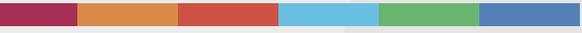


# 2015 | ANNUAL REPORT

Central  
Remedial  
Clinic



Central Remedial Clinic



# MISSION, VISION & VALUES

## OUR MISSION

Working together to make a positive difference to the lives of people with disabilities, their families, and carers.



mission

vision

values

## OUR VISION

That people with disabilities achieve their potential and live full lives as equal and valued citizens.

## OUR VALUES

People are at the heart of what we do: our clients, their families and carers, our staff and volunteers.

We value the trust placed in us and we carry at our core the principles of openness, respect, empowerment and excellence.

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## DIRECTORS' ANNUAL REPORT & FINANCIAL STATEMENTS

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# CHAIRPERSON'S STATEMENT

1

## I am pleased to present the Central Remedial Clinic's (CRC) annual report.

In 2014 we commenced the process of establishing clear, strong and transparent governance structures for the CRC. During 2015 we continued this process and created additional Board sub committees for Quality, Safety and Risk, for Governance and for Investment. We extended the remit for the Remuneration Committee to include Board Nominations & Appointments. We developed a new CRC Directors Handbook which detailed all aspects of the CRC directors' roles, duties, responsibilities and liabilities within the context of the current law and good practice. We undertook self-assessments against the Corporate Governance Code for Community, Voluntary and Charity Organisations in Ireland and took action where needed.

I am pleased to report that, as a result of this work, in August 2016, the CRC was compliant with the Principles of the Governance Code and has been added to the register of Compliant Organisations on the Governance Code website.

2015 also saw the development of a Service User Council and four Service User advocacy groups and we established a process of engagement with CRC management and the Board.

The improved, accountable and transparent, governance structures we have put in place are important to an organisation like the CRC but are not an end in themselves. The CRC has always prided itself as being one of the largest organisations in Ireland dedicated to the achievements, wellbeing and health of people with physical disabilities. Providing a first class service to our clients, and supporting their parents, carers and families, is ultimately what we are about.

With the changing needs of our client base, improvement in technologies, changes in Government policies (e.g. New Directions and National Progressing Disability Services), growing and improving our services into the future is an important focus for us all and our stakeholders. To that end, in 2015, we commenced the development of a 5 year strategic plan for the CRC. This entailed

wide ranging consultation and engagement with our stakeholders and will culminate in the official launch, during the latter half of 2016, of the CRC 5 Year Strategic Plan (2016-2020).

Although we receive our core funding from government agencies, the CRC continues to rely on the goodwill and the generosity of the public. The excellent work of The Care Trust, in their fundraising of behalf of the CRC, supports many equipment and capital projects in the CRC. Money from The Care Trust has allowed us to address some of the critical infrastructure issues with our existing premises. 2016 will see an acceleration in the number of projects funded through this means, allowing us to further enhance the facilities and services for our clients.

With the changes implemented during 2014 and 2015 and the impending launch of the CRC strategic plan, in 2016, I believe the CRC is now well positioned for the future. However, now is not the time to relax. Heraclitus, a Greek philosopher, is quoted as saying "change is the only constant in life." And so it is for the CRC. In an ever changing world and environment, CRC will continue to implement change to ensure we continue to provide and improve our services to our clients, their parents, carers and families.

I would, once again, like to recognise the staff at the CRC who, during the large change transformation program the CRC is undergoing, continue to provide our clients with the services they need, and deserve, in the professional manner they have come to expect. I would also like to thank the public at large for their continued understanding and support.



A stylized, handwritten signature in black ink, appearing to read 'K Timmins'.

Kieran J Timmins  
Chairperson

# CHIEF EXECUTIVE'S REVIEW

# 2

**2015 was a year of consolidation, review and planning for the CRC. The first full year as CEO was busy and rewarding. We focused on our people, on enhancing our services and we listened to how we can make things better.**

We focused on a review of internal policies, procedures and processes and set our thoughts to the future direction of the CRC.

The Board continued to consider a number of the legacy issues inherited from the previous Board and the new management team endeavoured to work through a number of the outstanding issues. There were some quick and immediate changes in governance and management that were required in order to ensure that services were compliant, safe, and that rigorous scrutiny was applied to all areas.

The staff of the CRC has embraced and welcomed the changes enthusiastically and openly. New external auditors were appointed and the organisation set about commissioning an internal audit function for the first time in the history of the CRC. This has enabled the management team to work through a number of developments enhancing the controls and ensuring robust management of all our resources. The management team has also delivered on changes within the overall structure of services and developed new systems of accountability, communication and reporting at every level.

We spent time this year listening to staff and service users and carried out a comprehensive staff survey to hear where we could do better and what in the staffs opinion needs attention. We worked together with our adult clients and established a service user council and worked with the schools in helping the principals develop the parent and student voice to help in how the school communities work. We are planning to carry out a comprehensive client survey in 2016 to further inform this essential work.

We have been very busy this year; our adult clients have attended the CRC services over 32,000 times and this year saw significant emphasis being placed on moving activities into people's own communities and working on peoples individual goals. Children attended the CRC services over

79,000 times this year across our medical, therapy and specialist services.

We commenced the development of a strategic plan for the CRC for the next 5 years, we engaged in considerable communication and consultation with all of our stakeholders and we will see the fruition of that come to life in 2016.

We have lots more to do and we are committed to getting there, more importantly we are making significant in-roads in building up the trust of our clients, our staff, our funders and the Irish public and we aim to be an organisation underpinned by robust, transparent systems and processes.

We spent money on our buildings addressing some critical infrastructural issues and enhanced the environment adding to everyone's experience of the CRC.

The struggles and the challenges faced and overcome by the children, families and adults who use our services on a daily basis continues to inspire the work we do. We celebrate the progresses made and we share in the highs and the lows. The spirit of who we are is now embodied in the mission and values of the CRC and our commitment is to live them every day.



**Stephanie Manahan**  
CEO



Stephanie Manahan pictured with Rosario Mayne

# STRUCTURE GOVERNANCE & RISK MANAGEMENT 3.1

The Central Remedial Clinic (CRC) is a company limited by guarantee and does not have a share capital. It is governed by a constitution made up of a Memorandum and Articles of Association last updated at the Extraordinary General meeting on the 6th of October 2014.

## Members

In 2014, following the appointment of the new Board of Directors the Company had only six members which was below the statutory minimum number of members then required under Company law for a company limited by guarantee. Those six members resigned immediately after the Annual General Meeting for 2014. In accordance with the Company's Articles of Association, the Board appointed new members from their number, such

members having agreed to be appointed as an interim measure. In 2015 following the enactment of the Irish Companies Act 2014 the statutory minimum number of members required was reduced to 1, the Irish Revenue require a minimum of 3 members for a charity. The CRC amended the articles of association and 3 members from their number continue to be appointed.

## Directors

For the period of 01/01/2015 to 31/12/2015



Mr. K. Timmins  
(Chairperson)



Mr. S. Hickey



Ms. C. McElhinney



Ms. C.A. Casey  
(Vice-Chairperson)



Mr. T. Fleming



Ms. F. Mahon  
(Company Secretary)



Mr. M. MacLachlan



Mr. T. Quinn



Mr. R. Vard  
(appointed 22/01/2016)



Mr. D. Daly



Ms. E. Moriarty Crowley



Ms. R. Gageby  
(appointed 22/01/2016)

## Governance

The Board of Directors of the Company is responsible for the overall control, governance and management of the Central Remedial Clinic ('the Company' or 'CRC').

We, the Board, are committed to transparency and accountability and have this year overseen the adoption of the new accounting practice in accordance with best practice for charitable and not for profit entities. The Charities Statement of Recommended Practice (SORP) FRS102 has been adopted for this set of accounts.

We have restated the 2014 accounts in line with the Charities SORP and have endeavoured to comprehensively comply with all aspects of the new practice with this annual report.

2015 gave the CRC space for the establishment of governance and management arrangements to evolve for the company. The Board committees identified and delivered on a number of work streams and the executive established clear reporting lines, enhanced internal controls and accountability throughout the CRC. A robust risk, quality and health and safety framework was also established and committees and people at every level of the organisation were engaged in work streams to deliver on quality and risk management.

The company commenced a strategic review of all of its services and commenced a planning process in collaboration with all key stakeholders on planning for the future of the CRC and delivering a strategic plan for the next 5 years.

The Board delegates the day to day management of the CRC to the executive management team which is led by the CEO, Stephanie Manahan supported by a senior management team and other management structures and groupings.

The new service arrangement 2015 to 2018 with the Health Service executive ('HSE') was agreed and signed and the company delivered on all of its responsibilities within that arrangement for the period 01/01/2015 to 31/12/2015.

We confirm that our organisation complies with The Governance Code for the Community, Voluntary and Charitable Sector in Ireland.

The CRC is fully compliant and registered with the Charity Regulatory Authority. The CRC is up to date with the requirements of the HSE Compliance statement for Section 38 agencies.

The Board met on 7 occasions for scheduled Board meetings. In addition the Board held 3 teleconferences and 2 strategy meetings during 2015.

### Board Directors

### attendance

Kieran J Timmins (Chairperson)	6/7
Carol Ann Casey (Vice Chairperson)	7/7
Damien Daly	6/7
Tom Fleming	7/7
Seán Hickey	5/7
Fiona Mahon	6/7
Emer Moriarty Crowley	6/7
Malcolm MacLachlan	6/7
Chris McElhinney	6/7
Tom Quinn	7/7
Rebecca Gageby (appointed 22/01/2016)	
Robert Vard (appointed 22/01/2016)	

### Board Sub Committees

The Board has created a number of sub committees assigned with responsibility for specific areas. Each sub committee has at least three members and has approved Terms of Reference. The sub committees generally make recommendations to the Board unless they are specifically delegated authority to make decisions. The CEO and members of the senior management team are in attendance at the sub committee meetings.

The following committees have been in operation during the financial year:

### Board Remuneration & Nomination Committee

The Remuneration and Nominations Committee on behalf of the Board of the Central Remedial Clinic, satisfy itself that key remuneration and nominations processes, controls and judgements are adhered to in the best interests of the Company.

The committee met on 3 occasions throughout 2015 and the key achievements and focus were as follows:

- ▶ Edited the Terms of Reference of this Committee at its first meeting in 2015 to permit nominations to the Board which led to two appointees to the Board
- ▶ Substantial consideration of the pensions matter in 2014 and 2015, which ultimately moved to the Board agenda
- ▶ Consideration of the former CEO legacy matter throughout 2015, which ultimately moved to the Board for final decision
- ▶ Consideration of the public pay policy for senior executives
- ▶ Consideration of senior executive staff issues that were deemed relevant to this Committee

*The priorities for 2016 are:*

- ▶ Implementation, recommendations and oversight of succession planning for the Board and executive team
- ▶ The ongoing review of Board competencies and Nominations
- ▶ Approval of key staff policies
- ▶ Oversight of key human resource risks on behalf of the Board

*For the period from 01/01/2015 to 31/12/2015:*

#### Remuneration & Nomination Committee attendance

Ms. C.A. Casey (Chairperson)	3/3
Mr. K. Timmins	3/3
Mr. T. Fleming	3/3
Mr. M. MacLachlan	3/3

*All 3 meetings held during 2015 were via teleconference.*

### Board Audit Committee

The Audit Committee is an advisory committee to the Board and must satisfy itself, on behalf of the Board that key financial controls are operating, that ethical practices in financial reporting are being reinforced, that key accounting estimates and judgements are being properly made and that internal and external audits are effective whilst cognisant of the fact that the management of the CRC are responsible for the internal controls and financial statements.

The committee met on 7 occasions during the year with the focus on the following:

- ▶ Recommendation of the 2014 Financial Statements for sign off by the Board
- ▶ Appointment of external advisors, Deloitte, to act as Internal Auditors reporting to the Audit Committee
- ▶ Appointment of BDO to act as external auditors to the CRC on completion of the term by E&Y

*The priorities for 2016 are:*

- ▶ Review of the 2015 Financial Statements cognisant of reporting changes required by Charities SORP FRS102
- ▶ Documentation of the Internal Control Framework and Financial Authority Levels
- ▶ Review of financial risk management processes

*For the period from 01/01/2015 to 31/12/2015:*

Audit Committee	attendance
Ms. C. McElhinney (Chairperson)	7/7
Mr. S. Hickey	5/7
Ms. E. Moriarty Crowley	6/7
Mr. D. Daly	7/7

*Meetings were held in person but included attendance facilitated by teleconference.*

### Board Quality, Risk & Safety Committee

The purpose of the Committee is to oversee quality and safety across the CRC on behalf of the Board. To seek assurance that necessary standards, systems and actions relating to quality and safety are being taken throughout the service and that the reporting and monitoring are carried out. To support the Quality and Safety executive team to develop a culture of Quality and Safety within the CRC.

The committee met on 1 occasion during the year with the focus on the following:

- ▶ Establishment of the Committee
- ▶ Agreement of the Committee Terms of Reference
- ▶ Review the CRC Risk Register and associated controls

*The priorities for 2016 are:*

- ▶ Oversight and review of the Risk Register and associated controls
- ▶ Approval of relevant Health Safety & Risk Policies
- ▶ Integration of Risk with the Audit Committee
- ▶ Enhancement of the Committee membership

*For the period from 01/01/2015 to 31/12/2015:*

<b>Quality, Risk &amp; Safety Committee</b>	attendance
Ms. F. Mahon (Chairperson)	1/1
Mr. S. Hickey	1/1
Mr. M. MacLachlan (appointed 31/08/2015)	1/1

### Board Governance Committee

The Board Governance Committee, on behalf of the Board of the Central Remedial Clinic (CRC), make recommendations to the Board on governance policy and compliance.

The committee met on 1 occasion during the year. The achievements for 2015 were:

- ▶ the establishment of the committee
- ▶ the commencement of work on the CRC Board handbook
- ▶ oversight of the self-assessment of the Governance Code for the Community and Voluntary sector.
- ▶ Acknowledged as being on the adoption journey for compliance with the Governance Code for the Community and Voluntary sector.

*The priorities for 2016 are:*

- ▶ Seek approval for Terms of Reference
- ▶ Develop Work Programme
- ▶ Seek approval for Board Handbook as a working document

*For the period from 31/08/2015 to 31/12/2015:*

<b>Board Governance Committee</b>	attendance
Ms. E. Moriarty Crowley (Chairperson) (appointed 31/08/2015, resigned 6/11/2015)	1/1
Ms. C.A. Casey (appointed 31/08/2015)	1/1
Mr. K. Timmins (appointed 31/08/2015)	1/1
Mr. M. MacLachlan	1/1
Ms. R. Gageby (Chairperson) (appointed 14/03/2016)	

### Board Investment Committee

The Board Investment Committee, on behalf of the Board of the Central Remedial Clinic (CRC), make recommendations to the Board on investment of surplus funds.

The committee met on 1 occasion during the year by teleconference. A chairperson was appointed at this meeting. The current focus of the committee is to invest the funds that are expected to be transferred from Friends and Supporters of the CRC.

*For the period from 01/01/2015 to 31/12/2015:*

<b>Investment Committee</b>	attendance
Mr. D. Daly (Chairperson) (appointed 26/08/2015)	1/1
Mr. K. Timmins (appointed 26/08/2015)	1/1
Mr. T. Fleming (appointed 26/08/2015)	1/1

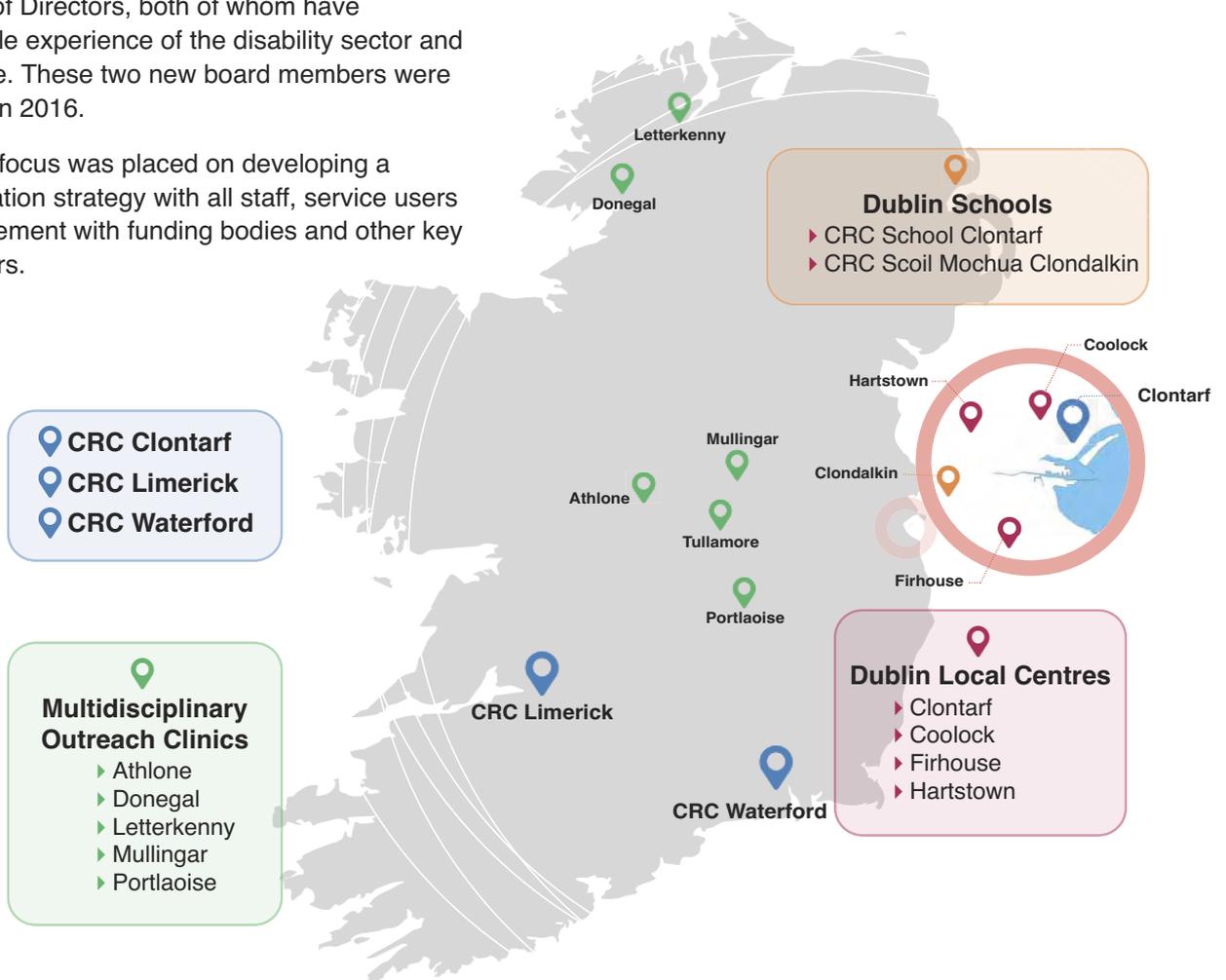
# REVIEW OF THE DEVELOPMENT & PERFORMANCE OF THE CRC

The CRC is a national centre providing a comprehensive range of services for children and adults with physical and other disabilities across a number of locations in Ireland including Dublin, Limerick and Waterford with outreach and specialist services extending to other regions across the country. 2015 saw the continuation of the CRC's commitment to expert care and treatment and delivered services to 4,000 children and adults, their families and their carers. The detail of which is expanded upon in the pages of this annual report.

The Board enhanced the expertise among its numbers and in 2015 recruited two new members to the Board of Directors, both of whom have considerable experience of the disability sector and governance. These two new board members were appointed in 2016.

Significant focus was placed on developing a communication strategy with all staff, service users and engagement with funding bodies and other key stakeholders.

The CRC's services are primarily funded by the HSE and The Department of Education and Skills ('DES') and we rely on this funding to deliver the services we provide to our clients. To this end the CRC engaged in a number of service level agreements with its principal funder, the HSE, through which activity and performance was continuously monitored throughout the year. The CRC submits monthly IMR returns to the HSE and meets regularly with the HSE to discuss activities, finance, HR and other service related matters.



# PRINCIPAL RISKS & UNCERTAINTIES

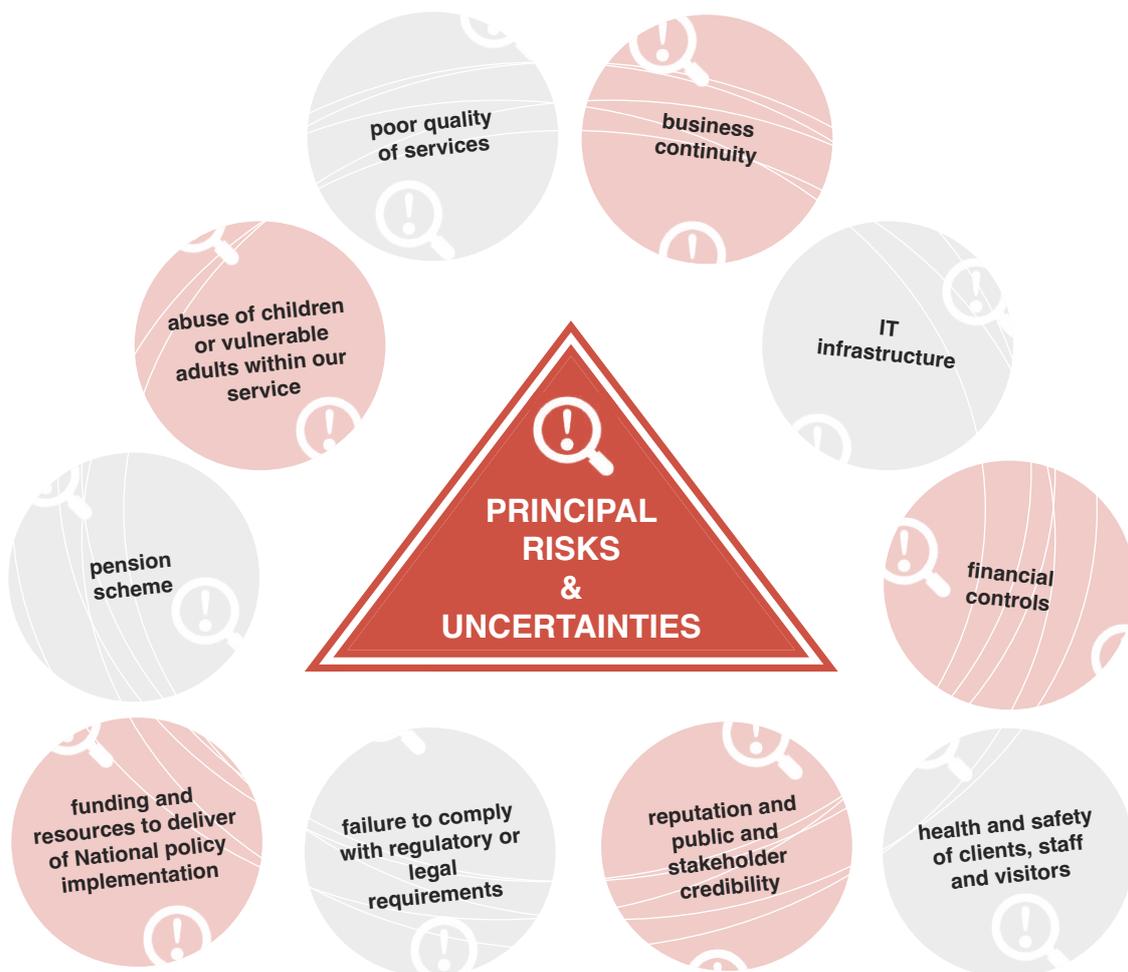
In the CRC we work with children, young people and adults with a broad range of disabilities. The Directors, CEO and staff are acutely aware of the requirements under child protection and the protection of vulnerable adults in assessing the risk profile of the organisation.

We continue to assess and re-evaluate the risk framework for the organisation and this is supported by our ongoing commitment to our risk assessment processes, training and controls and our commitment to ensuring resourced services across all of our functions.

We have a risk framework supported by a robust governance system and we review our risk register regularly enabling us to monitor the controls in place and adjust risk scoring as necessary.

A member of the Audit committee is a member of the Quality, Safety and Risk committee and this further enhances the comprehensive overview of integrated risk management across the CRC.

We believe that the following risks and uncertainties are the principal risks that may have the most significant impact on the performance of the CRC.



A number of the key financial risks are detailed in the financial review

These risks are detailed in a risk register and reviewed throughout the year. A significant number of controls are in place to mitigate the risks as detailed; including but not exhaustive:



# ACHIEVEMENTS & PERFORMANCE

# 3.2

The CRC provides a broad range of services to children and adults with disabilities. Children can be referred to our specialist services from birth and they may have a relationship with the CRC for a lifetime. We respect and honour this relationship and we endeavour to work closely with children and their families to best meet the specific needs of every child.

Some of the children live locally and within the Dublin region while others can attend outreach clinics provided nationally or in our Waterford and Limerick locations. Our specialist and children's services provide regular and ongoing support and advice to colleagues across the country and we provide and run training programmes in the specialist areas of physical disability.

The development and re-organisation of children's services nationally will have an impact on how the traditional services of the CRC have been delivered over the years. We are working closely with the HSE as we move towards reconfiguring children's services in line with the National Policy of Progressing Services for Children and Young Adults. Detailed plans will emerge on this in 2016.

Our adult services are located and delivered in the Dublin region and people can be referred by other services or by themselves. The philosophy of the adult service provision is informed by the National Policy on New Directions and is all about working with adults in achieving their individual goals and priorities. We encourage independence and we have focused particularly this year on enhancing the training programmes and work preparation services while also reviewing our centre based services provided out of four locations in Dublin.

Our schools continue to grow and develop. Our school communities are encouraged to develop an independent identity in-keeping with developments in education whilst still remaining connected to the CRC and the traditions of our mission and values,

In the pages that follow we take a look at the highlights for the different service areas and introduce some of our people.



Joshua Connolly with his mother Yvette.



Tommy Holohan with his sister.

# CHILDREN'S SERVICES

CRC provides a comprehensive range of therapy and medical services designed to meet the needs of the child with complex and rare conditions. CRC has a strong emphasis on research, training and education into physical disabilities including complex and rare medical conditions.

The child who has a physical disability is at the centre of CRC clinical services. The focus is on developing their independence and enjoyment and participation in day to day life. The aim is to support both families and their children become stronger and more resilient and to develop their full potential so that they and their families can lead more fulfilling lives.

Significant work commenced in preparing the CRC, the staff and the parents for reconfiguration of services within the model of care as detailed in the National Policy on Progressing Disability services for children and young adults.

Our staff are from a wide range of medical, therapy and social care backgrounds, they are supported in continuing professional development and are involved in ongoing education and research.

We train students in both undergraduate and post-graduate training and are committed to supporting colleagues nationally through outreach and support.

## meet Juliana

Juliana Rose Corkish arrived into our world on the 12th August 2013. Although we were all very excited about her arrival, we had been informed that she would have a long changeling journey ahead of her due to having Spina Bifida Myelomenigocele and Hydrocephalus.

Our first introduction was with the social work department in the CRC Clontarf who gave us hope and belief for Juliana. The overwhelming support and personal engagement they gave to us as a family and to our daughter helped us to see we were not alone. Knowing that we had their support and experience meant the world to us.

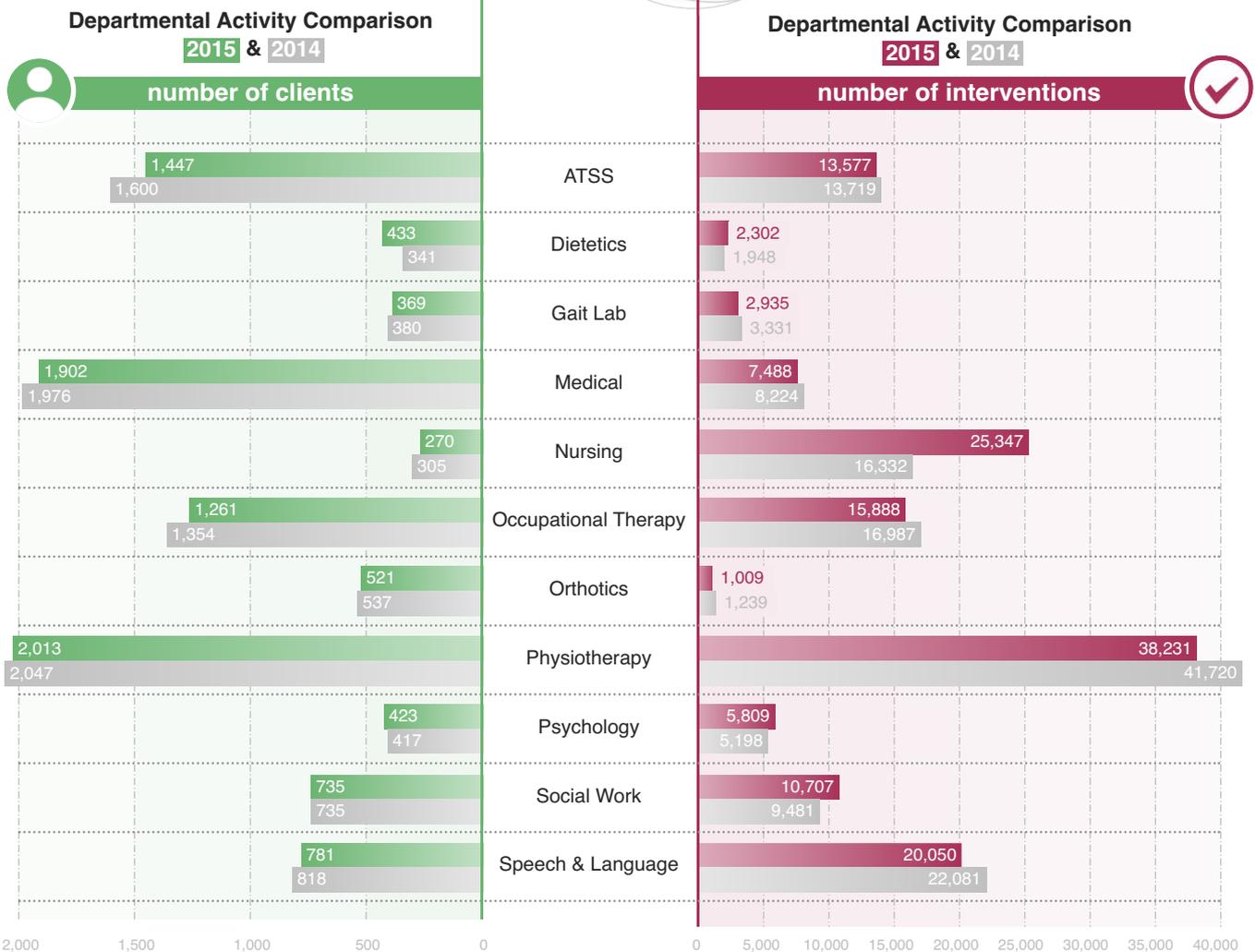
Juliana's journey with the CRC began when she 3 months old with Physical and Occupational Therapy both of which dramatically helped to strengthen and promote both physical and cognitive development. The staff in the Physiotherapy and Seating departments encouraged her to be a confident wheelchair user and taught her how to use all her supports to the best of her ability.

The CRC has become a second home for us. Since she was a baby we have attended the parent and toddler group which has been a life line for me and a way for Juliana to make many friends. She is thriving in this caring, educational community and is looking forward to starting the CRC preschool this September.

We are forever grateful to all involved at the CRC and witness her progress every day. Thank you.



Clinical services are provided from Clontarf, Clondalkin and Waterford with outreach clinics in North West and Midlands areas. Assessments and interventions take place in the child's home, crèche, pre-school and school.



# PROGRESSING DISABILITIES SERVICES

There has been a national relook at how services are provided to children in Ireland who present with a range of disabilities: Physical, Sensory, Intellectual and Autism. There are a variety of service providers and structures across the country and there are some children who have no access to a service. The aim now is for a more streamlined structure which is consistent across the country.

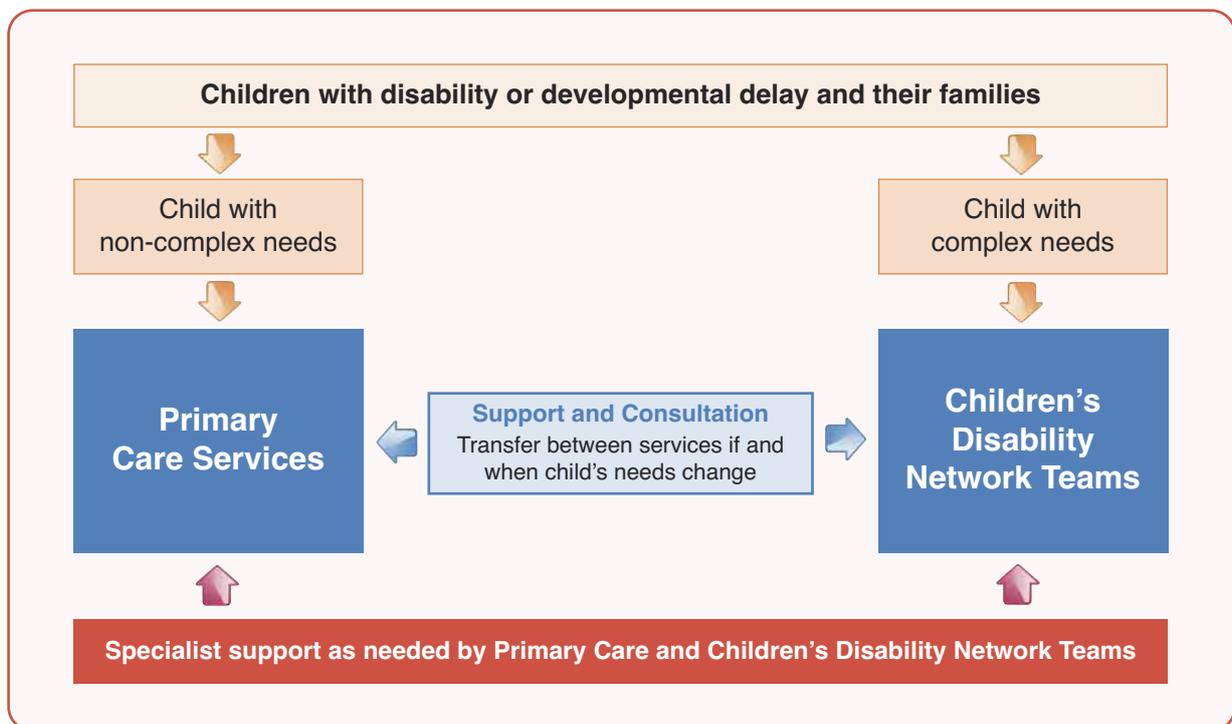
*“The programme ‘Progressing Disabilities Services for Children and Young People’ aims to achieve a national unified approach to delivering disability health services, so that there is a clear pathway for all children and equitable access for children ... regardless of where they live, what school they go to or the nature of their disability.”*

- HSE, Progressing Disability FAQ

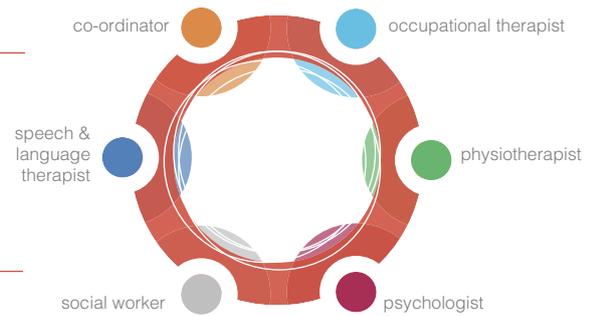
Some children may have their needs met by their local Primary Care services. An early intervention and school aged team will cater for children with more complex needs and these teams will be supported by specialist services when a high level of expertise is required.

The CRC are working together with the voluntary agencies and HSE to deliver this model across the country. The Government has allocated €6m in Budget 2015 equating to 120 additional posts nationally to support the process. The plan is to provide services for all children with a range of disabilities in their local area.

CRC have already a School aged Disability Team based in Clontarf which looks after children with autism intellectual disability and physical disability in a defined geographic area.



# SCHOOL AGE DISABILITY TEAM



In January 2015 the recruitment of the School Age Disability Team began. The team, consisting of an Occupational Therapist, Physiotherapist, Psychologist, Social Worker and Speech and Language Therapist took up their posts and became involved in the process of planning the Interim School Age Disability Team in the CRC. The CRC team is one of 4 teams established in the lead agencies in North Dublin City and County, CHO 9. The other teams are in St Michael's House, The Daughters of Charity and the HSE.

The model is based on family centred practice and there is a strong emphasis on identifying outcomes, priorities and goals in collaboration with parents and children. The framework used to identify these outcomes is the Routines Based Interview (RBI) and the Individual Family Support Plan (IFSP). Training in how to conduct the RBI took place over 3 days in the summer. The co-ordinator of the SADT was appointed in September and the team then came together formally and took up residence in their shared office space.

In October health care and education professionals and parents were informed that the 4 teams had been established and were open to receiving referrals. From this time the CRC SADT began the process of responding to the needs of children with complex needs who up to this point had not been receiving an appropriate disability service.

The team has been inundated with referrals and the last quarter of 2015 was a busy time. By the end of 2015 many families had been visited by therapists and had an opportunity to identify goals for their child and family. The team very quickly adapted to working as an inter-disciplinary team and has really enjoyed the opportunity to share the responsibility of identifying the needs and appropriate pathways for the children and families. The response from parents has been great; they have had to be resourceful and have been dedicated to supporting their children as they struggle with many aspects of their lives. The SADT hopes to support them in ensuring that their children receive appropriate intervention that is specific to their needs.

meet our  
**TEAM**



# ADULT SERVICES

2015 has been an exciting year for Adult Services CRC and a lot has happened. Adult Services CRC provides a variety of services, from Education and Training to Local Centre services. In 2015 over 320 adults were supported by the service, either through the Local Centres or through the Training and Development Centre. The focus over the last year in line with New Directions has been to work with the students and adults in supporting them to develop and achieve their goals in their Person Centred Plans. The adults attending the service, with the support of the staff, have been focusing on areas such as active participation in the community, advocacy, volunteering and accessing mainstream education. Through the Person Centred Plans the adults are supported to try out new situations, new activities and encouraged to develop new social roles within their local communities.

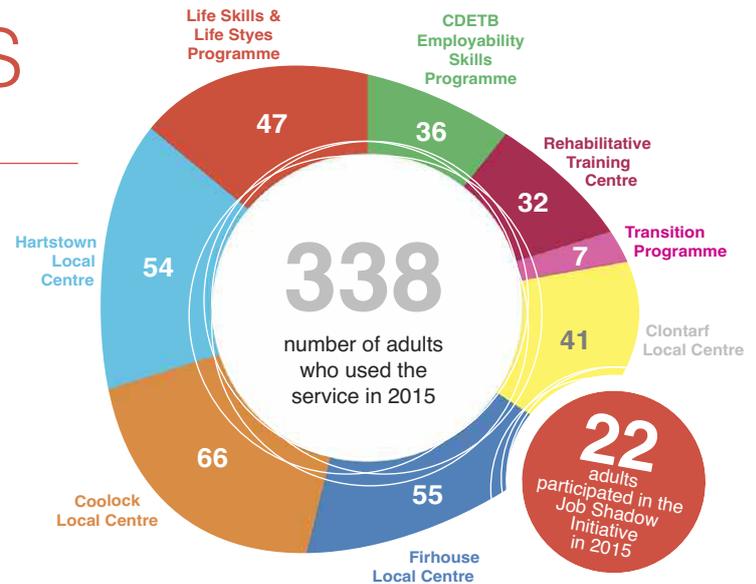
## CRC Local Centres

Local Centres are situated in Coolock, Clontarf, Hartstown and Firhouse. The adults attending the service get to experience a wide range of subjects, such as developing their literacy, numeracy and improving their health and wellbeing. They are also involved in classes such as drama, yoga, music, art, choir, crafts and relaxation. Throughout the year adults have the opportunity to stay over in Cuisle and they get to visit many different parts of Dublin/Ireland on trips out.

Adults in the Local Centres have the opportunity to express themselves through the mediums of drama and art throughout the year. They have the opportunity to perform in plays within the local community and to showcase their fabulous artwork in exhibitions.

## Employability Skills Programme

A large part of the Employability Skills Programme is work experience, which prepares the students for the world of work and it gives them the opportunity to sample areas of work that they are interested in



pursuing. The students from this programme progress to further education, employment or further their experience through volunteering.

## Transition Programme

The Transition Programme is a 2 year programme for school leavers and it focuses on building an individualised service for the students. Students get to devise their timetable in conjunction with their Keyworker. They can choose one to one support with their keyworker or get involved in group activities. Each Transition student has a person centred plan and while on the programme they work towards achieving their goals with the support of their keyworker and their family.

## Life Skills and Life Style Programmes

On the Life Skills and Life Style Programmes adults focus on a variety subject areas literacy, numeracy, computers, history, knitting, sewing, healthy living, food and cookery, current affairs, art, music, gym, Karate, drama, choir, independent living skills, shopping, money management and swimming.

Community involvement such as work experience and volunteering is also a large part of this programme and we encourage and support the adults to broaden their horizons and try new experiences.

## meet Thomas

I love it because I get to meet people, and I like the people I work with.



My name is Thomas Cahill. I am on the Life Skills programme in the Central Remedial Clinic in Clontarf. I started working as a voluntary receptionist at the New Life Centre in Darndale which is close to my home in Darndale. I was on a visit to the New Life Centre with another service user and the Community Link Worker when I heard about a computer course starting the following Monday, so I put my name down for it.

On the first day I was a bit nervous because I had never done it before but now I'm ok because I'm used to it. I also did some phone and IT skills in the CRC in preparation for starting. I have learnt basic reception skills. I am going to continue this for the future because I think it is really good to learn new skills that will help you in life.

## meet Linda

My goals were achieved with help from my family and my key-worker



Service Users Council: Linda Ahern (Chairperson), Maeve Kelly, James Leahy (standing) in front of James Agnes Martin, James Reade and Michael McGeeley.

My name is Linda Ahern and I am a service user who attends the Firhouse centre on three days a week. I have achieved two of my three goals that I set for myself over six months ago on my Personal Centred Plan (PCP).

My first goal was to return to being a Minister of the Eucharist in my local parish Church of Kimmage Manor. The other was to be a voice for the service users within the CRC, I am now working on the Service Users Council and I was elected Chairperson.

# SPECIALTY SERVICES

The CRC delivers a large range of specialist medical, therapeutic and technical services throughout Ireland. Over the last sixty years the CRC's specialist teams and individual departments have developed a unique expertise and knowledge base in managing some of the very complex problems which are associated with physical disability. These multidisciplinary teams operate in a highly integrated way, with several specialised teams working in close partnership with the national paediatric and adult tertiary hospitals. They provide an invaluable support to medical and therapy teams throughout the country to assist them in delivering the highest quality of care to people with complex physical disabilities in local areas.

In addition to support by specialist teams, a very important element of specialist service provision includes therapist-to-therapist support for complex problems where CRC personnel have specific expertise due to their many years of experience in dealing with a high throughput of people with complex physical disabilities.

As well as providing these specialist services in Dublin, the CRC is committed to delivering care as closely as possible to where a person lives through; permanent regional location in the South East and Mid West, outreach clinics throughout the country, and, innovative and award-winning initiatives such as the CRC's Mobile Gait Laboratory.

The development and future of specialist services in the CRC is underpinned by the Clinic's commitment to maintaining staff skills through the promotion of research and on-going education. In the best interests of its clients CRC personnel continually strive to share their experience, skill-set and knowledge base with all stakeholders through formal and informal learning and development processes.

The current specialist services include:

- ▶ Specialist Multidisciplinary Clinics, including;
  - Brachial Plexus
  - Feeding, Eating, Drinking & Swallowing (FEDS)
  - Intrathecal Baclofen Pump
  - Neuromuscular
  - Orthopaedic (upper & lower limb)
  - Spasticity Management
- ▶ Specialist Occupational Therapy
- ▶ Specialist Physiotherapy & Hydrotherapy
- ▶ Specialist Speech and Language Therapy
- ▶ Augmentative & Alternative Communication (AAC)
- ▶ Medical Consultancy, including;
  - paediatrics
  - child development
  - neurosurgery
  - orthopaedics
  - neurology
  - adult rehabilitation
- ▶ Assistive Technology and Specialist Seating
 

The Assistive Technology and Specialised Seating Department is a national, regional and local specialist consultative service operating from four bases – Clontarf and Clondalkin in Dublin, and in Limerick and Waterford and in over twenty outreach bases.
- ▶ Gait Laboratory
 

The Gait Laboratory conducts expert assessment of a person's gait and based on this assessment offers advice to referring clinicians on the management of their clients.

The service is supported by an ongoing education and clinical research programme. Gait analysis involves computerised 3-D reconstruction of how a person walks by tracking information from electronic sensors placed on a person's body and also embedded in a walkway. The objective data provided by gait analysis enables doctors and surgeons to differentiate between a number of medical conditions which result in walking difficulties and to make recommendations for surgical and medical treatments.

Services are provided mainly from our Gait Laboratory in Clontarf. Outreach services are provided locally in the South East and Mid West through our award-winning and innovative Mobile Gait Laboratory. This saves children and families from these areas having to travel to Dublin for this service.

meet  
**Oisín**



**Hello, our names are Maria and Ivan Nolan and we are the proud parents of 3 year old Oisín Nolan.**

Oisín was born with a rare form of dwarfism which resulted in Oisín being in Temple Street for the first year of his life. With his condition came complex spinal problems, cleft palate, severe reflux, respiratory disease and moderate deafness. When Oisín was born our world as we knew it changed forever, the ground fell beneath our feet and we honestly didn't know what tomorrow held never mind all the plans we had made for our first baby.

When Oisín was discharged from hospital on his first birthday we were instantly catapulted into our new life in the CRC which before Oisín we knew very little about. Our first encounter was the parent toddler group where I met a group of phenomenal mothers with their babies on the same path as me. Here I had the support of amazing social workers and I found again acceptance and belonging which I thought I had lost.

In the CRC myself and Oisín started our new routine with physio, OT and speech and language. On his 3rd birthday Oisín started preschool and this is where I saw an amazing transformation in my little boy. He learned how to play which he couldn't do before and most parents take for granted in their children.

Oisín cannot talk or walk, yet he can operate his Bugzi chair which he learned in the CRC specialist seating services.

My life as I had known it changed 4 years ago but watching my little boy grow and transform has been amazing, scary, stressful, trying, and heart breaking at times, but always an honour, and we are standing as a family through the support, friendship, and wonderful services of the CRC.

**Maria & Ivan Nolan**

# CRC SCHOOLS



# CRC SCHOOL, CLONTARF

The CRC School provides differentiated and individualised education to pupils with physical and multiple disabilities from its north Dublin catchment area. Pupils also access health and social services and other essential services mainly during the school day. During 2015, the school had an enrolment of 100 pupils. All pupils have multiple disabilities but with a primary physical disability in line with our official school designation. A number of pupils have complex medical needs and this year we catered for children with tracheotomies and other serious conditions. Up-skilling of special needs assistants enabled the school to enrol pupils that could not be catered for in other schools.

The school had a staff allocation of 17 teaching posts, including the principal, 37 SNA posts, two secretaries and a porter/ care worker. The Department of Education & Skills directly funded the salaries of the teachers and SNAs, and grant funded the salaries for ancillary staff. The 24 bus escorts were employed by the CRC School Board of Management, and were paid by the Board with all payments reimbursed by the Department of Education & Skills at the end of the year. Grant-aided hot lunches and free school transport continued to be provided for all pupils.



## 2015 Developments

- ▶ Three of the junior classes received a make over. Each of these classes got a new sink and storage area.
- ▶ The gym also received a make over. It was given a fresh coat of paint and new basketball hoops were installed at varying heights. New electronic blackout blinds were installed.
- ▶ Senior pupils accessed the state certified courses as appropriate with a number completing their Junior Certificate Schools Programme and ECDL. The 2015 Junior Certificate results were excellent and a cause of much celebration.
- ▶ The school received a number of visits throughout the year including members of the Dublin team with the Sam Maguire, the Lambert Puppet Theatre and Joe Duffy.

### CRC School Clontarf

100  
pupils

37  
SNA  
posts

24  
bus escorts

17  
teaching  
posts

2  
secretaries

1  
porter



## meet Daniel

Our beautiful little grandson Daniel started Preschool 1 in September 2014 and has recently graduated from Preschool 2. Shortly after he started in the CRC his Mam, our daughter, saw a notice about a grandparents support group and asked would I be interested. I immediately agreed if a place was available I'd be happy to join. Well 18 months to 2 years later without the need for any dictionary I know exactly what support group means.

The group had already met for one meeting when I joined. Really not knowing what to expect, I went along and was warmly welcomed and introduced to the other grandparents. The facilitator mentioned that confidentiality was part and parcel of the meeting. We were asked to introduce ourselves and give a little background on our grandchild. When my turn came, I started and very quickly the tears began to flow. "It happens to us all" was the comment, no judgement, no tut tuts, just total unconditional support. One couple's grandchild is older than most of the others, and hearing them talk about her with so much pride and positivity was such an uplifting feeling, giving great encouragement to everyone else. We had a visit from the CEO and from some of the CRC therapists who were all more than happy to answer any of our questions. I found the meetings so

helpful. If I went on a bit about our little treasure, everyone present listened, as I did when they spoke. Well the group had been arranged for 6 weeks but when the last meeting came around everyone agreed we would like to get together again.

This was organised and my husband Brendan joined the group. He thoroughly enjoys the meetings and like myself really looks forward to them. As we all relaxed in each others company - speaking our thoughts freely, we decided to meet monthly. I look forward to our gatherings very much and would certainly encourage any grandparent to join a support group. It has certainly been a positive experience for me.

**Angela, Brendan and Daniel.**

# CRC SCOIL MOCHUA, CLONDALKIN

Scoil Mochua is located in Clondalkin, Dublin 22. It caters for students aged three to eighteen years of age with a wide range of physical and multiple disabilities. Each child that is enrolled in the school has a primary diagnosis of a physical disability, often accompanied by significant medical needs and sometimes with a secondary diagnosis of a general or specific learning disability. In conjunction with their educational programmes, the students also access a range of supports in the school as needed such as Nursing care, Physiotherapy, Occupational Therapy, Speech and Language Therapy and Psychological services amongst others.

The curriculum in Scoil Mochua includes the Aistear programme for children aged 3-5 years. This programme is based around language, communication and play. The revised primary curriculum in conjunction with the NCCA curriculum for children with special needs is utilised for students aged 5-12 years and the Junior Certificate/Junior Certificate Level 2 is used for post-primary students where applicable. These programmes are complemented by the use of ICT, Assistive Technology, swimming, enterprise and inclusion programmes with local schools and many other trips and experiential learning.

Students in Scoil Mochua also benefit from a sensory room and sensory garden on site which assist in the delivery of multi-sensory programmes as necessary.



School children Nadia O'Hanlon, Toby Walkin Bell and Kayleigh Flynn McFaul celebrating St Patrick's Day

## 2015 Developments

- ▶ Scoil Mochua were successful in securing funding through Leargas for a three year Erasmus+ project which will focus on research and learning around communication devices and knowledge for non-verbal students. This project is being run in conjunction with three other schools located in Wales, Scotland and Northern Ireland.
- ▶ Many educational trips were undertaken by various classes such as museums, art galleries, sports events and the Corfheile in the National Basketball Arena.
- ▶ During the course of 2015 funding was secured to provide lunches for the children which were supplied by Carnbola.

### CRC Scoil Mochua Clondalkin

61  
pupils

23  
SNA  
posts

14  
bus escorts

9  
teaching  
posts

4  
support staff

2  
secretaries

# SUPPORT FUNCTIONS

The CRC is supported by many essential often unseen services.

The Finance and Human resources functions provide essential daily support to the CRC and in 2015 we welcomed new senior managers with responsibility to both of these critical areas. 2015 saw a year of significant review and revision of their systems and processes that continued into 2016 under the new leadership.

The CRC would not operate effectively without the dedication and commitment of our clerical and administrative staff, from the welcome at the door to the management of clinics and schedules. The clerical staff ensure that systems work effectively.



Maria Ellis, Receptionist CRC Clontarf

## Catering Department, Clontarf

The Catering Department aims to provide the highest quality food service to clients, visitors and staff. It uses products that are nutritionally balanced, maintains the highest standards of care and serves food in a professional manner. Catering staff are passionate about what they do in the best interests of all who attend, work in or visit the CRC.

## 2015 Developments

In December 2015 the Catering Department completed the process of introducing controls and identification on the new allergen legislation. Over the course of the year, the Catering Department served up lots of food to a variety of customers.

## CRC Transport Department

The Transport Dept at CRC provides the vital link between service users and the CRC. The Transport Department seeks to complement the range of services accessed by service users by providing friendly, professional and efficient transport to our preschool children, learners, service users, carers and families. The department operates between all CRC facilities.

## Our Volunteers

During 2015 the Central Remedial Clinic had 90 volunteers working in the following areas;

- ▶ Catering Department
- ▶ CRC School Swimming Programme
- ▶ Horse riding
- ▶ CRC Summer Project
- ▶ Fifty of the volunteers are long term volunteers of the CRC volunteer group and are an integral part of the support services to service users.
- ▶ Forty volunteers were recruited to support the Summer Project 2015 during the month of July 2015.



# CRC FUNDRAISING & THE CARE TRUST

Since 2014 the CRC fundraising function has focused on working with our dedicated supporters in their endeavours to raise money. Clients, their families, businesses, the public and our staff raised €296,221 through a variety of activities including cycling, walking, baking, raffles and much appreciated legacies.

We manage all our fundraised income separately and all the funds are accounted for and are spent on supporting front line services and the delivery of same. We resolve to adopt the Statement of Guiding Principles for Fundraising and are committed to complying with the Statement. We are fully compliant with all the requirements of the Charities Regulation Authority and our registration is complete and up to date.

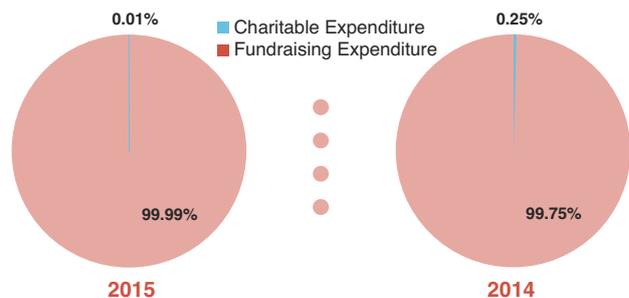
We commenced a review of the future of our fundraising future at the end of 2015 and this will come to fruition in 2016.

We continue our very positive relationship with The Care Trust. It is a not-for-profit organisation with registered charitable status. For over 50 years The Care Trust has been raising essential funds to support the work of the Central Remedial Clinic. The work of the Care Trust ensures that many thousands of children and adults with physical and multiple disabilities and those requiring medical care, have the opportunity to achieve their full potential and enjoy the same quality of life as everyone else. The support of the Care Trust is hugely important as it is a vital source of extra funding which is allocated to a broad range of projects and services supporting children and adults.



Stephanie Manahan CEO CRC, Tom Quinn Director CRC & The Care Trust, Kieran Timmins Chairperson CRC, Senan Mullins CEO The Care Trust

## Charitable Expenditure vs Fundraising Expenditure



It is contributions and support to the Care Trust that allows the CRC to continue its work and have a lasting impact on thousands of people and their families across Ireland availing of services in the Central Remedial Clinic.

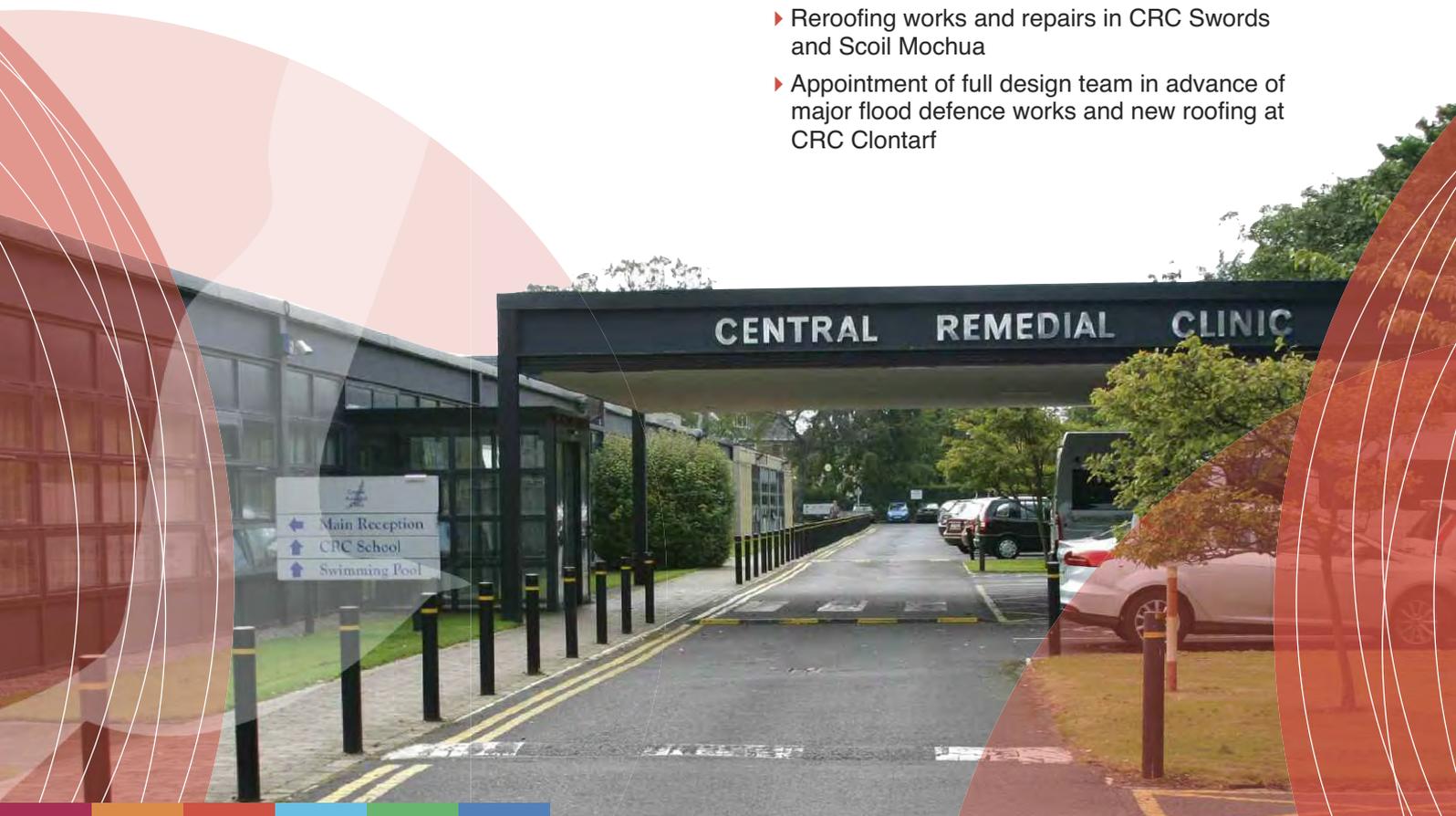
# CAPITAL DEVELOPMENT PROJECTS

Capital development is concerned with the upkeep, development and expansion of CRC premises and accommodation. The CRC aims to keep its buildings fully accessible, safe, secure, and of sufficient space to suit the people using our services. The majority of this work is funded through the income we receive from The Care Trust.

## 2015 Developments

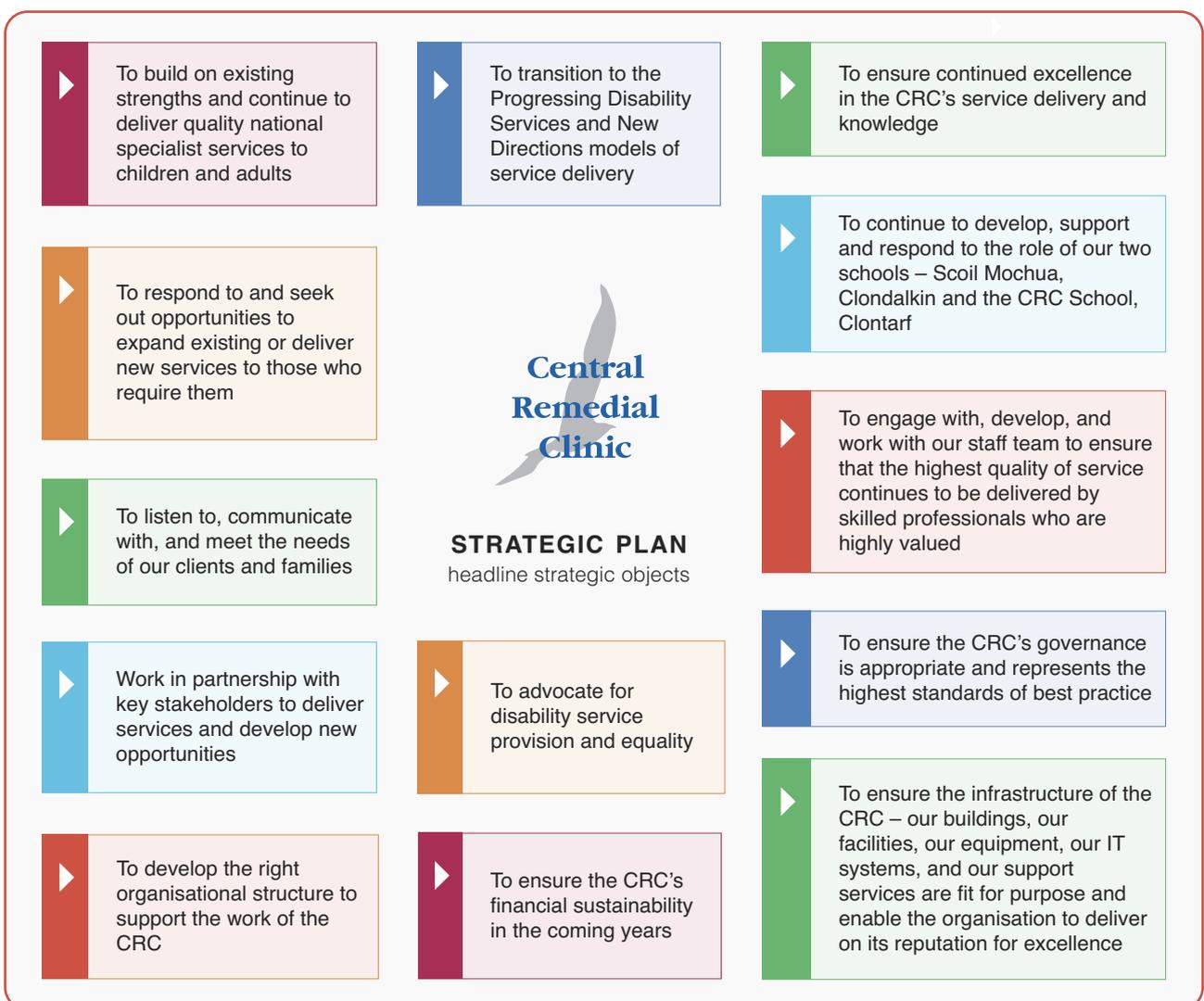
2015 saw the roll-out of a range of capital and building projects to improve and enhance the existing portfolio of premises. These made a huge difference to the people using and working in the centres, and created a bright and inviting environment for service users, staff and visitors.

- ▶ Painting and repair works at several sites as follows:
  - Central Remedial Clinic Clontarf: gait lab department; physiotherapy department; stairwells and toilet blocks; external steel beams and main corridors from canteen to T&D centre.
  - Central Remedial Clinic Clondalkin: therapy corridor and consulting rooms
  - Scoil Mochua classrooms
  - Coolock and Hartstown Local Centres.
- ▶ New energy-efficient lighting in the classrooms in Scoil Mochua.
- ▶ Upgrade and refurbishment of emergency lighting, evacuation routes and fire alarm systems in CRC Clondalkin and CRC Clontarf
- ▶ Upgrade and refurbishment of kitchens in Clontarf School, Scoil Mochua and Hartstown Local Centre
- ▶ Reroofing works and repairs in CRC Swords and Scoil Mochua
- ▶ Appointment of full design team in advance of major flood defence works and new roofing at CRC Clontarf



# PLANS & CHALLENGES FOR 2016 & FUTURE YEARS 3.3

In 2015 and 2016 the Board and CEO of the CRC worked with all stakeholders to develop a new strategic plan for the CRC. This strategic plan will inform all of the work of the CRC from 2016 to 2020. The full strategic plan is due to be published in 2016.



# FINANCIAL REVIEW

# 3.4

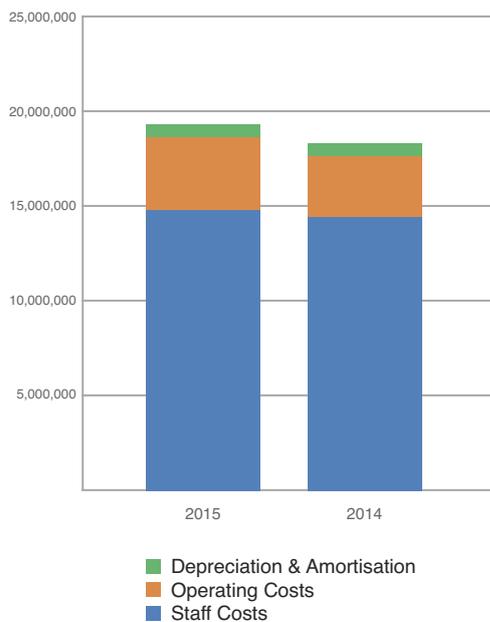
## Financial Performance

The primary income source for the CRC; state grant income, declined by approximately 2% during 2015 compared to 2014. A reduction in the grant allocation for the year was agreed with the HSE as payroll expenditure was lower than budgeted due a number of key vacancies across the organisation.

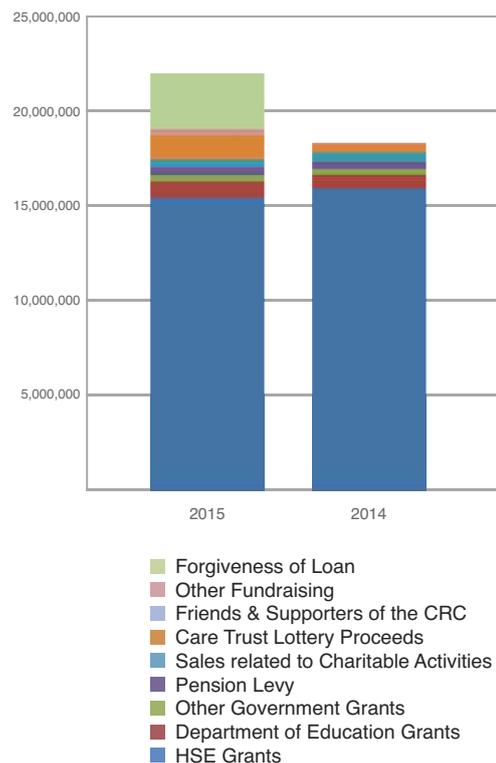
The CRC achieved a break-even position on its HSE funding i.e. it spent the HSE grant allocation to deliver agreed core services. The difference between the break-even position on HSE funding and the surplus shown in the Statement of Financial Activities is due to the inclusion of items such as loan forgiveness, fundraising income & expenditure, depreciation and amortisation which are included in the Statement of Financial Activities, but not included in the grant reporting to the HSE.

Fundraised income rose by approximately 307% compared to 2014. This rise is primarily driven by a change in how CRC receives regular income from the Care Trust. In September 2014 Care Trust income began to be paid on a regular monthly basis to the CRC, so 2015 is the first year in which a full calendar year in which Care Trust income was paid directly to the CRC. Fundraised income was also boosted during 2015 by a significant, once off, legacy donation.

CRC Expenditure Graph



CRC Income Graph



Fundraised resources are spent in a manner to complement the resources deployed by the core state grant income. Expenditure of these funds in 2015 includes expenditure of capital buildings projects, equipment purchase, research and staff training. It is anticipated that there will be requirements for significant spending on capital building projects between 2016 and 2021. It has been agreed by the Board that the majority of fundraised income will be applied to these projects.

Two major items resulted in significant balance sheet movements during 2015. A loan of €3m advanced by Friends & Supporters of the Central Remedial Clinic (F&S) (a related party) to the CRC was forgiven by the F&S on 23 June 2015 on the basis that CRC, with its break even mandate, was not in a position to repay this loan. This was reported as a post-balance sheet event in the Financial Statements for the year ended 31st December 2014.

A change in the actuarial valuation of the defined benefit pension scheme liability also has a significant balance sheet movement. On 18th May 2016, after much consideration and in an attempt to manage CRC's financial exposure, the CRC gave notice to the trustees of this pension scheme that the CRC was ceasing contributions with immediate effect. The financial implications of this cessation will be reported in the Financial Statements for the year ended 31st December 2016. Further details are included in Note 25 Post Balance Sheet Events.

### Reserves Policy

The CRC does not currently operate a reserves policy. The Finance Manager, under the direction of the Audit Committee, will draft one for approval by the Board of Directors. The core HSE grant is paid weekly. The CRC also has a bank overdraft of €1,270,000 available to it for working capital needs if required.

### Internal Auditors

During 2015 the Board of Directors appointed external consultants Deloitte to carry out internal audits in the CRC as there is no internal audit function within the company. The Audit Committee agreed the first year of the internal audit programme within the context of a three year rolling programme. The first module of the internal audit was a review of procurement in the CRC. The field work was carried out in November 2015, and the final report on this work was issued in February 2016.

# KEY FINANCIAL RISKS & UNCERTAINTIES

## Defined Benefit Pension Scheme

As detailed in Note 21 to the financial statements, the CRC operates a separate defined benefit pension plan for a number of eligible employees. During 2015 the pension plan was operating under a funding proposal prepared in 2011 by the previous Board to restore the CRC plan to compliance with the Minimum Funding Standard by 2017. This pension plan was identified as a key risk to the organisation by the new board on their appointment in 2013. It was reported as a key risk in the financial statements for the years ended 31 December 2013 and 31 December 2014.

The pension plan actuary indicated that the position at the end of December 2015 showed that the funding proposal was not expected to meet the Minimum Funding Standard by 31 December 2017, albeit the expected deficit was relatively small. This was based on reasonably optimistic assumptions at that time.

Subsequently the pension plan actuary noted that the position had deteriorated significantly between 31st December 2015 and 31st March 2016 and that, as a result, at the end of March 2016 the funding proposal was significantly off track. The actuary noted that the funding proposal does not allow for risk reserves and that even if the proposal were to run its course until 31 December 2017, the plan would then be required to fund for risk reserves.

The previous CRC Board had approved a number of pension 'top ups' in recent years, however since the appointment of the new board in March 2014, the current board has communicated that it would not be in a position to pay additional monies into the pension plan and that the contribution rate of 25% of pensionable salaries was at the outer limited of what the CRC could afford. Based on this the pension plan actuary indicated that he was not satisfied that the funding proposal could be certified as on track.

As CRC is not in a position to provide additional funds and cognisant of the CRC's break even mandate, the board took the decision on 17th May 2016 to cease contributions to the pension plan with immediate effect and this was communicated to the pension plan trustee on 18th May 2016. This action triggered a wind-up of the scheme.

At the date of signing the financial statements the wind-up process is still ongoing.

On 1 June 2016 the Trustees of the IPT Defined Benefit Pension scheme requested that the CRC make a contribution sufficient to ensure that the scheme is fully funded on a wind up basis and that the CRC pay the expenses of winding up the scheme. The combined cost of this contribution and the wind up expenses are estimated at €1.9m. The CRC has received legal advice indicating that that the CRC is not legally bound to pay these costs.

On 4 August 2016, the CRC received correspondence from the HSE indicating agreement between the HSE, the Department of Health and the Department of Public Expenditure and Reform, that the existing CRC staff who were previously members of this Defined Benefit Pension scheme will be granted access to the State's Single Public Service Pension Scheme (SPSPS) for future service from 18 May 2016 onwards. Further details are included in Note 25 Post Balance Sheet Events. In 2016 there are both industrial relations and cost implications arising from the cessation of contributions and subsequent wind-up of the Defined Benefit Pension scheme.

## Internal Controls

The HSE Interim Administrator's report of May 2014 found that *"the CRC has sound systems of financial control in place and no issues of concern have been identified..."* Although the Directors have no reason to believe that internal controls within CRC are ineffective, it is always prudent to independently test that such controls are (1) in existence and (2) operating as intended.

In the absence of an Internal Audit function within CRC, the Audit Committee undertook a competitive tender process for the services of an independent internal auditor. Deloitte were appointed to this role in July 2015. A 12 month programme of internal audit was agreed with modules focused on Procurement, Internal Control and Cash Management. The Procurement module commenced in November 2015, with the remaining modules scheduled for 2016 and 2017.

## Compliance with HSE Service Arrangements

Since 2013 there has been a higher level of regulation by the HSE of its Service Arrangements with Section 38 agencies including the CRC. This compliance is subject to a high degree of scrutiny by the HSE.

The compliance includes governance arrangements, compliance with public sector pay policy and procurement. The CRC reports on compliance annually to the HSE as part of a formal compliance statement as well as responding to queries from the HSE as they arise. It is expected that the CRC will be subject to an audit commissioned by the HSE on compliance with its Service Arrangements in 2016 or 2017.

While the CRC are confident that strong progress on compliance have been made since March 2014, and that exceptions have been communicated clearly to the HSE in the annual Compliance Statements, non-compliance constitutes a risk to the funding from the HSE and a reputational risk to the CRC. Three areas of risk within the scope of the Compliance Statement; the Break-Even Mandate, Procurement, and compliance with Public Pay Policy are addressed separately below.

### Break-Even Mandate

As the CRC is a Section 38 agency and a 'not for profit' company, it is essential that the CRC manages its operational costs in respect of HSE funded activities on an annual basis so as to ensure those costs do not exceed the related HSE funded income. This is articulated in the Service Arrangement governing the relationship between the CRC and the HSE. Steps must continue to be taken by the management of the CRC to align costs with allocated income through continued reductions in the Company's cost base as required. The grant income from the state accounts for approximately 76% of the funding and the CRC relies on ongoing generation of income to fund the shortfall in grant allocation.

In addition to the risk of spending more than the grant allocation provides for, there is a risk that the CRC may spend less than the grant allocation provides. This may arise due to once off factors such

as a series of temporary staff vacancies. If the CRC does not spend all of its grant allocation in the year, excess funding must be returned to the HSE, and there is a risk that this would result in a permanent reduction of the annual allocation.

### Procurement

In compliance with the terms of the HSE Service Arrangement, procurement funded by HSE grant income must be in compliance with public sector procurement guidelines. The Board of the CRC have also determined that procurement funded by fundraised income should also be carried out in compliance with public sector procurement guidelines. An internal audit of procurement carried out at the end of 2015 resulted in two significant findings and two important findings. The management team have agreed actions to address these risk areas in 2016.

### Compliance with Public Pay Policy

The previous Board had approved a number of pay rates that were non-compliant with public pay policy. On commencement in 2014 eight managers were in receipt of salaries in excess of approved public pay scale rates. Two such salaries remain and continue to be under review with the HSE. The CEO is on an approved HSE pay scale commensurate with the responsibility of the post €83,252 to €100,796 the CEO is currently on the third point of the scale €90,262. Since the commencement of the new Board and CEO significant controls have been implemented to ensure compliance with public pay policy.

### Guarantee to The Care Trust Limited

On 1 June 2010, the CRC entered into an agreement with The Rehab Group, Rehab Foundation Limited, Friends and Supporters of the Central Remedial Clinic (F&S) and The Care Trust Limited which provides that all losses of The Care Trust Limited arising from its lottery and non-lottery fund raising activities shall be borne by The Rehab Group and the CRC equally.

## Related Parties

Income disclosed in the Income and Expenditure Account includes financial and other support from a related undertaking, Friends and Supporters of the Central Remedial Clinic (F&S), a company limited by guarantee, CHY number 10310. In 2015, F&S was a related party by virtue of having a member and Director in common with the CRC. F&S is not a subsidiary of the Company. The two companies do not therefore comprise a group of companies and consolidated financial statements are therefore not prepared.

The principal function of F&S is to provide financial support to CRC. This involves the funding of capital projects, revenue expenses and other costs associated with the running of the Company and provision of services.

The main source of the funds provided by F&S in 2015 came from its share of the proceeds of the lottery operated by The Care Trust Limited for the benefit of CRC, Rehab Group and the Mater Hospital Group. With effect from 1 September 2014, the share of these lottery proceeds attributable to CRC have been paid directly to CRC by The Care Trust Limited. These amounted to €1,259,368 in 2015 and €441,219 in 2014. At 31 December 2015 no balance of funds was payable to CRC by The Care Trust Limited.

The F&S have resolved to wind down their activities and to transfer all assets to the CRC with certain restrictions on how these donated funds should be expended. 2015 saw the commencement of a process to transfer the remaining assets of F&S (including the shares held by it in The Care Trust Limited) to CRC due to be completed in 2016. Funds held by F&S, as per its most recent audited financial statements, amounted to €13,963,657 at 28/02/2015.

## Going Concern

The financial statements have been prepared on the going concern basis. In assessing the appropriateness of the going concern basis, we have taken into account all relevant information covering a period of at least twelve months from the date of approval of the signing of the financial statements.

As a section 38 funded agency the CRC relies heavily on funding from the HSE and all indications are that this funding will continue in line with signed service arrangements 2015 to 2018. In addition the CRC relies on the funds generated through the Care Trust and other fundraising activities and donations.

The Directors take comfort from the ongoing financial support from the HSE and note that no issues have been identified by the HSE during the course of 2015 and to date in 2016 which would imply that the Company is not meeting its ongoing obligations within the Service Level Agreements. The CRC delivered on all service level agreements in 2015.

The Company will continue to operate its business within budgets agreed with the HSE and other agencies.

The Directors note that there has been ongoing support to the CRC from the proceeds of the Care Trust activities, during 2015 it was agreed by Friends and Supporters of the Central Remedial Clinic (F&S) that all lottery funds due from The Care Trust Limited would be paid directly to the CRC. This will continue in 2016 and subsequent years, thereby providing an additional direct source of funding to the CRC.

The write off, during 2015 of the €3,000,000 loan obligation has made a significant positive contribution to the CRCs reserve position in 2015. The company notes the plans for the wind up of F&S and is engaging with F&S to understand the implications for the company.

As noted above, on 17th May 2016 the Board of the CRC took the decision to cease contributions to the IPT private defined benefit pension liability. This decision triggered a wind-up of the scheme. There are likely to be significant costs related to the wind-up including professional fees. The CRC is in the process of establishing a successor scheme for the current staff who are members of the IPT scheme. Once the wind-up is complete and a successor pension scheme is established, the closure of the defined benefit scheme will eliminate a major risk to the Going Concern of the CRC.

On this basis, the Board of Directors has concluded that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

### 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 records. The books of account for the Company are maintained at the Penny Ansley Memorial Building, Vernon Avenue, Clontarf, Dublin 3.

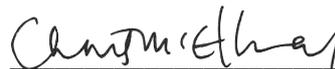
### Appointment of External Auditors

The Audit Committee, on behalf of the Board, commenced a process in October 2015 to appoint external auditors to the company as the term of office of E&Y, expired in December 2015. E&Y (Ernst & Young) and its ancestor firms; Ernst & Whinney and Reynolds Cooper McCarron audited the CRC from 1979 to 2015.

The competitive process was managed in conjunction with assistance from the HSE resulting in the appointment, in December 2015, of BDO as external auditors for a period of three years.



Kieran Timmins  
Chairperson



Christine Mary McElhinney  
Director & Audit Committee Chairperson

# DIRECTORS RESPONSIBILITY STATEMENT

# 4

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

Irish Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland). 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 end of the financial year, and 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:

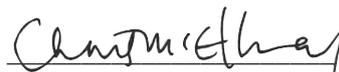
- ▶ Select suitable accounting policies and then apply them consistently;
- ▶ Make judgements and estimates that are reasonable and prudent;
- ▶ State whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and 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.



Kieran Timmins  
Chairperson



Christine Mary McElhinney  
Director & Audit Committee Chairperson

# INDEPENDENT AUDITORS' REPORT

# 5

We have audited the financial statements of The Central Remedial Clinic for the financial year ended 31 December 2015 which comprise the statement of financial activities, statement of financial position, cash flow statement and related notes. The relevant financial reporting framework that has been applied in their preparation is Companies Act 2014 and FRS102, the Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

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 auditors' 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.

## Respective responsibilities of directors and auditors

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. Our responsibility is to audit and express our opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

## Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on financial statements

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 2015 and its excess of income over 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.

### Matters on which we are required to report by the Companies Act 2014

- ▶ 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.

### Matters on which we are required to report by exception

We have nothing to report in respect of our obligations under the Companies Act 2014 to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by section 305 to 312 of the Act are not made.



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**John O'Callaghan**  
For and on behalf of BDO  
Dublin  
Statutory Audit Firm  
AI223876

26th August 2016

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**Date**

# STATEMENT OF FINANCIAL ACTIVITIES

# 6

Incorporating the Income and Expenditure Account

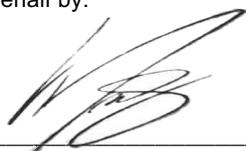
For the financial year ended 31 December 2015

	Notes	Restricted Funds 2015 €	Unrestricted Funds 2015 €	Total 2015 €	Total 2014 €
<b>INCOME AND ENDOWMENTS FROM</b>					
Charitable activities	3(a&b)	17,578,987	-	17,578,987	17,931,711
Voluntary Income	3(c)	-	1,555,589	1,555,589	505,237
Forgiveness of Related Party loan	15	-	3,000,000	3,000,000	-
<b>Total Voluntary Income</b>		-	<b>4,555,589</b>	<b>4,555,589</b>	505,237
<b>TOTAL INCOME AND ENDOWMENTS</b>		<b>17,578,987</b>	<b>4,555,589</b>	<b>22,134,576</b>	18,436,948
<b>EXPENDITURE ON:</b>					
Charitable activities	4	(17,510,429)	(1,799,249)	(19,309,678)	(18,294,946)
Raising funds	5	-	(2,294)	(2,294)	(46,250)
<b>TOTAL EXPENDITURE</b>		<b>(17,510,429)</b>	<b>(1,801,543)</b>	<b>(19,311,972)</b>	(18,341,196)
<b>NET INCOME / (EXPENDITURE)</b>		<b>68,558</b>	<b>2,754,046</b>	<b>2,822,604</b>	95,752
Transfer between funds		-	-	-	-
<b>EXCESS OF (EXPENDITURE)/INCOME BEFORE OTHER RECOGNISED GAINS/(LOSSES)</b>		<b>68,558</b>	<b>2,754,046</b>	<b>2,822,604</b>	95,752
<b>OTHER RECOGNISED GAINS/(LOSSES):</b>					
Actuarial gain/(loss) recognised on pension scheme	21	-	4,156,000	4,156,000	(6,912,000)
<b>NET MOVEMENT IN FUNDS</b>	16	<b>68,558</b>	<b>6,910,046</b>	<b>6,978,604</b>	(6,816,248)
<b>FUND BALANCES BROUGHT FORWARD</b>	16	<b>197,782</b>	<b>(5,659,411)</b>	<b>(5,461,629)</b>	1,354,619
<b>FUND BALANCES CARRIED FORWARD</b>	16	<b>266,340</b>	<b>1,250,635</b>	<b>1,516,975</b>	(5,461,629)

All the activities relate to continuing activities.

There are no recognised gains and losses other than as stated above.

The financial statements were approved for signature by the Board of Directors on 26th August 2016 and signed on its behalf by:



Kieran Timmins



Christine Mary McElhinney

# BALANCE SHEET

AS AT 31 DECEMBER 2015

# 7

	Notes	2015 €	2014 €
<b>FIXED ASSETS</b>			
Tangible fixed assets	8	12,421,318	13,384,572
Intangible assets	9	1,657,143	1,714,286
		<u>14,078,461</u>	<u>15,098,858</u>
<b>CURRENT ASSETS</b>			
Stocks	10	42,856	49,367
Receivables	11	138,857	69,666
Grants receivable	12	1,316,629	1,535,582
Cash & Cash Equivalents	13	1,599,011	540,282
		<u>3,097,353</u>	<u>2,194,897</u>
<b>CREDITORS FALLING DUE WITHIN ONE YEAR</b>			
Payables	14	(1,838,656)	(1,441,329)
Bank Overdraft	14	-	(281,584)
		<u>(1,838,656)</u>	<u>(1,722,913)</u>
<b>NET CURRENT ASSETS</b>		1,258,697	471,984
<b>CREDITORS FALLING DUE AFTER ONE YEAR</b>			
Long-term loan			
– Friends & Supporters of the Central Remedial Clinic Limited	15	-	(3,000,000)
Defined benefit pension scheme liability	21	(5,606,000)	(9,277,000)
		<u>(5,606,000)</u>	<u>(12,277,000)</u>
<b>TOTAL NET ASSETS</b>		<u><b>9,731,158</b></u>	<u>3,293,842</u>
<b>FUNDS</b>			
Unrestricted funds	16	1,250,635	(5,659,411)
Restricted funds	16	266,340	197,782
Capital grants	18	8,214,183	8,755,471
<b>TOTAL CHARITY FUNDS</b>		<u><b>9,731,158</b></u>	<u>3,293,842</u>

The financial statements were approved for signature by the Board of Directors on 26<sup>th</sup> August 2016 and signed on its behalf by:

  
Kieran Timmins

  
Christine Mary McElhinney



# CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	2015 €	2014 €
<b>Net cash inflow from operating activities</b>	<b>1,531,834</b>	794,600
<u>Capital expenditure and related grants:</u>		
Payment to acquire fixed assets	(191,521)	(388,892)
Payment to acquire fixed assets	-	51,342
<b>INCREASE IN CASH</b>	<b>1,340,313</b>	457,050
<b>RECONCILIATION OF NET CASH FLOW</b>		
Increase in cash	1,340,313	457,050
Bank balances at beginning of financial year	258,698	(198,352)
<b>BANK BALANCES AT END OF FINANCIAL YEAR</b>	<b>1,599,011</b>	258,698

	2015 €	2014 €
<b>RECONCILIATION OF NET INCOMING (OUTGOING) RESOURCES TO CASH INFLOW FROM OPERATING ACTIVITIES</b>		
Net incoming resources	2,822,604	95,752
Loss on disposal of Fixed Assets	1,551	5,024
Amortisation of intangible assets	57,143	57,143
Depreciation	1,153,224	1,205,192
Amortisation of Capital Grants	(541,288)	(541,288)
Actuarial Gain/ (Loss)	4,156,000	(6,912,000)
Decrease in stocks	6,511	14,376
Decrease in debtors	149,762	313,933
Increase / (Decrease) in creditors	(6,273,673)	6,556,468
<b>Net cash from operating activities</b>	<b>1,531,834</b>	794,600

# NOTES TO THE FINANCIAL STATEMENTS

# 9

## 1. ACCOUNTING POLICIES

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

### (a) Basis of Preparation and Going Concern

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland in compliance with the Companies Act 2014 and with reference to the recommendations of the revised Statement of Recommended Practice (SORP) Accounting and Reporting by Charities issued by the Charity Commissioners in the UK. Accounting Standards, generally accepted in Ireland in preparing financial statements giving a true and fair view, are those published by the Institute of Chartered Accountants in Ireland and issued by the Financial Reporting Council.

Information on the impact of first-time adoption of FRS 102 is given in note 24.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies.

As noted on page 31 of the Directors' Report, the financial statements have been prepared on a going concern basis.

The following principal accounting policies have been applied:

### (b) Restricted Funds

Restricted funds are funds received which can only be used for particular purposes specified by the donors and are binding on the company. Such purposes are within the overall aims of the company.

### (c) Unrestricted Funds

Unrestricted funds are those which are expendable at the discretion of the company in furtherance of the objects of the charity. The company has long term obligations in respect of the provision of day activities, respite care, independent living and transport facilities. If part of an unrestricted fund is earmarked for a particular project, it may be designated as a separate fund, but the designation has an administrative purpose only, and does not legally restrict the company's discretion to apply the fund.

### (d) Incoming Resources

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

- **Grant and Service Income:** Grant income from the Health Service Executive, other Government Agencies and other sources is credited when receivable to the Statement of Financial Activities. Expenditure and service-related grants are credited to the Statement of Financial Activities upon the recognition of the associated expense for which the grant was originally received.
- **Fundraising Income:** Fundraising income is credited to the Statement of Financial Activities in the year in which it is receivable by the company.
- **Investment Income:** Income earned on funds held on deposit is treated as unrestricted income and is credited when earned.

### (e) Resources Expended

Expenditure is recognised on an accruals basis as a liability is incurred and is recorded as part of the expenditure to which it relates. Cost of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shops. Expenditure on charitable activities is those costs incurred by the charity in the delivery of its services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity. Where costs cannot be directly attributed, they have been allocated in proportion to estimated benefits received.

## Notes to the Financial Statements – continued

### (f) Capital Grants

Grants received specifically as a contribution towards the cost of land, buildings and bus fleet are credited directly to the capital fund in the year of receipt. Such grants are amortised to the Statement of Financial Activities on the same basis as the assets are depreciated.

### (g) Tangible Fixed Assets

Tangible fixed assets currently in use in furtherance of the charity's objectives are stated in the balance sheet at cost less accumulated depreciation. A small number of assets not currently in use in furtherance of the charity's objectives are stated at the lower of cost less accumulated depreciation and net market value. Depreciation is provided on tangible assets with the exception of land, so as to write off the cost less estimated residual value of each asset over its expected useful economic life on a straight line basis at the following annual rates:

Land	Nil
Buildings	4% per annum
Medical equipment	10% per annum
Office equipment	10% per annum
Other equipment	10% per annum
Fixtures and fittings	10% per annum
Computer equipment	25% per annum
Motor vehicles	25% per annum

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Financial Activities.

### (h) Intangible fixed assets

Payments to third parties to secure the right to use facilities owned by those third parties for a defined period are capitalised as Intangible fixed assets and are amortised over the defined period.

### (i) Leased Assets: Lessee

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease.

The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to profit or loss over the shorter of estimated useful economic life and the term of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to profit or loss over the term of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

### (j) Financial Assets

Short-term investments are Prize Bonds which are measured at face value.

### (k) Receivables

Short term receivables are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### (l) Stocks

Stocks comprise workshop parts, wheelchairs and consumables. Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. The cost of stock is valued using a weighted average costing model.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the profit and loss account.

## Notes to the Financial Statements – continued

### (m) Payables

Short term payables are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### (n) Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### (o) Financial Instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and Loss Account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

### (p) Holiday Pay Accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance Sheet date.

### (q) Termination Payments, Redundancy Payments & Similar Ex Gratia Payments

Any termination payments, redundancy payments or similar ex gratia payments are recognised in the period when they are agreed. These costs are included in staff salary costs and the total amount of such payments are disclosed in note 6 to the financial statements.

### (r) Pensions

The company provides for three pension schemes for the benefit of its employees.

A Voluntary Hospital Superannuation Scheme is in operation for the majority of the Company's employees and is administered by the Mater Hospital and funded and underwritten by the Department of Health. The Directors consider that the Company has no liability arising from the potential under funding of the scheme. There is a draft MOU in place and due for sign off between both parties in 2016.

## Notes to the Financial Statements – continued

A Single Public Service Pension Scheme is in operation for all new staff since 1 January 2013. This scheme is administered, funded and underwritten by the Department of Public Expenditure and Reform. The Directors consider that the Company has no liability arising from the potential under funding of the scheme.

The Company operates a separate defined benefit pension plan for eligible employees. The Defined Benefit Pension Scheme has been closed to new members since 1 January 2007. The scheme is externally funded and assets are held separately from those of the Company in an independently administered fund. See note 25 for post balance sheet events related to this defined benefit pension plan.

## 2. Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty

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

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

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

### **Establishing lives for depreciation purposes of tangible fixed assets.**

Long-lived assets, consisting primarily of property, fixtures and fittings and motor vehicles, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated lives of each type of asset and estimates of residual values. The directors regularly review these asset lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have a significant impact on depreciation and amortisation charges for the period. Details of the useful lives are included in the accounting policies.

## Notes to the Financial Statements – continued

### 3. Income From Charitable Activities

	Notes	Restricted Funds 2015 €	Unrestricted Funds 2015 €	Total 2015 €	Total 2014 €
Government Grants	3(a)	16,734,441	-	16,734,441	17,058,899
All other sources of income	3(b)	844,546	-	844,546	872,812
		<u>17,578,987</u>	<u>-</u>	<u>17,578,987</u>	<u>17,931,711</u>

#### 3(a). Government Grants

	Grant Term	Grant Source	2015 €	2014 €
HSE Dublin Northeast	Annual recurring	S38	13,347,013	13,663,230
HSE Dublin Southwest	Annual recurring	S38	184,995	184,995
HSE Dublin Northwest	Annual recurring	S38	183,012	183,012
HSE MWHB	Annual recurring	S38	354,261	389,426
HSE South	Annual recurring	S38	925,944	925,944
HSE Dublin Mid-Leinster	Annual recurring	S38	11,155	11,156
HSE Dublin Area 8 - Nursing Homes Seating Programme	Annual recurring	S38	54,000	54,910
HSE Swords - Transition Programme	Annual recurring	S38	149,000	152,544
HSE SAT Project	Included in mainstream (HSE Dublin North East) funding in 2015	S38		35,418
Department of Education School Grants	Annual recurring	Department of Education & Science	841,525	717,741
Leargas Grant	Once off	Department of Education & Science	18,930	-
Dublin City Council School Meals Grant	Annual recurring	Dublin City Council	24,026	21,106
National Lottery	Once off	National Lottery	24,500	30,500
HSE Swords - Rehabilitative Training Programme	(HSE Dublin North East) funding in 2015	S38	-	385,128
HSE Dublin North West - School leavers day service	Annual recurring	S38	334,295	12,430
SOLAS- Vocational Training Programme	Annual recurring	Department of Social Protection	278,704	291,359
Miscellaneous minor grants	Once off		<u>3,081</u>	<u>-</u>
Grant Income			<u>16,734,441</u>	<u>17,058,899</u>

## Notes to the Financial Statements – continued

### 3(b). Other Sources of Income

	2015 €	2014 €
Pension Levy	384,964	387,722
Seating Sales	137,268	125,789
Swimming pool, catering and other activities	319,487	353,446
ESS Conference	2,827	5,855
	<u>844,546</u>	<u>872,812</u>

### 3(c). Income From Other Trading Activities

	2015 €	2014 €
<u>Fundraising campaigns and events</u>		
The Care Trust Limited- Lottery Proceeds (Note 23)	1,259,368	441,219
Friends and Supporters of the Central Remedial Trust Limited (Note 23)	-	27,223
Donations and Fundraising	296,221	36,795
	<u>1,555,589</u>	<u>505,237</u>

Other fundraising income comes from events organised by supporters of the CRC and donations from supporters of the CRC. The 2015 figure includes a significant legacy donation (€205,676).

## 4. Expenditure on Charitable Activities

	Restricted Funds 2015 €	Unrestricted Funds 2015 €	Total 2015 €	Total 2014 €
Staff costs	14,330,129	485,000	14,815,129	14,373,657
Operating costs	3,180,300	645,171	3,825,471	3,200,242
Depreciation and amortisation	-	1,210,366	1,210,366	1,262,335
Capital Grants Amortisation	-	(541,288)	(541,288)	(541,288)
	<u>17,510,429</u>	<u>1,799,249</u>	<u>19,309,678</u>	<u>18,294,946</u>

## Notes to the Financial Statements – continued

### 5. Expenditure on Raising Funds

	2015	2014
	€	€
Staff costs	-	44,920
Operating costs	2,294	1,330
	<u>2,294</u>	<u>46,250</u>

### 6. Employees and Staff Costs

Central Remedial Clinic employed an average of 273 people in 2015 (2014: 267). Most staff work directly in frontline services. As a Section 38 organisation, salaries are paid in line with public sector pay scales and are subject to public sector pay agreements.

#### (a) Number of employees

	2015	2014
Average number of people employed (full-time equivalents)		
Medical & nursing	119	116
Clerical & administration	62	57
Other	92	94
	<u>273</u>	<u>267</u>

#### (b) Total staff costs

	2015	2014
	€	€
Wages & salaries	12,061,523	12,042,752
Social Welfare costs	1,104,127	1,106,619
Pension costs	1,549,129	1,269,206
Other compensation payments	100,350	-
	<u>14,815,129</u>	<u>14,418,577</u>

#### (c) Senior staff remuneration

	2015	2014
The number of staff earning salaries over €70,000 is:		
Band: €70,000 - €79,999	5	5
Band: €80,000 - €89,999	3	2
Band: €90,000 - €99,999	2	2
Band: €100,000 - €109,999	1	3
Band: €140,000 - €149,999	1	0
Band: €160,000 - €169,999	1	1
	<u>13</u>	<u>13</u>

Total benefits are calculated after deducting pension related deduction (PRD). Total benefits do not include employer pension contributions.

A number of CRC personnel (8 individuals in 2015: 8 individuals in 2014) including the CEO and some consultant doctors work for the CRC on secondment or joint working arrangements from either the HSE or HSE funded bodies. The benefits of these individuals are included in the above calculations. Other compensation payments comprise of payments to 6 individuals arising in 2015. Other compensation payments are made up of payments made for loss of benefits under agreements arbitrated by the Workplace Relations Commission as well as termination payments made based on legally binding contracts.

## Notes to the Financial Statements – continued

### (d) Key Management Remuneration

Key management personnel comprise of senior management and they received the following remuneration;

	2015	2014
	€	€
<b>Key management staff costs</b>		
Wages & salaries	763,326	791,602
Social welfare costs	74,414	71,897
Pension costs	85,790	110,245
Other compensation payments	80,000	-
	<u>1,003,530</u>	<u>973,744</u>

The CEO received remuneration €88,279 in 2015 (€57,831 in 2014 for period 01/06/14 to 31/12/14).

## 7. Support Costs and Allocation of Expenditure

### (a) Support Costs

	2015	2014
	€	€
Depreciation	1,210,366	1,262,335
Unrestricted expenditure on buildings, equipment, training & research	645,710	175,085
Management & administration	1,448,454	1,330,067
IT	410,705	389,496
HR	358,528	292,607
Cleaning	229,120	262,480
Maintenance	168,987	166,143
Quality standards, health & safety	65,188	39,588
	<u>4,537,058</u>	<u>3,917,801</u>

### (b) Allocation of expenditure

	Charitable activities	Cost of generating funds	Total Expenditure
	€	€	€
Direct expenditure	14,773,159	1,755	14,774,914
Allocation of support costs	4,536,519	539	4,537,058
Total resources expended	<u>19,309,678</u>	<u>2,294</u>	<u>19,311,972</u>

### (c) Governance costs

Support costs also include governance costs as follows:

	2015	2014
	€	€
External audit	30,135	22,515
Internal audit	5,763	-
	<u>35,898</u>	<u>22,515</u>

Members of the Board of Directors do not receive remuneration for their services as directors. Expenses directly incurred by the directors in carrying out their role are reimbursed, if claimed. None of the current directors of the CRC have claimed any expenses since their appointment.

Other governance costs relate to the annual external audit and the external professional advisors engaged to carry out an annual internal audit.

## Notes to the Financial Statements – continued

### 8. Tangible Fixed Assets

	Land €	Buildings €	Medical Equipment €	Office Equipment €	Other Equipment €	Fixtures and Fittings €	Computer Equipment €	Motor Vehicles €	Total €
<b>Cost</b>									
At 1 January 2015	805,181	27,034,604	1,961,876	417,480	1,231,855	3,975,779	2,078,417	633,216	38,138,408
Additions	-	5,166	100,772	-	18,500	14,975	46,892	5,216	191,521
Disposals and write-offs	-	-	(4,299)	(11,410)	(13,947)	(7,391)	(41,760)	-	(78,807)
At 31 December 2015	805,181	27,039,770	2,058,349	406,070	1,236,408	3,983,363	2,083,549	638,432	38,251,122
<b>Depreciation</b>									
At 1 January 2015	-	(15,511,376)	(1,588,221)	(396,075)	(856,131)	(3,799,320)	(2,009,837)	(592,876)	(24,753,836)
Charge for the financial year	-	(845,197)	(97,791)	(4,845)	(91,997)	(56,992)	(43,391)	(13,011)	(1,153,224)
On disposals	-	-	4,045	11,381	13,947	6,123	41,760	-	77,256
At 31 December 2015	-	(16,356,573)	(1,681,967)	(389,539)	(934,181)	(3,850,189)	(2,011,468)	(605,887)	(25,829,804)
<b>Net Book Value</b>									
At 31 December 2015	805,181	10,683,197	376,382	16,531	302,227	133,174	72,081	32,545	12,421,318
At 31 December 2014	805,181	11,523,228	373,655	21,405	375,724	176,459	68,580	40,340	13,384,572

## Notes to the Financial Statements – continued

### 8. Tangible Fixed Assets - continued

In respect of the prior financial year:

	Land €	Buildings €	Medical Equipment €	Office Equipment €	Other Equipment €	Fixtures, and Fittings €	Computer Equipment €	Motor Vehicles €	Total €
<b>Cost</b>									
At 1 January 2014	805,181	26,978,026	1,894,965	433,006	1,210,263	3,979,083	2,221,802	719,550	38,241,876
Additions	-	56,578	80,146	2,563	132,377	17,987	47,196	52,045	388,892
Disposals and write-offs	-	-	(13,235)	(18,089)	(110,785)	(21,291)	(190,581)	(138,379)	(492,360)
At 31 December 2014	805,181	27,034,604	1,961,876	417,480	1,231,855	3,975,779	2,078,417	633,216	38,138,408
<b>Depreciation</b>									
At 1 January 2014	-	(14,655,544)	(1,497,815)	(406,770)	(846,729)	(3,746,667)	(2,149,073)	(682,040)	(23,984,638)
Charge for the financial year	-	(855,832)	(103,101)	(7,148)	(91,439)	(67,276)	(49,867)	(30,529)	(1,205,192)
On disposals	-	-	12,695	17,843	82,037	14,623	189,103	119,693	435,994
At 31 December 2014	-	(15,511,376)	(1,588,221)	(396,075)	(856,131)	(3,799,320)	(2,009,837)	592,876	(24,753,836)
<b>Net Book Value</b>									
At 31 December 2014	805,181	11,523,228	373,655	21,405	375,724	176,459	68,580	40,340	13,384,572
At 31 December 2013	805,181	12,322,482	397,150	26,236	363,534	232,416	72,729	37,510	14,257,238

## Notes to the Financial Statements – continued

### 9. Intangible Fixed Assets

	Operating Licences €
<i>Cost:</i>	
At 1 January 2015 & 31 December 2015	2,000,000
<i>Amortisation:</i>	
At 1 January 2015	285,714
Charge for the financial year	57,143
At 31 December 2015	342,857
<i>Net book amounts:</i>	
At 31 December 2015	1,657,143
At 31 December 2014	1,714,286

#### In respect of previous financial year:

	Operating Licences €
<i>Cost:</i>	
At 1 January 2014 & 31 December 2013	2,000,000
<i>Amortisation:</i>	
At 1 January 2014	228,571
Charge for the financial year	57,143
At 31 December 2014	285,714
<i>Net book amounts:</i>	
At 31 December 2014	1,714,286
At 31 December 2013	1,771,429

In 2009 and 2010 the CRC paid the above amount to the Health Service Executive ('HSE') under a 'Heads of Terms' agreement in respect of an anticipated future licence whereby the CRC would be permitted to operate a regional assessment and treatment centre in Waterford Regional Hospital. As a result of this agreement in 2013 the amount paid was capitalised as an Intangible Fixed Asset. It is being amortised to the income and expenditure account over the period of the agreement of 35 years, from the commencement of services in January 2010.

## Notes to the Financial Statements – continued

### 10. Stocks

	2015 €	2014 €
Wheelchair materials and sundry stock	<u>42,856</u>	<u>49,367</u>

There are no material differences between the replacement cost of stock and the balance sheet amount.

### 11. Receivables

	2015 €	2014 €
Patients' fees and appliances	67,395	60,170
The Care Trust Limited	-	7,355
Other Debtors	-	2,141
Prepayments	71,462	-
	<u>138,857</u>	<u>69,666</u>

### 12. Grants Receivable

	2015 €	2014 €
HSE Dublin Northeast	841,311	1,427,382
HSE South	231,486	-
HSE SAT Project	-	35,417
Dublin City Council School Meals Grant	1,527	1,720
HSE Dublin North West - School leavers day service	30,858	71,063
Bequests	205,676	-
Other Debtors	5,771	-
	<u>1,316,629</u>	<u>1,535,582</u>

### 13. Cash & Cash Equivalents

	2015 €	2014 €
Short term investments: Prize bonds	800	800
Bank balances	1,596,801	537,493
Petty cash	1,410	1,989
Bank overdraft	-	(281,584)
	<u>1,599,011</u>	<u>258,698</u>

## Notes to the Financial Statements – continued

### 14. Payables

#### Amounts falling due within one year

	2015 €	2014 €
Accruals	817,957	927,435
Other creditors	360,696	142,412
Deferred Grant Income	290,486	-
PAYE, PRSI, and other withholding taxes	339,982	316,237
Pension levy deductions	5,504	5,503
Friends and Supporters of the Central Remedial Clinic Ltd (note 23)	-	14,936
Central Remedial Clinic Research Trust (note 23)	24,031	34,806
	<u>1,838,656</u>	<u>1,441,329</u>

Included within Accruals is an amount for Annual Leave of €65,617 (2014: €79,811)

There is no security on the bank overdraft.

### 15. Long Term Loan

	2015 €	2014 €
Loan from Friends & Supporters of the Central Remedial Clinic Limited ('F&S') (Note 23)	<u>-</u>	<u>3,000,000</u>

The loan was advanced to the Central Remedial Clinic in 2012. The loan was unsecured, interest free and was not repayable in the short term. There was no written loan agreement setting out the terms of this loan.

As the Central Remedial Clinic is a Section 38 agency and a 'not for profit' company, the Directors were of the view that the Central Remedial Clinic was not in a position to repay this loan and as a result made a formal request to F&S that this loan would be regarded by F&S as unrecoverable.

At its meeting of 23 June 2015 the Board of F&S agreed to forgive the full amount of €3,000,000 in light of the CRC's financial situation.

## Notes to the Financial Statements – continued

### 16. Movement in Funds

	At start of financial year 2015 €	Incoming Resource 2015 €	Outgoing Resource 2015 €	Transfers between funds 2015 €	Pension Surplus/ Deficit 2015 €	At end of financial year 2015 €
Restricted Funds	197,782	17,578,987	(17,510,429)	-	-	266,340
Unrestricted Funds	(5,659,411)	4,555,589	(1,801,543)	-	4,156,000	1,250,635
Designated Funds	-	-	-	-	-	-
<b>Total</b>	<b>(5,461,629)</b>	<b>22,134,576</b>	<b>(19,311,972)</b>	<b>-</b>	<b>4,156,000</b>	<b>1,516,975</b>

In respect of the  
prior financial year

	At start of financial year 2014 €	Incoming Resource 2014 €	Outgoing Resource 2014 €	Transfers between funds 2014 €	Pension Surplus/ Deficit 2014 €	At end of financial year 2014 €
Restricted Funds	(756,259)	17,962,934	(17,055,266)	46,373	-	197,782
Unrestricted Funds	2,110,878	474,014	(1,285,930)	(46,373)	(6,912,000)	(5,659,411)
Designated Funds	-	-	-	-	-	-
<b>Total</b>	<b>1,354,619</b>	<b>18,436,948</b>	<b>(18,341,196)</b>	<b>-</b>	<b>(6,912,000)</b>	<b>(5,461,629)</b>

### 17. Restricted Funds

An analysis of Restricted Funds at the end of the financial period is outlined below

	2015 €	2014 €
HSE Grant Funding	266,340	197,782
<b>Total Restricted Funds</b>	<b>266,340</b>	<b>197,782</b>

## Notes to the Financial Statements – continued

### 18. Capital Grants

	2015 €	2014 €
Capital grant balances at start of the year	8,755,471	9,296,759
Capital grants received	-	-
Amortisation of capital grants	(541,288)	(541,288)
Net movement on capital grants	(541,288)	(541,288)
<b>Capital grant balances at end of the year</b>	<b>8,214,183</b>	<b>8,755,471</b>

### 19. Net Movement in Funds

	2015 €	2014 €
<b>Net movement in funds is stated after charging / (crediting):</b>		
Depreciation of tangible fixed assets	1,210,366	1,262,335
Amortisation of capital grants	(541,288)	(541,288)
Loss on disposal of tangible fixed assets	1,511	5,024
Auditors' remuneration – audit services (inc VAT)	30,135	22,515
Auditors' remuneration – non-audit services (inc VAT)	5,763	2,035

As explained in Note 7, members of the board of directors do not receive remuneration for their services as directors.

### 20. Taxation

No charge to taxation arises as the company has been granted charitable exemption (CHY 4998) by the Revenue Commissioners under Section 207 Tax Consolidation Act 1997. While the charity does not incur corporation tax it does remit significant payroll taxes and incurs significant costs in irrecoverable VAT.

## Notes to the Financial Statements – continued

### 21. Pensions

The Charity operates a defined benefit scheme and as detailed in note 1 (r) access to the VHSS and the SPSPS public plans.

#### a) Defined Benefit Pension Scheme

The Central Remedial Clinic operates a funded defined benefit pension scheme. The defined benefit scheme is closed to new entrants. The assets of the scheme are vested in independent trustees for the benefit of the employees. The Central Remedial Clinic undertakes an actuarial valuation of the scheme every 3 years. These valuations are undertaken by qualified, independent actuaries. The effective date of the last actuarial valuation was 31 December 2015. The actuarial report is available for inspection by the scheme members but not available for public inspection.

Employer contributions to the scheme are charged to the Statement of financial activities as they are incurred. The cost of employer pension contributions in 2015 was €646k (2014: €1,021k).

This note and the figures included are based on the actuarial position at 31 December 2015. There were significant developments post year end concerning the defined benefit pension scheme. Details of this are given in Note 25 Post Balance Sheet Events.

	2015 €	2014 €
Fair value of scheme assets	29,426,000	29,427,000
Present value of funded obligations	<b>(35,032,000)</b>	(38,703,000)
Deficit in scheme	<b>(5,606,000)</b>	(9,276,000)
Net liability	<b>(5,606,000)</b>	(9,276,000)

The amounts recognised in the profit and loss account are as follows;

	2015 €	2014 €
Interest on pension scheme liabilities	208,000	102,000
Current service cost	815,000	539,000
Admin expense and/or other taxes	109,000	44,000
	<b>1,132,000</b>	685,000

The amounts recognised in the Statement of Comprehensive Income:

	2015 €	2014 €
Effect of changes in assumptions	<b>(3,510,000)</b>	9,699,000
Effect of experience adjustment	<b>(1,027,000)</b>	(1,401,000)
(Return) on reimbursement rights (excluding interest)	381,000	(1,386,000)
Actuarial gain/(loss) recognised in Other Comprehensive Income	<b>(4,156,000)</b>	6,912,000
Actual(loss) / return on scheme assets	<b>(4,156,000)</b>	6,912,000

The cumulative actuarial loss recognised in the statement of total recognised gains and losses up to and including the financial year ended 31 December 2015 is €4,156k (2014: €6,912k).

## Notes to the Financial Statements – continued

### 21. Pensions

Movements in the present value of the defined benefit obligation were as follows:

	2015	2014
	€	€
Opening defined benefit obligation	(38,703,000)	(29,072,000)
Change arising from employee service	(815,000)	(539,000)
Benefit payments from plan assets	922,000	547,000
Participant contributions	(194,000)	(262,000)
Insurance premiums for risk benefits	44,000	44,000
Effect of changes in assumptions	3,510,000	(9,699,000)
Effect of experience adjustment	1,027,000	1,401,000
Interest expense	(823,000)	(1,123,000)
Closing defined benefit obligation	<b>(35,032,000)</b>	<b>(38,703,000)</b>

Changes in the fair value of scheme assets were as follows:

	2015	2014
	€	€
Opening fair value of scheme assets	29,427,000	26,694,000
Interest income	615,000	1,021,000
Employer contribution	646,000	699,000
Participant contribution	194,000	262,000
Benefit payments from plan assets	(922,000)	(547,000)
Administrative expenses	(109,000)	(44,000)
Insurance premiums for risk benefits	(44,000)	(44,000)
Return on plan assets	(381,000)	1,386,000
Closing fair value of scheme assets	<b>29,426,000</b>	<b>29,427,000</b>

	2015	2014
Equities	50.1%	53.23%
Bonds	39.9%	41.27%
Property	0.1%	0.1%
Mature Deferred Annuities	1.9%	0%
Other	8.0%	5.4%
	<b>100.0%</b>	<b>100.0%</b>

Scheme assets do not include any amounts invested in the Charity's own financial instruments or any amounts invested in property occupied by the Charity.

#### Basis of expected rate of return on assets

To develop the expected long term rate of return on assets assumption, the Group considered the current level of expected returns on risk free investments, the historical level of the risk premium associated with the other asset classes in which the portfolio is invested and the expectation for the future returns of each asset class. The expected return for each asset class was then weighted based on the current asset allocation to develop the expected long term rate of return on assets assumption for the portfolio.

The valuations of the defined benefit plans used for the purposes of FRS 102 disclosures have been based on the actuarial valuations, using the projected unit credit method, of the plans as at 31 December 2015.

The major assumptions used by the actuary were as follows:

	2015	2014
Discount rate at 31 December	2.60%	2.10%
Inflation	1.75%	1.75%
Future salary increases		
Frozen till 2017 and thereafter:	2.00%	0.00%
Pension Increases	1.75%	1.75%
Expected rate of return on assets		3.51%

## Notes to the Financial Statements – continued

### 22. Commitments

(a) **Capital Commitments**

At 31 December 2015, the company had entered in to commitments of €127,650 in relation to capital work to be carried out during 2016.

(b) **Operating Lease Commitments**

At 31 December 2015, the company had no annual commitments under operating leases.

### 23. Related Parties

#### Friends and Supporters of the Central Remedial Clinic

Related parties include Friends and Supporters of the Central Remedial Clinic Limited ('F&S'), a company with which the Company had, in 2015, common members and Directors and Central Remedial Clinic Medical Devices Limited, which was formed by the Company in 2006. In 2007, the shares in Central Remedial Clinic Medical Devices Limited held by the Company were transferred to F&S and it is therefore a 100% owned subsidiary of F&S.

During the year, donations received from F&S decreased from €27,223 in 2014 to €Nil in 2015.

In addition in 2015 F&S owned 50% of the issued share capital of The Care Trust Limited, a company set up to operate pools and lotteries for charitable purposes for the benefit of the Company, Rehab and the Mater Hospital. With effect from 1 September 2014 the share of these lottery proceeds attributable to the Company have been paid directly to the Company by The Care Trust Limited. These amounted to €1,259,368. Debtors (note 11) include an amount of €Nil (2014: €7,355) payable to the Company by The Care Trust Limited.

A process to transfer the remaining assets of F&S (including the shares held by it in The Care Trust Limited) to the Central Remedial Clinic continues following a formal approval by the Board of F&S in June 2014. The shares held in The Care Trust Limited were transferred to the Central Remedial Clinic in March 2016. Further details are included in Note 25 Post Balance Sheet events.

Payables (note 14) includes an amount of €Nil (2014: €14,936) due to Friends and Supporters of the Central Remedial Clinic Limited.

Long Term Loan (Note 15) consists of a loan of €Nil (2014: €3,000,000) advanced to the Company in 2012 by F&S, to assist in financing the Company's pension liabilities under the Defined Benefit Pension Scheme. There was no written loan agreement setting out the terms of this loan. At its meeting of 23 June 2015 the Board of F&S agreed to forgive the full amount of €3,000,000 in light of CRC's financial situation.

#### Central Remedial Clinic Medical Devices Limited

A liquidator of Central Remedial Clinic Medical Devices Limited was appointed on 5 June 2015. The liquidation was completed on 16 February 2016.

#### Central Remedial Clinic Research Trust

The Central Remedial Clinic has the power to remove and appoint trustees of the Central Remedial Clinic Research Trust. During 2015 the Central Remedial Clinic provided the Central Remedial Clinic Research Trust with a grant of €25,000 (2014: €25,000). The Central Remedial Clinic also provides administrative support for the Central Remedial Clinic Research Trust. As disclosed in note 14 the Central Remedial Clinic owed the Central Remedial Clinic Research Trust €24,031 at 31 December 2015 (€34,806 at 31 December 2014).

#### Key Management

Key management disclosure is contained in Note 6(d).

## Notes to the Financial Statements – continued

### 24. First Time Adoption of FRS102

On transition to FRS102 the expected return on planned assets decreased resulting in a decrease in the Actuarial Gain on the pension scheme of €45,000. A corresponding credit has been recognised in the opening reserves

### 25. Post Balance Sheet Events

#### *Transfer of Assets of Friends & Supporters of the Central Remedial Clinic*

As described in Note 23 Related Parties, there is a process underway to transfer assets from Friends & Supporters of the Central Remedial Clinic to the Central Remedial Clinic.

The CRC acquired 50 B shares in the Care Trust Limited from Friends & Supporters of the CRC for the consideration of €65 in March 2016. These shares represent 50% of the equity of the Care Trust Limited.

During 2016 the Friends & Supporters of the CRC discussed with the CRC the transfer of the remaining assets of the Friends & Supporters of the CRC to the CRC. The assets are primarily financial investments and cash in the Friends & Supporter's bank accounts. It is expected that the majority of the remainder of these assets will be transferred to the CRC during August and September 2016, and that the transfers will be complete before the end of 2016. The total assets of the Friends & Supporters of the CRC were reported as €13,963,657 at 28 February 2015, the date of their most recently audited financial statements.

The assets are expected to be transferred to the CRC with the following restrictions on their use in line with the objects of the Friends & Supporters of the CRC;

- (a) the erection, building, support, maintenance and management of hospitals, day care centres, clinics and training centres for disabled and handicapped persons provided that these hospitals, day care centres, clinics and training centres are recognised by the Revenue Commissioners as being established for charitable purposes only;
- (b) training, nursing, educating and generally assisting in the care, support and education of persons with physical and mental disabilities;
- (c) the provision of home help for disabled persons and to trained nurses and other professionals in the care and support of disabled persons;
- (d) the provision of courses for the training of persons with physical and mental disabilities.

#### *Defined Benefit Pension Scheme*

On 15 April 2016, the CRC management were informed by the actuary to the scheme of a significant deterioration in the pension scheme during the period 1 January 2016 to 31 March 2016. The scheme actuary advised that based on the position at the end of March 2016, the funding proposal for the scheme was significantly off track.

On 18 May 2016 the CRC issued a letter to the Trustees of the IPT Defined Benefit Pension scheme informing the trustees that the CRC would cease contributing to this plan with immediate effect. This cessation of contributions resulted in the Trustees initiating a wind-up of the IPT Defined Benefit Pension scheme.

On 1 June 2016 the Trustees of the IPT Defined Benefit Pension scheme requested that the CRC make a contribution sufficient to ensure that the scheme is fully funded on a wind up basis and that the CRC pay the expenses of winding up the scheme. The combined cost of this contribution and the wind up expenses are estimated at €1.9m. The CRC has received legal advice indicating that that the CRC is not legally bound to pay these costs.

Further details on these post balance sheet events are given on page 28 under the heading Financial Performance and on page 29 under the heading Key Financial Risks and Uncertainties.

## Notes to the Financial Statements – continued

### 26. Contingent Liabilities

As disclosed on page 30 of the Directors' Report on 1 June 2010, the CRC entered into an agreement with The Rehab Group, Rehab Foundation Limited, Friends and Supporters of the Central Remedial Clinic (F&S) and The Care Trust Limited which provides that all losses of The Care Trust Limited arising from its lottery and non-lottery fund raising activities shall be borne by The Rehab Group and the Company equally.

The CRC is a joint guarantor together with The Rehab Group on a lease relating to the offices of The Care Trust Limited. The lease expires in May 2017.

### 27. Approval of Signing of the Financial Statements

The financial statements were approved for signing and authorised for issue by the Board of Directors on 26<sup>th</sup> August 2016.

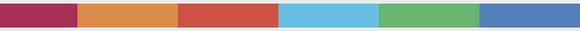
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# ADMINISTRATION INFORMATION

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# 10

REGISTERED OFFICE	Penny Ansley Memorial Building, Vernon Avenue, Clontarf, Dublin 3. D03 R973
COMPANY REGISTERED NUMBER	14880
CHARITY NUMBER	CHY4998
PRINCIPAL BANKERS	AIB Bank, 53/54 Main Street, Finglas, Dublin 11. D11 PH94
PRINCIPAL SOLICITORS	Mason Hayes & Curran, South Bank House, Barrow Street, Dublin 4. D04 TR29
AUDITORS	BDO Chartered Accountants Beaux Lane House, Mercer Street Lower, Dublin 2. D02 DH60





**Central  
Remedial  
Clinic**

**Central Remedial Clinic**

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Company #: 14880

CRA Registered #: 20006938