

I.W.A. LIMITED
(A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)

YEAR ENDED 31 DECEMBER 2005

I.W.A. LIMITED (A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)

REPORTS AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2005

CONTENTS	Page
Directors and other information	2
Report of the directors	4
Report of the auditors	6
Statement of accounting policies	8
Statement of financial activities	10
Balance sheet	11
Statement of recognised gains and losses	12
Reconciliation of movement in funds	12
Cash flow statement	13
Notes to the financial statements	14

I.W.A. LIMITED (A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)

LEGAL AND ADMINISTRATIVE INFORMATION

PATRON: Mary McAleese, President of Ireland

CHIEF EXECUTIVE OFFICER Molly Buckley

DIRECTORS:

PRESIDENT	Eileen O'Mahony	*
CHAIRPERSON	P J Gorey	# ^ *
HONORARY SECRETARY	Kevin Harrison	*
HONORARY TREASURER	William A Attley	# *

Brendan Byrne
Sr. Margaret Hogan
Patsy Lane #
Jack Lawler ^
Marie Lynch
Olan McGowan
Gerry McMahan
Phyllis Nolan
Sheila O'Mahony
Joe Sargent
John Twomey
Danielle Weldon

**SECRETARY AND
REGISTERED OFFICE:**

James Byrne
Aras Chuchulainn
Blackheath Drive
Clontarf
Dublin 3

Board Audit Committee members

^ Property Sub-Committee members

* Remuneration Sub-Committee members

AUDITORS:

Horwath Bastow Charleton
Chartered Accountants and Registered Auditors
Marine House
Clanwilliam Court
Dublin 2

I.W.A. LIMITED (A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)

LEGAL AND ADMINISTRATIVE INFORMATION

PRINCIPAL BANKERS:

Bank of Ireland
189 Howth Road
Killester
Dublin 3

Anglo Irish Bank Corporation
Stephen Court
18/21 St Stephen's Green
Dublin 2

SOLICITORS:

Blake Horrigan Solicitors
76 Thomas Street
Dublin 8

Eugene F. Collins Solicitors
Temple Chambers
3 Burlington Road
Dublin 4

COMPANY REGISTRATION NUMBER 352483

CHARITY REGISTRATION NUMBER CHY 5393

I.W.A. LIMITED (A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2005

The directors present their report together with the audited financial statements for the year ended 31 December 2005.

ORGANISATION

I.W.A. Limited is a company, limited by guarantee and not having a share capital. It is a registered charity under the Charities Act 1997, ref CHY5393. I.W.A. Limited is governed by its Memorandum and Articles of Association and is managed by a board of directors.

DIRECTORS RESPONSIBILITIES

The directors are required to prepare financial statements on a going concern basis which give a true and fair view of the state of affairs of the company and of its financial activities for the year. In preparing the financial statements, the directors are required to select suitable accounting policies, apply them consistently and make judgements and estimates that are reasonable and prudent.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to ensure that the financial statements comply with the Companies Acts 1963 to 2005 and with the recommendations of the Statement of Recommended Practice (SORP) Accounting by Charities. To ensure that proper books and accounting records are kept in accordance with Section 202 of the Companies Act, 1990, the company has established appropriate books to adequately record these transactions. The books of account are maintained at the company's offices at Blackheath Drive, Clontarf, Dublin 3. The directors 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.

REVIEW OF ACTIVITIES

The principal activity of the company is to optimise the intellectual, social and economic independence of persons with physical disability and to minimise the effects of mobility impairment. The company is dedicated to the achievement of full social, economic and educational integration of people with disability as equal, independent and participating members within the general community.

I.W.A. Limited (IWA) continues to play a key role as a leading agency nationally in the development and delivery of a broad range of services including:

- Advocacy - a vigorous and effective voice campaigning for positive change on key disability areas;
- Research and Development - into new concepts of service delivery;
- Service Delivery, comprising a wide range of services and activities which have a crucial impact on the quality of life of its members and users, including:
 - Resource and Outreach Centres
 - Assisted Living Services
 - Transport Services
 - Respite Services
 - Peer Counselling
 - Information and Publications
 - Youth Services
 - Housing and Independent Living services and facilities.

The directors are satisfied with the company's performance during the year.

Future plans are for the continued provision and expansion of services provided.

I.W.A. LIMITED (A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2005

RESULTS AND RETENTIONS

The results for the year are set out on page 10.

STATE OF AFFAIRS AND EVENTS SINCE THE BALANCE SHEET DATE

In the opinion of the directors, the state of the company's affairs is satisfactory and there has been no material change since the balance sheet date.

DIRECTORS

The present membership of the board is set out on page 2.

None of the directors or secretary held any beneficial interest in the company at the balance sheet dates.

On 4 September 2005, Agnes Gilbert retired as director. On 29 September 2005, John Twomey was appointed director. On 17 January 2006, Michael Doyle retired as director. On 17 February 2006, Marie Lynch and Sheila O'Mahony were appointed as directors.

In accordance with the Articles of Association, the directors are not required to retire by rotation.

TAXATION STATUS

I.W.A. Limited has been granted charitable status under Sections 207 and 208 of the Taxes Consolidation Act 1997.

RISK MANAGEMENT

The directors are aware of the major risks to which the charity is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems are in place to mitigate exposure to major risks.

INVESTMENT POLICY

In accordance with the Memorandum and Articles of Association, the directors have the power to invest in investments as they see fit.

POLITICAL DONATIONS

The Electoral Act, 1997 requires companies to disclose all political donations over €5,079 in aggregate made during the financial year to a political party, member of either house of the Oireachtas or a representative in the European Parliament, or to any candidate for election to same. The directors, on enquiry, have satisfied themselves that no such donations in excess of this amount have been made by the company.

AUDITORS

Horwath Bastow Charleton is eligible, and has expressed a willingness to continue in office in accordance with Section 60(2) of the Companies Act, 1963.

SIGNED ON BEHALF OF THE BOARD:

P J Gorey) **Chairperson**
William A Attley) **Honorary Treasurer**
Molly Buckley) **Chief Executive Officer**

Date: 28 April 2006

I.W.A. LIMITED (A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)

**INDEPENDENT AUDITORS REPORT TO THE SHAREHOLDERS OF
I.W.A. LIMITED (A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)**

We have audited the financial statements of I.W.A. Limited (a company limited by guarantee not having a share capital) on pages 8 to 26 which have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 193 of the Companies Act, 1990. 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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 4 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and the accounting standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, and are properly prepared in accordance with the Companies Acts, 1963 to 2005. We also report to you whether in our opinion: proper books of account have been kept by the company; whether, at the balance sheet date, there exists a financial situation requiring the convening of an extraordinary general meeting of the company; and whether the information given in the directors' report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the company's financial statements are in agreement with the books of account.

We report to the shareholders if, in our opinion, any information specified by law regarding directors' remuneration and directors' transactions is not given and, where practicable, include such information in our report.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatement within it.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

I.W.A. LIMITED (A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)

**INDEPENDENT AUDITORS REPORT TO THE SHAREHOLDERS OF
I.W.A. LIMITED (A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)**

OPINION

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at the 31 December 2005 and of its net movement in funds for the year then ended and have been properly prepared in accordance with the Companies Acts 1963 to 2005.

We have obtained all the information and explanations that we consider necessary for the purposes of our audit. In our opinion, proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

In our opinion, the information given in the directors' report on pages 4 and 5 is consistent with the financial statements.

In our opinion, the balance sheet on page 11 does not disclose a financial situation which, under Section 40(1) of the Companies (Amendment) Act 1983, would require the convening of an extraordinary general meeting of the company.

**Horwath Bastow Charleton
Chartered Accountants and Registered Auditors
Marine House
Clanwilliam Court
Dublin 2**

Date: 4 May 2006

I.W.A. LIMITED (A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)

STATEMENT OF 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 :

BASIS OF ACCOUNTING

The accounts have been prepared under the historical cost convention and with reference to the recommendations of the revised Statement of Recommended Practice (SORP) Accounting by Charities issued by the Charity Commissioners in 2000.

FINANCIAL RESULTS

The accounts include the financial results of I.W.A. Limited and do not include the financial results of Irish Wheelchair Association branches, as these do not operate under the control of I.W.A. Limited.

UNRESTRICTED FUNDS

Unrestricted funds are those which are expendable at the discretion of the directors 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. To meet these obligations, sums (as directed by the directors) are charged against fund-raising income and credited to the Statement of Financial Activities. 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 directors' discretion to apply the fund.

RESTRICTED FUNDS

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

CAPITAL GRANTS

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

EXPENDITURE GRANTS

Expenditure grants are credited to the Statement of Financial Affairs upon the recognition of the associated expense for which the grant was originally received.

FUND RAISING INCOME

Fund-raising income consists of all incoming resources other than government and similar grants, investment income and receipts for services of goods. Grants received from the Health Service Executive, other Government Agencies and other sundry sources are either credited directly to the appropriate fund or deducted from expenses which give rise to the grants. Fundraising income is credited to the Statement of Financial Activities in the year in which it is received by the company.

DEPOSIT AND INVESTMENT INCOME

Income earned on funds held on deposit and short term investment is treated as unrestricted income and is allocated to designated funds.

I.W.A. LIMITED (A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)

STATEMENT OF ACCOUNTING POLICIES

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated in the balance sheet at cost less accumulated depreciation.

Depreciation is provided on all 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:

Leasehold Property		Over term of lease
Freehold buildings	-	2% per annum
Motor vehicles	-	20% per annum
Fixtures & Fittings	-	20% per annum

Prior to 1 January 2004, all fixtures and fittings were expensed to the statement of financial activities in the year of expenditure. Since 1 January 2004, all fixtures and fittings are being capitalised at cost and depreciated accordingly. All computer and telecommunications equipment expenditure is expensed to the Statement of Financial Activities in the year of expenditure.

STOCKS

Stocks comprise workshop parts, wheelchairs and promotional goods stock. Stocks are valued at the lower of cost and net realisable value.

TAXATION

No charge to taxation arises as the company has been granted exemption under Sections 207 and 208 of the Taxes Consolidation Act 1997.

PENSIONS

The company operates both a defined benefit and defined contribution schemes, and benefits are funded over the employee's period of service by way of contributions from the company and employees. Contributions are charged to the Statement of Financial Activities in the year in which they are received.

FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into Euro at the rate of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Statement of Financial Activities.

I.W.A. LIMITED (A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2005

	Notes	Unrestricted Funds 2005 €	Restricted Funds 2005 €	Total 2005 €	Total 2004 As restated €
INCOMING RESOURCES					
General donations and bequests		323,633	-	323,633	649,671
Activities for generating funds:					
Fundraising	3	2,028,511	-	2,028,511	2,212,403
Other incoming resources	4	609,386	-	609,386	400,525
Deposit and investment income		42,839	-	42,839	86,784
Activities to further the charity's objects:	5	149,409	33,496,329	33,645,738	30,848,134
TOTAL INCOMING RESOURCES		3,153,778	33,496,329	36,650,107	34,197,517
RESOURCES EXPENDED:					
Cost of generating funds:					
Fundraising and publicity	6	(1,307,712)	-	(1,307,712)	(1,824,233)
Managing and administering the charity	7	(171,285)	(2,454,776)	(2,626,061)	(2,205,760)
Cost of activities in furtherance of the charity's objectives:					
Direct charitable expenditure	8	(736,568)	(30,748,574)	(31,485,142)	(26,748,168)
TOTAL RESOURCES EXPENDED		(2,215,565)	(33,203,350)	(35,418,915)	(30,778,161)
Depreciation charge	11	-	(633,026)	(633,026)	(616,100)
Amortisation of capital grants		-	586,555	586,555	582,078
		(2,215,565)	(33,249,821)	(35,465,386)	(30,812,183)
NET MOVEMENT IN FUNDS	16	938,213	246,508	1,184,721	3,385,334
FUND BALANCES AT START OF YEAR	16	5,939,673	12,369,069	18,308,742	14,529,650
Actuarial loss on pension scheme		-	(43,033)	(43,033)	(283,772)
Movement on capital grant funds	16	-	800,617	800,617	677,530
FUND BALANCES AT END OF YEAR	16	6,877,886	13,373,161	20,251,047	18,308,742

All income and expenditure arises from continuing operations.

The financial statements were approved by the Board on 28 April 2006 and signed on its behalf by:

P J Gorey) **Chairperson**
William A Attley) **Honorary Treasurer**
Molly Buckley) **Chief Executive Officer**

I.W.A. LIMITED (A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)**BALANCE SHEET AS AT 31 DECEMBER 2005**

	Notes	2005 €	2004 As restated €
FIXED ASSETS			
Tangible fixed assets	11	14,370,365	13,632,029
Financial assets	12	3	3
		<u>14,370,368</u>	<u>13,632,032</u>
CURRENT ASSETS			
Stocks	13	135,561	211,611
Debtors	14	6,248,676	2,240,999
Cash at bank and in hand		4,760,802	8,325,272
		<u>11,145,039</u>	<u>10,777,882</u>
CREDITORS (Amounts falling due within one year)	15	<u>(5,041,440)</u>	<u>(5,860,356)</u>
NET CURRENT ASSETS		<u>6,103,599</u>	<u>4,917,526</u>
RETIREMENT BENEFIT SCHEME DEFICIT	21	<u>(222,920)</u>	<u>(240,816)</u>
TOTAL NET ASSETS		<u><u>20,251,047</u></u>	<u><u>18,308,742</u></u>
FUNDS			
Unrestricted funds	16	6,877,886	5,939,673
Restricted funds	16	13,373,161	12,369,069
TOTAL FUNDS		<u><u>20,251,047</u></u>	<u><u>18,308,742</u></u>

The financial statements were approved by the Board on 28 April 2006 and signed on its behalf by :

P J Gorey)	Chairperson
William A Attley)	Honorary Treasurer
Molly Buckley)	Chief Executive Officer

I.W.A. LIMITED (A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED
31 DECEMBER 2005**

	2005	2004
	€	As restated €
Net movement in funds	1,184,721	3,385,334
Actuarial loss recognised in the retirements benefit scheme	(43,033)	(283,772)
TOTAL MOVEMENT IN FUNDS FOR THE PERIOD	<u>1,141,688</u>	<u>3,101,562</u>
Prior year adjustment (Note 1)	(240,816)	
TOTAL MOVEMENT IN FUNDS FOR THE PERIOD	<u>918,768</u>	

**RECONCILIATION OF MOVEMENT IN FUNDS FOR THE YEAR
ENDED 31 DECEMBER 2005**

	2005	2004
	€	As restated €
Movement in funds for the financial year	1,184,721	3,385,334
Actuarial loss recognised in the retirements benefit scheme	(43,033)	(283,772)
	<u>1,141,688</u>	<u>3,101,562</u>
Opening funds	18,308,742	14,529,650
Movement on capital grant funds	800,617	677,530
Closing funds	<u>20,251,047</u>	<u>18,308,742</u>

I.W.A. LIMITED (A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2005**

	Notes	2005 €	2004 €
NET CASH INFLOW FROM OPERATING ACTIVITIES	18	(3,596,221)	7,532,993
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	19	42,839	86,784
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	19	<u>(11,088)</u>	<u>(2,674,505)</u>
(DECREASE) INCREASE IN CASH	20	<u><u>(3,564,470)</u></u>	<u><u>4,945,272</u></u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENTS IN NET FUNDS

(DECREASE) INCREASE IN CASH	20	(3,564,470)	4,945,272
CASH AT BANK AND IN HAND AT BEGINNING OF YEAR	20	<u>8,325,272</u>	<u>3,380,000</u>
CASH AT BANK AND IN HAND AT END OF YEAR	20	<u><u>4,760,802</u></u>	<u><u>8,325,272</u></u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2005

1. PRIOR YEAR ADJUSTMENT

In accordance with FRS 17 retirement benefits, it is necessary to alter the company's accounting policy with regard to recognition of the defined benefit pension scheme deficit. In order to comply with FRS 17 the current annual service cost based on the most recent actuarial valuation has been charged to the Statement of Financial Activities (SOFA). The opening deficit on the scheme at 1 January 2004 of €27,521 has been adjusted against opening reserves in the year ended 31 December 2004. The cumulative deficit being the difference between the assets and liabilities of the scheme has been shown as a deficit on the balance sheet. The actuarial loss has been recognised in the statement of total recognised gains and losses. The comparatives have been restated to comply with the change in this accounting policy in accordance with FRS 3.

The effect on the 2004 results is as follows:

	As previously reported €	Prior year adjustment €	As restated €
Net movement in funds	3,314,857	70,477	3,385,334
Fund balances at start of year	14,557,171	(27,521)	14,529,650
Actuarial gain on pension scheme	-	(283,772)	(283,772)
Movement on capital grants fund	677,530	-	677,530
Fund balances at end of year	<u>18,549,558</u>	<u>(240,816)</u>	<u>18,308,742</u>

2. MOVEMENT IN NET FUNDS

Movement in net funds is stated after charging (crediting) :

	2005 €	2004 €
Directors remuneration:		
Fees as directors	132,921	197,915
Pension costs	4,789	46,627
Depreciation of tangible assets	633,026	616,100
Loss (profit) on disposal of tangible fixed assets	26,898	(40,698)
Amortisation of capital grants	(586,555)	(582,078)
Auditors' remuneration	48,400	43,560
	<u> </u>	<u> </u>

Directors fees relate to salaries paid to directors working as staff members. No members of the board receive any remuneration for services as board members.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2005

3. ACTIVITIES FOR GENERATING FUNDS: FUNDRAISING INCOME

	2005	2004
	€	€
Flag and church gate collections	509,880	409,894
Raffle, Patrons and Bingo cards	85,411	155,948
Walks	378,161	501,382
National events	399,474	359,925
Income from shops	615,984	669,476
Golf classic and race night fundraising	39,601	115,778
	<u>2,028,511</u>	<u>2,212,403</u>

4. ACTIVITIES FOR GENERATING FUNDS: OTHER INCOMING RESOURCES

	2005	2004
	€	€
Rental Income	93,833	111,769
Workshop sales and services	3,157	62,476
Other income	539,292	185,582
(Loss) profit on disposal of tangible fixed assets	(26,896)	40,698
	<u>609,386</u>	<u>400,525</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2005

5. ACTIVITIES TO FURTHER THE CHARITY'S OBJECTS		
	2005	2004
	€	€
Unrestricted:		
Chinese therapy income	<u>149,409</u>	<u>232,187</u>
	2005	2004
	€	€
Restricted:		
HSE grant funding	26,191,527	22,462,137
Service users' contributions	951,445	1,505,605
FAS	4,704,774	4,191,521
NCBI funding	143,245	324,987
Miscellaneous funding	<u>1,505,338</u>	<u>2,131,697</u>
	<u>33,496,329</u>	<u>30,615,947</u>
 Analysis of restricted activities:		
	2005	2004
	€	€
Resource and Outreach Centres	13,342,539	12,506,273
Assisted living services	14,144,319	11,543,739
Information and assessment	1,070,750	1,025,825
Respite	2,530,374	2,390,716
Other	<u>2,408,347</u>	<u>3,149,394</u>
	<u>33,496,329</u>	<u>30,615,947</u>
 6. FUNDRAISING COSTS	2005	2004
	€	€
Fundraising and publicity costs	<u>1,307,712</u>	<u>1,824,233</u>

Fundraising and publicity costs represent costs of all fundraising activities such as collections, raffles, walks, events and shops.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2005

7. MANAGING AND ADMINISTERING THE CHARITY	2005	2004
	€	€
Wages and salaries	2,476,364	2,098,178
Canteen	40,115	24,360
Light and heat	13,145	8,897
Insurance	18,452	12,552
Telephone	13,167	11,969
Postage, stationery and advertising	14,358	13,920
Repairs and renewals	1,266	16,444
Cleaning	6,078	3,291
Rent	12,249	12,530
Miscellaneous	30,867	3,619
	<u>2,626,061</u>	<u>2,205,760</u>
8. DIRECT CHARITABLE EXPENDITURE	2005	2004
	€	€
Resource and outreach centres	12,710,595	11,182,328
Assisted living services	13,620,253	11,506,158
Information and assessment services	612,941	665,087
Respite facilities	2,023,263	1,928,665
Chinese therapy costs	231,243	311,015
Other costs	2,286,847	1,154,915
	<u>31,485,142</u>	<u>26,748,168</u>
8.1 Analysed as:		
Wages and salaries	26,713,417	22,987,453
Craft requisites	275,237	265,299
Canteen	517,693	462,837
Transport	762,425	657,119
Light and heat	190,548	169,038
Insurance	252,722	238,480
Telephone	210,696	227,415
Postage, stationery and advertising	221,787	194,011
Repairs and renewals	422,084	312,431
Cleaning	87,394	62,538
Rent	233,419	238,059
Fire prevention	9,401	19,149
Alarm system	25,811	5,927
Professional fees	442,524	368,973
Training	317,286	181,063
Holidays and day trips	283,411	289,609
Miscellaneous	519,287	68,767
	<u>31,485,142</u>	<u>26,748,168</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2005

9. STAFF AND STAFF COSTS

9.1 Number and costs

The average number of persons (including executive directors) employed during the financial period was 1,768 (2004 : 1,593).

The staff costs are comprised of:

	2005	2004
	€	€
Wages & salaries	26,647,110	22,818,183
Social welfare costs	2,261,065	1,884,044
Pension costs	281,606	383,404
	<u>29,189,781</u>	<u>25,085,631</u>

9.2 Salary range

A total of 17 employees (2004 : 17) earned remuneration in excess of €50,000 per annum as follows:

	2005	2004
	no. of employees	no. of employees
€50,000 to €60,000	5	5
€60,001 to €70,000	6	4
€70,001 to €80,000	3	3
€80,001 to €90,000	3	3
€90,001 to €100,000	-	2
	<u>17</u>	<u>17</u>

Remuneration includes salaries and benefits in kind but excludes employers pension scheme contributions.

9.3 Board members

The members of the Board receive no remuneration for their services as members of the Board. Directly incurred expenses are reimbursed, if claimed, and amounted to €28,085 (2004 : €4,782).

10. TAXATION

No charge to taxation arises as the company has been granted exemption under Sections 207 and 208 of the Taxes Consolidation Act 1997.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2005

11. TANGIBLE FIXED ASSETS

	Land and buildings €	Fixtures and fittings €	Motor vehicles €	Total €
COST				
At 1 January 2005	16,042,675	293,828	3,301,536	19,638,039
Additions	872,282	85,513	467,215	1,425,010
Disposals	-	(950)	(196,992)	(197,942)
At 31 December 2005	<u>16,914,957</u>	<u>378,391</u>	<u>3,571,759</u>	<u>20,865,107</u>
DEPRECIATION				
At 1 January 2005	3,429,119	65,416	2,511,475	6,006,010
On disposals	-	-	(144,294)	(144,294)
Charge for the year	250,456	68,711	313,859	633,026
At 31 December 2005	<u>3,679,575</u>	<u>134,127</u>	<u>2,681,040</u>	<u>6,494,742</u>
NET BOOK VALUE				
At 31 December 2005	<u>13,235,382</u>	<u>244,264</u>	<u>890,719</u>	<u>14,370,365</u>
At 31 December 2004	<u>12,613,556</u>	<u>228,412</u>	<u>790,061</u>	<u>13,632,029</u>

I.W.A. LIMITED (A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2005**

12. FINANCIAL ASSETS

	2005	2004
	€	€
Investments in subsidiary undertaking (at cost) :		
At beginning and end of year	<u>3</u>	<u>3</u>

Information required under Section 158 of the Companies Act 1963 and Section 16 of the Companies (Amendment) Act 1986 is as follows:

Name of subsidiary	Ability Consultancy Training Limited
Nature of business	Provision of training services
Registered office	Kingston House, 64 Patrick Street, Dun Laoghaire, Co Dublin.
Country of Incorporation	Republic of Ireland
Description of holding	Ordinary shares of €1.269738 each
Proportion of holding	100%
Profit after taxation for the year ended 31 December 2005	€nil
Shareholders' funds at 31 December 2005	€

13. STOCKS

	2005	2004
	€	€
Wheelchair parts	47,924	130,266
Promotional stock	87,637	81,345
	<u>135,561</u>	<u>211,611</u>

The replacement cost of stocks is not materially different to the amount stated above.

I.W.A. LIMITED (A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2005**

14. DEBTORS

	2005	2004
	€	€
Health Service Executive debtors	4,854,322	1,368,236
FAS Debtors	303,715	481,011
Prepayments and other debtors	1,090,639	391,752
	<u>6,248,676</u>	<u>2,240,999</u>

15. CREDITORS (amounts falling due within one year)

	2005	2004
	€	€
Trade creditors	865,788	616,163
Payroll taxes	666,339	1,453,238
Accruals and deferred income	3,509,313	3,790,955
	<u>5,041,440</u>	<u>5,860,356</u>

I.W.A. LIMITED (A COMPANY LIMITED BY GUARANTEE NOT HAVING A SHARE CAPITAL)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2005**

16. CLOSING FUND BALANCES

UNRESTRICTED FUNDS:	2005		2004	
	€		€	
Opening balance	5,939,673		2,925,234	
Transfer from restricted fund	-		1,949,791	
Net incoming resources	938,213		1,064,648	
Closing balance	<u>6,877,886</u>		<u>5,939,673</u>	
 RESTRICTED FUNDS:				
	Current	Capital	Total	Total
	2005	2005	2005	2004
	€	€	€	€
CAPITAL GRANTS FUND:				
Opening balance	300,418	12,068,651	12,369,069	11,631,937
Net capital grant receipts	-	1,387,172	1,387,172	1,259,608
Amortisation	-	(586,555)	(586,555)	(582,078)
Net incoming resources	246,508	-	246,508	2,250,209
Actuarial loss on pension scheme	-	(43,033)	(43,033)	-
Transfer to unrestricted fund	-	-	-	(1,949,791)
Restatement of reserves	-	-	-	(240,816)
Closing balance	<u>546,926</u>	<u>12,826,235</u>	<u>13,373,161</u>	<u>12,369,069</u>

During the year the company transferred €Nil (2004 : €1,949,791) from restricted funds to unrestricted funds which represented amounts previously transferred from unrestricted funds to balance the restricted current spend over the last five years.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	Total	Total
	funds	funds	2005	2004
	€	€	€	€
Fixed assets	-	14,370,368	14,370,368	13,632,032
Net current assets/(liabilities)	6,877,886	(774,287)	6,103,599	4,917,526
Retirement scheme deficit	-	(222,920)	(222,920)	(240,816)
	<u>6,877,886</u>	<u>13,373,161</u>	<u>20,251,047</u>	<u>18,308,742</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2005

18. CASH FLOW STATEMENT

RECONCILIATION OF OPERATING SURPLUS TO NET CASH (OUTFLOW) INFLOW FROM OPERATING ACTIVITIES

	2005	2004
	€	€
Net incoming resources	1,184,721	3,385,334
Depreciation	633,026	616,100
Amortisation of capital grants	(586,555)	(582,078)
Interest receivable	(42,839)	(86,784)
Decrease in stocks	76,050	134,209
Decrease in debtors	(4,007,677)	1,497,846
Increase in creditors	(818,916)	2,679,541
Loss (profit) on disposal of tangible fixed assets	26,898	(40,698)
Increase in pension deficit (exclusive of actuarial loss)	(60,929)	(70,477)
Net cash (outflow) inflow from operating activities	<u>(3,596,221)</u>	<u>7,532,993</u>

19. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

19.1 RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2005	2004
	€	€
Interest received	<u>42,839</u>	<u>86,784</u>

19.2 CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2005	2004
	€	€
Payment to acquire tangible fixed assets	(1,425,010)	(3,974,811)
Receipts from sale of tangible fixed assets	26,750	40,698
Capital grant receipts	1,387,172	1,259,608
	<u>(11,088)</u>	<u>(2,674,505)</u>

20. ANALYSIS OF CHANGES IN NET FUNDS

	2004	Cash flows	2005
	€	€	€
Cash at bank and on short term deposit	8,325,272	(3,564,470)	4,760,802
	<u>8,325,272</u>	<u>(3,564,470)</u>	<u>4,760,802</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2005

21. PENSIONS

I.W.A. Limited operates defined benefits and defined contribution schemes for employees.

Defined Benefits Pension Scheme

The company operates a defined benefit pension scheme. The scheme assets are held in separate trustee administered funds.

B. FRS 17 DISCLOSURES

The valuation is based on the most recent actuarial valuation (1 January 2005) and has been updated by the actuary to 31 December 2005 so as to comply with the requirements of FRS 17 (transitional arrangements) in order to assess the liabilities of the scheme at 31 December 2005.

Financial assumptions

The actuarial method used for the valuation is the Projected Unit Method and the major assumptions used to calculate the scheme liabilities under FRS 17 are:

	2005	2004
	% per annum	% per annum
Discount rate	4.00	4.50
Inflation rate	2.00	2.25
Salary Increases	2.50	3.00
Long term rate of return expected	% per annum	% per annum
Equities	7.00	7.00
Bonds	4.00	4.00
Property	6.00	6.00
Other	2.00	2.00
Assets in the scheme at 31 December 2005	2005	2004
	€	€
Equities	352,594	230,342
Bonds	783,018	704,577
Property	22,406	14,517
Other	21,226	18,389
	<u>1,179,244</u>	<u>967,825</u>
Actuarial value of pension scheme liabilities	(1,402,164)	(1,208,641)
Recoverable deficit in the scheme	(222,920)	(240,816)
Related deferred tax asset	-	-
Net pension liability	<u>(222,920)</u>	<u>(240,816)</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2005

21. B. FRS 17 DISCLOSURES CONTINUED

The full amount that would be chargeable under the full implementation of FRS 17 are detailed below:

Chargeable against incoming resources:	2005	2004
	€	€
Current service cost	18,259	23,067
Past service cost	-	-
Total operating charge	<u>18,259</u>	<u>23,067</u>

Creditable to other finance income	2005	2004
	€	€
Expected return on pension scheme assets	47,275	49,687
Interest on pension scheme liabilities	(55,210)	(53,704)
Net deficit	<u>(7,935)</u>	<u>(4,017)</u>

Recognisable on the statement of total recognised gains and losses (STRGL)	2005	2004
	€	€
Actual return less expected return on pension scheme asset	90,796	47,750
Experience gains and losses arising on scheme liabilities	(57,925)	(228,054)
Changes in assumptions underlying the present value of liabilities	(75,904)	(103,468)
	<u>(43,033)</u>	<u>(283,772)</u>

Movement in deficit during the year	2005	2004
	€	€
Deficit in scheme at 1 January 2005	(240,816)	(27,521)
Movement in year:		
Current Service	(18,259)	(23,067)
Contributions	87,122	97,561
Other finance income	(7,934)	(4,017)
Actuarial (loss) gain	(43,033)	(283,772)
Deficit in scheme at 31 December 2005	<u>(222,920)</u>	<u>(240,816)</u>

Defined Contribution Pension Scheme

The assets of the scheme are held separately from those of the company in an independently administered fund.

Pension Costs

The pension cost charged in respect of the schemes for the year was €281,606 (2004 : €383,404). €45,000 in respect of outstanding contributions is included in accruals.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2005**

22. CAPITAL COMMITMENTS

At the balance sheet date the company had authorised the purchase of freehold property at a cost of €243,000.