

Merchants Quay Ireland CLG
(A company limited by guarantee and having no share capital)

Directors' Report and Financial Statements for the Financial year ended 31 December

2020

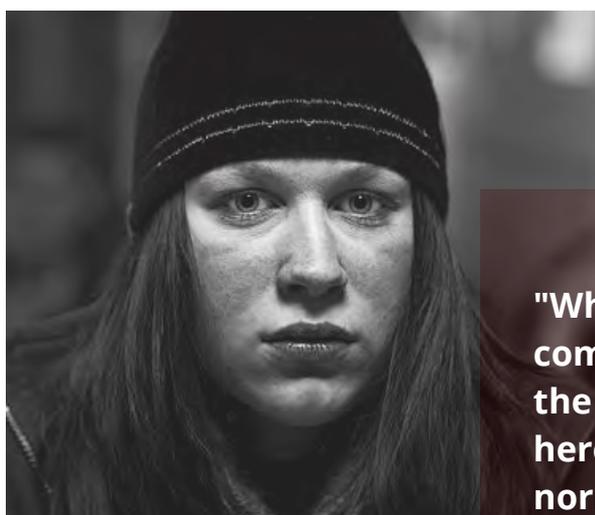
Teamwork
Respect
Collaboration
Compassion
Courage
Acceptance



Merchants Quay Ireland

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"When I was first homeless, I used to come in and have dinner and chat to the mental health staff. All the staff here can recognise if you're not your normal self. If you need to talk they'll bring you into a private room and have a chat with you and let you know that they're for you."

Pauline, MQI client

MERCHANTS QUAY IRELAND CLG DIRECTORS AND OTHER INFORMATION

DIRECTORS:

Mr Ray Langton (Chair)
Mr Mick Price (Ex-Chair)
(Resigned 31st December 2020)
Rev Kieran Cronin OFM
Rev Patrick Lynch OFM
Mr Brian Melaugh
Dr Joanne Fenton
Dr Siobhan Garrigan
(Resigned 16th October 2020)
Ms Margaret Hennessy
Mr Derek Bell
Mr David Kiely
Dr Cliona Ni Cheallaigh
Mr Ray Jenkins (Appointed 1st January 2021)

MEMBERS:

Rev Niall O'Connell OFM
Rev Aidan McGrath OFM
Rev Joseph Condren
Rev David Collins
Rev Liam Kelly
Br Stephen O'Kane

SECRETARY:

Mazars
Harcourt Road
Dublin 2

EXECUTIVE LEADERSHIP TEAM:

CEO

Ms Paula Byrne

Head of Human Resources

Mr Shane Doherty

Head of Finance Risk & IT

Ms Jennifer Owens

Head of Fundraising and Communications

Ms Carol Casey

Head of Drugs, Health and Homeless

Mr Sanjay Gulati

Head of Recovery Services

Mr Mark Kennedy

BOARD SUB-COMMITTEES:

Finance Committee

Mr David Kiely (Chair)
Ms Mairead Divilly
Mr Ray Langton
Mr Jonathan Mooney

Audit & Risk Committee

Mr. Ray Langton (Chair)
Ms Mairead Divilly
Mr Derek Bell

HR and Governance & Nominations Committee

Mr Derek Bell (Chair)
Mr David Kiely
Mr Ray Langton
Ms Margaret Hennessy
Ms Irene Gleeson

Client Services Committee

Mr Ray Langton (Chair)
Mr Brian Melaugh
Dr Joanne Fenton
Mr Ray Jenkins
Dr Cliona Ni Cheallaigh

Fundraising & Communications Committee

Ms Margaret Hennessy (Chair)
Mr Ray Langton
Mr Derek Bell

MERCHANTS QUAY IRELAND CLG DIRECTORS AND OTHER INFORMATION

REGISTERED NUMBER:

176421

REGISTERED OFFICE:

24 Merchants Court
Merchant's Quay
Dublin 8

CHARITY NUMBER:

CHY 10311

CHARITY REGULATORY AUTHORITY NUMBER:

20026240

BANKERS:

AIB
7/12 Dame Street
Dublin 2

AUDITORS:

Deloitte Ireland LLP
Chartered Accountants and
Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin 2

SOLICITORS:

Marcus A. Lynch & Son
12 Lower Ormond Quay
Dublin 1

PLACES OF OPERATION:

24 Merchants Court
Merchant's Quay
Dublin 8

Riverbank House
Merchant's Quay
Dublin 8

High Park
Drumcondra
Dublin 9

Payne's Lane
Athlone
Co Westmeath

16 Ballymount Cottages
Dublin 22

Irish Prison Service

St. Francis Farm
Tullow
Co Carlow

68 Easton Row
Easton Meadow Estate
Leixlip House
Leixlip
Co Kildare

St John Bosco
Davitt Road
Drimnagh
Dublin 12

Community, Recovery
&
Integration Supports
Project
Co Wicklow

Cavan / Monaghan
Drugs Services
Acott House
Co Cavan

Midlands Services
Offaly, Westmeath,
Longford & Laois



The directors present their annual report and the audited financial statements of the company for the financial year ended 31 December 2020.

COMPANY STRUCTURE

Merchants Quay Ireland CLG ("MQI") is incorporated as a Company limited by guarantee and not having share capital. It was registered on 12 July 1991 with Company number 176421. The Company is registered for the charitable purpose of promoting health and to provide the stepping-stones for every point of a man or woman's journey out of homelessness and addiction, and toward a drug free life.

The main objects of the Company are:

(a) The promotion of health, including the prevention or relief of sickness, disease or human suffering through the provision of services to address the health and social care needs of people affected by addiction, homelessness and other related issues in Ireland, in order to provide them with the necessary information, advice, treatment and supports to improve their quality of life.

(b) As objects incidental and ancillary to the attainment of the Main Object, the Company shall have the following subsidiary objects:

The Company is a public benefit entity and is registered with the Charities Regulator, charity registration number 20026240, and is granted charitable tax exemption, charity tax reference number CHY 10311 with the Revenue Commissioners.

The Company is governed by its Constitution (comprising the Memorandum and Articles of Association) updated 26th June 2019.

Merchant's Quay Ireland CLG is one of three companies operating under the banner name of Merchant's Quay Ireland (MQI) carrying out activities for social justice for homeless persons and drug users on a nationwide basis. The other companies are: -

- St. Francis Housing Association CLG (SFHA)
- Merchant's Quay Project CE Scheme CLG (MQPCE)

Services continue to incorporate the provision of meals, drug services, crisis intervention, needle exchange, rehabilitation and detox services, together with day programmes, aftercare and training.



Chairman's Introduction



As Chair of MQI I am delighted to launch our Annual Review for 2020. It was my privilege to take up the role of Chair of MQI upon the retirement of our much loved Mick Price at the end of 2020 and I want to thank Mick for his extraordinary contribution to MQI and particularly to our clients.

As with so much of society 2020 has been a difficult year for both staff and clients at Merchants Quay. Covid-19 has forced many changes but at all times our staff have responded and continued to provide the best service possible.

We have seen a significant increase in our outreach work and the staff at MQI continue to adapt and innovate in response to the ongoing needs of the most marginalised and vulnerable members of our society.

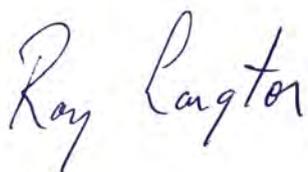
I want to recognise the work of the HSE, the Dublin Regional Homeless Executive, Dublin City Council, Section 39 Homeless and Addiction services, Voluntary and Community organisations for the way they responded to the pandemic and the provision they made in terms of accommodation and support for those who are homeless or are impacted by substance use or mental health issues. The dedication and compassion shown by all the frontline workers in the hospitals, the care centres, the Gardaí, Fire and Ambulance services, the Prison services as well as support staff in food provision and cleaning, has helped to minimise the spread of Covid-19 in this high risk population. The level of inter-agency cooperation and engagement has been exceptional and I want to thank each and every one of the MQI staff and all the frontline workers for all they have done for so many people in 2020.

MQI supported over 9,500 unique individuals in 2020, which in the context of the Covid-19 restrictions remains very high and is only marginally down on the 11,641 reached in 2019. We were also able to expand our community service reach and to increase our research and evidence based focus on mental health and support for vulnerable women facing homelessness and addiction with the publication of two research based reports which will help guide our ongoing service development. We have been told over and over again by our clients just how vital our services are to them and MQI staff will continue to reach out to provide support and to advocate strongly on their behalf.

At the beginning of 2020, we were delighted to sign off on our Strategic Plan for the next five years. Our strategic focus falls under four main themes: MQI Core Services, Research, Advocacy & Engagement, Organisational Excellence and Funding, Risk & Technology. This strategy is not meant to be a static document but rather a direction and guide for an ever-evolving set of plans, that respond as the priorities and needs of our clients change over time.

It is the responsibility of the Board of MQI to ensure that we have a well-governed, efficient organisation that is fit for purpose to meet client needs. In this regard we are proud to be part of the “triple lock” concept incorporating transparent reporting, good fundraising and governance. Our accounts are prepared using the Statement of Recommended Practice (SORP) for Charities, we have formerly adopted the Charities Governance Code and we have also formally adopted the Guidelines for Charitable Organisations on Fundraising from the public.

To all our donors, whether statutory, corporate or personal, we extend our heartfelt thanks. With your extraordinary generosity, many lives have been saved and improved. The Franciscan Community continues to support MQI with a quiet generosity and on behalf of the executive, staff and clients I want to express our gratitude to them. I also want to express our deep gratitude to our executive team, staff and volunteers. All at MQI continue to go the extra mile for our clients. We want all who visit our services in any capacity to feel warmly and unconditionally welcome. It is our firm wish that through our work we will continue to improve the lives of our clients.



Ray Langton, Chairman



CEO Introduction



It is hard to reflect on 2020 without thinking about how drastically things changed for us all, in such a short space of time. Covid-19 has brought about changes in both our personal and professional lives. Dealing with change in every aspect of our lives brought with it increased uncertainty and anxiety.

2020 has proven to be one of the most challenging years we have ever faced as an organisation.

Despite this, we have managed to continue to serve our clients, keeping all our services opening albeit operating some of our services differently including adapting to a takeout basis for food & clothes, developing our outreach teams, increase the use of technology to keep in contact with our service users.

Mental Health has been prominent in the news this year, for our service users who already experience social exclusion and the level of isolation required to manage Covid-19 has served to increase this isolation and exacerbated their mental health difficulties. In September 2020, we commissioned Kathyan Kelly, an independent research consultant, to undertake a research study which focused on the lives of 10 participants who engage with MQI and HSE Acces, to identify the challenges experienced by people with issues around mental health, substance use and/or homelessness and to examine participants' experiences especially during lockdown with service restrictions and the impact this has had on their mental health. We will share the findings and recommendations with you early next year.

We must continue to talk about mental health even after we get back to whatever normal looks like - to continue to reduce stigma and discrimination through improved understanding of mental health difficulties. To continue to be the voice of those that use our services and to advocate on their behalf.

In November, the Lord Mayor of Dublin, Hazel Chu, launched our report around the complex needs of women who use substances online with presentations from Aura Roig, who is the director of the Mezzanines Women's Project in Barcelona and Sam Shirley-Beavan from Harm Reduction International. Gender specific services will remain a focus in 2021.

In late 2019, the Board of Cavan Drug & Alcohol Trust CLG which is a community-based project, approached us with a view to MQI taking over the services and staff transferring to MQI. This project aims to address the issues of drug and alcohol misuse through the provision of information, support, training and services to individuals, families, and the wider community in Cavan & Monaghan. Throughout 2020, representatives from both organisations' have been working steadily to achieve this integration by January 2021.

What we have achieved, through the staff's hard work and commitment has been incredible and I want to pay tribute to that. Given the fears we all have for ourselves and our families, their dedication to the people we work with is second to none – I am very proud to work with such a remarkable group of people.

Our work would not be possible without the support from our statutory funders and our amazing supporters, we could not do the work we do or provide the much needed services to those that rely on us for help. I want to say thank to our individual and corporate donors – this year, you have helped to further support our clients by facilitating the increase of staff in our nursing teams and have reached out to those that are sleeping rough on the streets through our outreach teams. We and all those we support would like to acknowledge the generosity of our supporters in what was a very difficult year.

Lastly, I want to pay tribute to Mick Price, who has been on our Board since 2009 and Chair since 2013, for his dedication to our clients and contribution to MQI over the years. Mick has always been a great support to me particularly when I took up the role of CEO and for that I thank him. As Mick retires, I want to wish him the very best as he heads into pastures new. Ray Langton is the incoming Chair in January 2021; I look forward to continuing to work together as he takes up this new role on the Board.

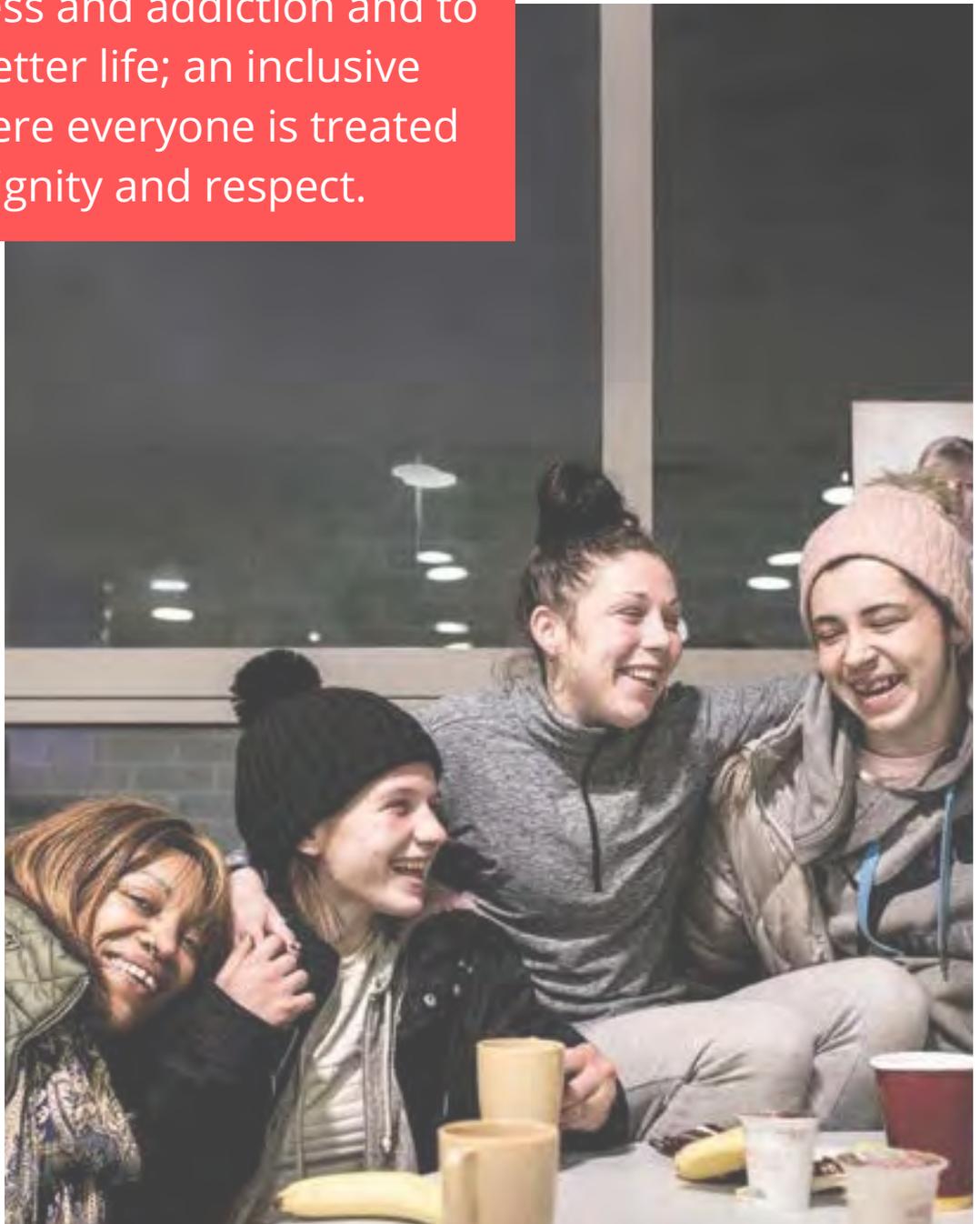
2021 looms ahead with uncertainty on what COVID-19 will bring but together, we will continue our crucial work and with the possibility of a vaccine on the horizon, we hope to be able to extend again a warm welcome into our services and increase the human connection with our service users that we have all missed.



Paula Byrne, CEO



We believe in a just society where no-one has to face homelessness or addiction alone, and where everyone has the support they need to reduce the harm caused by homelessness and addiction and to build a better life; an inclusive society where everyone is treated with dignity and respect.



OBJECTIVES AND ACTIVITIES

PURPOSE, VALUES & MISSION

PURPOSE

To promote health, reduce the harm caused by addiction & homelessness, and support recovery

MISSION

An inclusive society that supports the integration and well-being of all

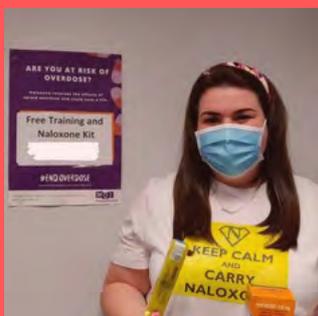


Our People

At the end of December 2020, we employed 179 staff members (131 full-time & 48 part-time). Everyone working in MQI plays an important role in delivering services, raising funds and working to ensure that we have the capacity to deliver first class services.

In 2020, an external company was contracted to develop a bespoke behavioural change framework that would provide staff with a consistent therapeutic approach with the residential and community based treatment services. This programme consists of modules supporting residential and detox services, pre-rehabilitation support interventions, harm minimization and stabilization; preparation, planning, achieving & maintaining change, post rehab support and independent living skills. This framework has now being fully imbedded across MQI Recovery Services.

MQI strongly believe that promoting positive wellbeing programmes creates a positive work environment where all employees can achieve their best. In 2020, MQI partnered with Zevo Health, as our dedicated Wellness provider. Zevo Health designed and delivered Wellness Programmes based on the needs of our people. All employee could avail of counselling sessions with qualified counsellors through a safe and confidential service which offered support to all our staff 24/7 on a range of issues such as financial, health, depression, addiction and relationships.



The Zevo Health dedicated Health App was in place to help employees take control of their own health and wellbeing by encouraging small steps that lead to healthy habits. In 2020 MQI seconded a staff member from DePaul at senior level, from August to December with the appointment of Conor Geoghegan as Interim Head of Regional Services.



This proved to be very successful and something we hope to explore again into the future. We want to acknowledge the work done by Conor in his time with us.



Volunteers

Due to covid-19 restrictions, we have had to suspend our individual and group volunteer programmes but we hope to re-start the volunteer programme when it is safe to do so.

Community Employment

Merchants Quay Project CE Scheme CLG'S Community Employment Scheme based in Athlone is a dedicated drugs rehabilitation scheme. Participants are referred to the scheme by a recognised drug rehabilitation service, medical practitioner, HSE programme or Community Alcohol and Drugs Service (CADS). The role of the scheme is to assist participants to access appropriate treatments and supports and to enter or re-enter the labour market through the provision of relevant education, training and work experience on a fixed term basis through the CE Scheme.

Close links have been developed with the LWETB which has seen a significant number of accredited educational modules being delivered, both on an individual basis and as part of a group. Some of the opportunities offered by the program for people in recovery from substance misuse to re-engage into active community and working life include:

- Relapse prevention
- Safe Pass
- Diet & Nutrition
- Individual Learning
- Opportunities for work experience
- Combined Guarding Security Course
- Support Groups
- Manual Handling
- Life Skills courses
- Educational and Personal Development courses
- Onward referral
- Forklift licence

This is an important support service for people who are committed to addressing their addiction, becoming drug free, and staying drug free. During these unprecedented times, it is more important than ever to maintain a support for this very vulnerable group. In line with Covid19 HSE guidelines and restrictions our scheme remains open as an essential service.

We facilitate telecom workshops and are currently developing a number of online workshops.

Currently we have 10 participants, 1 eligibility currently going through and 2 on a waiting list. We have 15 places in total.

STRATEGY

The Strategic Plan developed in 2019 for the period 2020-2024 was the basis of the core strategies for the organisation in 2020. In order to arrive at this ambitious plan, we listened to and engaged with many voices. We heard directly from the clients we serve about their experiences and what we could do to make it better. We asked them what life was like and what care and support they felt they needed to help them on their journey.

We listened to the voices of our funders and other stakeholders in the sector, regarding what they felt MQI should and could do to make life better for our service users.

We engaged with our staff and volunteers who shared experiences and suggestions and discussed how together, we can improve and grow our care and services for clients and their families.

A team of staff from across the organisation worked together to review the vision, mission, values and strategic themes from the consultation process. We want to acknowledge the time and commitment given by this team in the process.

The plan was further developed and reviewed by the Executive and approved by the Board of Directors.



KEY GOALS OF OUR STRATEGIC PLAN 2020-2024

Goal 1 — To deliver high impact, high quality services

Priority

To develop & enhance the range and reach of services that respond to the needs of our service users and the community



Goal 2 — Play a leading role in influencing policy makers and the public

Priority

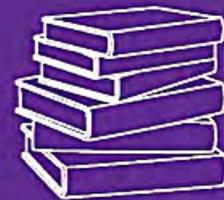
Build the organisations capability through research, innovation, collaboration, advocacy, & engagement



Goal 3 — Ensure the organisation has the capacity, skills and knowledge to deliver the strategic goals

Priority

Empower our people, develop our culture and strengthen our systems to achieve organisational excellence and maximise our impact



Goal 4 — Develop a funding strategy to ensure our sustainability and support our future direction

Priority

To diversify our funding streams and maintain our reputation for strong financial management & governance



Learn more about our 4 Strategic Goals, including key actions and key impacts, please go to our website: mqi.ie

RESULTS FOR THE FINANCIAL YEAR AND STATE OF AFFAIRS AT 31 DECEMBER 2020

The Statement of Financial Activities and Balance Sheet are set out on page 39 and 40 respectively.

MQI is financed by a mix of statutory and voluntary funding. 2020 was an exceptional year for MQI raising a total income of €17.5m (2019 €12.1m). Included in this €17.5m is €3.075m of a donation in kind and MQI also received a donation of €500k from the Immigrant Investment Programme (IIP), operated by the Department of Justice and Equality's Irish Naturalisation and Immigration Service, to support our 2020 goal of purchasing the building known as Riverbank, the main hub of our Dublin based services.

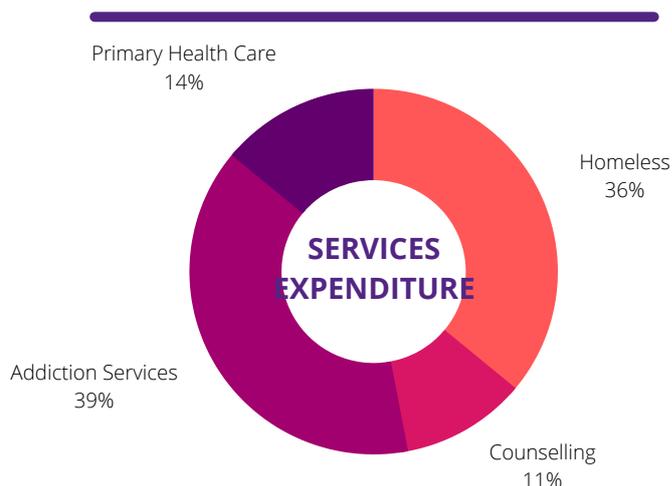
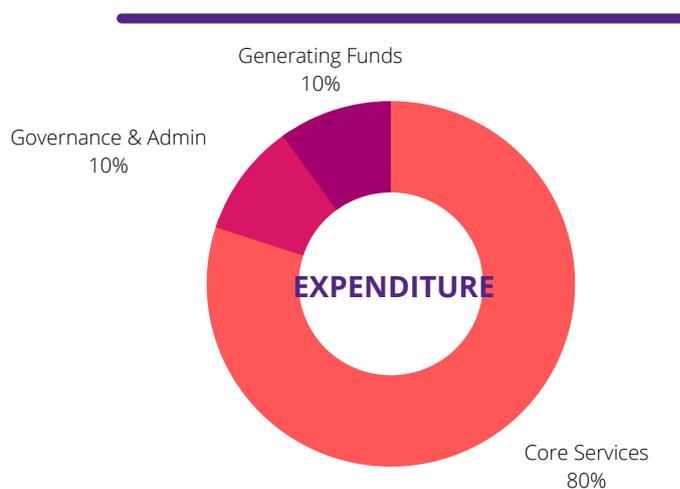
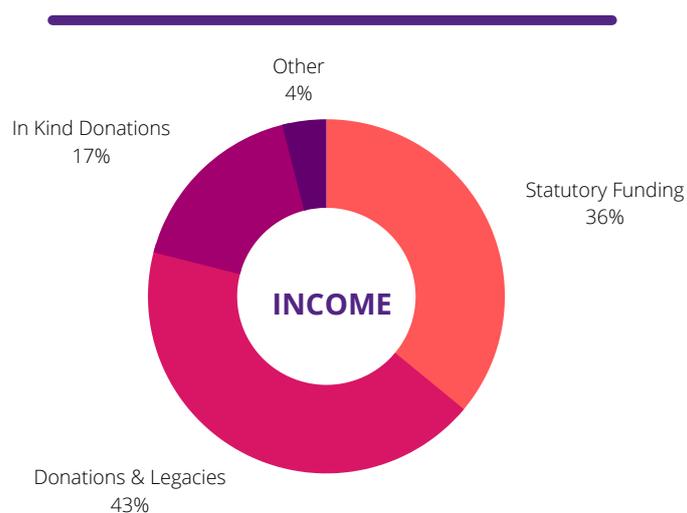
This remainder of this income was generated from various sources with 36% from Statutory Government funding mainly from the HSE/ Dublin Regional Homeless Executive and the balance raised through our fundraising activities, other small income streams, and training. Fundraising (excluding the aforementioned In Kind and IIP donations) generated €7.6m, making up 43% of our income for 2020.

Our work would not have been possible without the continued support from our state funders and voluntary funders. We and all those we support would like to pay tribute to the generosity of all our donors in what was a difficult year.

As a result of our fundraising income and expenditure management, 2020 was a positive year financially; this will allow MQI to focus on the implementation of our strategic priorities and to ensure we give best care and service as possible to our clients. We continue to commit voluntary income to all our services; the continuum of all core services remains one of our key goals.

The Board of Directors also consider the need to provide against any future income shortfall and allow funds to be available to support service developments. The reserves are reviewed by the Audit & Risk Committee as part of a review and assessment of the organisation's risks.

The organisation benefits greatly from the involvement and enthusiastic support of many of its volunteers, unfortunately from March 2020 due to the global pandemic MQI had to temporarily cease its volunteer programme. In accordance with the Charities SORP (FRS102), the economic contribution of general volunteers is not recognised in the accounts.



"It's lonely not being able to go in and have a bit of a rest, have a bit of a sit down. I'm on me feet all day, I am. Walking around, trying to keep warm, trying to keep occupied. It's hard when there's no one around, it's like a ghost town. Everybody keeps saying that, don't they? Well, I'll tell you, we're the ghosts."

Stephen, MQI Client



INTRODUCTION TO SERVICE PROVISION

2020 has proven to be one of the most challenging years we have ever faced as an organisation and across the wider sector.

Despite this, we have managed to continue to serve our clients, keeping all our services opening albeit operating some of our services differently including adapting to a takeout basis for food & clothes, developing our outreach teams, the increased use of technology to keep in contact with our service users. MQI supported 53,076 people across the organisation, out of that, 47,085 accessed our Services in Riverbank.

As well as maintaining our own services, MQI operated on behalf of the HSE a Community Response Vulnerable Adults Facility (40 bed unit) between April and August which was a safe environment for vulnerable clients to self-isolate for 14 days including those who symptomatic and waiting test results, COVID positive, or in close contact of someone who is symptomatic or COVID positive thus minimising the risk of community transmission of COVID -19.

In addition, during this timeframe our nurses and caseworkers worked in partnership with the Homeless Health Link Team to provide clinical and non-clinical services to manage the health and social care needs of people living in cocooning and/or self-isolation services.

9,882
unique clients
were supported
across all services

5,313
clients
were
registered on
the PASS
System

8,103
of clients
supported
were males
1,779
were females

512 unique clients
over the age
of 55

3,382
engagements
with foreign
nationals
1,970 of those were
unique clients

HOMELESS SERVICES

Rough Sleepers

489 Individual people supported
6,529 Interventions

Assertive Outreach

617 Individual people supported
& 2,957 Interventions

Night Cafe

In 2020 2,868 individuals accessed our Night Cafe, 546 of them were unique clients. Notice was received from the Dublin Regional Homeless Executive in March 2020 that the night café was being closed on a permanent basis in line with advice from the HSE with regards to infection risks given the type of temporary shelter it was.



Meals

In 2020 a total of 49,884 meals were provided, 5,054 of those were to unique clients. On average 130 take away meals were provided daily. Due to Covid restrictions, MQI staff and clients adapted to an alternative approach to ensure that meals were offered to clients. On average 130 take away meals were provided daily.

Young People Support Worker *

In 2020, MQI supported 262 individuals between the ages of 18-24 with a total of 1,013 engagements. The support is provided under the following areas: housing, welfare, education, employment and family medication. We were delighted that 6 females and 6 males were awarded the An Gaisce bronze award as a result of the participation in a number of activities.



Assertive Outreach Team

In order to respond to the needs of our service users, given the necessary adaptation of our services, we have an assertive outreach team who go out on the streets between 7a.m - 8p.m, engaging with clients by offering food, clothing and support. The team will contact the free-phone on behalf of the client and refer the clients to the crisis management team for housing and homeless support, 617 clients were offered assistance with 2,957 interventions.

Showers

Due to maintenance, the showers were closed from March 2020 and reopened in September 2020. The delay on refurbishment was due to level 5 restrictions but it also gave MQI the opportunity to review the layout and risk assess to ensure the safety of clients and staff during the pandemic. 1,248 showers were offered to clients and 468 of those were unique clients.

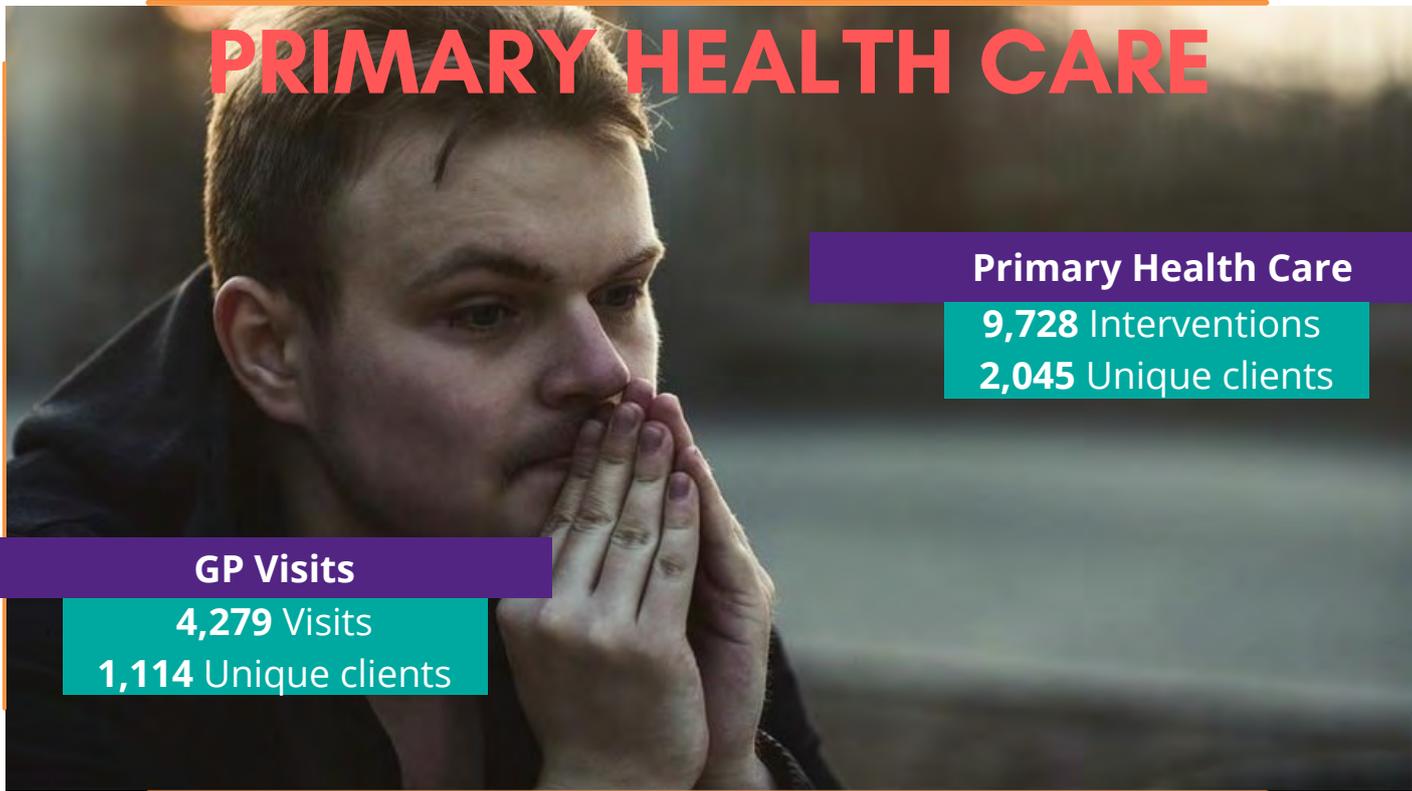


Crisis Contact Team

The clients that accessed MQI in 2020 were supported by phone and on a face to face basis with their homeless status, by advocating on behalf of the client to County Council, completing medical card applications, clothing support and welfare support. Overall 1,174 individual clients were supported with 9,867 interventions taking place and sourced support from our crisis team.



PRIMARY HEALTH CARE



Primary Health Care

9,728 Interventions

2,045 Unique clients

GP Visits

4,279 Visits

1,114 Unique clients

GP Service

In Riverbank, our GP service is accessible to everyone and provide a range of services to marginalised people who would otherwise struggle to access healthcare. In 2020, 4,279 clients accessed this Service, 1,114 of those clients were unique individuals. The GPs also 483 unique clients to access Opioid Substitution Therapy and prescribed Naloxone to 263 unique individuals.



Mental Health Service *

For people experiencing mental health difficulties, the Mental Health Team (1 Nurse & 2 Case Workers) supported 222 individuals, with 3,095 interventions in 2020. Of this number, 127 unique clients were supported by the Mental Health Nurse who provided 563 interventions. The main support provided was symptom management plans, risk assessing, providing links with the homeless health link. Thanks to the generous support of our donors, plans are in place to increase the team.

General Nursing Service *

Our General Nursing team continued to deliver and offer onsite nursing interventions, including wound care and also advocate for clients on their journey through the health system. In 2020, 2,263 clients accessed this service, 642 of those clients were unique individuals.



Dentist

Due to level 5 restrictions in March 2020, MQI's dentist unfortunately had to stop providing support to our Clients. As soon as the restrictions were eased and new direction was provided by the Government as in what was essential, the clinic was back up and running. 95 people accessed our dental services in 2020, 67 of those were unique clients.

ADDICTION SERVICES

Detox and Rehab

137 Admissions

115 Unique clients completed

Harm Reduction Service, Dublin

4,083 Unique clients

38,925 Interventions

Harm Reduction Services, Riverbank

MQI saw an increase of over 10% in the numbers of clients engaging in the needle exchange service. 36,181 clients visited our needle exchange and harm reduction services, 3,369 of these clients were unique. The long-term impacts of Covid-19 on alcohol and drug use are still unclear but may be significant: the psychosocial impacts of major crises can be broad and long-term. Impacting communities and individuals economically, socially, physically, and psychologically.



Opioid Substitution Therapy

GP and staff witnessed a steady increase of clients availing of this treatment compared to 2019. The number of people accessing opioid substitution therapy in 2020 was 483 unique clients. Access to this treatment was significantly increased due to the reduce waiting times as a result of Covid.



Substance Use Case Worker

MQI substance use caseworker supports people addressing their substance use including exploring treatment options for detox and rehabilitation. This support is carried out by phone and on a one-to-one basis. 129 clients were supported in 2020. Out of the 129, 38% were young people aged 18 - 24.



Naloxone

Naloxone is a prescription medication used to reverse the effects of opioid drugs like heroin, morphine, and methadone if someone overdoses. Throughout 2020, MQI saw the number of clients opting to access this medication and the training related to the administration of this medication increase. 263 unique clients were prescribed the medication with 318 kits provided. 281 clients completed the training with 353 sessions provided by staff. In addition, 488 safer injecting interventions were completed.



Community Detox

In 2020, 18 unique clients accessed Community Detox in Riverbank with 14 people accessing benzodiazepine services and 4 people in alcohol detox. People accessing this treatment were supported by a substance use case worker.



Harm Reduction Outreach Team

Harm reduction outreach workers provide harm reduction interventions on an outreach basis to clients who cannot attend our fixed site location in Riverbank for a variety of reasons. These services include needle exchange, safer injecting information and naloxone training. They also support clients by referring them to other services they may require such as medical services, housing support, mental health etc. A part of their role is also to build relationships with clients who are service resistant and support them to overcome the barriers they face to engage with mainstream services. The team supported 714 unique individuals through 2,744 interventions.



North East Drug & Alcohol Service

This service provided harm reduction supports to active substance users in the North East region in partnership with a wide range of local agencies.

One MQI staff member worked three days a week in this service and provided Needle exchange, Safer injecting advice, Signposting and advocacy interventions to individuals in active addiction. 24 clients were supported between January & August 2020.



Midlands Service (MQI DATS)

The service provides support to individuals and families experiencing problems because of drug or alcohol use across the four counties. Services provided include an outreach-based crisis support service, mobile harm reduction, needle & syringe exchange programme, rehabilitation and aftercare supports, support for families affected by substance use and a community employment scheme. In 2020, 1,298 unique individuals were supported through 36,181 interventions. Of these numbers 119 individuals with 1,153 interventions being provided in relation to Family Support. Further details on the Community Employment Scheme can be found on Page 26.



Detox & Rehabilitation Services (High Park & St. Francis Farm)

COVID risk reduction measures resulted in residential capacity being reduced. Groups were brought in together where possible and COVID tested prior to admission. There were improved completion rates in 2020 for all MQI residentials.

There was a total of 891 referrals to MQI recovery services in 2020. All 891 people referred to the services received ongoing contact & support through phone / video. There were 517 assessments carried out with 137 admissions and 115 completions during 2020.



Assertive Inreach Service

The role of the assertive in-reach worker is to support clients who are linking in with agencies that currently do not offer case management/key working services, such as non-STA hostels, methadone clinics etc. The main objective is to support clients in accessing appropriate and specialist services for accommodation, welfare, treatment, legal, health and mental health. Support was provided to 87 unique clients, with 701 interventions.



Counselling Service, Riverbank

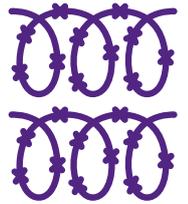
We found innovative ways to support struggling individuals and families, even at a distance. MQI introduced "virtual home-visiting" by telephone and video conference to help share the burden and gave practical assistance. In Riverbank, There were 320 Counsellor interventions, 42 of which were unique individual.



Irish Prison based Addiction Counselling Service

In 2020, our counselling staff, across all prisons, saw a total of 1,948 unique clients, and on average there were 1,187 monthly interventions.

As the impact of Covid 19 became apparent. Services saw that a different way of working would be needed. In cooperation with the IPS, Red Cross, Psychology Service, Education Services, IASIO and Chaplaincy, MQI developed a national phone line that prisoners, who were in quarantine or isolation, could contact for support.



East Coast Service (MQI CRIS)

MQI provide a community-based drug and alcohol treatment support service for the East Coast Region (excluding Bray & Blessington) and South Dublin (Between Grand Canal and Dun Laoghaire). The Community Integration Workers provide Community Recovery & Integration Supports including rehabilitation and aftercare support, case management and care planning for service users and their families affected by substance use. In 2020, 130 unique individuals assessed the service and 3,206 interventions were provided.



Family Support Services (Dublin & the Midlands)

Due to the covid-19 restrictions, family support was offered over the phone/virtual meetings. It was paramount for MQI to continue to offer the same level of supports to our family members. In 2020 we supported 1,251 family support sessions for 141 unique family members.



Aftercare

23 clients admitted to aftercare in 2020. (Occupancy and retention in Aftercare was improved in 2020 compared to 2019 (71% compared to 50%). 70% of those who completed the program reported being either abstinent (60%) or using drugs on a controlled basis (10%).



Community Engagement Service Team

The Community Engagement Team patrol in the vicinity of the Riverbank Service with priority given to the area surrounding Dublin 8, from 8am to 7pm. The role of the team is to engage with hard to reach clients on the streets, collect drug paraphernalia and link in with the local community and local businesses. In 2020, the team provided 3,663 interventions to clients on the streets , engaged with 254 residents & local businesses and collected 6,576 items of drug litter.



***Please note that figures for the services mark with an asterisk do not include the number of unique clients or interventions while working with the HSE Homeless Healthlink Team between April - August 2020**





New Developments 2020

NURSING SERVICES

Thanks to the generous support of our donors, we have been able to recruit a Clinical Nurse Manager and General Nurse who will start with us in January 2021. We will continue to recruit for an additional Mental Health Nurse and an Advanced Nurse Practitioner next year.

HEPATITIS C TREATMENTS

Since 2019, we have been working closely with Prof. Bergin, Dr. Clóna Ní Cheallaigh, Consultant Physician and the GUIDE & Hepatology teams to improve client engagement in Hep C Testing & Treatment. This engagement has culminated in nurses from the Guide Clinic engaging with our clients and nursing teams across the organisation and our participation in Hepatitis C Outcomes and Research Network. Patient testing was carried out as part of the ICORN (Irish Hepatitis C Outcomes and research network) and NVRL (National Virus Reference Laboratory) "Seek and Treat Point of Care Simplification Initiative Study" which aims to simplify screening and treatment of HCV infection in hard-to-reach groups. The ICORN-NVRL Seek & Treat Nurse Panel was established (with nominees from St James's Hospital Foundation and the Mater Hospital) to perform the test in MQI. - 126 clients were tested in the last quarter of 2019. In August, 2020 MQI received funding for a HCV Care Worker who will facilitate Hepatitis C Treatment for our clients. This means that our clients with HCV will be identified and treated by the GPs based in our Primary Health Care Service or in collaboration with St. James's Hospital. 42 unique individuals accessed this treatment.

MIDLANDS SERVICE (MQI DATS)

In 2019, funding under the Strand 2 funding initiative of the Department of Health, the Midlands Regional Drugs & Alcohol Task Force & HSE CADS secured funding to enable MQI to recruit a Rehab & Aftercare Worker. We know that helping individuals to build their recovery capital is at the heart of the continuum of care model, which is centred on the individual and their needs at each stage in their personal recovery pathway. As such the development of this post will greatly enhance and support and enhance the work of the MQI DATS Project and will work specifically with this target group of individuals and peer support groups that need the support to build their recovery capital.

In 2020, a location in Tullamore was identified as the new base for the Midlands Service. Due to the delays in building works due to Level 5 Covid Restrictions, it is envisaged that the service will operate out of this location in mid-late 2021.

EAST COAST SERVICE (MQI CRIS)

In 2020, funding was secured through the East Coast Regional Drugs & Alcohol Task Force for an additional Community Integration Worker with a view to providing a community-focused support service in another location within the Region. It is hoped that the person will be recruited and commence with the service in early 2021.

DETOX & REHABILITATION SERVICES

The detox service based in St. Francis Farm, implemented a new treatment option for clients by offering a Suboxone Detox.

Across our detox and recovery services, a model of Peer Recovery Coaching was developed.



Research, Advocacy & Engagement



Gender Specific Services

In November, the Lord Mayor of Dublin, Hazel Chu, launched our report around the complex needs of women who use substances online with presentations from Aura Roig, Director of the Mezzanines Women's Project in Barcelona and Sam Shirley-Beavan from Harm Reduction International. Gender specific services will remain a focus in 2021.

Advocacy and Research

During 2020, we made a number of submissions to Government - *Dealing with Covid 19 and Beyond* submitted as a joint paper with Coolmine Therapeutic Communities & Depaul. MQI also submitted a pre-budget submission to Government in September seeking funding for three initiatives:

- Establishment of a 10-bed stabilisation services to create pathways to access detox and rehab treatment for marginalised members of our society e.g. women/pregnant women, traveller community members, LGBTQI+ and new communities.
- Establishment of a Women's Centre to provide a 'one stop shop' for access to information and support across health, addiction, violence and abuse, legal issues, education, and employment.
- Undertake a qualitative study of the experience of addiction services among young LGBTQI+ people in Ireland in partnership with BeLoNG To.



Mental Health Services

Mental Health has been prominent this year, for our service users who already experience social exclusion and the level of isolation required to manage Covid-19 has served to increase this isolation and exacerbated their mental health difficulties. In September 2020, we commissioned Kathan Kelly to undertake a research study which focused on the lives of 10 participants who engage with MQI and HSE Access, to identify the challenges experienced by people with issues around mental health, substance use and/or homelessness and to examine participants' experiences especially during lockdown with service restrictions and the impact this has had on their mental health. We will share the findings and recommendations with you early next year.



2020 ACHIEVEMENTS

Goal One

Increased capacity in our Nursing Services



Implemented a model of Peer recovery coaching in Detox and Rehab

Implemented another treatment option by introducing Suboxone detox



Adapted our services to include increased outreach services

Goal Two

Two research projects commissioned; the Complex needs of women who use substances which was launched in November & the second study in relation to mental health & the impact of Covid.

Launch of our Photovoice project which gave people who have experienced addiction the opportunity to tell their stories and share their lived experience.

Discussion Paper, *Dealing with Covid 19 and Beyond* submitted to Government jointly with Coolmine Therapeutic Communities & Depaul.

Goal Four

Viclicity compliance system being implemented

Focus on Procurement with key personnel recruited

Goal Three

Implementation of Trauma Informed Care

Staff Health & wellness programme across the organisation

Implementation of new behaviour change framework in Recovery Services



Digital innovation to facilitate online programme engagement

MQI Finance team win Charity Institute award second year in a row



Governance and Management

Directors/Trustees and Secretary

The current directors are listed on page 2. The directors/trustees, who served at any time during the financial year except as noted, were as follows:

Directors/Trustees:

Mr Ray Langton (Chair)
Mr Mick Price (Ex-Chair) (Resigned 31st December 2020)
Rev Kieran Cronin OFM
Rev Patrick Lynch OFM
Mr Brian Melaugh
Dr Joanne Fenton
Dr Siobhan Garrigan (Resigned 16th October 2020)
Ms Margaret Hennessy
Mr Derek Bell
Mr David Kiely
Dr Cliona Ni Cheallaigh
Mr Ray Jenkins (Appointed 1st January 2021)

Secretary:

Mazars

Directors are appointed by the Members of the Company. The Chairperson of the Board of Directors shall be appointed by the Members for a three-year term and may be reappointed. The Members are the Definitory of the Order of Friars Minor of the Irish Franciscan Province.

The term of office of a director shall be three years and directors may be reappointed.

The composition of the Board shall be not more than twelve persons and not less than five. The quorum for Board meetings is four. All directors are chosen based on their willingness to serve, their ability, governance experience and support of the ethos and mission of the Company. The Board is committed to ensuring it has the necessary mix of skills and expertise and where necessary, seeks professional advice.

The Board meets formally at least six times a year. During 2020, the Board met 9 times.

Directors are required to undergo an induction programme to ensure that collectively they have the necessary oversight for the appropriate governance of the organisation. Training is arranged when a need is identified. Except for necessitous expenses, Directors are not remunerated for their work on the Board nor can they be appointed to any salaried position of the Company. No expenses were paid to directors during the financial year 2020 (2019: €nil).

The Members meet annually to receive the annual report and audited financial statements of the Company. Other meetings may take place as required.

There are currently five sub-committees of the Board

1. The Finance Committee is responsible for overseeing the Board's financial responsibilities and ensuring that effective systems, financial controls and procedures are in place to enable the organisation to operate in an orderly and efficient manner, and to report and make recommendations to the Board thereon.

2. The Audit & Risk Committee is responsible for the monitoring and review of the organisation's financial performance and financial controls, including the organisation's internal audit function, making recommendations to the Board about the appointment and remuneration of the external auditor and all matters relating to the external audit process, and overseeing, reviewing and monitoring the risk management framework within the organisation.

3. The Client Services Committee is responsible for overseeing the services and operations of the organisation. It is also responsible for assisting the Board in the planning and development of new services, the development and implementation of appropriate quality standards, compliance reporting to stakeholders and the clinical governance of the services such as supervision, good quality standards and best practice. The Committee is also responsible for considering the impact of any new Client Service proposals in line with the strategic plan, opportunities and considering the challenges which may arise in any change process.

4. The Governance & Nominations and HR & Remuneration Committees amalgamated in October 2018. This Committee is responsible for ensuring that best practice is adhered to regarding governance and to assist the Board in fulfilling its governance obligations by providing an independent review of its legal and regulatory responsibilities through the provision of adequate systems, policies and procedures. It is responsible for ensuring that adequate Board succession planning, induction and training for is in place for the Board to ensure that the organisation is well governed and run effectively, and appropriately to its aims, size, its beneficiaries' needs and overall strategic objectives. It also oversees the overarching strategic and operational human resource issues including employment practices, pay and pay structures and organisational restructuring, ensuring that there is compliance with the relevant HR legal and regulatory requirements.

5. The Fundraising and Communications Committee is responsible for ensuring that best practices are adhered to regarding Fundraising practice and oversight and to make recommendations to the Board regarding the Fundraising strategy

MANAGEMENT

The Company is led and controlled by a Board of Directors (“the Board”) which is collectively responsible for ensuring the delivery of the organisation’s objectives, for setting its strategic direction, and for upholding its values.

Day-to-day management of the organisation is delegated to the Chief Executive Officer and the Executive Leadership Team.

All of the above form the key management team.

RISK ASSESSMENT

The Board of Directors & the Executive Leadership Team is committed to maintaining a strong risk management framework. The objective of the risk management is to ensure that the organisation is equipped to monitor and manage its key risks in line with good practice and to ensure that the Company makes every effort to manage risk appropriately by maximising its potential opportunities to mitigate risk, while also minimising the adverse effects of risk.

The Executive leadership team along with the relevant committees will be responsible for executing and maintain the organisation’s Risk Management program.

The principal risks and uncertainties that the trustees see as facing the charity are:

- Health & Safety Risks for staff and clients
- Reputational Risks
- Compliance & Legal Risks - Risk of Litigation
- Training Inefficiencies
- Legislation Changes / Regulations

The Company has appropriate insurance and business policies to limit the risks associated with its activities and the Audit & Risk Committee reporting to the Board of Directors reviews, assesses and monitors the organisation’s control and risk management systems, its Risk Register and Risk Appetite Statement.

The Board have considered the impact COVID-19 on both the organisation itself and its Financial Statements. They are confident at this time that the Business Continuity Planning and the company’s reserves are currently sufficient to consider the impact COVID-19.

COMMITMENT TO BEST PRACTICE IN CORPORATE GOVERNANCE

The Company is compliant with the Governance Code: A Code of Practice for Good Governance of Community, Voluntary and Charitable Organisations in Ireland (“the Code”). The process involved a thorough review and assessment of the organisation’s policies, procedures, structures and values to ensure that the Company was run as effectively as possible, with a focus on increasing transparency and a reassurance to all stakeholders that funds and donations are being well managed.

The Company recognises that organisations have a responsibility to follow a code of good practice when it comes to how their organisations are run. The aim of the Code is to determine and formulate standards of best practice in corporate governance applicable across the areas of leadership, control, transparency, accountability, working effectively and behaving with integrity.

COMMITMENT TO STANDARDS IN FUNDRAISING PRACTICE

The Company is fully committed to achieving the standards contained within the Guidelines for Charitable Organisations Fundraising from the Public (the Guidelines). The Guidelines are intended to assist trustees of a charity to run the charity effectively, avoid difficulties in respect of fundraising activities and comply with their legal duties.

The Guidelines and Merchants Quay's fundraising practice are built around the principles of:



The Guidelines were issued in September 2017 by The Charities Regulatory Authority and were based on the 2008 Statement of Guiding Principles on Charitable Fundraising which was formally discussed and adopted at a meeting of the Board. The Board meets regularly to discuss plans for funding, including any shortfall or excess and allocation of funds.

VICLARITY COMPLIANCE SYSTEM

In early 2020, MQI rolled out a plan to implement the ViClarity Compliance System which is a system that facilitates a central repository for all risk management, incident management, governance code, maintenance, health & safety, actions, policies, surveys, and more. MQI has implemented or is in the process of implementing the following modules:

COMPLIANCE AUDITING

- Governance Code – Completed in November 2020
- Health & Safety – to be implemented in 2021
- Policies which facilitates policy review and updates, staff policy sign off and policy storage – this project commenced in December 2020
- Risk Management to be implemented in 2021.

RESERVES POLICY

The Directors have examined the Company's requirements for reserves in light of the main risks of the organisation. The Board has met its reserves policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the Company should be six months of the current expenditure.

TAXATION STATUS

The Company has been granted charitable tax status by the Revenue Commissioners. The company currently holds a valid tax clearance certificate.

EVENTS SINCE THE FINANCIAL YEAR END

The transfer of staff and services from Cavan Drug & Alcohol Trust CLG was completed subsequent year-end in January-2021. There were no other subsequent events since the financial year end.

ACCOUNTING RECORDS

The measures that the directors have taken to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at 24 Merchants Court, Merchant's Quay, Dublin 8.

DISCLOSURE OF INFORMATION TO AUDITORS

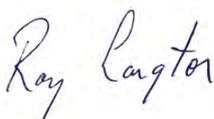
In the case of each of the persons who are directors at the time the directors' report and financial statements are approved:

- A) So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- B) Each director has taken all steps that ought to have been taken by the director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm continue in office in accordance with Section 383(2) of the Companies Act 2014.

Ray Langton
Director



Date: 14th June 2021

Derek Bell
Director



Date: 14th June 2021

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the directors' report and the financial statements in accordance with the Companies Act 2014.

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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council ("relevant financial reporting framework"). 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 profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the 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 profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MERCHANTS QUAY IRELAND CLG

Report on the audit of the financial statements

Opinion on the financial statements of Merchants Quay Ireland CLG (the 'company')

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 2020 and of its incoming resources and application of resources, including its income and expenditure for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- the Statement of Financial Activities.
- the Balance Sheet.
- the Statement of Cash Flows; and
- the related notes 1 to 21 including a summary of significant accounting policies as set out in note 1.

The relevant 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 relevant financial reporting framework").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 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 other information comprises the information included in the Directors' Report and Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Directors' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MERCHANTS QUAY IRELAND CLG

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors 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, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MERCHANTS QUAY IRELAND CLG

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- We have obtained all the information and explanations which we consider 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.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements and the directors' report has been prepared in accordance with the Companies Act 2014.

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 material misstatements in the directors' report.

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Use of our report

This 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 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.



Margarita Martin
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, Earlsfort Terrace, Dublin 2

Date: 18 June 2021

MERCHANTS QUAY IRELAND CLG

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

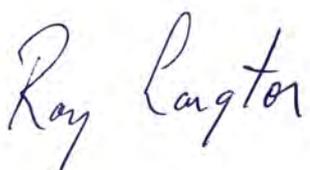
	Notes	Designated Funds 2020 €	Unrestricted Funds 2020 €	Restricted Funds 2020 €	Total Funds 2020 €	Designated Funds 2019 €	Unrestricted Funds 2019 €	Restricted Funds 2019 €	Total Funds 2019 €
Income from:									
Charitable activities	4	-	-	6,161,018	6,161,018	-	-	6,858,000	6,858,000
Donations and legacies	5	-	6,623,092	4,044,991	10,668,083	-	4,546,403	489,657	5,036,060
Other incoming resources	6	-	161,656	500,000	661,656	-	180,516	-	180,516
Total Income		-	6,784,748	10,706,009	17,490,757	-	4,726,919	7,347,657	12,074,576
Expenditure on:									
Charitable activities	7	-	2,209,767	6,866,953	9,076,720	-	2,549,438	7,492,748	10,042,186
Raising funds	8	-	1,787,340	-	1,787,340	-	1,466,696	-	1,466,696
Total Expenditure		-	3,997,107	6,866,953	10,864,060	-	4,016,134	7,492,748	11,508,882
Net income/ (expenditure) before taxation and transfers	10	-	2,787,640	3,839,056	6,626,696	-	710,785	(145,091)	565,694
Taxation	18	-	-	-	-	-	-	-	-
Transfer between funds	17	2,712,161	(2,712,161)	-	-	590,000	(590,000)	-	-
Net income/(expenditure) Other recognised gains		2,712,161	75,479	3,839,056	6,626,696	590,000	120,785	(145,091)	565,694
Actuarial gain in respect of the pension scheme	16	-	(10,005)	-	(10,005)	-	29,390	-	29,390
Net movement in funds		2,712,161	65,474	3,839,056	6,616,691	590,000	150,175	(145,091)	595,084
Reconciliation of funds:									
Total funds brought forward	17	5,232,214	500,176	604,647	6,337,037	4,642,214	350,001	749,738	5,741,953
Total funds carried forward	17	7,944,375	565,650	4,443,703	12,953,728	5,232,214	500,176	604,647	6,337,037

The Statement of Financial Activities includes all gains and losses recognised in the financial year.

**MERCHANTS QUAY IRELAND CLG
BALANCE SHEET
AS AT 31 DECEMBER 2020**

	Notes	2020 €	2019 €
Fixed assets			
Tangible assets	11	3,802,813	8,939
Current assets			
Debtors	12	1,039,297	544,851
Cash at bank and in hand		8,430,234	6,332,509
		<u>9,469,531</u>	<u>6,877,360</u>
Creditors: Amounts falling due within one year	13	(553,403)	(791,302)
Net current assets		<u>8,916,128</u>	<u>6,086,058</u>
NET ASSETS EXCLUDING PENSION ASSET		<u>8,916,128</u>	<u>6,094,997</u>
Net pension asset	16	234,787	242,040
NET ASSETS INCLUDING PENSION ASSET		<u><u>12,953,728</u></u>	<u><u>6,337,037</u></u>
Funds of the charity:			
Restricted funds	17	4,443,703	604,647
Unrestricted fund	17	565,650	500,176
Designated funds	17	7,944,375	5,232,214
		<u>12,953,728</u>	<u>6,337,037</u>

The financial statements were approved and authorised for issue by the Board of Directors on 14/06/2021 and signed on its behalf by:



Ray Langton
Director

Date: 14th June 2021



Derek Bell
Director

Date: 14th June 2021

MERCHANTS QUAY IRELAND CLG
STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

RECONCILIATION OF NET INCOME TO CASH USED IN CHARITABLE ACTIVITIES

	2020	2019
	€	€
Net income for the financial year	6,626,696	565,694
Depreciation	19,626	3,349
Decrease/(increase) in debtors	(506,113)	114,563
(Decrease)/increase in creditors	(226,232)	(183,556)
Capital Expenditure & Disposals	(3,813,500)	-
Defined benefit pension scheme costs	(2,753)	(3,909)
Net Cash Flow from charitable activities	2,097,724	496,141

	2020	2019
	€	€
Cash flows from charitable activities		
Net cash flows from charitable activities	2,097,724	496,141
Net increase in cash and cash equivalents in the reporting year	2,097,724	496,141
Cash and cash equivalents in the beginning of the reporting year	6,332,509	5,836,368
Cash and cash equivalents at the end of reporting year	8,430,233	6,332,509

Net debt

The company had no borrowings or obligations under finance leases as at 31 December 2020 (2019: none).

MERCHANTS QUAY IRELAND CLG
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

The significant accounting policies adopted by the company are as follows:

Basis of Preparation

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" in accordance with the Financial Reporting Standard applicable in the UK (which has been recognised as best practice for financial reporting by charities in Ireland) and Republic of Ireland (FRS 102), issued by the Financial Reporting Council, and the Companies Act 2014.

Merchant's Quay Ireland CLG is a company incorporated in Ireland under the Companies Act 2014. The address of the registered office is 24 Merchants Court, Merchant's Quay, Dublin 8. The nature of the company's operations and its principal activities are set out in the Directors Report on pages 5 to 28. In accordance with Section 1180(8) of the Companies Act, 2014, the company is exempt from including the word "Limited" in its name. The company is limited by guarantee and has no share capital. In prior years, companies not trading for gain for the members were not within the scope of company law requirements with regard to formats and content of financial statements which applied to for profit companies thus permitting the adoption of a format appropriate to a charity. Accordingly, the Society adopted and reported its performance in accordance with the format provided for in the Charities SORP and in particular reports its performance for the financial year in the format of the SORP's Statement of Financial Activities (SOFA).

The financial statements are presented in euro.

Going Concern

The financial statements are prepared on a going concern basis and further detail is included in note 2 of the financial statements.

Tangible Fixed Assets

The cost of tangible fixed assets is their purchase price. Tangible fixed assets are shown at cost less accumulated depreciation.

Depreciation is calculated in order to write off the cost of tangible fixed assets over their estimated useful lives by equal annual instalments. The estimated useful lives of tangible assets by reference to which depreciation has been calculated are as follows:

MERCHANTS QUAY IRELAND CLG
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
ACCOUNTING POLICIES (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

Category	Basis	Rate per annum
Premises	Straight line	3%
Motor vehicles	Straight line	20%

A full month's depreciation is charged in the month of purchase. No depreciation is charged in the month of sale.

Income

- (i) Income from voluntary donations and similar income is recognised when received.
- (ii) Grants from the government and other agencies have been included as income from activities in furtherance of the charity's objects and accounted for on a receivable basis.
- (iii) Legacies are included when the amount to be received is probable and can be measured with certainty.
- (iv) Interest and tax relief on qualifying donations income is recognised on a receivable basis.
- (v) Revenue refunds in respect of tax relief on voluntary donations are recognised on a receivable basis in so far as the receivable can be measured reliably.
- (vi) Other income reflects money received from training and any voluntary contributions made by the users of the service on a cash received basis.

Gifts In Kind

Gifts which are deemed non-material are not included in the financial statements. Gifts in kind that can be valued reliably and are greater than €500 will be included in the financial statements. Exceptions to this minimum amount are cash vouchers received as gifts which will be recognised at their value and also gifts received where MQI would have had to bear the cost otherwise.

Expenditure

Charitable activities comprises expenditure incurred that are directly related to the implementation of programmes and the activity of the company. Expenditure is recognised in the period to which it relates. Expenditure incurred but unpaid at the balance sheet date is included in accruals and other creditors.

Expenditure on raising funds comprise all expenditure incurred by Merchant's Quay Ireland on raising funds for the organisation's charitable activities.

Retirement benefits

Defined benefit pension scheme assets are measured at fair value. Defined benefit pension scheme liabilities are measured on an actuarial basis using the projected unit method. The excess of scheme liabilities over scheme assets is presented on the balance sheet as a liability net of related deferred tax. The defined benefit pension charge to operating profit comprises the current service cost and past service costs. The excess of the expected return on scheme assets over the interest cost on the scheme liabilities is presented in the income and expenditure account as other finance income. Actuarial gains and losses arising from changes in actuarial assumptions and from experience surpluses and deficits are recognised in the statement of total recognised gains and losses for the financial year in which they occur.

The fair value of quoted securities held as scheme assets was determined using the year-end bid price.

The defined contribution pension charge to the income and expenditure account comprises the contribution payable to the scheme for the year.

Debtors

Known bad debts are written off and specific provision is made for any amount, the collection of which is considered doubtful.

Leasing Commitments

Operating lease costs are charged to the statement of financial activities as incurred.

Fund Accounting

The following funds are operated by the Charity:

<p>General Funds unrestricted - General Funds represent amounts which are expendable at the discretion of the Board of Directors in furtherance of the objective of the charity which have not been designated for other purposes. Such funds may be held in order to finance working capital or capital expenditure.</p>	<p>Designated Funds - Designated funds are unrestricted funds earmarked by the Board of Directors for particular purposes.</p>	<p>Restricted Funds - Restricted funds represent income, which has been received and recognised in the financial statements, which is subject to specific conditions imposed by the donors on grant making institutions.</p>
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Reserves Policy

In order to secure the long term viability of Merchant's Quay Ireland CLG and to maintain the smooth operation of the organisation, it is critical to ensure that the organisation has adequate reserves.

The level of reserves is required to cover the following activities of the organisation:

- Provide funding for sustainable programmes.
- Meet contractual liabilities such as lease agreements, statutory staff payments and payments to creditors.
- Working Capital Requirements.
- Maintain a required level of funding available for programmes during times of financial difficulty where fundraising income is diminished.
- Meet unanticipated expenses such as repairs and maintenance, currency variances and legal costs.
- Cover day to day expenditure of Merchant's Quay Project.
- Ensure there is adequate funding should any winding up costs ever arise.
- Provide for any other unanticipated expenditure of significance.

The board has adopted a reserves policy based on foreseeable expenditure and in particular, long-term commitments. In 2020 the designated reserves are at €7.9m which has been set aside towards the reserves policy goal of €5.9m which would allow operation of the organisation for 6 months, based on running costs and programme expenditure. The board also designated funds towards the development of new services in line with strategic priorities and core refurbishment costs needed over the coming years.

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

Financial assets and liabilities

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

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

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

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

Foreign Currencies

Transactions are recorded at the rates of exchange ruling at the date of transaction. Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Foreign exchange gains and losses are dealt with in the statement of financial activities in the financial year in which they occur.

Taxation

The company has been granted charitable status by the Revenue Commissioners and is therefore exempt from taxation.

2. GOING CONCERN

The financial statements have been prepared on a going concern basis. Since March 2020 and with the arrival of the Global pandemic (COVID-19) the organisation along with its staff and government bodies has worked tirelessly to ensure the safe continuity of client services insofar as possible. This pandemic has created certain uncertainties regarding its future income-generating capabilities as described above in the Director's Report (Risks and Uncertainties section). In particular, the Board recognises the organisation's dependence on statutory funding, fundraising and other grants in order to deliver its core services. At this time the Board have received no indications of a reduction in statutory funding.

The directors have considered the ongoing impact of COVID-19 on the company. Given the company's main sources of income are currently from statutory sources and fundraising activities, there may be a possibility that the company's operation could be affected if its incoming resources are disrupted should the pandemic continue for an indefinite duration. The company had net current assets of €8.9m (2019: €6.1m), including €8.4m (2019: €6.3m) in cash at bank.

Over the last number of years the board have worked to ensure the organisation has sufficient reserves following guidance in the governance code, due to these efforts the reserves position at year end means that there is no immediate threat to the going concern status of the company, provision of services remains reliant on funding from statutory sources continuing at the same or enhanced levels in the future.

Management and the Board have reviewed the organisation's forecasts and projections, taking account of the anticipated impact and uncertainties of Covid19. The Board consider that the forecasts and projections, together with the reserves held, demonstrate that the Board has a reasonable expectation that the company has adequate resources to operate within the level of its current cash flows and reserves for the foreseeable future (at least twelve months from the date of approval of these financial statements).

Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements. Accordingly, these financial statements do not include any adjustments to the carrying amount and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Defined Benefit Pension Scheme Obligation

The organisation has a defined benefit pension scheme in operation. There are estimates with respect to certain key assumptions made in calculating the actuarial accrual relating to the scheme including the discount rate and inflation rate as disclosed in note 16.

4. CHARITABLE ACTIVITIES

	€	€	€	€
	Unrestricted Funds 2020	Restricted Funds 2020	Total Funds 2020	Total Funds 2019
Drug treatment services	-	3,715,738	3,715,738	3,096,333
Counselling and support	-	2,445,280	2,445,280	3,761,667
Total Income	-	<u>6,161,018</u>	<u>6,161,018</u>	<u>6,858,000</u>

The Department of Justice and Equality through the Probation Service provided current funding in the amount of €183,000 (€183,000 in 2019). Funding is granted for a 12 month period and is restricted in accordance with the terms and conditions, including schedule 1, of the funding agreement. Funds are for the provision of addiction treatments services and costs apply to all payroll, administration, direct and indirect costs. There has been no difference in the grant taken to income and the cash received in the period.

ANALYSIS OF GOVERNMENT GRANT INCOME

	€ 2020	€ 2019
Health Services Executive	2,343,147	2,173,356
Irish Prison Services	1,052,455	1,052,761
Department of Justice & Equality through the Probation Service	183,000	183,000
South inner city local Drugs & Alcohol Task Force	71,392	81,392
South east regional Drugs & Alcohol Task Force	161,952	158,452
Midlands regional Drugs & Alcohol Task Force– Health Services Executive	524,984	338,252
Dublin City Council –Dublin Regional Homeless Executive *	1,572,068	2,627,955
East Coast Regional Drugs & Alcohol Task Force	191,743	193,269
Tusla	27,000	27,000
North East Regional Drugs & Alcohol Task Force	33,277	22,563
	<u>6,161,018</u>	<u>6,858,000</u>

*This figure includes 474k (1.5m 2019) relating to discontinued operations of the Night Café which ceased its operations within MQI from March 2020.

5. DONATIONS AND LEGACIES

	€	€	€	€
	Unrestricted Funds 2020	Restricted Funds 2020	Total Funds 2020	Total Funds 2019
Individual giving	5,750,667	948,131	6,698,798	4,307,228
Legacies	574,935	-	574,935	531,985
Corporates and trusts	218,725	-	218,725	125,415
Other	78,766	-	78,766	71,433
In Kind Donation	-	3,096,860	3,096,860	71,433
	6,623,092	4,044,991	10,668,083	5,036,060

Included in In Kind Donation is an amount of €3.075m donation in kind to support our 2020 goal of owning the building known as Riverbank, the main hub of our Dublin based service. Please refer to the note in Fixed assets on how this In Kind donation was valued.

6. OTHER INCOMING RESOURCES

	€	€	€	€
	Unrestricted Funds 2020	Restricted Funds 2020	Total Funds 2020	Total Funds 2019
Diploma & certificate fees *	-	-	-	18,770
Client contributions	139,706	-	139,706	130,136
Bank interest received	1,150	-	1,150	381
Sundry income**	20,800	500,000	520,800	31,229
	161,656	500,000	661,656	180,516

*This income and related costs of 55,800 have been discontinued as at 31st December 2019.

** Included in 2020 sundry income is a €500k from the Immigrant Investment Programme (IIP) operated by the Department of Justice and Equality's Irish Naturalisation and Immigration Service which was used towards the purchase of our Dublin based location known as Riverbank House.

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	€	€	€	€
	Unrestricted Funds 2020	Restricted Funds 2020	Total Funds 2020	Total Funds 2019
Drug treatment services	994,386	4,028,219	5,022,605	4,548,844
Counselling and support *	1,215,381	2,838,734	4,054,115	5,437,542
University diplomas & certificate	-	-	-	55,800
Total Expenditure	2,209,767	6,866,953	9,076,720	10,042,186

The total support costs for MQI for 2020 were €276,965, these have been apportioned across the above charitable activities in the following methods:

- Per the agreement in the SLA relating to that service
- The balance has been allocated as a portion of state funded expenditure per service against total state funded expenditure.

*This figure includes 497k (€1.5m 19') relating to costs associated with discontinued operations of the Night Café which ceased its operations within MQI from March 2020.

**This expenditure and related income of 18,770 have been discontinued as at 31st December 2019.

8. RAISING FUNDS

	€	€	€	€	€
	Campaign costs 2020	Staffing costs 2020	Overhead costs 2020	Total costs 2020	Total costs 2019
	Campaign Costs 2020 €	Staffing Costs 2020 €	Overheads Costs 2020 €	Total Costs 2020 €	Total Costs 2019 €
Individual Giving	1,323,448	329,163	82,544	1,735,155	1,408,202
Legacies	-	20,555	5,537	26,093	29,247
Corporates and Trusts	-	20,555	5,537	26,093	29,247
	1,323,448	370,273	93,618	1,787,341	1,466,696

9. EMPLOYEES

	2020 Number	2019 Number
Number of employees		
The average numbers of employees during the financial year were:		
Administration and social care workers	183	201

The number of employees whose ongoing emoluments (including allowances but excluding any employer pension contributions) that were greater than €60,000 is as follows:

	2020 Number	2019 Number
€60,000- €70,000	2	1
€70,001 - €80,000	0	4
€80,001 - €90,000	2	3
€90,001+	2	1
	<hr/> 6	<hr/> 9

Directors are not remunerated for their work on the Board nor can they be appointed to any salaried position at the company. No expenses were paid to Directors during the financial year.

The key management personnel at the company comprises of the Directors and the executive team. The total remuneration costs for the organisation of the key management personnel were € 532,114 (2019: €562,432) which included salaries, PRSI, pension and allowances. The decrease is due to vacant Executive Team roles during 2020 which have since been filled.

MERCHANTS QUAY IRELAND CLG
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 EMPLOYEES (CONTINUED)
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	€ 2020	€ 2019
Employment costs		
Wages and salaries	6,216,459	6,568,070
Social welfare costs	627,750	681,278
Defined benefit pension costs	—	—
Defined contribution pension costs (Note 16)	108,699	110,581
Death in service costs	46,035	41,087
	<u>6,998,943</u>	<u>7,401,016</u>

Included in the above costs is € 131,888 (2019: €105,050) in relation to redundancies during the year.

10. NET INCOME

	€ 2020	€ 2019
Net income is stated after charging:		
Directors' remuneration	—	—
Depreciation	19,626	3,349
Operating leases	136,327	177,675
	<u>155,953</u>	<u>181,024</u>

11. TANGIBLE ASSETS

	€	€	€
	Premises	Motor Vehicles	Total
Cost			
At 1 January 2020	-	75,049	75,049
Additions *	3,800,000	13,500	3,813,500
At 31 December 2020	3,800,000	88,549	3,888,549
Depreciation			
At 1 January 2020	-	66,110	66,110
Charge for the financial year	15,376	4,250	19,626
At 31 December 2020	15,376	70,360	85,746
Net book values			
At 31 December 2020	3,815,376	18,189	3,794,285
Net book values			
At 31 December 2019	-	8,939	8,939

*The premises was recorded on the date of acquisition at its fair value of 3.8m of which 3.075m was recognised as a donation in kind. The fair value of premises was undertaken by P.J.O'Dwyer & Co, an independent valuer with recent experience in the location and class of property being valued. The valuation was performed on 12th of October 2020. The method of determining fair value was as defined as in the Royal Institute of Chartered Surveyors Valuation Standard'.

12. DEBTORS

	€	€
	2020	2019
Amounts falling due within one year:		
Other debtors (Note 14)	860,812	396,376
Prepayments	178,485	148,475
	<u>1,039,297</u>	<u>544,851</u>

MERCHANTS QUAY IRELAND CLG
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

13. CREDITORS

Amounts falling due within one year	€ 2020	€ 2019
Trade creditors	337,508	305,841
Accrued expenses	193,429	209,114
Deferred income**	-	100,000
Creditors PAYE/PRSI	-	164,679
Amount due to SFHA / MQPCE (Note 15)	14,516	11,668
Other creditors	7,950	-
	<u>553,403</u>	<u>791,302</u>

**Deferred income relates to income with performance related conditions applied for 2020.

14. FINANCIAL INSTRUMENTS

	€ 2020	€ 2019
Financial Assets:		
Measured at undiscounted amounts receivable		
Debtors (Note 12)	<u>860,812</u>	<u>396,376</u>
Financial Liabilities:		
Measured at undiscounted amounts payable		
Creditors (Note 13)	337,508	405,841
Amount due to SFHA / MQPCE (Note 13)	14,516	11,668
	<u>1,212,836</u>	<u>813,885</u>

15. RELATED PARTY TRANSACTIONS

The Directors of the Company are also Directors of St Francis Housing Association (SFHA). The Directors of the Company along with additional Directors are also Directors of Merchants Quay Project CE Scheme Ltd (MQPCE). The Members on behalf of the Order of The Friars Minor have effective control over all three companies.

The balance owed to MQPCE at 31 December 2020 was €235 (2019: €Nil).

The balance owing to St Francis Housing Association at 31 December 2020 was €14,281 and relates to a transfer of the client contributions less expenditure for the operation of housing (2019: €11,668).

The transactions during the financial year were as follows:

	€ 2020	€ 2019
Repayments from MQPCE	-	28,261
Loans to MQPCE	235	(28,261)
Amounts owed to SFHA	<u>14,281</u>	<u>11,668</u>

16. RETIREMENT BENEFIT SCHEME

The pension entitlements of eligible employees arise under a defined contribution and a defined benefit scheme. The pension entitlements under the defined benefit scheme are based on final pensionable pay and are secured by contributions by the Company to a separately administered group pension fund operated by the Order of Friars Minor in Ireland. The scheme's actuary has split the assets and liabilities of the scheme between the various participating entities, for the financial year ended 31 December 2020. It is on this basis that the pension liability has been recognised in the financial statements of Merchant's Quay Ireland CLG.

MERCHANTS QUAY IRELAND CLG
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 RETIREMENT BENEFIT SCHEME (CONTINUED)
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

The assets of the defined benefit pension scheme are held separately from those of the Company. The scheme provides retirement benefits on the basis of the member's final salary. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. On 1 January 2006 the scheme was closed to new entrants. The only member of the scheme has retired.

The most recent valuation was at 30 December 2020 and is available for inspection by the scheme members but not for public inspection. The last triennial funding valuation was carried out at 30 June 2019.

The Company also operates a defined contribution scheme to provide benefits for new employees. Contributions made to the defined contribution scheme during the financial year amounted to €108,699 (2019: €110,581). The contributions in relation to the two schemes payable at the financial year-end was €Nil (2019: €Nil).

The actuarial valuation as at 31 December 2020 was prepared for by a qualified independent actuary, using the projected unit method. The main financial assumptions used in the valuation were:

Basis of expected rate of return on scheme assets

The overall expected return on assets was derived as follows:

- Bonds: The return available on the ML > 5 year Euro Government Bond Index at 31 December 2020 of 1.20%.
- Equities: The return available on the ML > 10 year Euro Government Bond Index at 31 December 2020 plus an equity risk premium of 4.80%.
- Property: The return available on the ML > 10 year Euro Government Bond Index at 31 December 2020 plus a property risk premium of 4.30%.
- Other: The ECB interest rate, 0% at 31 December 2020.

The main financial assumptions used in the valuation of the scheme liabilities are:

	%	%
	2020	2019
Rate of increase in salaries	n/a	n/a
Rate of increase in pension payment	0.0%	0.0%
Discount rate of scheme liabilities	.80%	1.2%
Inflation assumption	1.1%	1.1%

Mortality assumptions

Assumptions regarding future mortality are set based on advice from published statistics and experience. The average life expectancy in years for a pensioner retiring aged 65 is as follows:

	2020	2019
Retiring at 31 December 2020		
Male	21.7	21.6
Female	24.2	24.1
Retiring in 20 years		
Male	24.2	24.1
Female	26.2	26.1

Risks and rewards arising from the assets

At 31 December 2020 the scheme assets were invested in a diversified portfolio that consisted primarily of equities and bonds.

The market value of the scheme assets and the expected long term return therein are as follows:

	%	€	%	€
	Rates at	At	Rates at	At
	31-Dec	31-Dec	31-Dec	31-Dec
	2020	2020	2019	2019
Equities	4.8%	335,019	4.8%	348,150
Bonds	1.2%	170,037	1.2%	118,775
Property	4.3%	-	4.3%	61,208
Other	0.00%	262,747	0.00%	236,896
Total market value of assets		767,803		765,029

MERCHANTS QUAY IRELAND CLG
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 RETIREMENT BENEFIT SCHEME (CONTINUED)
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

The following amounts were measured at 31 December 2020:

	€ 2020	€ 2019
The amounts recognised in the balance sheet are as follows:		
Fair value of scheme assets	767,803	765,029
Present value of scheme liabilities	(533,016)	(522,989)
Pension asset in the balance sheet	<u>234,787</u>	<u>242,040</u>
Net pension asset	<u>234,787</u>	<u>242,040</u>

The amounts recognised in the Statement of Financial Activities ("SOFA") are as follows:

	€ 2020	€ 2019
Interest cost	(6,276)	(9,732)
Expected return on scheme assets	9,029	13,641
Other finance costs	<u>2,753</u>	<u>3,909</u>
Current service cost – included in other operating costs	-	-
	<u>2,753</u>	<u>3,909</u>

MERCHANTS QUAY IRELAND CLG
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 RETIREMENT BENEFIT SCHEME (CONTINUED)
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

The amounts recognised in the Statement of Financial Activities are as follows:

	€	€
	2020	2019
Actual return less expected return on pension scheme assets	18,893	82,940
Experience gains and losses arising on the scheme liabilities	(2,898)	(4,398)
Changes in assumptions underlying the present value of the scheme liabilities	(26,000)	(49,152)
Actuarial gain recognised in the statement of financial activities	<u>(10,005)</u>	<u>29,390</u>

	€	€	€
	Pension assets	Pension liabilities	Pension surplus
Movement in scheme assets and liabilities			
At 1 January 2020	765,029	(522,990)	242,040
Current service cost	-	-	-
Interest on scheme liabilities	-	(6,276)	(6,276)
Expected return on scheme assets	9,029	-	9,029
Actual less expected return on scheme assets	18,893	-	18,893
Experience gains on liabilities	-	(2,898)	(2,898)
Contributions by employer	-	-	-
Changes in assumptions	-	(26,000)	(26,000)
Benefits Paid	(25,148)	25,148	-
At 31 December 2020	<u>767,803</u>	<u>(533,016)</u>	<u>234,787</u>

The best estimate of employer contributions expected to be paid to the scheme in the next financial year is €Nil (2019: €Nil).

In respect of prior financial year:

	€	€	€
	Pension assets	Pension liabilities	Pension surplus
Movement in scheme assets and liabilities			
At 1 January 2019	695,692	(486,951)	208,741
Current service cost	-	-	-
Interest on scheme liabilities	-	(9,732)	(9,732)
Expected return on scheme assets	13,641	-	13,641
Actual less expected return on scheme assets	82,940	-	82,940
Experience gains on liabilities	-	(4,398)	(4,398)
Contributions by employer	-	-	-
Changes in assumptions	-	(49,153)	(49,153)
Benefits Paid	(27,244)	27,244	-
At 31 December 2019	<u>765,029</u>	<u>522,990</u>	<u>242,040</u>

17. A RECONCILIATION OF MOVEMENTS IN FUNDS

	€	€	€	€
	Unrestricted Funds	Designated Funds	Restricted Funds	Total
Balance as at 1 January 2020	500,176	5,232,214	604,647	6,337,037
Net income	2,787,640	-	3,839,056	6,626,696
Other recognised income	-	-	-	-
Actuarial (Loss)/Gain in respect of the Pension Scheme	(10,005)	-	-	(10,005)
Transfer of funds	(2,712,161)	2,712,161	-	-
Balance as at 31 December 2020	565,650	7,944,375	4,443,703	12,953,728

The current balance in the designated fund comprises of amounts set aside by the Board of Directors to establish minimum reserves equivalent to at least 6 months expenses in accordance with the reserves policy. The current reserve's objective is €5.9m.

In 2020 the board designated a transfer of €2.7m (590K 2019) from unrestricted reserves into designated reserves in order to comply with this policy and towards projects in line with the organisations strategic objectives and new developments.

In respect of prior financial year:

	€	€	€	€
	Unrestricted Funds	Designated Funds	Restricted Funds	Total
Balance as at 1 January 2019	350,001	4,642,214	749,738	5,741,953
Net income	710,785	-	(145,091)	565,694
Other recognised income	29,390	-	-	29,390
Transfer of funds	(590,000)	590,000	-	-
Balance as at 31 December 2019	500,176	5,232,214	604,647	6,337,037

MERCHANTS QUAY IRELAND CLG
 NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
 A RECONCILIATION OF MOVEMENTS IN FUNDS (CONTINUED)
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

B. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	€	€	€	€	€
	Unrestricted Funds	Designated Funds	Restricted Funds	Total 2020	Total 2019
Tangible fixed assets	18,189	-	3,784,624	3,802,813	8,939
Current assets	866,077	7,944,375	659,079	9,469,531	6,877,360
Current liabilities	(553,403)	-	-	(553,403)	(791,302)
Long term asset	234,788	-	-	234,788	242,040
	<u>565,650</u>	<u>7,944,375</u>	<u>4,443,703</u>	<u>12,953,728</u>	<u>6,337,037</u>

18. TAXATION

The Company received Charitable Tax Status in September 1992 consequently no provision for corporation tax is necessary.

The Company is compliant with all other taxes and held a valid tax clearance certificate for the year 2020.

19. ULTIMATE CONTROLLING PARTY

The members and directors of the Company at 31 December 2020 apart from Mr Ray Langton, Mr Brian Melaugh, Dr Joanne Fenton, Mr Derek Bell, Mr David Kiely, Ms Margaret Hennessy, Dr Cliona Ni Cheallaigh and Ray Jenkins are members of the Order of Friars Minor.

20. COMMITMENTS

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

	€	€
	2020	2019
Leasehold Premises		
Within one year	151,657	177,675
In two to five years	207,731	543,303
More than five years	-	250,411
	<u>359,388</u>	<u>971,389</u>

21. SUBSEQUENT EVENTS

The transfer of staff and services from Cavan Drug & Alcohol Trust CLG was completed subsequent year-end in January-2021. There were no other subsequent events since the financial year end.



2020