to survivors' total figure above are charges to the external firm tasked with generating EFT payments and anonymised cheques for provision to survivors. In 2022, the total charge amount in relation to this was €23 (2021: €307).

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

**NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 DECEMBER 2022**

5.	ADMINISTRATION COSTS	2022	2021
		€	€
	Salaries and Wages	-	101,493
	Telephone, postage, stationery	2,812	5,174
	Transport and couriers	-	722
	Travel and Subsistence – Staff (National)	-	-
	Travel and Subsistence – Staff (International)	-	-
	Travel and Subsistence – Board (National)	-	-
	Travel and Subsistence – Board (International)	-	-
	Rent and Service Charge	-	-
	Information Technology	10,390	20,115
	Light and Heat	-	-
	Maintenance and Relocation Costs	-	5,568
	Insurance	-	3,390
	Meeting and Conference Costs	-	-
	Legal Costs	26,537	24,500
	Accounting Services	6,027	8,610
	Audit Fee	7,000	7,000
	Internal Audit	-	-
	Other Consultancy	-	1,379
	General Expenses	-	669
	Communications	-	-
	Subscriptions and Memberships	-	2,034
	Printing and Publications	-	-
	Bank Charges	239	819
	Staff Training and Development	-	-
	Recruitment Costs	-	-
	Appeals Officer	-	2,200
	Depreciation	-	3,127
	Prompt Payment Interest	-	-
	Redundancy and Other	-	19,512
	(Profit) / Loss on Disposal	-	(20)
		53,005	206,292

Included in Administration Costs is an amount of €nil (2021: €2,200) representing amounts that the Minister has requested to be drawn down from the Investment Account to make payments to the Appeals Officer under Section 31(3) of the Act.

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

**NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 DECEMBER 2022**

5(a)	STAFF COSTS	2022	2021
		€	€
	Salaries and Wages	-	101,493
	Travel and Subsistence	-	-
	Redundancy Costs	-	19,512
		-	121,005
		-	121,005

An additional superannuation contribution of €nil (2021: €4,050) was deducted from salaries during the year.

Average staff members during the period	2022	2021
Seconded Staff	1	0
Temporary Agency Staff	-	0
Fixed term / Purpose Contract Staff	-	1.22
	1	1.22
	1	1.22

5(b) EMPLOYEE BENEFITS BREAKDOWN

Range of total employee benefits		Number of Employees	
From	To	2022	2021
€70,000	- €79,999	-	-
€80,000	- €89,999	-	-
€90,000	- €99,999	-	-
€100,000	- €109,999	-	-
Total		-	-

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 DECEMBER 2022

	2022	2021
	€	€
5(c) BOARD EXPENSES		
Travel	-	-
Subsistence / Meals	-	-
Accommodation	-	-
	<hr/>	<hr/>
	-	-

Board members are not remunerated and therefore none of the Board members received a fee during the year.

ANALYSIS OF BOARD MEMBER EXPENSES

Board Member	Vouched Expenses €	Meetings Attended (of 4 held)
Ned Costello	-	4
Patricia Carey	-	4
Francis W. Treanor BL	-	4
Richard Heeney	-	0

In addition to the Board expenditure noted above, a total of €nil was incurred in respect of catering for Board meetings.

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

**NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 DECEMBER 2022**

**5(d) CHIEF EXECUTIVE OFFICER'S
REMUNERATION**

	2022	2021
	€	€
Chief Executive Officer basic	-	22,734
All in cost of the Chief Executive Officer total remuneration package	-	22,734

	Computer Equipment and Software	Office Furniture & Fittings	Total
	€	€	€
6. PROPERTY, PLANT AND EQUIPMENT			
<u>Cost</u>			
As at 1 January 2022	92,230	-	92,230
Additions	-	-	-
Disposals	(92,230)	-	(92,230)
As at 31 December 2022	-	-	-
<u>Depreciation</u>			
As at 1 January 2022	92,230	-	92,230
Charge for the period	-	-	-
Disposals	(92,230)	-	(92,230)
As at 31 December 2022	-	-	-
Net Book Value at 31 December 2022	-	-	-
Net Book Value at 31 December 2021	-	-	-

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

**NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 DECEMBER 2022**

7. RESERVES	Capital Account €	Fund Account €	Total €
As at 1 January 2022	-	138,538	138,538
Amounts applied for purchase of fixed assets	-	-	-
Amortisation in line with asset depreciation	-	-	-
Sale of Assets	-	-	-
Decrease in fund during the year	-	(58,633)	(58,633)
Balance at 31 December 2022	<u>-</u>	<u>79,905</u>	<u>79,905</u>

8. DEBTORS AND PREPAYMENTS	As at 31 December 2022 €	As at 31 December 2021 €
Prepayments	-	-
Debtors	-	5,000
Accrued Interest	-	-
Cancelled payments recoverable	-	3,515
	<u>-</u>	<u>8,515</u>

In early 2020 Caranua reached agreement with a company for repayment of €49,000 in weekly instalments of €500. €44,000 was paid by 31 December 2021. The balance of €5,000 was paid by 22 April 2022. The balance arose between 2016 and 2018 with a company who carried out building works for Survivors where funding had been approved by Caranua.

9. CREDITORS AND ACCRUALS (amounts falling due within one year)	As at 31 December 2022 €	As at 31 December 2021 €
Creditors	1,375	-
Committed Payments to Survivors	-	-
Other Accruals	13,027	34,246
	<u>14,402</u>	<u>34,246</u>

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2022

10. OPERATING LEASE

On the 11 August 2017 Caranua entered into a State Occupant Agreement with the OPW for a premises (4th floor) in the Metropolitan Building on James Joyce Street, Dublin 1 which it occupied for an annual rent of €243,020 per annum (inclusive of VAT at 23%) and service charge of €36,389 per annum.

Caranua officially notified the OPW in December 2019 giving six months' notice of its intention to vacate Metropolitan House, James Joyce Street on 30 June 2020. Caranua exited the lease on 30 June 2020 and no further payments were made under the lease after that date. The new leaseholder, the National Council for Special Education provided Caranua with the use of an office at no cost from 1 July 2020 to 31 December 2020. From 1 January 2021 to 24 March 2021, Caranua had an arrangement in place for postal collection, but did not occupy an office.

At 31 December 2022, the Board had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2022	2021
	€	€
Payable within one year	-	-
Payable within two to five years	-	-
Payable after five years	-	-
	<hr/>	<hr/>
	-	-

11. RELATED PARTY DISCLOSURES

Key management personnel in the Residential Institutions Statutory Fund Board consist of the Executive Director and members of the Board. Total compensation paid to key management personnel, including board members expenses, amount to €nil (2021: €22,734). For a breakdown of remuneration and benefits paid to key management personnel, please refer to Note 5.

The Residential Institutions Statutory Fund Board adopts procedures in accordance with the guidelines issued by the Department of Public Expenditure and Reform covering the personnel interests of Board members. In the normal course of business, the Residential Institutions Statutory Fund Board may enter into contractual arrangements with entities in which Residential Institutions Statutory Fund Board members are employed or are otherwise interested.

In cases of potential conflict of interest, Board members do not receive Board documentation or otherwise participate in or attend discussions regarding these transactions. A register is maintained and available on request in all such instances. There were no transactions in the year in relation to the Board's activities in which the board members had any beneficial interest.

12. CONTINGENT LIABILITIES

There were no legal or other claims brought against Caranua during the year where a contingent liability is probable or possible. There was one legal claim brought against Caranua in 2020 with Caranua named as a third party, where a contingent liability was possible consistent with independent legal advice. This legal claim against Caranua was dismissed in the Circuit Court on 27 April 2022.

13. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board on 16 June 2023.