



CARANUA

support for survivors of institutional abuse

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2021

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

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RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

GENERAL INFORMATION

Address	4 th Floor Metropolitan Building, James Joyce Street, Dublin 1
Members of the Board	Mr. David O'Callaghan, Chairperson (to 24th March 2021) Mr. Damian Casey (to 24th March 2021) Ms. Frances Harrington (to 24th March 2021) Mr. Francis W. Treanor BL Ms. Katherine Finn BL (to 24th March 2021) Ms. Patricia Carey Mr. Thomas Daly (to 24th March 2021) Ms. Phyllis Morgan-Fann (to 24th March 2021) Mr. Richard Heeney Mr. Ned Costello (from 18th May 2021)
Senior Executive	Ms. Rachel Downes Chief Executive Officer (to 24 th March 2021) Ms. Sinead Dwyer Director of Services (to 29 th January 2021) Mr. Michael Fitzpatrick Director of Finance & Corporate Governance (to 24 th March 2021) Executive Director (from 8 th November 2021)
Accountants	Crowleys DFK 16/17 College Green Dublin 2
Auditor	Comptroller and Auditor General 3a Mayor Street Upper Dublin 1

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

Governance

The Board of the Residential Institutions Statutory Fund was established under the Residential Institutions Statutory Fund Act 2012. The functions of the Board are set out in section 7 of this Act. The Board is accountable to the Minister for Education, is responsible for ensuring good governance and performs this task by setting strategic objectives and targets and taking strategic decisions on all key business issues.

Until 24 March 2021, the regular day-to-day management, control and direction of the Residential Institutions Statutory Fund was the responsibility of the Chief Executive Officer (CEO) and the senior management team. The CEO and the senior management team were required to follow the broad strategic direction set by the Board and ensure that all Board members had a clear understanding of the key activities and decisions related to the entity, and of any significant risks likely to arise. The CEO acted as a direct liaison between the Board and management of the Residential Institutions Statutory Fund.

The Residential Institutions Statutory Fund Board effectively closed as an operational organisation on 24 March 2021. On that date, the remaining staff reached the end of their contracts, and the term of office of the then Board expired. A new Board was appointed by the Minister from 25 March 2021 and an administrative resource was appointed on 8 November 2021 to support the work of the Board and make final arrangements for its formal dissolution.

Board Responsibilities

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

- statement of interests,
- matters arising,
- chair report,
- reports from executive,
- reports from committees,
- reserved matters.

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

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

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

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

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

The Board is responsible for approving the annual plan and budget. An evaluation of the performance of the Residential Institutions Statutory Fund by reference to the annual plan and budget was carried out at each Board meeting and Audit and Risk sub-committee meeting held in 2021.

The Board is also responsible for safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board considers that the financial statements of the Residential Institutions Statutory Fund give a true and fair view of the financial performance and the financial position of the Residential Institutions Statutory Fund at 31 December 2021.

Board Structure

Until 24 March 2021, the Board consisted of the chairperson and 8 members, of whom 4 were persons who were resident in an institution specified in the Schedule to the Act of 2002 before they attained the age of 18 years. All Board members were appointed by the Minister for Education. The members of the Board were appointed for a period of up to four years and generally met at least nine times per annum. The table below details the dates of appointment for those members.

Board Member	Role	Date (Re)appointed
David O'Callaghan	Board Member (Chair)	25/03/2017
Damian Casey	Board Member	25/05/2017
Frances Harrington	Board Member	25/05/2017
Francis W. Treanor BL	Board Member	25/05/2017
Katherine Finn BL	Board Member	25/05/2017
Patricia Carey	Board Member	25/05/2017
Thomas Daly	Board Member	25/05/2017
Phyllis Morgan-Fann	Board Member	16/11/2018
Richard Heenev	Board Member	16/11/2018

In light of the fact that the Residential Institutions Statutory Fund had essentially been exhausted; and that, consequently, Caranua had essentially closed and was entering into its final wind-down phase, the Minister appointed a reconstituted board, as follows;

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

Seven board meetings were held in 2021, four of them prior to 24 March 2021, and a further three thereafter.

The Board commenced a self-evaluation of Board Effectiveness and Evaluation Review in February 2022. The Board discussed and accepted the findings on 7 March 2022.

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

The outgoing Board operated two committees – an Audit and Risk Committee and a Sub Committee to oversee wind down of operations. The composition of those committees was as follows:

Audit and Risk Committee

Members: Patricia Casey (Chair), Katherine Finn, Thomas Daly and Richard Heeney. The CEO and Director of Finance attended on invitation.

Sub Committee to Oversee wind down of operations

Members of that Sub Committee: Patricia Carey (Chair), Frances Harrington, Katherine Finn and Francis W. Treanor.

The reconstituted board is comprised of four members and is focused on the management and oversight of the final affairs of the Residential Institutions Statutory Fund following the substantive exhaustion of the Fund and cessation of its operations. In light of the foregoing, the reconstituted Board is undertaking the functions of the above two committees.

Schedule of Attendance, Fees and Expenses

A schedule of attendance at the Board and Committee meetings for the period to 24 March 2021 is set out below including the fees and expenses received by each member:

Board Members	Board Meetings	Audit & Risk Committee	Wind-down Sub-committee	Fees 2021 €	Expenses 2021 €
David O'Callaghan	4	-	-	-	-
Damian Casey	4	2	-	-	-
Frances Harrington	4	2	-	-	-
Francis W. Treanor BL	4	-	-	-	-
Katherine Finn	3	2	-	-	-
Patricia Carey	4	-	-	-	-
Thomas Daly	4	1	-	-	-
Phyllis Morgan-Fann	-	-	-	-	-
Richard Heeney	-	-	-	-	-
Total Meetings Held	4	2	-	-	-

A schedule of attendance for Board meetings for the remainder of 2021 is set out below including fees and expenses. Board members did not receive a fee in 2021.

Board Members	Board Meetings	Audit & Risk Committee	Wind-down Sub-committee	Fees 2021 €	Expenses 2021 €
Ned Costello	3	-	-	-	-
Patricia Carey	3	-	-	-	-
Francis W. Traenor BL	3	-	-	-	-
Richard Heeney	-	-	-	-	-
Total Meetings Held	3	-	-	-	-

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

Key Personnel Changes

Board

The following Board members term expired on 24th March 2021; Mr David O'Callaghan (Chair), Ms Frances Harrington, Ms Katherine Finn, Ms Phyllis Morgan-Fann, Mr Damien Casey and Mr Thomas Daly. A reconstituted Board was appointed from 25th March 2021 which comprises Mr Ned Costello (Chair), Ms Patricia Carey, Mr Francis W. Traenor BL and Mr Richard Heeney.

Staff

Ms Rachel Downes (Chief Executive Officer), Ms Sinead Dwyer (Director of Services) and Mr Michael Fitzpatrick (Director of Finance and Corporate Governance) ceased employment on 24th March 2021. On 8 November 2021 Mr Michael Fitzpatrick was, in accordance with DPER Sanction No. 2061 appointed by the Department of Education and seconded to Caranua to support the work of the Board and to manage the final arrangements for its formal dissolution. In light of this, Mr Fitzpatrick's remuneration costs are being met from Vote 26 Subhead A1.1. The Board has designated Mr Fitzpatrick to perform the functions of the chief executive.

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

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

Employee Short-Term Benefits Breakdown

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

Range From	To	Number of employees	
		2021	2020
€ 70,000	- € 79,999	-	2
€ 80,000	- € 89,999	-	-
€ 90,000	- € 99,999	-	-
€100,000	- €109,999	-	1

Note: For the purposes of this disclosure, short-term employee benefits in relation to services rendered during the reporting period include salary, overtime allowances and other payments made on behalf of the employee but exclude employer's PRSI.

Consultancy Costs

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

	2021 €	2020 €
Legal advice	-	2,253
Human Resources	1,379	6,153
Internal Audit	-	8,056
Total consultancy costs	1,379	16,462
Consultancy costs capitalised	-	-
Consultancy costs charged to the Income and Expenditure and Retained Revenue Reserves	1,379	16,462
Total	1,379	16,462

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

Legal Costs and Settlements

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

	2021	2020
	€	€
Legal fees - legal proceedings	25,440	46,051
Conciliation and arbitration payments	-	-
Settlements	-	-
Total	25,440	46,051

Travel and Subsistence Expenditure

Travel and subsistence expenditure is categorised as follows:

	2021	2020
	€	€
Domestic		
- Board*	-	1,116
- Employees	-	223
International		
- Board*	-	-
- Employees	-	-
Total	-	1,339

* includes travel and subsistence of €nil paid directly to Board members in 2021 (2020: €1,035).

Hospitality Expenditure

The Fund Account includes the following hospitality expenditure:

	2021	2020
	€	€
Staff hospitality	-	-
Client hospitality	-	-
Total	-	-

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

Statement of Compliance

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

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

- Provisions in relation to Head of Internal Audit
There is no designated executive that would equate to Head of Internal Audit role. Administratively, the Director of Finance is the formal contact point.

On behalf of the Board



Ned Costello
Chairperson

Date: 8 June 2022



Michael Fitzpatrick
Executive Director

Date: 8 June 2022

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

STATEMENT ON INTERNAL CONTROL

SCOPE OF RESPONSIBILITY

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

PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or detected in a timely manner. The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform, has been in place in the Residential Institutions Statutory Fund Board for the year ended 31 December 2021 and up to the date of approval of the financial statements. The system of internal control operated effectively despite challenges presented by covid-19.

KEY CONTROL PROCEDURES

In accordance with the provisions of the Residential Institutions Statutory Fund Act 2012, an account was established at the Central Bank for the purposes of receiving cash contributions. Section 29(3) of the Residential Institutions Statutory Fund Act 2012 provides that the Statutory Fund shall establish an investment account into which the amount paid under section 29(1) & (2) shall be deposited. Periodically, the Board draws down funds from this account to meet its liabilities as they fall due. The Board was established in March 2013 and has taken steps to ensure an appropriate control environment by implementing a system of clearly defined management responsibilities and has developed a procedures manual for the awarding of grants and for the processing and approval of other payments. The Residential Institutions Statutory Fund Board had an Audit and Risk Committee (ARC) comprised of four Board members, with financial, risk management and audit expertise. The Committee met two times in 2021 prior to 24th March 2021. While expenditure in respect of payments to survivors was demand-led and therefore not amenable to annual budgeting, the Board through its procedures, including in particular the consideration and review by the Audit and Risk Committee of the management accounts, carefully monitored on a regular basis expenditure patterns and any issues arising.

From 25 March to 7 November 2021, Caranua did not have an administrative resource, so relevant support was provided to the Board by the Department of Education. A very limited number of payments, all of which related to ongoing administrative costs, were made by the Board during this period. Since the appointment of Mr Michael Fitzpatrick on 8 November 2021, the Board has continued to be supported by the Department in respect of the making of payments to ensure that an adequate segregation of functions is observed.

The Board has engaged the services of a firm of accountants to prepare the annual financial statements. These services are used also to provide further advice on financial and control matters as required. The Board's Internal Audit function was provided by an external service provider. The programme of work was agreed with the Audit and Risk Committee. Two internal audit reports were commenced and substantially progressed in late 2020 were considered by the Board in January 2021. The Board's External Audit function is provided by the Office of the Comptroller and Auditor General.

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

- a budgeting system on operational expenditure.
- setting authorisation limits to disburse Residential Institutions Statutory Fund Boards' funds.
- regular reviews by the Audit and Risk Committee to 24th March 2021 and senior management of periodic and annual financial information and reports including management accounts.

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

STATEMENT ON INTERNAL CONTROL

(CONTINUED)

Covid-19 impacted on the operations of the Board in that staff worked from home from 18th March 2020. In recognition of the difficulties that survivors faced while accessing quotations during this period, Caranua wrote to the Department of Education requesting a reduction in the number of quotations required, and the Department sanctioned this request. The Board's system of internal controls was applied while staff worked remotely.

CONTROL WEAKNESSES 2021

Payments to survivors

The audits of the 2014 to 2021 financial statements identified weaknesses in internal control where the Board's procedures were not always followed in respect of payments to survivors. In the majority of cases where the Board's procedures were not followed, the Board took into consideration the vulnerable circumstances of Survivors such as a serious illness. In the period to 24th March 2021 the following issues were noted:

- The audit examined quotes that had been presented to the Board prior to payment for a sample of payments made in 2021. The sample found that while there was evidence of one or more quotes with every funding support payment made, in 8% of cases sampled the required number of quotes had not been presented. This single application for €1,581.29 was submitted to Caranua in 2015 when two quotes were required. The cheque was not cashed and was only returned to Caranua in 2021 to be reissued. Under the Board's revised quotation thresholds approved in May 2020, one quote was sufficient to support a reissued payment. However, as the original quote from 2015 was relied upon to reissue a cheque in March 2021, this is deemed to be non-compliant.
- In cases where post payment receipts were required to be presented to the Board, there is evidence that such documentation had not been presented in 92% of cases sampled by audit in 2021. As Caranua cannot compel applicants to forward post payment receipts, all reasonable steps are taken to secure as many as possible. As Caranua had essentially closed in March 2021, there was no opportunity to follow up post payment receipts from applicants.

Alleged Fraud

The Board was subject an alleged fraud which came to light in August 2020. Caranua made an advance payment of €11,481 to a hospital in Northern Ireland on foot of an application to fund surgery which was arranged through the HSE Cross Border Directive. Following the surgery, the individual submitted a claim to the HSE who refunded monies to the individual in August 2019. The monies should then have been paid to Caranua. However, this did not happen. Both Caranua and officials from the Department have sought to engage with the Garda Síochána to determine whether the matter is progressing and to ascertain the likelihood that the sum involved will be recovered.

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

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

STATEMENT ON INTERNAL CONTROL

(CONTINUED)

APPROVAL BY THE BOARD

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

Reviews of Internal Controls were carried out by an external firm during 2020 and two reports were received in January 2021. The Board conducted an annual review of the effectiveness of Internal Controls on 7 March 2022, including a review of annual performance against budget, internal audit reports dated January 2021, risk management policy including a risk appetite statement and risk register, and was satisfied that Internal Controls were operating and effective during 2021.

On behalf of the Board



Ned Costello
Chairperson

Date: 8 June 2022



Michael Fitzpatrick
Executive Director

Date: 8 June 2022



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Residential Institutions Statutory Fund Board (Caranua)

Opinion on the financial statements

I have audited the financial statements of the Residential Institutions Statutory Fund Board for the year ended 31 December 2021 as required under the provisions of section 31 of the Residential Institutions Statutory Fund Act 2012. The financial statements comprise

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

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the Board at 31 December 2021 and of its income and expenditure for 2021 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

Basis of opinion

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

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

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

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

I have nothing to report in that regard.

Seamus McCarthy
Comptroller and Auditor General
13 June 2022

Appendix to the report

Responsibilities of Board members

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

- the preparation of annual financial statements in the form prescribed under section 31 of the Residential Institutions Statutory Fund Act 2012
- ensuring that the financial statements give a true and fair view in accordance with FRS102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

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

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.

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

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

I report by exception if, in my opinion,

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

Information other than the financial statements

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

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

Reporting on other matters

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

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

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

FUND ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 €	2020 €
INCOME			
Cash contributions received	2	-	-
INVESTMENT RETURN			
Interest (charged) / earned		(6)	3,510
		(6)	3,510
EXPENDITURE			
Payments to Survivors	4	115,031	4,973,230
Administration Costs	5	206,292	1,361,938
		321,323	6,335,168
NET OPERATING COSTS FOR THE PERIOD		(321,329)	(6,331,658)
Transfer from capital account	7	3,127	56,119
DECREASE IN FUND DURING THE PERIOD		(318,202)	(6,275,539)
FUND VALUE BROUGHT FORWARD		456,740	6,732,279
TOTAL FUND VALUE AT PERIOD END		138,538	456,740

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

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

On behalf of the Board



Ned Costello
Chairperson

Date: 8 June 2022



Michael Fitzpatrick
Executive Director

Date: 8 June 2022

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021**

	Note	As at 31 December 2021 €	As at 31 December 2020 €
FIXED ASSETS			
Property, plant and equipment	6	-	3,127
CURRENT ASSETS			
NTMA Investment Account	3	180	6,226
Bank	3	164,089	458,356
Debtors and prepayments	8	8,515	101,878
		<u>172,784</u>	<u>566,460</u>
CURRENT LIABILITIES (AMOUNTS FALLING DUE WITHIN ONE YEAR)			
Creditors and accruals	9	(34,246)	(109,720)
		<u>(34,246)</u>	<u>(109,720)</u>
NET CURRENT ASSETS		<u>138,538</u>	<u>456,740</u>
TOTAL NET ASSETS		<u>138,538</u>	<u>459,867</u>
REPRESENTING			
Capital Account	7	-	3,127
Fund account	7	138,538	456,740
		<u>138,538</u>	<u>459,867</u>

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

On behalf of the Board



Ned Costello
Chairperson

Date: 8 June 2022



Michael Fitzpatrick
Executive Director

Date: 8 June 2022

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 €	2020 €
Net cash flows from Operating Activities			
Decrease in Fund for the period		(318,202)	(6,275,539)
Depreciation of fixed assets	6	3,127	13,209
Decrease in debtors		93,363	151,414
(Decrease) in creditors		(75,474)	(136,321)
Capital account movement		(3,127)	(56,119)
(Profit) / Loss on disposal of assets		(20)	40,410
Net cash outflow from operating activities		(300,333)	(6,262,946)
Cash flow from Investing Activities			
Payments to acquire property, plant & equipment		-	-
Proceeds from sale of fixed assets		20	2,500
Net Decrease in cash and cash equivalents		(300,313)	(6,260,446)
Cash and cash equivalents at 1 January 2021		464,582	6,725,028
Cash and cash equivalents at 31 December 2021		164,269	464,582

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

STATEMENT OF ACCOUNTING POLICIES

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

GENERAL INFORMATION

The Residential Institutions Statutory Fund Board (RISFB) was established on 25 March 2013 under the provisions of the Residential Institutions Statutory Fund Act 2012, with a head office at 4th Floor, Metropolitan Building, James Joyce Street, Dublin 1. It oversees the use of the cash contributions of up to €110 million pledged by religious congregations to support the needs of survivors of residential institutional child abuse. The key functions of the RISFB as defined in the Act include payments to former residents in order that they may avail of approved services, which include; mental health services, health and personal social services, educational services and a housing support service.

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

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

The Act also provides that the amounts paid into the investment account under S. 29 will not exceed €110 million plus any accrued interest, and that monies not required for the time being shall be invested. The cumulative amount received into the investment account to 31 December 2021 is €111,382,011 (2020: €111,382,011), including interest of €1,382,011.

STATEMENT OF COMPLIANCE

The financial statements of the RISFB for the period ended 31 December 2021 have been prepared in accordance with FRS 102, the financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council (FRC), as promulgated by Chartered Accountants Ireland.

BASIS OF PREPARATION

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

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

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

INCOME

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

PAYMENTS

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

PROPERTY, PLANT AND EQUIPMENT

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

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

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

CANCELLED PAYMENTS

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

CAPITAL ACCOUNT

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

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

GOING CONCERN

Section 29(4) of the Act provides that amounts paid into the investment account will not exceed €110 million, plus associated interest. At 31 December 2021, the cumulative value of cash contributions received from religious congregations was €111.38 million, including interest €1.38m, and the cumulative value of funds expended was €111.58 million after €307,759 in additional interest was earned since the fund was established. The Board had a cash balance of €164,089 and net assets of €138,538 at 31 December 2021. Caranua effectively closed as an operational organisation on 24th March 2021. The Board's term of office also ended on that date. A reconstituted Board was appointed from 25th March 2021 with administrative support provided by the Department of Education until the appointment of an administrative resource on 8th November 2021. Legislation is required to provide for the dissolution of the Board. It is understood that the planned legislation will provide for the transfer of any remaining assets and liabilities of the Board to the Department of Education.

On the basis of the above, the Board considers it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustment to the carrying amounts and classification of assets and liability that may arise if the Board was unable to continue as a going concern.

FOREIGN CURRENCIES

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

PENSIONS

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

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

CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the financial statements requires management to make judgements, estimates and assumptions that effect the amounts reported for assets and liabilities at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. There were no judgements required that had a significant effect on amounts recognised in the financial statements for the year ended 31st December 2021.

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

**NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 DECEMBER 2021**

2. INCOME

	2021	2020
	€	€
Amounts lodged to investment account under Section 29 (2) of 2012 Act	-	-
	<u>-</u>	<u>-</u>

	Cumulative to 31 December 2021	Cumulative to 31 December 2020
CUMULATIVE AMOUNTS	€	€
Congregations contributions received *	111,382,011	111,382,011
Interest earned	307,759	307,765
Transferred from Education Finance Board	29,490	29,490
Transfer to capital account	-	(3,127)
Payments to Survivors	(97,919,822)	(97,804,791)
Administration costs	(13,660,900)	(13,454,608)
Fund value at 31 December 2021	<u>138,538</u>	<u>456,740</u>

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

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

3. CASH AND CASH EQUIVALENTS

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

Since August 2013, amounts required to make payments are transferred to a commercial bank account. The balance on that account at 31 December 2021 was €164,089 (31 December 2020: €458,356) Prior to August 2013, amounts were transferred to City of Dublin ETB who made payments on behalf of the Board on an agency basis.

Funds not required to make payments may be invested. At 31 December 2021, €nil (31 December 2020: €nil) had been converted to Exchequer notes with the balance remaining in the NTMA investment account of €180 (31 December 2020: €6,226).

	2021	2020
	€	€
4. PAYMENTS TO SURVIVORS		
Housing Support	87,027	2,539,112
Health	26,535	2,193,615
Socially Active and Connected	1,817	130,994
Education, Learning and Development	(894)	10,558
Exceptional Needs	546	98,951
	<u>115,031</u>	<u>4,973,230</u>

*Included in the payments to survivors' total figure above are charges to the external firm tasked with generating EFT payments and anonymised cheques for provision to survivors. In 2021, the total charge amount in relation to this was €307 (2020: €9,254).

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

**NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 DECEMBER 2021**

5.	ADMINISTRATION COSTS	2021	2020
		€	€
	Salaries and Wages	101,493	817,253
	Telephone, postage, stationery	5,174	17,270
	Transport and couriers	722	1,057
	Travel and Subsistence – Staff (National)	-	223
	Travel and Subsistence – Staff (International)	-	-
	Travel and Subsistence – Board (National)	-	1,116
	Travel and Subsistence – Board (International)	-	-
	Rent and Service Charge	-	135,461
	Information Technology	20,115	114,911
	Light and Heat	-	10,020
	Maintenance and Relocation Costs	5,568	11,675
	Insurance	3,390	18,959
	Meeting and Conference Costs	-	1,116
	Legal Costs	24,500	48,304
	Accounting Services	8,610	10,938
	Audit Fee	7,000	20,000
	Internal Audit	-	8,056
	Other Consultancy	1,379	16,153
	General Expenses	669	8,380
	Communications	-	180
	Subscriptions and Memberships	2,034	4,831
	Printing and Publications	-	2,496
	Bank Charges	819	4,604
	Staff Training and Development	-	4,584
	Recruitment Costs	-	-
	Appeals Officer	2,200	11,400
	Depreciation	3,127	13,209
	Prompt Payment Interest	-	-
	Redundancy and Other	19,512	39,332
	(Profit) / Loss on Disposal	(20)	40,410
		206,292	1,361,938

Included in Administration Costs is an amount of €2,200 (2020: €11,400) representing amounts that the Minister has requested to be drawn down from the Investment Account to make payments to the Appeals Officer under Section 31(3) of the Act.

Redundancy and Other includes statutory redundancy payments totalling €19,512.

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

**NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 DECEMBER 2021**

5(a)	STAFF COSTS	2021	2020
		€	€
	Salaries and Wages	101,493	817,253
	Travel and Subsistence	-	223
	Redundancy Costs	19,512	38,122
		<u>121,005</u>	<u>855,598</u>

An additional superannuation contribution of €4,050 (2020: €32,387) was deducted from salaries during the year. No overtime payments were paid in 2021 (2020: €nil). Statutory redundancy totalling €19,512 was paid during the year as staff numbers were reduced as part of the wind-down of operations.

Average staff members during the period	2021	2020
Seconded Staff	0	0
Temporary Agency Staff	0	0.25
Fixed term / Purpose Contract Staff	1.22	16.02
	<u>1.22</u>	<u>16.27</u>

5(b) EMPLOYEE BENEFITS BREAKDOWN

Range of total employee benefits		Number of Employees	
From	To	2021	2020
€70,000	- €79,999	-	2
€80,000	- €89,999	-	-
€90,000	- €99,999	-	-
€100,000	- €109,999	-	1
Total		<u>-</u>	<u>3</u>

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

**NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 DECEMBER 2021**

	2021	2020
5(c) BOARD EXPENSES	€	€
Travel	-	915
Subsistence / Meals	-	81
Accommodation	-	120
	-	1,116

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

ANALYSIS OF BOARD MEMBER EXPENSES

Board Member	Vouched Expenses	Meetings Attended
	€	(of 4 held)
David O'Callaghan	-	4
Damian Casey	-	4
Frances Harrington	-	4
Francis W. Treanor BL	-	4
Katherine Finn BL	-	3
Patricia Carey	-	4
Thomas Daly	-	4
Phyllis Morgan-Fann	-	-
Richard Heeney	-	-
	-	

A reconstituted Board was appointed from 25th March 2021 comprised of Ned Costello (Chairman), Patricia Carey, Francis W. Traenor BL and Richard Heeney.

Board Member	Vouched Expenses	Meetings Attended
	€	(of 3 held)
Ned Costello	-	3
Patricia Carey	-	3
Francis W. Treanor BL	-	3
Richard Heeney	-	-

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

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

**NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 DECEMBER 2021**

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

	2021	2020
	€	€
Chief Executive Officer basic	22,734	100,044
All in cost of the Chief Executive Officer total remuneration package	22,734	100,044

The Chief Executive Officer claimed travel and subsistence expenses in 2021 amounting to €nil (2020: €51).

The Chief Executive Officer received no performance related pay. The Chief Executive Officer's pension entitlements do not extend beyond the standard entitlement in the model public sector defined benefit superannuation scheme.

	Computer Equipment and Software	Office Furniture & Fittings	Total
6. PROPERTY, PLANT AND EQUIPMENT	€	€	€
<u>Cost</u>			
As at 1 January 2021	92,230	-	92,230
Additions	-	-	-
Disposals	-	-	-
As at 31 December 2021	92,230	-	92,230
<u>Depreciation</u>			
As at 1 January 2021	89,103	-	89,103
Charge for the period	3,127	-	3,127
Disposals	-	-	-
As at 31 December 2021	92,230	-	92,230
Net Book Value at 31 December 2021	-	-	-
Net Book Value at 31 December 2020	3,127	-	3,127

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

**NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 31 DECEMBER 2021**

7. RESERVES	Capital Account €	Fund Account €	Total €
As at 1 January 2021	3,127	456,740	459,867
Amounts applied for purchase of fixed assets	-	-	-
Amortisation in line with asset depreciation	(3,127)	-	(3,127)
Sale of Assets	-	-	-
Decrease in fund during the year	-	(318,202)	(318,202)
Balance at 31 December 2021	<u>-</u>	<u>138,538</u>	<u>138,538</u>

8. DEBTORS AND PREPAYMENTS	As at 31 December 2021 €	As at 31 December 2020 €
Prepayments	-	4,237
Debtors	5,000	28,000
Accrued Interest	-	(40)
Cancelled payments recoverable	3,515	69,681
	<u>8,515</u>	<u>101,878</u>

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

9. CREDITORS AND ACCRUALS (amounts falling due within one year)	As at 31 December 2021 €	As at 31 December 2020 €
Creditors	-	43,519
Committed Payments to Survivors	-	21,002
Other Accruals	34,246	45,199
	<u>34,246</u>	<u>109,720</u>

RESIDENTIAL INSTITUTIONS STATUTORY FUND BOARD

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 DECEMBER 2021

10. OPERATING LEASE

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

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

At 31st December 2021, the Board had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2021	2020
	€	€
Payable within one year	-	-
Payable within two to five years	-	-
Payable after five years	-	-
	<hr/>	<hr/>
	-	-

11. RELATED PARTY DISCLOSURES

Key management personnel in the Residential Institutions Statutory Fund Board consist of the CEO and members of the Board. Total compensation paid to key management personnel, including board members expenses and total CEO remuneration, amount to €22,734 (2020: €101,131). For a breakdown of remuneration and benefits paid to key management personnel, please refer to Note 5.

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

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

12. CONTINGENT LIABILITIES

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

13. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board at its meeting on 7 June 2022.