

Financial Statements

Headway (Ireland) Company Limited by Guarantee

For the financial year ended 31 December 2019

Company Information

| | |
|----------------------------|--|
| Directors | Dr. Niall Pender (Chairperson) Mr. David Brabazon Ms. Patricia Cotter Mr. David Holden Mr. Malachy Murphy Ms. Anne Marie Cullen (appointed 29 January 2019) Ms. Rachel Macaree (appointed 29 January 2019, resigned 22 October 2019) |
| Company secretary | Fiona Murphy |
| Registered number | 198247 |
| Registered office | Blackhall Green Blackhall Place Dublin 7 |
| Independent auditor | Grant Thornton Chartered Accountants & Statutory Audit Firm 13-18 City Quay Dublin 2 |
| Bankers | Allied Irish Banks George's Street Dun Laoghaire Co. Dublin |
| Solicitors | Sheridan Quinn Solicitors 48 Pembroke Road Dublin 4 |

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Trustees' Annual Report (continued)

For the financial year ended 31 December 2019

The Trustees, who are also Directors for the purposes of company law, present their annual report and the audited financial statements for the financial year ended 31 December 2019.

Headway (Ireland) Company Limited by Guarantee is a company incorporated in the Republic of Ireland. The company is a registered charity with charity number 7417 and company registered number 198247 with a registered address at Blackhall Green, Blackhall Place, Dublin 7.

Headway's objectives

The company's mission is to bring positive change in the lives of those affected by an acquired brain injury. The company's objectives are:

- (i) to provide a range of rehabilitative services for people with an acquired brain injury;
- (ii) to provide information and support for families and carers of people with an acquired brain injury; and
- (iii) to raise awareness of and provide information about acquired brain injury.

Headway's activities

During the financial year in focus Headway provided,

- service to 1,342 people (up 1.9%);
- telephone support to 962 people (up 1.8%);
- received 446 new referrals (up 27% ****); and
- provided 70,925 hours of rehabilitation (up 7.9%).

**** Services are at a maximum level hence the small 1.9% increase and within current resources this is not going to change significantly. The worrying aspect is the significant increase in referrals which are up 27%. Assuming these referrals are suitable for Headway services it will mean waiting times for access to services will become longer.

Headway's achievements and performance

Continuous quality control with an emphasis on outcomes is conducted with clients to ensure satisfaction with the services provided. Our continuing journey for constant quality improvement is being dealt with through our Performance Improvement Plan as submitted to our accrediting agency CARF (Commission for the Accreditation of Rehabilitation Facilities).

Within limited resources Headway is continuously juggling to try and offer clients the optimum service from referral, to assessment to service and whilst great progress was made with our waiting lists in 2019 the significant increase in referrals will cause difficulty in maintaining the progress made last year without an increase in resource. This issue is constantly brought to the attention of the HSE.

Planning was submitted to Cork City Council in March 2019 for a significant ground floor development on the newly acquired site on the Carrigrohane Road. Planning was granted subject to the provision of certain further information and reports. The approximate cost of the development is €2.5million (although building cost inflation may increase this figure). Headway is utilising €5 million of own funds. There is significant political, HSE and community support for the project and an application has been made to Central Government for €1 million support. Headway has embarked on an awareness raising, communication and fundraising campaign to raise €1 million.

Trustees' Annual Report (continued)

For the financial year ended 31 December 2019

From a risk perspective the cost of the loan for the new site is equivalent to the rent we were paying and guarantees security of tenure. At worst we may need to continue to operate from two sites for the moment and develop the Carrigrohane site over the term of the Planning Permission.

Our Strategic Plan is generally running to target – the Board is appraised of the progress at Board meetings. Our Strategic Plan takes into account the significant under investment in neuro rehabilitation services despite the ambitions articulated in the Neuro-Rehabilitation Strategy 2011 -2015.

Impact of services to clients

Headway is contracted to provide services by the (Health Service Executive) HSE under Service Level Arrangements which refers to Headway's specific expertise in providing quality service.

Headway committed to a quality improvement journey some years back by applying for and attaining the highest level of accreditation from CARF. As part of the accreditation Headway must carry out an annual independent survey with clients which is benchmarked internationally.

Headway continues to perform very strongly in the independent benchmarked survey.

There are normally five highest score areas highlighted but this increased to nine for Headway in 2019 as follows:

- Respectful of culture 99.3%
- Respected as a person 99.3%
- Respectful of gender 99.3%
- Respectful of sexuality 99.3%
- Staff respected privacy 99%.
- Felt safe here 99.3%
- Respectful of age 99%
- Information was kept private 99%
- Overall satisfaction with service received 99%

All other scores were 90% plus, with the exception of the three below

- Where to get help in the community 85.6%
- Able to do things without barriers 86.1%
- Able to deal with everyday activities 86.2%

The three lower scores, although relatively high, are not directly within the control of Headway as they refer to other services, the living environment and the level of impairment of the person as a consequence of the brain injury but they do frame how we try to improve our services and explain the challenges people with brain injury face to the government, state services, commercial services and the public at large.

Headway seeks to measure the quality of it's interventions with clients through internationally recognised tools such as,

- Satisfaction with Life Scale
- Outcome Rating Scale
- The Mayo Portland Adaptability Inventory

Trustees' Annual Report (continued)

For the financial year ended 31 December 2019

Performance

Strategic plan 2019 – 2021 contains 3 strategic Objectives

1. To Develop Organisational Capacity (to ensure we are adequately funded, availing of all funding opportunities, communicating and sharing information effectively internally, making maximum use of IT and AT (assistive technology) and ensuring the Board is well briefed and the organisation well managed.
2. To ensure Quality, Best Practice and Outcomes are evident throughout the organisation.
3. To Build effective relationships with all stakeholders, research and support stroke service and to support client advocacy initiatives.

Progress is reported to the Board at each Board meeting.

Financial review

The surplus for the financial year, after taxation, amounted to €148,984 (2018 - €155,796). This comprises an unrestricted surplus of €69,253 a restricted surplus of €55,976 and designated funds of €23,755.

Total income for 2019 increased by €304,308 (8%), this is an increase in Grant income of €350,144 and a decrease in fundraising income of (€45,836).

The additional grant income in 2019 was received from HSE Midwest, HSE South, HSE Dublin North and HSE Dublin South West from Early School Leavers funding.

Total expenditure for 2019 increased by €311,120 (8.5%). A largest item of expenditure is wages and salaries which increased by €257,063 in 2019. This increase in cost arises due to additional staff recruited for service expansion and to pay increases implemented.

Based on the results for the financial year, the year end financial position and the approved 2020 budget, the Board of Trustees believes that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason the Board continues to adopt the 'going concern' basis in preparing the financial statements.

Plans for the future

The organisation will continue to develop person and community-focused services, in line with New Directions. Despite the rehabilitation services provided by Headway being a vital component of the Neuro Rehabilitation Strategy the fact that the operationalising of the Strategy has not been funded means that people with brain injury have little short-term hope of a seamless continuum of care.

Demand for community services is increasing as evidenced by Headway referrals yet there has been no funding set aside by the HSE for the overall implementation of the Neuro-Rehabilitation Strategy. The lack of funding is likely to impede the development of an optimal continuum of care for a person with a brain injury.

The Neuro Rehabilitation Strategy 2011–2015 is long overdue and has been ignored by the funders for 5 years. Bearing in mind that a fully funded Strategy would take years to implement the future is bleak for people with brain injury.

The future plans are to be the best Headway can be in terms of quality, responsiveness and timeliness within available resources.

Trustees' Annual Report (continued)

For the financial year ended 31 December 2019

Our accreditation survey is due for renewal in 2020.

The largest project in the history of the organisation is the Cork Carrigrohane development and this will necessitate engagement with a wide number of stakeholders across many sectors. It is likely that Headway will need to consider this as a five year project in light of the costs involved.

Embedded in our Strategy / plans is the critical need to work with others to deliver as comprehensive a service as possible to the people we serve, particularly in the absence of additional funding.

Structure, governance and management

Currently the Board of Trustees has six members as follows:

Board of Trustees

Dr. Niall Pender
Mr. David Brabazon
Ms. Patricia Cotter
Mr. David Holden
Mr. Malachy Murphy
Ms. Anne Marie Cullen

Board Meetings

5th March 2019
11th June 2019
17th October 2019
3rd December 2019

The Memorandum and Articles of Association provide for a maximum number of twelve on the Board.

A strategic approach is adopted to ensure that there is adequate representation of the mix of skills and gender balance required to effectively lead the organisation. A variety of sources are used such as Boardmatch, professional people with whom the organisation comes into contact, nominations from current or past Trustees.

A CV is required, any references applying to the particular candidate are vetted, a review of skills mix assessed, an interview is conducted between the Chair, or other appointed Trustee, the CEO and Secretary and the person is co-opted until the next annual general meeting at which time they may put themselves forward for election.

The Board are happy to allow prospective Board members to “sample” Board meetings before commitment. Detailed information is provided to the candidate as part of the induction process.

The key employee in terms of the Board is the CEO, Kieran Loughran. The CEO, who is directly accountable to the Board, manages the day-to-day running of the organisation, making management decisions that are in accordance with the agreed strategic, operational and annual plans and the direction provided by the Board. The CEO is responsible for all operational matters. The CEO reports to the Board through the Chair. The Chair acts on behalf of the Board to ensure that the CEO's performance is appraised annually.

Trustees' Annual Report (continued)

For the financial year ended 31 December 2019

The Trustees who served at any time during the financial period were:

Dr. Niall Pender (Chairperson)

Mr. David Brabazon

Ms. Patricia Cotter

Mr. David Holden

Mr. Malachy Murphy

Ms Anne Marie Cullen (appointed 29 January 2019)

Ms. Rachel Macaree (appointed 29 January 2019, resigned 22 October 2019)

Company Secretary Ms. Fiona Murphy

In accordance with Section 329 of the Companies Act 2014 the Trustees and secretary of the company who held office at 31 December 2019 have no beneficial interests as the company is a company limited by guarantee having no share capital.

Key risks and uncertainties

The organisation Risk Management Plan is reviewed monthly by the executive and quarterly by the Audit and Risk committee and annually by the Board.

The directors consider that the principal risks and uncertainties faced by the company are as follows:

Economic risk

Despite the economy doing well there is the continuing uncertainty of the consequences and implications of Brexit, particularly a no deal Brexit. The general election result together with the Covid 19 crisis has brought a new dimension to the running of the State and the management of Headway services. We are now in uncharted territory and at the very least the economy is going to take a big hit.

Competitive risk

There is no other specialist brain injury service provider offering exactly the same services in the community as Headway. By any metrics Headway offers excellent value for money and is an internationally accredited organisation. The HSE have always acknowledged that services to people with brain injury are inadequate and that additional development funding is unlikely to be available, especially in the short / medium term despite promises about actioning the Neuro-Rehabilitation strategy. Headway always seeks to work in partnership with other agencies in the interests of clients.

The Board of Headway remains open to develop strategic alliances, shared services and consider merger provided any such initiative will enhance services to people with brain injury and proper risk analyses are conducted.

Financial risk

Our funding is managed through Service Level Arrangement and we have close relationships with the HSE. Tight financial controls are maintained and cash flow is monitored. In depth analysis of management accounts is conducted monthly by management and quarterly at Audit and Risk Committee meetings and Board meetings. The Audit and Risk Committee also meets with the auditors on an annual basis.

Service Level Agreements have been completed indicating a 1% "efficiency cut" across some services.

Trustees' Annual Report (continued)

For the financial year ended 31 December 2019

Grant accounting policy

Grants from the government and other donors are recognised as income when the entitlement to the grant income is met. Income from grant agreements which are dependent on the provision of specific activities as per the grant agreement (performance related grants) are recognised when the activity has been undertaken.

Income due but not yet received at the year end is included in debtors on the balance sheet and funds already received in relation to future years but not yet expended are shown in creditors as deferred income. All statutory grants are treated as restricted grants.

Fundraised income/donations are recognised when the income is received.

Capital grants in respect of buildings and equipment are amortised over the lives of the relevant assets.

Reserves policy

The Board of Trustees has a Reserves Policy in place which states:

- Unrestricted funds consist of general funds which are expendable at the discretion of the Board in furtherance of the objectives of the company.
- Restricted funds represent amounts that Headway has at its discretion set aside for specific purposes, which would otherwise form part of general reserves of the organisation.

In 2010 the Board of Headway agreed to seek to achieve a reserve sum equivalent to three months operational costs or a figure of €882,465 as of today. This reserves policy was introduced during the period of annual funding cuts, when Headway had no banking facilities and when fundraising was extremely difficult. It was agreed that the Audit and Risk Committee would keep this under review.

In conversations with both the HSE and Grant Thornton it was suggested that this level of reserve is no longer necessary and that reserves should primarily be for special projects and other investments supporting the service and our clients.

In light of the above and the fact that reserves stood at €1,027,080 at December 2018 the Board agreed to make available €250,000 towards the site development in Cork at the appropriate time. Total funds held as at 31 December 2019 was €1,167,789.

Remuneration policy

Headway average staff numbers for 2019 were 70. A small number of interns and volunteers support our work on a rolling basis. Headway is largely funded by the HSE and commits to the provision of services based on head and salary count.

Executive and staff remuneration are within relevant Public Sector pay scales currently in place. Since the Public Sector pay cuts have ceased and the Financial Emergency Measures in the Public Interest regulations relaxed Headway is finding the recruitment and retention of staff more difficult.

As a Section 39 organisation, not directly funded for increments, this provides an ongoing challenge and risk for the organisation as referenced under Economic and Financial risk.

Trustees' Annual Report (continued)

For the financial year ended 31 December 2019

Accounting records

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at Blackhall Green, Blackhall Place, Dublin 7.

Research and development activities

There were no research and development activities during the financial year.

Statement on relevant audit information

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Branches outside the state

There are no branches of the company outside the State.

Events since the end of the financial year

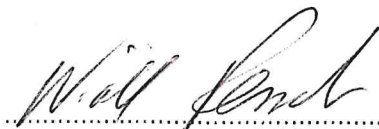
On the 11th of March 2020, the World Health Organisation officially declared COVID-19, the disease caused by novel coronavirus, a pandemic. Management is closely monitoring the evolution of this pandemic, including how it may affect the Company. In line with advice issued by the government, the Company have implemented significant procedures and safeguards to ensure well-being of staff and the public. All group and centre based facilities have been cancelled. The Company are supporting as many clients as possible in the best way they can mainly through the use of the Company's helpline, individual telephone support and video conferencing.

The HSE is the Company's main funder and they have indicated existing funding streams will remain in place, however, management has not yet determined the financial impact of these events for future periods.

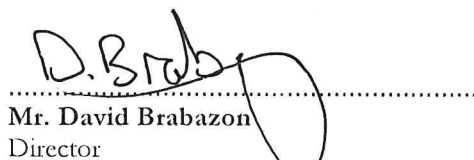
Auditor

The auditor, Grant Thornton, continues in office in accordance with section 383(2) of the Companies Act 2014.

This report was approved by the board and signed on its behalf.



Dr. Niall Patrick Pender (Chairperson)
Director



Mr. David Brabazon
Director

Date: 5/5/2020

Trustees' Responsibilities Statement

For the financial year ended 31 December 2019

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

Irish company law requires the Trustees to prepare the financial statements for each financial year. Under the law, the Trustees have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice In Ireland, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date, of the profit or loss of the company for that financial year and otherwise comply with the Companies Act 2014.

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

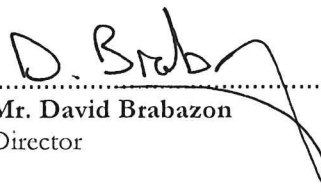
- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect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

The Trustees 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 Trustees' 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.

On behalf of the board



Dr. Niall Patrick Pender (Chairperson)
Director



Mr. David Brabazon
Director

Date: 5/5/2020

Independent Auditor's Report to the Members of Headway (Ireland) Company Limited by Guarantee

Opinion

We have audited the financial statements of Headway (Ireland) Company Limited by Guarantee, which comprise the Statement of Financial Activities for the financial year ended 31 December 2019 the Statement of Financial Position, the Statement of Cash Flows as at 31 December 2019, and the related notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (Generally Accepted Accounting Practice in Ireland).

In our opinion, Headway (Ireland) Company Limited by Guarantee's financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the assets, liabilities and financial position of the company as at 31 December 2019 and of its financial performance and cash flows for the financial year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the 'responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, namely the Irish Auditing and Accounting Supervisory Authority (IAASA) Ethical Standard concerning the integrity, objectivity and independence of the auditor, and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (Ireland) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent Auditor's Report to the Members of Headway (Ireland) Company Limited by Guarantee (continued)

Other information

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

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

We have nothing to report in this regard.

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 Trustees' report is consistent with the financial statements. Based solely on the work undertaken in the course of our audit, in our opinion, the Trustees' report has been prepared in accordance with the requirements of the Companies Act 2014.

Matters on which we are required to report by exception

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

Under the Companies Act 2014, we are required to report to you if, in our opinion, the disclosures of trustees' remuneration and transactions specified by sections 305 to 312 of the Act have not been made. We have no exceptions to report arising from this responsibility.

Independent Auditor's Report to the Members of Headway (Ireland) Company Limited by Guarantee (continued)

Responsibilities of the management and those charged with governance for the financial statements

As explained more fully in the 'Trustees' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, including FRS102, and for such internal control as they determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the company's financial reporting process.

Responsibilities of the auditor for the audit of the financial statements

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

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgment and maintain professional skepticism throughout the audit. They will also:

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

Independent Auditor's Report to the Members of Headway (Ireland) Company Limited by Guarantee (continued)

Responsibilities of the auditor for the audit of the financial statements - continued

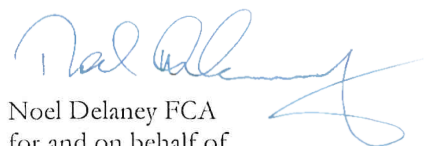
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

The Auditor shall communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

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

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Noel Delaney FCA
for and on behalf of
Grant Thornton
Chartered Accountants
Statutory Audit Firm
Dublin 2

Date: 24 May 2020

Statement of Financial Activities

For the financial year ended 31 December 2019

| | Note | Unrestricted Funds 2019 € | Restricted Funds 2019 € | Designated Funds 2019 | Total 2019 € | Total 2018 € |
|--|------|------------------------------------|----------------------------------|-----------------------------|--------------------|--------------------|
| Income | | | | | | |
| Donations and legacies | 4 | 26,683 | 1,500 | 6,556 | 34,739 | 86,884 |
| Charitable activities | 5 | - | 3,986,696 | - | 3,986,696 | 3,636,552 |
| Others | 6 | 66,426 | 12,412 | 26,462 | 105,300 | 98,991 |
| Total income | | <u>93,109</u> | <u>4,000,608</u> | <u>33,018</u> | <u>4,126,735</u> | <u>3,822,427</u> |
| Expenditure on: | | | | | | |
| Raising funds | | 23,856 | - | 9,263 | 33,119 | 81,068 |
| Charitable activities | 7 | - | 3,944,632 | - | 3,944,632 | 3,585,563 |
| Total expenditure | | <u>23,856</u> | <u>3,944,632</u> | <u>9,263</u> | <u>3,977,751</u> | <u>3,666,631</u> |
| Net surplus before transfers | 8 | 69,253 | 55,976 | 23,755 | 148,984 | 155,796 |
| Transfers between funds | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net movement in funds | | 69,253 | 55,976 | 23,755 | 148,984 | 155,796 |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 553,361 | 270,146 | 203,573 | 1,027,080 | 879,559 |
| Amortisation during the financial year | | - | - | (8,275) | (8,275) | (8,275) |
| Total funds carried forward | | <u>622,614</u> | <u>326,122</u> | <u>219,053</u> | <u>1,167,789</u> | <u>1,027,080</u> |

All amounts relate to continuing operations.

There was no other comprehensive income for 2019 (2018: €NIL).

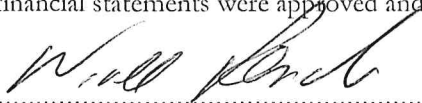
The notes on pages 16 to 32 form part of these financial statements.

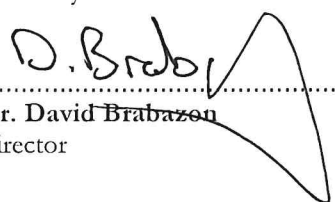
Statement of Financial Position

As at 31 December 2019

| | Note | 2019 € | 2018 € |
|---|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible assets | 11 | 2,161,569 | 2,287,576 |
| | | <u>2,161,569</u> | <u>2,287,576</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 12 | 201,234 | 185,758 |
| Cash at bank and in hand | 13 | 784,811 | 634,787 |
| | | <u>986,045</u> | <u>820,545</u> |
| Current liabilities | | | |
| Creditors: amounts falling due within one year | 14 | (562,963) | (608,405) |
| Net current assets | | <u>423,082</u> | <u>212,140</u> |
| Total assets less current liabilities | | <u>2,584,651</u> | <u>2,499,716</u> |
| Creditors: amounts falling due after more than one year | 15 | (1,416,862) | (1,472,636) |
| Net assets | | <u><u>1,167,789</u></u> | <u><u>1,027,080</u></u> |
| Funds and reserves | | | |
| Unrestricted funds | 17 | 622,614 | 553,361 |
| Restricted funds | 17 | 326,122 | 270,146 |
| Designated funds | | 219,053 | 203,573 |
| Total funds | | <u><u>1,167,789</u></u> | <u><u>1,027,080</u></u> |

The financial statements were approved and authorised for issue by the board:


 Dr. Niall Patrick Pender (Chairperson)
 Director


 Mr. David Brabazon
 Director

Date: 5/5/2020

The notes on pages 16 to 32 form part of these financial statements.

Statement of Cash Flows

For the financial year ended 31 December 2019

| | 2019 € | 2018 € |
|---|-----------------|------------------|
| Cash flows from operating activities | | |
| Surplus for the financial year | 148,984 | 155,796 |
| Adjustments for: | | |
| Depreciation of tangible assets | 151,976 | 132,223 |
| Amortisation of grants and property reserves | (85,000) | (85,000) |
| Interest paid | 20,186 | 9,068 |
| Interest received | - | - |
| Increase in debtors | (15,476) | (30,674) |
| Increase in creditors | 49,543 | 116,206 |
| Net cash generated from operating activities | <u>270,213</u> | <u>297,619</u> |
| Cash flows from investing activities | | |
| Purchase of tangible fixed assets | (25,969) | (588,330) |
| Interest received | - | - |
| Net cash used in investing activities | <u>(25,969)</u> | <u>(588,330)</u> |
| Cash flows from financing activities | | |
| Interest paid | (20,186) | (9,068) |
| Proceeds from loan borrowings | - | 450,000 |
| Repayment of loans | (74,034) | (51,126) |
| Net cash generated from/(used in) financing activities | <u>(94,220)</u> | <u>389,806</u> |
| Net increase/(decrease) in cash and cash equivalents | 150,024 | 99,095 |
| Cash and cash equivalents at beginning of financial year | 634,787 | 535,692 |
| Cash and cash equivalents at end of financial year | <u>784,811</u> | <u>634,787</u> |
| Cash and cash equivalents at the end of financial year comprise: | <u>784,811</u> | <u>634,787</u> |
| Cash at bank and in hand | <u>784,811</u> | <u>634,787</u> |

The notes on pages 16 to 32 form part of these financial statements.

Notes to the Financial Statements

For the financial year ended 31 December 2019

1. General information

Headway (Ireland) Company Limited by Guarantee is a company incorporated in the Republic of Ireland with a registered address at Blackhall Green, Blackhall Place, Dublin 7.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and Irish statute comprising of the Companies Act 2014.

The company meets the definition of a public benefit entity under FRS 102.

The company is a registered charity and hence the reports and results are presented in a form which complies with the guidance included within the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) FRS 102.

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 (see note 3).

The financial statements are prepared on a going concern basis.

The financial statements are presented in Euro (€) which is also the functional currency of the company.

The following principal accounting policies have been applied:

2.2 Income/funds

The company receives income under the following headings:

Unrestricted income funds consist of general funds which are expendable at the discretion of the Board in furtherance of the objectives of the company.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor.

Designated funds represent amounts that Headway has at its discretion set aside in relation to the acquisition of premises to provide rehabilitative and vocational services in Limerick and Cork.

Notes to the Financial Statements

For the financial year ended 31 December 2019

2. Accounting policies (continued)

2.3 Recognition of income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when the company has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the company is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the company and it is probable that those conditions will be fulfilled in the reporting period.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the bank.

2.4 Recognition of expense

Expenditure is analysed between raising funds and charitable activities.

The costs of each activity have been separately accumulated and disclosed based on location. Expenditure is recognised in the financial year to which it relates. Expenditure incurred but unpaid at the balance sheet date is included in accruals and other creditors. Charitable expenditure comprises all expenditure incurred by the group in meeting its charitable objectives as opposed to the costs of raising funds to finance these activities.

2.5 Allocation of costs

Support cost are those functions that assist the work of the company but do not directly undertake charitable activities. Support costs include finance, human resource, information technology, operational costs, premises and facilities cost and governance costs which support the company's programmes and activities.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | |
|-----------------------|--|
| Premises | - 2% for Cork premises, 5% for Dublin and Limerick premises. |
| Motor vehicles | - 33% |
| Fixtures and fittings | - 20% |

Notes to the Financial Statements

For the financial year ended 31 December 2019

2. Accounting policies (continued)

2.6 Tangible fixed assets (continued)

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

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

2.7 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.8 Debtors

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

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions. 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.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

2.10 Creditors

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

2.11 Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the group will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the performance model.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Notes to the Financial Statements

For the financial year ended 31 December 2019

2. Accounting policies (continued)

2.12 Pensions

The company operates a defined contribution pension scheme and the assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represent contributions payable by the company to the fund.

2.13 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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 debtors and creditors, 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 the 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 Statement of Financial Activities.

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 of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgments and estimates. The items in the financial statements where these judgments and estimates have been made include:

Significant management judgement

Classification and analysis of restricted and unrestricted income and corresponding expenditure

Determining appropriate classification of income as being either restricted or unrestricted in line with donors' contracted stipulations is a significant judgement applied by management. Thorough reviews of agreements are performed by management to ensure appropriate analysis and expenditure in line with same.

Notes to the Financial Statements

For the financial year ended 31 December 2019

3. Judgments in applying accounting policies and key sources of estimation uncertainty (continued)

Estimates and assumptions

Allowances for impairment of trade receivables

At 31 December 2019, provisions for doubtful debts amounted to €5,546 which represents 4% of trade receivables at that date (2018: €5,546 – 5%). This is based on a general conservative approach by the client rather than any specific debts at risk of default.

Useful lives of depreciable assets

The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of fair values and residual values. The directors annually review these asset lives and adjust them as necessary to reflect current thinking on remaining lives in light of technological change, prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have significant impact on depreciation charges for the period. It is not practical to quantify the impact of changes in asset lives on an overall basis, as asset lives are individually determined, and there are a significant number of asset lives in use. The impact of any change would vary significantly depending on the individual changes in assets and the classes of assets impacted.

4. Donations and legacies

| | Unrestricted Funds 2019 € | Restricted Funds 2019 € | Designated Funds 2019 € | Total 2019 | Total 2018 € |
|----------------------|------------------------------------|----------------------------------|-------------------------------|---------------|--------------------|
| Corporate donations | 17,458 | 1,500 | 6,156 | 25,114 | 68,225 |
| Individual donations | 9,225 | - | 400 | 9,625 | 18,659 |
| | <u>26,683</u> | <u>1,500</u> | <u>6,556</u> | <u>34,739</u> | <u>86,884</u> |

5. Charitable activities

| | Unrestricted Funds 2019 € | Restricted Funds 2019 € | Designated Funds 2019 € | Total 2019 | Total 2018 € |
|--------------------------------|------------------------------------|----------------------------------|----------------------------------|------------------|--------------------|
| Health Service Executive grant | - | 3,606,965 | - | 3,606,965 | 3,262,951 |
| Pobal grant | - | - | - | - | - |
| Civil Service Charity Fund | - | - | - | - | - |
| TUSLA grant | - | 39,000 | - | 39,000 | 39,000 |
| SOLAS grant | - | 332,189 | - | 332,189 | 329,601 |
| Ward of Court Funds | - | 5,000 | - | 5,000 | 5,000 |
| Cork County Council | - | 3,542 | - | 3,542 | - |
| | <u>-</u> | <u>3,986,696</u> | <u>-</u> | <u>3,986,696</u> | <u>3,636,552</u> |

Notes to the Financial Statements

For the financial year ended 31 December 2019

5. Charitable activities (continued)

| Source | Grant title | Amount € | Awarded € | Deferred € | Term | Purpose |
|---|-------------------|-------------|--------------|---------------|----------------------------|---|
| HSE CHO3 Disability - Clare, Limerick, North Tipperary/East Limerick | HSE Disability | 415,558 | 415,558 | - | January - December 2019 | Rehabilitative training programme for people with acquired brain injury. |
| HSE CHO4 Disability - Cork/Kerry | HSE Disability | 1,147,869 | 1,147,869 | - | January - December 2019 | Provision of services to people with acquired brain injury. |
| HSE CHO5 Disability - South Tipperary, Carlow/ Kilkenny, Waterford, Wexford | HSE Disability | 29,764 | 29,764 | - | January - December 2019 | Provision of services to people with acquired brain injury. |
| HSE CHO6 Disability - Wicklow, Dun Laoghaire, Dublin South East | HSE Disability | 136,728 | 136,728 | - | January - December 2019 | Provision of day services to people with acquired brain injury. |
| HSE CHO7 Disability - Kildare/West Wicklow, Dublin West, Dublin South West, Dublin South | HSE Disability | 127,359 | 127,359 | - | January - December 2019 | Provision of day services to people with acquired brain injury. |
| HSE CHO7 Disability - Kildare/West Wicklow, Dublin West, Dublin South West, Dublin South | HSE Disability | 256,872 | 256,872 | - | January - December 2019 | Provision of rehabilitative training programme to people with acquired brain injury. |
| HSE CHO9 Disability - Dublin North, Dublin North Central, Dublin North West | HSE Disability | 1,492,815 | 1,492,815 | - | January - December 2019 | Provision of services to people with acquired brain injury. |

Notes to the Financial Statements

For the financial year ended 31 December 2019

5. Charitable activities (continued)

| Source | Grant title | Amount € | Awarded € | Deferred € | Term | Purpose |
|---|--------------------------------------|-------------|--------------|---------------|-------------------------|---|
| The Limerick and Clare Education and Training Board | QQ1 Level 3 & 4 Employment Skills | 194,424 | 194,424 | - | January - December 2019 | Provision of QQ1 Level 3& 4 employments skills to people with acquired brain injury |
| Cork Education and Training Board | QQ1 Level 3 Employment Skills | 137,765 | 137,765 | - | January - December 2019 | Provision of QQ1 Level 3 employability skills to people with acquired brain injury |
| TUSLA - Child and Family Agency | Bereavement and couples counselling | 39,000 | 39,000 | - | January - December 2019 | Direct therapeutic support for couples dealing with the aftermath of Acquired Brain Injury. |
| Other Miscellaneous | Miscellaneous | 5,000 | 5,000 | - | January - December 2019 | Miscellaneous |
| Cork City Council | Community Enhancement Programme 2019 | 3,542 | 3,542 | - | January - December 2019 | Assistive Technology |
| | | | | | | |
| | Total | 3,986,696 | 3,986,696 | - | | |

Notes to the Financial Statements

For the financial year ended 31 December 2019

6. Others

| | Unrestricted Funds 2019 € | Restricted Funds 2019 € | Designated Funds 2019 | Total 2019 € | Total 2018 € |
|--------------------|------------------------------------|----------------------------------|--------------------------|--------------------|--------------------|
| Fundraising income | 66,426 | 12,412 | 26,462 | 105,300 | 98,991 |
| Interest income | - | - | - | - | - |
| | <u>66,426</u> | <u>12,412</u> | <u>26,462</u> | <u>105,300</u> | <u>98,991</u> |

Notes to the Financial Statements

For the financial year ended 31 December 2019

7. Expenditure on charitable activities

| | Unrestricted Funds 2019 € | Restricted Funds 2019 € | Designated Funds 2019 € | Total 2019 € | Total 2018 € |
|--|------------------------------------|----------------------------------|-------------------------------|--------------------|--------------------|
| Grant related | | | | | |
| HSE CH03 DISABILITY - Clare, Limerick, North Tipperary/East Limerick | - | 329,734 | - | 329,734 | 299,838 |
| HSE CH04 DISABILITY - CORK/KERRY | - | 1,161,931 | - | 1,161,930 | 996,437 |
| HSE CH05 DISABILITY - South Tipperary, Carlow/ Kilkenny, Waterford, Wexford | - | 58,146 | - | 58,146 | 54,059 |
| HSE CH06 DISABILITY - Wicklow, Dun Laoghaire, Dublin South East | - | 178,591 | - | 178,591 | 176,663 |
| HSE CH07 DISABILITY - Kildare/West Wicklow, Dublin West, Dublin South West, Dublin South | - | 146,113 | - | 146,113 | 138,205 |
| HSE CH07 DISABILITY - Kildare/West Wicklow, Dublin West, Dublin South West, Dublin South | - | 242,437 | - | 242,437 | 228,844 |
| HSE CH09 DISABILITY - Dublin North, Dublin North Central, Dublin North West | - | 826,662 | - | 826,662 | 721,369 |
| TUSLA - Child and Family Agency | - | 39,000 | - | 39,000 | 39,000 |
| Cork Education and Training Board | - | 137,765 | - | 137,765 | 137,010 |
| The Limerick and Clare Education and Training Board | - | 231,521 | - | 231,521 | 221,580 |
| | | <u>3,351,900</u> | <u>-</u> | <u>3,351,900</u> | <u>3,013,005</u> |

Notes to the Financial Statements

For the financial year ended 31 December 2019

7. Expenditure on charitable activities

| | Unrestricted Funds 2019 € | Restricted Funds 2019 € | Designated Funds 2019 € | Total 2019 € | Total 2018 € |
|---|------------------------------------|----------------------------------|-------------------------------|--------------------|--------------------|
| Support costs | | | | | |
| Finance | - | 109,096 | - | 109,095 | 95,786 |
| Human resources | - | 129,937 | - | 129,937 | 126,832 |
| Information technology | - | 32,002 | - | 32,002 | 26,850 |
| Operational costs | - | 133,475 | - | 133,475 | 145,296 |
| Governance costs | - | 72,758 | - | 72,758 | 71,321 |
| Premises and facilities | - | 115,464 | - | 115,464 | 106,473 |
| | - | 592,732 | - | 592,732 | 572,558 |
| Total expenditure on charitable activities | - | 3,944,632 | - | 3,944,632 | 3,585,563 |

8. Operating surplus

The operating surplus is stated after charging:

| | 2019 € | 2018 € |
|---------------------------------------|----------------|----------------|
| Depreciation of tangible fixed assets | <u>151,976</u> | <u>132,223</u> |

9. Employees

| | 2019 € | 2018 € |
|-------------------------------------|------------------|------------------|
| Wages and salaries | 2,814,317 | 2,590,739 |
| Social insurance costs | 290,029 | 264,908 |
| Cost of defined contribution scheme | <u>84,238</u> | <u>75,875</u> |
| | <u>3,188,584</u> | <u>2,931,522</u> |

Notes to the Financial Statements

For the financial year ended 31 December 2019

9. Employees (continued)

Executive and staff member's remunerations are within relevant Public Sector pay scales currently in place.

The average monthly number of employees, including the directors, during the financial year was as follows:

| | 2019 No. | 2018 No. |
|-----------------|-------------|-------------|
| Number of staff | <u>70</u> | <u>65</u> |

Capitalised employee costs during the financial year amounted to €NIL (2018: €NIL).

The number of staff whose emoluments, as defined for taxation purposes (basic pay, vehicle and medical insurance benefits), amounted to over €60,000 in the year were as follows:

| | 2019 No. | 2018 No. |
|----------------|-------------|-------------|
| 60,000-69,999 | 3 | 3 |
| 70,000-79,999 | 2 | 3 |
| 80,000-89,999 | 2 | 2 |
| 90,000-99,000* | <u>1</u> | <u>1</u> |

*This range relates to the salary of the CEO of the company, who is considered as key management personnel under the Companies Act 2014

10. Taxation

The company is a registered charity under the Taxes Consolidation Act 1997, with a charity number of CHY7417. As such the company is exempt under Sections 76 and 78 Taxes Consolidation Act, 1997 from corporation tax arising on any surplus if income arising.

Notes to the Financial Statements

For the financial year ended 31 December 2019

11. Tangible fixed assets

| | Premises € | Motor vehicles € | Fixtures and fittings € | Total € |
|-------------------------------|------------------|------------------------|-------------------------------|------------------|
| Cost or valuation | | | | |
| At 1 January 2019 | 2,769,158 | 32,900 | 734,937 | 3,536,995 |
| Additions | - | - | 25,969 | 25,969 |
| At 31 December 2019 | <u>2,769,158</u> | <u>32,900</u> | <u>760,906</u> | <u>3,562,964</u> |
| Depreciation | | | | |
| At 1 January 2019 | 507,721 | 32,900 | 708,798 | 1,249,419 |
| Charge for the financial year | 129,888 | - | 22,008 | 151,976 |
| At 31 December 2019 | <u>637,609</u> | <u>32,900</u> | <u>730,886</u> | <u>1,401,395</u> |
| Net book value | | | | |
| At 31 December 2019 | <u>2,131,549</u> | <u>-</u> | <u>30,020</u> | <u>2,161,569</u> |
| At 31 December 2018 | <u>2,261,437</u> | <u>-</u> | <u>26,139</u> | <u>2,287,576</u> |

Notes to the Financial Statements

For the financial year ended 31 December 2019

12. Debtors

| | 2019 € | 2018 € |
|--------------------------------|----------------|----------------|
| Trade debtors | 2,066 | 2,066 |
| Other debtors | 3,956 | 8,714 |
| Prepayments and accrued income | 50,084 | 56,877 |
| Grants receivable | 145,128 | 118,101 |
| | <u>201,234</u> | <u>185,758</u> |

A bad debt provision of €5,546 (2018: €5,546) was recognised against grants due.

13. Cash and cash equivalents

| | 2019 € | 2018 € |
|--------------------------|----------------|----------------|
| Cash at bank and in hand | <u>784,811</u> | <u>634,787</u> |

14. Creditors: Amounts falling due within one year

| | 2019 € | 2018 € |
|-------------------|----------------|----------------|
| Bank loans | 21,824 | 66,623 |
| Trade creditors | 58,531 | 90,040 |
| PAYE/PRSI payable | 70,820 | 74,763 |
| Other creditors | 84,823 | 51,013 |
| Accruals | 284,639 | 237,656 |
| Grant creditors | 42,326 | 88,310 |
| | <u>526,963</u> | <u>608,405</u> |

Notes to the Financial Statements

For the financial year ended 31 December 2019

14. Creditors: Amounts falling due within one year (continued)

Bank loans are repayable by monthly installments.

Trade and other creditors are payable at various dates over the coming months in accordance with suppliers' usual and customary credit terms.

PAYE/PRSI payable is repayable at various dates over the coming months in accordance with the applicable statutory provisions.

The terms of accruals and grant creditors are based on the underlying contracts.

15. Creditors: Amounts falling due after more than one year

| | 2019 € | 2018 € |
|----------------------------|------------------|------------------|
| Bank loans | 399,293 | 408,342 |
| Government grants received | 1,017,569 | 1,064,294 |
| | <u>1,416,862</u> | <u>1,472,634</u> |

Clan Credo hold a charge over the property now known as Blackhall Green in respect of the bank loan.

The grants received and receivable balance of €1,704,739 (2018: 1,674,739) is made up of 2000-2002 Health Boards (Various Properties) balance of €658,074, 2013 HSE (Blackhall Green premises) balance of €517,136 and 2016 HSE Midwest €12,254, an amount of €477,915 received from JP McManus Invitational ProAm towards new premises in Limerick and HSE Dublin North of €3,500, HSE Dublin South West of €2,960 and HSE Dublin Midwest of €2,900. An additional €30,000 was received in 2019 from HSE South towards new premises in Cork.

Under the agreement with the Health Service Executive dated April 2013, the company has a contingent liability to repay this grant of €517,136 if the said premises at any time cease within a period of 20 years from April 2013, to be used as a rehabilitation, training and support centre for brain injured individuals and their families.

Notes to the Financial Statements

For the financial year ended 31 December 2019

15. Creditors: Amounts falling due after more than one year (continued)

| | 2019 € | 2018 € |
|--|------------------|------------------|
| Received and receivable | | |
| Receivable at 1 January | 1,674,739 | 1,671,839 |
| Receivable during the financial year | 30,000 | 2,900 |
| | <u>1,704,739</u> | <u>1,674,739</u> |
| | 2019 € | 2018 € |
| Amortisation | | |
| At 1 January | 610,445 | 533,720 |
| Amortisation during the financial year | 76,725 | 76,725 |
| | <u>687,170</u> | <u>610,445</u> |
| | 2019 € | 2018 € |
| As at 31 December | | |
| Net balance of grants received | <u>1,017,569</u> | <u>1,064,294</u> |

Notes to the Financial Statements

For the financial year ended 31 December 2019

16. Loans

Analysis of the maturity of loans is given below:

| | 2019 € | 2018 € |
|--|----------------|----------------|
| Amounts falling due within one year | | |
| Bank loans | 21,824 | 66,623 |
| Amounts falling due within 1-2 years | | |
| Bank loans | 46,652 | 34,599 |
| Amounts falling due within 2-5 years | | |
| Bank loans | 139,955 | 103,798 |
| Amounts falling due more than 5 years | | |
| Bank loans | 212,686 | 269,945 |
| | <u>421,117</u> | <u>474,965</u> |

17. Analysis of fund movements

| | Funds brought forward € | Income € | Expense € | Transfer between funds € | Amortisation € | Funds brought forward € |
|--------------|----------------------------------|------------------|--------------------|-----------------------------------|-------------------|-------------------------------|
| Unrestricted | 553,361 | 93,109 | (23,856) | - | - | 622,614 |
| Restricted | 270,146 | 4,000,608 | (3,944,632) | - | - | 326,122 |
| Designated | 203,573 | 33,018 | (9,263) | - | (8,275) | 219,053 |
| | <u>1,027,080</u> | <u>4,126,735</u> | <u>(3,977,751)</u> | <u>-</u> | <u>(8,275)</u> | <u>1,167,789</u> |

Designated funds

Designated funds are "restricted" income and donations set aside in relation to the acquisition of premises to provide rehabilitative and vocational services in Limerick and Cork. In March 2017, the company moved into the Limerick premises and in August 2018, the company purchased the leased premises in Carrigrohane Cork and intends to develop this site, thereby releasing the reserve to the Statement of Financial Activities in line with the depreciation of the building.

Notes to the Financial Statements

For the financial year ended 31 December 2019

18. Related party transactions

No other transactions with related parties were undertaken such as are required to be disclosed under FRS 102 Section 33.

19. Company status

This is a company limited by guarantee and accordingly has no share capital. In the event of the company being wound up, each member is liable to an amount not exceeding €1.27.

20. Approval of financial statements

5 May 2020.

The board of directors approved these financial statements for issue on

21. Events since the end of the financial year

On the 11th of March 2020, the World Health Organisation officially declared COVID-19, the disease caused by novel coronavirus, a pandemic. Management is closely monitoring the evolution of this pandemic, including how it may affect the Company. In line with advice issued by the government, the Company have implemented significant procedures and safeguards to ensure well-being of staff and the public. All group and centre based facilities have been cancelled. The Company are supporting as many clients as possible in the best way they can mainly through the use of the Company's helpline, individual telephone support and video conferencing.

The HSE is the Company's main funder and they have indicated existing funding streams will remain in place, however, management has not yet determined the financial impact of these events for future periods.