



**ANNUAL FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**I.W.A. Company Limited by Guarantee  
operates under the registered name of  
Irish Wheelchair Association**



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## DIRECTORS AND OTHER INFORMATION

**About Us:** Irish Wheelchair Association (IWA) is Ireland’s leading representative organisation and service provider for people with physical disabilities.

We advocate for the needs of people with physical disabilities and provide services and support to over 20,000 members in their homes and communities throughout Ireland every year. Everything we do is driven by IWA’s vision of an Ireland where people with disabilities can enjoy equal rights, choices and opportunities and live their lives independently.

**Legal Structure:** I.W.A. Company Limited By Guarantee operates under the registered business name of Irish Wheelchair Association.

**Company Number:** 352483

**Charity Number:** CHY 5393

**Charity Regulatory Authority Number:** CRA 20007997

**Registered Office :** Áras Chúchulainn, Blackheath Drive, Clontarf, Dublin 3

**Patron:** Michael D. Higgins, President of Ireland

Directors at 7th April 2017		Board Member	Audit Committee Member	Property Committee Member	Remuneration Committee Member	Sports Executive Member
PRESIDENT:	<i>Eileen O’Mahony</i>	*				
CHAIRPERSON:	<i>Michael Hickey</i>	*	*		*	
HONORARY SECRETARY:	<i>Doris O’Flynn</i>	*				
HONORARY TREASURER:	<i>William A Attley</i>	*	*		*	
BOARD MEMBERS:	<i>Kathleen Brady</i>	*				
	<i>Mary Branigan</i>	*				
	<i>Breda Dwyer</i>	*				
	<i>Stephen Cluskey</i>	*				
	<i>Sr. Margaret Hogan</i>	*	*		*	
	<i>Clive Hough</i>	*				
	<i>Martin Kelly</i>	*				
	<i>Jack Lawler</i>	*		*		*
	<i>Olan McGowan</i>	*				
	<i>Phyllis Nolan</i>	*				
	<i>Donal Sands</i>	*	*			
	<i>Gerard Scully</i>	*		*		*

Full details of those who served as directors during the year are set out on page 10.

## DIRECTORS AND OTHER INFORMATION

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**Company Secretary:** Stephen O’Beirne

**External Members Of  
The Audit Committee:** W Bruce Lyster  
Paul Murray  
Anthony Travers

**External Members Of  
The Sports Executive:** Declan Slevin (Chairperson)  
Darren Healy (Secretary)  
John Brady  
Kerrie Leonard

**Chief Executive Officer:** Rosemary Keogh

**Senior Management Team:**

Tony Cunningham	National Director for Volunteers, Housing and Holidays
Michael Doyle	National Director for Assisted Living
Geraldine Etchingham	Director of Finance
Nicky Hamill	Director of Sport
Chris Hoey	National Director for Community Supports
Gerry Phelan	Director of Human Resources
Mary Smyth	National Director for Quality and Customer Care

**Auditors:** Mazars  
Chartered Accountants and Statutory Audit Firm  
Harcourt Centre, Harcourt Road, Dublin 2

**Principal Bankers:** Bank of Ireland,  
Killester, Dublin 3

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

Doyle Solicitors  
31 South Bank,  
Crosses Green, Cork

Colm O’Cochlainn & Company  
Old Blessington Road,  
Tallaght, Dublin 24

# DIRECTORS' REPORT

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The directors present their report and financial statements for the year ended 31 December 2016.

## ABOUT IRISH WHEELCHAIR ASSOCIATION

### Vision

Irish Wheelchair Association (IWA) has a vision of an Ireland where people with disabilities enjoy equal rights, choices and opportunities in how they live their lives, and where our country is a model worldwide for a truly inclusive society.

### Mission

Irish Wheelchair Association works with, and on behalf of, people with physical disabilities to drive positive change in Ireland through the influencing of public policy, the provision of quality services and enabling accessibility to all aspects of society.

### Core Values

People are at the heart of everything that we do and this is enshrined in all of our values:

- ▶ **Integrity:** IWA is proud of what we do and how we do it – we behave responsibly with the highest standards of integrity. Our work is informed by need and we operate to the highest standards of governance being accountable to our members, funders and the wider public.
- ▶ **Excellence:** IWA's commitment to excellence in the provision of services and corporate governance drives our development and growth as we strive to attain the highest standards in everything we do. We are results focused and operate with independence in all areas of our work.
- ▶ **Leadership:** IWA is the leading influencer in shaping public policy and societal attitudes to advance social inclusion for people with physical disabilities. We see beyond boundaries and identify new approaches for an improved world for people with physical disabilities.
- ▶ **Respect:** IWA is committed to a culture of mutual respect between members, staff and volunteers. We listen with an open mind to what people have to say and value their diversity and contributions.
- ▶ **Equality:** IWA believes in a fair and inclusive society. We work actively to ensure that every person with a physical disability in Ireland can achieve their right to an independent life, with equal access to opportunities, services and supports within their communities.
- ▶ **Positivity:** IWA is immensely proud of our heritage, achievements and people. We believe in the determination of our members, staff and volunteers to be instrumental in the achievement of a new, inclusive Ireland.

### Strategy 2017-2020

IWA is currently finalising its Strategic Plan for 2017-2020. The three year goal set out in the Plan is that: *Irish Wheelchair Association is recognised as Ireland's leading organisation for people with physical disabilities. We are a thriving, independent organisation, advocating for an inclusive society and providing quality services that enable people with physical disabilities to live the life they choose.*

The Strategic Plan sets out six strategic objectives by which this goal will be achieved in the areas of: advocacy, services, communications and engagement, infrastructure and resources, profile and financial sustainability.

## OUR SERVICES AND ACTIVITIES IN 2016

In accordance with our mission and vision, Irish Wheelchair Association provides a full range of quality services that enable people with disabilities to enjoy equal rights, choices and opportunities in how they live their lives and that enable accessibility to all aspects of society. The impact of IWA's work is ultimately to enable people with disabilities to live the life they choose and to participate fully in their communities and society, benefitting both the individual and society as a whole.

- ▶ **Assisted Living Service:** Through our largest service, we provide person-centred, individually-tailored and practical support whereby skilled personal assistants work directly with people with disabilities in their homes and communities. Support ranges from a few hours per week to full 24/7 assistance and is a vital support to the individual. The service is quality accredited and IWA's knowledge and expertise built over decades of service provision enables us to support a wide range of needs.

## DIRECTORS' REPORT

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In 2016, we delivered 1.17 million hours of Assisted Living on a daily basis to 1,863 adults and children across Ireland. This year we extended the service to provide enhanced homecare to older persons on behalf of the HSE. We are also continuing to grow our *IWA at Home* social enterprise, providing home support services to a broad range of clients with disabilities or reduced mobility.

- ▶ **Community Supports:** Through our network of 57 Resource and Outreach Centres around Ireland, we provide education and recreation facilities and essential personal supports to individuals of all age groups in their community. These services include rehabilitative training, a range of youth activities and 'Youth Cafés'. With the centres acting as a hub, our focus on community integration and individual person-centred planning underpins all our activities, for example through disability awareness programmes in schools and towns; service 'Information Weeks' and partnerships with other community organisations. In 2016, we provided 95,000 days of service to 2,054 people through our centres. We opened a new centre for our Resource and Outreach Services in Portlaoise and commenced work on enhanced facilities in Killarney.
- ▶ **Holiday and Respite Services:** We provide accessible and supported holidays and short breaks through our dedicated holiday centres at Roscommon, Kilkenny and Dublin. In 2016, we provided 7,320 bed-nights directly through our holiday centres. In addition, we also facilitated a wide range of independent accessible holidays and respite breaks at destinations chosen by the individual.
- ▶ **Sports:** IWA-Sport is the national governing body for wheelchair sport. With a team of Sports Development Officers and a growing network of voluntary sports clubs, we encourage wide participation in sports for children and adults across all age groups and activity levels and we support high-performance athletes nationally and internationally.
- ▶ **Environmental Access:** IWA is the established expert on environmental accessibility for people with physical disabilities and reduced mobility. We act as an advisor to Government and the National Standards Authority of Ireland (NSAI) on building regulations. Our Access Guidelines set the standard for accessible buildings and environment in Ireland. Through our accessibility audits, we provide advice to companies, organisations and public venues. We also provide advice to individuals in adapting their home and environment.
- ▶ **Transport:** IWA is also the established expert on accessible transport, working in partnership with national transport providers, government and other organisations. Our nationwide fleet of 120 accessible buses provide essential transport services and are a vital support for all our services as well as for a wide range of voluntary social and sports activities. In 2016, we provided training to 313 taxi drivers on behalf of the National Transport Authority. Through our motoring advice, assessment and tuition service, we promote independence for people with disabilities. In 2016, we provided 2,498 lessons and assessments to 333 students in our Driving Centres. In 2016, we extended this service with the addition of a new driving tuition car adapted for people using electric wheelchairs. IWA is also a Department of Transport approved agency for the issue of Disabled Drivers' Parking Permits.
- ▶ **Housing Association:** IWA is an Approved Housing Body, providing affordable rented housing for people who cannot afford to purchase a house from their own resources. We have a national network of 44 accessible homes for people with disabilities. In 2016, we commenced work on seven new accessible homes in Belmullet.
- ▶ **Advocacy:** As a leading influencer in shaping public policy, IWA acts as a strong voice for positive change on key disability issues. In 2016, our advocacy campaigns focused on the need for increased assisted living services, affordable accessible housing and accessible transport as well as calling for ratification of the UN Convention on the Rights of Persons with Disabilities.
- ▶ **Focus on quality:** Quality and excellence are embedded in all IWA services and activities. We continue to invest in staff training and in enhancing our services. We encourage feedback through customer surveys and our customer care team. We have been awarded the *Q Mark* for Business Management Systems for our two largest services, Assisted Living Services and Community Supports.
- ▶ **Volunteers:** As a long-established community-based organisation, IWA is privileged to have a national network of volunteers, engaging in social, sports, fundraising and community activities at local level, in our voluntary branches and our sports clubs. Through our annual Volunteer Awards, we acknowledge and celebrate the vital contribution of our 2,000 registered volunteers who give their time freely to benefit their local community.

# DIRECTORS' REPORT

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- ▶ **Fundraising and social enterprises:** All our services and activities are supported by our community fundraising and our network of 13 charity shops. Through our social enterprises, such as *Wheelchair Solutions* and *IWA at Home*, we utilise IWA's extensive knowledge and expertise to generate essential income that the charity can re-invest to help deliver its mission and objectives.

IWA is grateful for the ongoing support of its funding partners and donors, as well as members, staff and volunteers, all of whom contribute greatly to the success of the organisation.

## FINANCIAL REVIEW

The results for the year are set out in the Statement of Financial Activities on page 16.

### Incoming Resources

Total income for 2016 was €55.3m.

- ▶ IWA is funded by HSE as a 'Section 39 organisation' and received income of €40.7m in 2016 as assistance towards delivering a wide range of services including Assisted Living Services, the Resource & Outreach Centres, Respite and Supported Living. €5.8m was received through the DSP Community Employment Scheme which supports the Resource and Outreach Centres. A further €0.5m for services was received through the Irish Sports Council, Pobal and the National Lottery.
- ▶ To maintain and deliver its services, IWA generated unrestricted income of €6.5m from a broad range of sources including income generated locally by the services and through our social enterprises, fundraising campaigns, events and charity shops.
- ▶ Designated Funds of €0.3m in the year comprise the income of the IWA voluntary branches and sports clubs together with fundraising income for specific IWA activities.
- ▶ Grants and fundraising income received in 2016 for capital projects was €1.4m including Capital Assistance Scheme funding for the Belmullet housing project.

### Expenditure

Total expenditure in 2016 was €55.9m.

- ▶ 98.1% of operating expenditure is for charitable activities. IWA's largest service is the Assisted Living Service, with €27.1m spent in delivering 1.17 million hours of personal assistance. €15.6m of expenditure is for the Resource & Outreach Centres at our 57 locations nationwide. Expenditure on all other charitable services and activities was €10.9m.
- ▶ The cost of raising funds was 1.9% of expenditure to generate our fundraising income and operate our charity shops.
- ▶ To minimise costs and ensure that resources are directed to frontline services, IWA operates a National Central Services function to support all of the organisation's services and activities. Support costs including governance costs were 7.0% of expenditure.

### Financial Results for the Year

In full compliance with SORP, the Statement of Financial Activities has been revised to include all capital grants received relating to fixed assets and designated funds for specific IWA activities as well as the IWA voluntary branches and sports clubs. In 2016, IWA reported net expenditure of €578,447.

In January 2016, IWA implemented Phase 1 of the Lansdowne Road Agreement at a cost of €0.3m for which funding has not yet been received from HSE. IWA staff are remunerated in line with HSE pay scales although full HSE terms and benefits do not apply. This additional cost, together with meeting the cost of increased compliance and regulatory requirements, has resulted in the deficit for the year. IWA is continuing to engage with HSE in relation to funding for the Lansdowne Road Agreement, Haddington Road Agreement and the potential impact of the Labour Relations Commission recommendation on pay for overnight work.

IWA is a people-based organisation with most staff working directly in frontline services. Pay costs are 84% of operating expenditure. IWA acknowledges and appreciates the contribution of employees to the continued delivery of services and to the success of the organisation.

Following the successful process of consultation and update of the Bye-Laws in 2016, the annual financial statements now incorporate the activities of the IWA voluntary branches and sports clubs. IWA would like to thank its volunteers for their support and engagement.

# DIRECTORS' REPORT

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## Cashflow and Bank Balances

- ▶ **2016 review:** Management of cashflow is a priority for the Association. At 31 December 2016, IWA had bank balances of €6.3m including amounts with restricted use and the designated funds of the IWA voluntary branches and sports clubs. This is essential to ensure that the Association continues to successfully meet its ongoing obligations.
- ▶ **Investment policy:** In accordance with the Constitution, the directors have the power to make investment decisions in keeping with the objects of the Association. If any cash is not required for immediate use, it is held in a bank deposit account to generate interest income.
- ▶ **Borrowings policy:** IWA does not have bank loans or borrowings.

## Restricted and Unrestricted Funds

- ▶ **2016 review:** At 31 December 2016, IWA had total funds of €23.1m. Unrestricted funds, which may be used at the discretion of the Association in furtherance of the objects of the charity, were €5.9m. Designated funds, relating to the IWA voluntary branches and sports clubs and unspent fundraised income for specific IWA activities, were €1.3m. Capital funds, which are the residual value of capital grants and income relating to fixed assets, were €15.9m.
- ▶ **Reserves policy:** IWA has a policy of retaining sufficient unrestricted reserves to safeguard the continuity of its operations and to implement its current strategic plan. In consideration of its status as a major service provider and a major employer, the company is working to build the level of unrestricted funds to ensure the continued financial sustainability and resilience of the organisation and has set a long-term strategic target of three months' expenditure.

## Events since the balance sheet date

There have been no significant events since the balance sheet date.

## LOOKING FORWARD

### Plans and challenges for 2017

In 2017, we will commence implementation of the IWA Strategy for 2017-2020 focusing on the areas of advocacy, services, communications and engagement, infrastructure and resources, profile and sustainability. As we finalise the Strategy, a key strategic objective is to ensure the long-term financial sustainability and resilience of the organisation. We are committed that, in delivering our 3 year goal, we will grow and diversify our income streams, achieve sustainability in all our services and ultimately grow the unrestricted funds to the levels set out in the reserves policy.

In the coming year, the Association will continue to engage in discussions with HSE in relation to funding for the Lansdowne Road Agreement, the Haddington Road Agreement and the potential impact of the Labour Relations Commission recommendation on pay for overnight work.

We will continue to invest in our infrastructure. In 2017, we will replace some of the oldest buses in our fleet. We will also invest in our ICT infrastructure introducing new systems to replace paper records, thereby improving efficiency and customer service.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Legal Structure

I.W.A. Company Limited by Guarantee operates under the registered business name of Irish Wheelchair Association and is an Irish registered charity. The company is a public benefit entity. It is governed by its Constitution and is managed by its Board of Directors, who are appointed by the Members. The Chief Executive Officer reports to the Board.

In accordance with the Companies Act 2014 and following approval by the Members at the AGM on 14 May 2016, the company changed its name from I.W.A. Limited to I.W.A. Company Limited by Guarantee and updated the Constitution accordingly.

# DIRECTORS' REPORT

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## Members' Organisation

The Irish Wheelchair Association was founded in 1960 by people with disabilities and it continues to be a 'member-owned organisation'. There are over 20,000 registered members, all of whom receive the annual financial statements and an invitation to the Annual General Meeting, as well as IWA's quarterly lifestyle magazine, *Spokeout*. The Constitution sets out those persons who are eligible for membership of the company. The Members are individuals with disabilities or reduced mobility as well as volunteers, family members and friends.

At the Annual General Meeting (AGM), the Members receive the report of the Board on the activities of the year and the financial results; appoint members of the board of directors; and discuss and vote on resolutions relating to the strategic direction of the organisation as well as on any proposed changes to the Constitution. The Annual Conference of the Irish Wheelchair Association, held on the same day as the AGM, provides a forum for full discussion and exchange of information on current issues affecting people with disabilities.

This unique structure gives the organisation a high level of accountability and transparency in its activities and it ensures that IWA is completely focused on the evolving needs of people with disabilities and reduced mobility.

## Best Practice Governance

Irish Wheelchair Association operates to high standards of governance with a focus on continuous development and improvement. The Board has adopted the Statement of Guiding Principles for Fundraising and is in the process of fully adopting the Governance Code for Community and Voluntary Organisations, both published by the Irish Community, Voluntary and Charitable Sector. The Governance Manual, which is updated regularly, sets out the key roles, responsibilities and procedures for the Board, its Officers and sub-committees. Delegated authority levels and matters that are reserved for consideration by the Board are clearly defined. Formal training for Board members is provided on an annual basis. The Board meets seven times each year.

## Board of Directors

The composition of the Board of Directors is set out in the Constitution to represent the various stakeholders in the organisation. The Board may have a maximum of 16 directors with a minimum of 13. The Board comprises the President, elected by the members; two directors elected from the company's employees by employee ballot; one member of the company's sports section elected through the Sports Executive; a maximum of nine members elected at the AGM; and a maximum of three further directors who may be co-opted by the Board for their particular expertise. At least a third of the board members must be persons with reduced mobility.

Each year, one quarter of the Board retires from office. Directors who have served two consecutive terms must retire for at least one year.

As a registered charity and in accordance with the Constitution, directors are not entitled to any remuneration for acting as a member of the Board. Actual out-of-pocket expenses are reimbursed if claimed. None of the directors or secretary holds any beneficial interest in the company.

## Membership of the Board of Directors

The membership of the Board at 7 April 2017 is set out on pages 4.

At the AGM on 14 May 2016, Gerry McMahon, Jack Doyle and P.J. Gorey retired and Stephen Cluskey was appointed. Following employee ballot, Clive Hough was appointed to the Board on 14 May 2016. Patsy Lane retired on 15 July 2016. Donal Sands was appointed on 27 October 2016 and Martin Kelly was appointed on 9 December 2016. At the forthcoming AGM, in accordance with the Articles of Association, four directors will retire by rotation.

## Sub-Committees of the Board

The Board has set out formal terms of reference for the Audit Committee, the Property Committee, the Remuneration Committee and the Sports Executive. The Audit Committee, which meets quarterly,

# DIRECTORS' REPORT

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liaises with External and Internal Auditors; appoints and instructs the Internal Auditors; and oversees all audit related issues. The Property Committee, which meets seven times each year, advises the Board on property transactions and oversees all issues relating to the Property Register. The Remuneration Committee met as required to oversee matters relating to senior staff remuneration. The Sports Executive manages the affairs of IWA Sport and meets monthly.

## **Appointment of a New Chief Executive Officer**

Ms Kathleen McLoughlin stepped down as CEO in 2016 following ten successful years in the role. On behalf of the Board, the IWA Remuneration Committee undertook a comprehensive recruitment process following which Ms Rosemary Keogh was appointed as the new CEO and joined the Association in April 2016. The Board thanks Kathleen for her great contribution to the Association. The Board also welcomes Rosemary and wishes her success in her new role.

## **Subsidiary Company**

I.W.A. Company Limited by Guarantee is a single legal entity. It has one wholly-owned subsidiary, *Ability Consultancy Training Limited*, a fully integrated operation within IWA, which provides training in specialist skills related to the provision of services to people with disabilities, the results of which are consolidated in these financial statements.

## **Voluntary Branches and Sports Clubs**

The Irish Wheelchair Association has a network of 32 branches nationally as well as 26 sports clubs and sports sections. These voluntary groups are a vital part of IWA, engaging in social, sports, fundraising and community activities at local level. The voluntary groups do not engage in direct provision of funded services, nor do they have any employees or hold property. They operate under the Bye-Laws and Standing Orders of IWA. In May 2016 following a process of consultation, IWA approved new Bye-Laws which enable the Association to consolidate the accounts of these voluntary groups in the Annual Financial Statements of the Association commencing in 2016 (see note 17 of the financial statements).

## **Taxation Status**

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

## **Principal Risks and Uncertainties**

The major financial risks include management of resources and cashflow, as the organisation endeavours to maintain services and ensure its financial sustainability. The major operational risks centre on the consistent delivery of quality services to people with disabilities in a safe environment for both the individual and IWA staff and these risks are addressed through comprehensive training as well as documented policies and procedures and a constant focus on quality.

## **Risk Management**

IWA has a risk management strategy which comprises a risk register which is updated annually by management, approved by the Board and reviewed quarterly by the Audit Committee; the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and the implementation of procedures designed to minimise or manage any potential impact on the company should those risks materialise.

## **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.

## **Compliance Statement**

The Directors are responsible for securing material compliance with all relevant obligations as defined under Section 225 of the Companies Act, 2014. Irish Wheelchair Association has a formal compliance

## DIRECTORS' REPORT

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policy statement that sets out all its policies in respect of the relevant obligations and has put in place arrangements and structures to provide reasonable assurance of compliance. The Directors review the effectiveness of these arrangements and structures on an annual basis.

### Statement on Relevant Audit Information

In the case of each of the persons who are directors at the time this report is approved in accordance with Section 332 of Companies Act 2014, so far as each director is aware, there is no relevant audit information of which the company's statutory auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

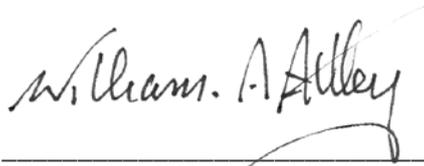
### Auditors

In accordance with best practice, IWA conducted a procurement tendering process in 2016 for external audit services. Crowe Horwath Bastow Charleton resigned as auditors and Mazars were appointed. Mazars is eligible and has expressed a willingness to continue in office in accordance with Section 383(2) of the Companies Act 2014.

### SIGNED ON BEHALF OF THE BOARD:



Michael Hickey, Chairperson



William A Attley, Honorary Treasurer

Date: 7 April 2017

# DIRECTORS' RESPONSIBILITIES STATEMENT

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The directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council, and promulgated by the Institute of Chartered Accountants in Ireland and Statement of Recommended Practice (Charities SORP (FRS 102)), issued by the Charity Commissioners for England and Wales and the Office of the Scottish Charities Regulator.

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the net income or expenditure of the company for the 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.

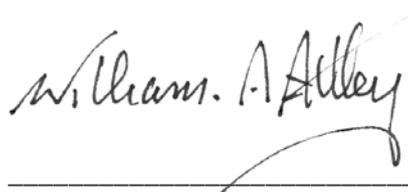
The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and net income or expenditure of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## SIGNED ON BEHALF OF THE BOARD:



Michael Hickey, Chairperson



William A Attley, Honorary Treasurer

Date: 7 April 2017

# INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF I.W.A. COMPANY LIMITED BY GUARANTEE

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We have audited the financial statements of I.W.A. Company Limited by Guarantee for the year ended 31 December 2016 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flow and the related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland.

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 explained more fully in the Directors' Responsibilities Statement the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

## **Scope of the audit of the financial statements**

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

# INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF I.W.A. COMPANY LIMITED BY GUARANTEE

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## OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- ▶ Give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2016 and of its results for the year then ended; and
- ▶ have been properly prepared in accordance with the relevant financial reporting framework and, in particular, the requirements of the Companies Act 2014.

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

- ▶ We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- ▶ In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- ▶ The financial statements are in agreement with the accounting records.
- ▶ In our opinion the information given in the directors' report is consistent with the financial statements.

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

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

A handwritten signature in black ink, appearing to read 'Tommy Doherty', written over a horizontal line.

**Tommy Doherty**  
For and on behalf of  
Mazars  
Chartered Accountants  
& Statutory Audit Firm  
Harcourt Centre  
Block 3  
Harcourt Road  
Dublin 2

**Date: 7th April 2017**

# STATEMENT OF FINANCIAL ACTIVITIES

Incorporating the Income and Expenditure Account for the year ended 31 December 2016

## Statement of Financial Activities

Incorporating the Income and Expenditure Account for the year ended 31 December 2016

	Notes	Restricted Funds	Unrestricted Funds	Designated Funds	Total Operating Funds	Capital Funds	Total 2016	Total 2015
<b>INCOME FROM:</b>								
Charitable Activities	1	47,043,152	4,771,743	-	51,814,895	978,614	52,793,509	51,385,551
Other Activities	2	-	1,656,825	331,747	1,988,572	442,057	2,430,629	2,091,969
Other incoming resources	3	-	65,357	-	65,357	-	65,357	120,141
<b>TOTAL INCOMING RESOURCES</b>		<b>47,043,152</b>	<b>6,493,925</b>	<b>331,747</b>	<b>53,868,824</b>	<b>1,420,671</b>	<b>55,289,495</b>	<b>53,597,661</b>
<b>EXPENDITURE ON:</b>								
Charitable activities	4	(49,429,703)	(3,923,757)	(265,989)	(53,619,449)	(1,199,039)	(54,818,488)	(53,765,815)
Raising funds	5	-	(1,023,993)	(25,460)	(1,049,453)	-	(1,049,453)	(998,306)
<b>TOTAL EXPENDITURE</b>		<b>(49,429,703)</b>	<b>(4,947,750)</b>	<b>(291,449)</b>	<b>(54,668,902)</b>	<b>(1,199,039)</b>	<b>(55,867,941)</b>	<b>(54,764,121)</b>
<b>NET INCOME / (EXPENDITURE)</b>		<b>(2,386,551)</b>	<b>1,546,175</b>	<b>40,298</b>	<b>(800,078)</b>	<b>221,632</b>	<b>(578,446)</b>	<b>(1,166,460)</b>
Transfer between funds	15	2,386,551	(2,386,551)	-	-	-	-	-
Transfer between funds	15	(15,464,718)	-	161,692	(15,303,026)	15,303,026	-	-
Transfer between funds	15	-	-	(62,000)	(62,000)	62,000	-	-
<b>OTHER RECOGNISED GAINS/LOSSES</b>								
IWA branches and sports clubs		-	-	873,797	873,797	-	873,797	-
<b>NET MOVEMENT IN FUNDS</b>		<b>(15,464,718)</b>	<b>(840,376)</b>	<b>1,013,787</b>	<b>(15,291,307)</b>	<b>15,586,658</b>	<b>295,351</b>	<b>(1,166,460)</b>
<b>FUNDS AT START OF YEAR</b>		<b>15,464,718</b>	<b>6,744,703</b>	<b>244,397</b>	<b>22,453,818</b>	<b>323,596</b>	<b>22,777,414</b>	<b>23,943,874</b>
<b>FUNDS AT END OF YEAR</b>		<b>-</b>	<b>5,904,327</b>	<b>1,258,184</b>	<b>7,162,511</b>	<b>15,910,254</b>	<b>23,072,765</b>	<b>22,777,414</b>

# BALANCE SHEET

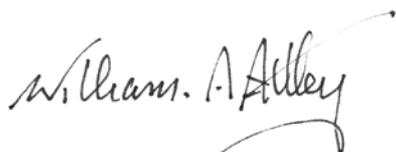
At 31 December 2016

	Notes	31 December 2016 €	31 December 2015 €
<b>FIXED ASSETS</b>			
Tangible fixed assets	10	18,199,506	18,252,105
Financial assets	16	<u>3</u>	<u>3</u>
		18,199,509	18,252,108
<b>CURRENT ASSETS</b>			
Stocks	11	86,300	97,982
Debtors	12	3,407,471	3,787,220
Cash and cash equivalents	13	<u>6,334,855</u>	<u>5,289,893</u>
		9,828,626	9,175,095
<b>CREDITORS</b>			
(Amount falling due within one year)	14	<u>(4,955,370)</u>	<u>(4,649,789)</u>
<b>NET CURRENT ASSETS</b>		<u>4,873,256</u>	<u>4,525,306</u>
<b>TOTAL NET ASSETS</b>		<u>23,072,765</u>	<u>22,777,414</u>
<b>FUNDS</b>			
Restricted funds	15	-	15,464,718
Unrestricted funds	15	5,904,327	6,744,703
Designated funds	15	1,258,184	244,397
Capital funds	15	<u>15,910,254</u>	<u>323,596</u>
<b>TOTAL FUNDS</b>		<u>23,072,765</u>	<u>22,777,414</u>

The financial statements were approved by the Board on 7 April 2017 and signed on its behalf by:



Michael Hickey, Chairperson



William A Attley, Honorary Treasurer

# STATEMENT OF CASH FLOWS

For the year ended 31 December 2016

	2016 €	2015 €
<b><u>Cash flows from operating activities</u></b>		
Net expenditure for the year	(578,446)	(1,166,460)
<b><u>Adjustments for:</u></b>		
Depreciation	1,435,635	1,973,938
Deposit Interest income	(3,635)	(20,653)
Profit on disposal of tangible fixed assets	(26,750)	(3,000)
Decrease / (increase) in stocks	11,682	(11,890)
Decrease / (increase) in debtors	379,749	(771,129)
Increase / (decrease) in creditors	305,581	(13,854)
<b>Net cash provided by/(used in) operating activities</b>	<b>1,523,816</b>	<b>(13,048)</b>
<b><u>Cash flows from investing activities</u></b>		
Purchase of fixed assets	(1,383,036)	(714,056)
Consolidation of IWA Branches & Sports Clubs	873,797	-
Deposit Interest income	3,635	20,653
Proceeds from disposal of tangible fixed assets	26,750	3,000
<b>Net cash used in investing activities</b>	<b>(478,854)</b>	<b>(690,403)</b>
<b>Increase / (Decrease) in cash and cash equivalents</b>	<b>1,044,962</b>	<b>(703,451)</b>
<b>Cash and cash equivalents at the start of the year</b>	<b>5,289,893</b>	<b>5,993,344</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>6,334,855</b>	<b>5,289,893</b>

# NOTES TO THE FINANCIAL STATEMENTS

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## 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 financial statements have been prepared in accordance with the Companies Act 2014, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council, and promulgated by the Institute of Chartered Accountants in Ireland and Statement of Recommended Practice (Charities SORP (FRS 102)), issued by the Charity Commissioners for England and Wales and the Office of the Scottish Charities Regulator. 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.

The financial statements have been presented in Euro (€) which is also the functional currency of the company. The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention modified to include certain items at fair value.

Prior to 1 June 2015, company law scoped out companies not trading for gain for the members from the requirements with regard to formats and content of financial statements which applied to for profit companies thus permitting the adoption of a format appropriate to a charity. Accordingly IWA has adopted and reported its performance for the financial year in the format of the Charity SORP's Statement of Financial Activities (SOFA). The Companies Act 2014 became effective in law on 1 June 2015 and from that date applies the format and content of financial statements requirements appropriate for a company trading for the profit of its members to a company that is a not for profit organisation such as IWA. In order to provide information relevant to understanding the stewardship of the directors and the performance and financial position of the charity, IWA has prepared its financial statements in accordance with the formats provided for in the Charities SORP. Had the company format and content of financial statements requirements suitable for a company trading for the profit of its members been presented instead, a profit and loss account with related notes showing items such as turnover and cost of sales would have been reported along with a profit on ordinary activities before taxation.

**The following principal accounting policies have been applied:**

### Restricted Funds

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

### Unrestricted Funds

Unrestricted funds are those which are expendable at the discretion of the company in furtherance of the objects of the charity. The company has long term obligations in respect of the provision of services and has a policy of retaining sufficient unrestricted reserves to safeguard the continuity of its operations and to implement its current strategic plan. If part of an unrestricted fund is earmarked for a particular project, it may be designated as a separate fund, but the designation has an administrative purpose only, and does not legally restrict the company's discretion to apply the fund.

### Income

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

- ▶ **Grant and Service Income:** Grant income from the Health Service Executive, other Government Agencies and other sources is credited when receivable to the Statement of Financial Activities.
- ▶ **Fundraising Income:** Fundraising income is credited to the Statement of Financial Activities in the year in which it is receivable by the company.
- ▶ **Donations and legacies:** Voluntary income including donations, gifts and legacies are recognised where there is entitlement, receipt is probable and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies that the grant or donation must

# NOTES TO THE FINANCIAL STATEMENTS

only be used in future accounting periods or the donors have imposed conditions which must be met before the charity has unconditional entitlement.

- ▶ **Investment Income:** Income earned on funds held on deposit is treated as unrestricted income and is credited when earned.

## Expenditure

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

## Capital Grants

Grants received towards capital expenditure are credited to the statement of financial activities under restricted capital funds when received or receivable whichever is earlier subject to performance related conditions being met.

## Tangible Fixed Assets

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

Leasehold Property	Over term of lease
Freehold buildings	4% per annum
Motor vehicles	20% per annum
Fixtures, fittings and equipment	20% to 33.3% per annum

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of financial activities.

## Operating Leases: Lessee

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the period of the lease.

## Financial Instruments

The analysis of the carrying amounts of the financial instruments of the company required under Section 11 of FRS 102 is as follows:

- ▶ **Cash and cash equivalents:** Cash consists of cash on hand and demand deposits. Cash equivalents consist of short term highly liquid investments that are readily convertible to known amounts of cash that are subject to an insignificant risk of change in value.
- ▶ **Other financial assets:** Other financial assets, including trade debtors and investments in subsidiaries, are initially measured at cost, which is normally the transaction price, and are subsequently measured at amortised cost less impairment, where there is objective evidence of an impairment.
- ▶ **Other financial liabilities:** Trade creditors are measured at transaction price, unless payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate. In this case the arrangement constitutes a financing transaction, and the financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

# NOTES TO THE FINANCIAL STATEMENTS

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## Sinking fund

IWA applies the Irish Council for Social Housing (ICSH) recommendation that 30% of rental income on owned properties be set aside to the sinking fund. Funds transferred out of the sinking fund each year are based on actual spend on an agreed planned maintenance programme which reflects the need of our tenants and the adequate maintenance of our properties.

## Taxation and deferred taxation

The entity is a registered charity. All of its activities are exempt from direct taxation.

## Provisions and liabilities for charges

Provision is made for liabilities or losses which have arisen or are likely to arise in respect of the financial year to which the accounts relate but where there is uncertainty as to the amount or the timing of the liability or loss.

## Holiday Pay Accrual

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

## Pensions

The company operates two occupational pension schemes, being a defined contribution pension scheme and a personal retirement savings account (PRSA) scheme. Pension benefits are funded over the employees' period of service by way of contributions from the company and from employees. Employer contributions are charged to the statement of financial activities in the year in which they become payable.

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

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

- ▶ **Going concern:** The directors have prepared budgets and cash flows for a period of at least twelve months from the date of approval of the financial statements which demonstrate that there is no material uncertainty regarding the company's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.
- ▶ **Establishing lives for depreciation purposes of tangible fixed assets:** Long-lived assets, consisting primarily of property, fixtures and fittings and motor vehicles, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated lives of each type of asset and estimates of residual values. The directors regularly review these asset lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have a significant impact on depreciation charges for the period. Details of the useful lives are included in the accounting policies.

## NOTES TO THE FINANCIAL STATEMENTS

1. Income From Charitable Activities		2016 €	2015 €
Restricted funds:	Health Service Executive (a)	40,732,761	40,406,974
	DSP Community Employment Scheme (b)	5,806,559	5,674,454
	Irish Sports Council, Pobal and other grants (c)	503,832	710,052
		<u>47,043,152</u>	<u>46,791,480</u>
Unrestricted funds:	Service and other income (c)	4,771,743	4,594,071
Capital funds:	Dept. of Environment Capital Assistance Scheme	978,614	-
		<u>52,793,509</u>	<u>51,385,551</u>

- (a) IWA receives funding from HSE as a 'Section 39 organisation' as assistance towards delivering a wide range of services including Assisted Living Services, Resource & Outreach Centres, Respite and Supported Living.
- (b) The Dept. of Social Protection Community Employment Scheme enabled IWA to employ 378 staff as a vital support to the national network of Resource & Outreach Centres.
- (c) As an independent charity and a Section 39 organisation, IWA generates income from a variety of sources to maintain its services including voluntary contributions, rental and other locally generated income as well as income from parking permit services, IWA at Home and Wheelchair Solutions. Income generated by IWA is classified as Unrestricted Funds.

2. Income From Other Activities		2016 €	2015 €
Unrestricted funds:	Fundraising campaigns and events	843,932	871,204
	Income from IWA Charity Shops	812,893	768,994
		<u>1,656,825</u>	<u>1,640,198</u>
Designated funds:	Fundraising income for designated projects	42,553	181,666
	IWA Branches & Sports Clubs	289,194	-
		<u>331,747</u>	<u>181,666</u>
Capital funds:	Fundraising income for capital projects	442,057	270,105
		<u>2,430,629</u>	<u>2,091,969</u>

Fundraising income is generated through the national *Angel Day* campaign, church gate and other collections, the Friends of IWA draw, the annual car raffle and other events. IWA has a network of 13 Charity Shops nationally.

3. Other Incoming Resources		2016 €	2015 €
Voluntary income:	Donations and legacies	33,935	63,552
Investment income:	Bank deposit interest	3,635	20,653
Other income:	Central services training income	27,787	35,936
		<u>65,357</u>	<u>120,141</u>

## NOTES TO THE FINANCIAL STATEMENTS

4. Expenditure on Charitable Activities		2016 €	2015 €
Restricted funds:	Assisted Living Service	27,076,026	25,760,468
	Resource & Outreach Centres	15,637,930	15,698,830
	All other services and charitable activities	6,715,747	6,694,830
		<u>49,429,703</u>	<u>48,154,128</u>
Unrestricted funds:	All other services and charitable activities	3,923,757	4,094,745
Designated funds:	IWA Branches & Sports Clubs	265,989	-
Capital funds:	Amortisation of capital grants	1,199,039	1,516,942
		<u>54,818,488</u>	<u>53,765,815</u>

IWA's largest service is the Assisted Living Service with 1.17m hours of personal assistance provided to 1,863 people with disabilities in 2016. The Resource & Outreach Centres operated at 57 locations nationwide delivering 95,000 days of service to 2,054 people. Other services and activities include holidays and respite; independent and supported living; motoring advice, assessment and tuition; rehabilitative training; sports, accessibility and member information and support.

5. Cost of Raising Funds		2016 €	2015 €
	Fundraising campaigns and events	380,756	386,248
	Operating costs of IWA Charity Shops	643,237	612,058
	IWA Branches & Sports Clubs	25,460	-
		<u>1,049,453</u>	<u>998,306</u>

6. Net Movement in Funds		2016 €	2015 €
<b>Net movement in funds is stated after charging / (crediting):</b>			
	Directors' remuneration – for services as directors	-	-
	Directors' remuneration – for staff services	88,900	97,031
	Depreciation of tangible assets	1,435,635	1,973,938
	Profit on disposal of tangible fixed assets	(26,750)	(3,000)
	Auditors' remuneration – for external audit services	33,825	37,330
	Auditors' remuneration – audit of DSP CE Schemes	13,160	16,850
	Auditors' remuneration – tax advisory services	492	5,935
	Auditors' remuneration – other non-audit services	2,952	-
		<u>1,547,272</u>	<u>2,134,144</u>

As explained in Note 9(c), members of the board of directors do not receive remuneration for their services as directors. Two directors, elected by staff to the board, are employees of the company, for which they receive salaries as shown above; however they do not receive remuneration for their services as directors.

## 7. Taxation

No charge to taxation arises as the company has been granted charitable exemption by the Revenue Commissioners. IWA's only subsidiary, Ability Consultancy Training Limited, is not itself a registered charity and incurred a corporation tax charge of €32 in 2016.

## NOTES TO THE FINANCIAL STATEMENTS

8. Employees and Staff Costs	2016 €	2015 €
<p>IWA employed an average of 2,260 people in 2016. Most staff work directly in frontline services, as Personal Assistants in the Assisted Living Service or directly supporting the Resource &amp; Outreach Centres, respite, sports and other activities. There were no staff costs capitalised into assets.</p>		
<b>(a) Number of employees</b>	<b>2016</b>	<b>2015</b>
Average number of people employed (full-time and part-time)	2,260	2,253
Employees by category:		
Management	8	8
Central Services	47	46
Fundraising and Charity Shops	27	27
IWA Services – DSP CE Scheme	378	378
IWA Services – all other employees	1,800	1,794
<b>(b) Total staff costs</b>	<b>2016</b>	<b>2015</b>
	€	€
Wages & salaries	41,221,768	39,704,517
Social welfare costs	3,677,465	3,593,095
Statutory redundancy and termination costs	492,870	334,090
Pension costs	315,875	309,710
	45,707,978	43,941,412
<b>(c) Senior staff remuneration</b>	<b>2016</b>	<b>2015</b>
The number of staff earning salaries over €60,000 is: (excluding the benefits and pension costs outlined below)		
Band: €60,000 - €69,999	10	9
Band: €70,000 - €79,999	7	7
Band: €80,000 - €89,999	1	1
Band: €90,000 - €99,999	6	6
Band: €120,000 - €129,999	1	0
Band: €130,000 - €139,999	0	1
	25	24

The Board has decided that the CEO's salary should be aligned with the salary of the Civil Service Assistant Secretary pay scale. On this basis Rosemary Keogh is currently paid €120,000 per annum.

All other IWA staff including senior management are remunerated in line with HSE pay scales, however full HSE terms, conditions and benefits do not apply. Salary levels are based on the equivalent grade in HSE and were set following an independent job-sizing and benchmarking study.

## NOTES TO THE FINANCIAL STATEMENTS

Senior managers, who are required to travel as part of their role, receive vouched expenses and either a car allowance or a company car or mileage in line with Revenue approved rates. There are no subsistence payments or unvouched expense payments. Senior managers have access to health cover at 'Health Plus Extra (formerly known as Plan B Options)' level and access to the company's defined contribution pension scheme with an employer's contribution of up to 8% and an employee contribution of 5%. All remuneration and benefits are fully taxable with the exception of pension contributions, in line with Revenue rules. The Remuneration Committee of the Board oversees all matters relating to senior staff remuneration.

### (d) Key Management Remuneration

Key management personnel are set out on page 5 as are the CEO and senior management team for whom the total remuneration cost was €938,900 in the year. This cost includes car allowances in lieu of mileage expenses, health cover and employer pension contributions of €60,449, all as outlined in note (c) above.

### (e) Pension costs

All IWA staff are eligible to join one of the two occupational pension schemes which the company operates, being a defined contribution pension scheme and a personal retirement savings account (PRSA) scheme. The defined contribution pension scheme has employer contributions of 5-8% and employee contributions of 5% and the cost of employer pension contributions in 2016 was €315,875.

## 9. Support Costs and Allocation of Expenditure

### (a) Support Costs

IWA operates a single National Central Services function to support the delivery of all services and activities across the country. Central Services includes Finance, Human Resources, ICT, Procurement, Administration, Property Management, Training, Health and Safety, Quality Assurance and Safeguarding. Support costs also include governance costs as outlined below. Costs are charged to each service and activity in proportion to expenditure, which is considered to reflect estimated benefits received. Costs are not allocated to designated or capital funds.

### (b) Allocation of expenditure

	Charitable Activities €	Cost of Raising Funds €	Total Expenditure €
Direct expenditure	51,004,535	958,117	51,962,652
Allocation of support costs	3,813,953	91,336	3,905,289
Total resources expended	<u>54,818,488</u>	<u>1,049,453</u>	<u>55,867,941</u>

## NOTES TO THE FINANCIAL STATEMENTS

### (c) Governance costs

Support costs also include governance costs as follows:	<b>2016</b>	<b>2015</b>
	€	€
External audit	33,825	37,330
Internal audit	9,840	10,450
Board of Director expenditure	22,710	13,220
Annual general meeting and annual accounts	37,200	37,900
	<u>103,575</u>	<u>98,900</u>

Members of the Board of Directors do not receive remuneration for their services as directors. Expenses directly incurred by the directors in carrying out their role are reimbursed, if claimed, and amounted to €9,687. Board Expenditure is the cost of attending board meetings including reimbursed expenses.

All of the Association's 20,000 registered members receive a copy of the annual accounts and the AGM is a large national event. Other governance costs relate to the annual external audit and the external professional advisors engaged to carry out an annual internal audit.

## 10. Tangible Fixed Assets

	Land and Buildings €	Fixtures, Fittings and Equipment €	Motor Vehicles €	Total €
<b>Cost</b>				
At 1 January 2016	26,977,709	1,870,591	5,502,540	34,350,840
Additions	1,268,039	46,878	68,119	1,383,036
Disposals	-	-	(69,765)	(69,765)
At 31 December 2016	<u>28,245,748</u>	<u>1,917,469</u>	<u>5,500,894</u>	<u>35,664,111</u>
<b>Depreciation</b>				
At 1 January 2016	9,064,300	1,829,203	5,205,232	16,098,735
On disposals	-	-	(69,765)	(69,765)
Charge for the year	1,301,804	36,263	97,568	1,435,635
At 31 December 2016	<u>10,366,104</u>	<u>1,865,466</u>	<u>5,233,035</u>	<u>17,464,605</u>
<b>Net Book Value</b>				
At 31 December 2016	<u>17,879,644</u>	<u>52,003</u>	<u>267,859</u>	<u>18,199,506</u>
At 31 December 2015	<u>17,913,409</u>	<u>41,388</u>	<u>297,308</u>	<u>18,252,105</u>

## NOTES TO THE FINANCIAL STATEMENTS

In respect of the prior year:	Land and Buildings €	Fixtures, Fittings and Equipment €	Motor Vehicles €	Total €
<b>Cost</b>				
At 1 January 2015	27,418,825	2,442,399	5,889,508	35,750,732
Disposals and write-offs	(996,811)	(633,890)	(483,247)	(2,113,948)
Additions	555,695	62,082	96,279	714,056
At 31 December 2015	<u>26,977,709</u>	<u>1,870,591</u>	<u>5,502,540</u>	<u>34,350,840</u>
<b>Depreciation</b>				
At 1 January 2015	8,249,675	2,409,722	5,579,348	16,238,745
On disposals	(996,811)	(633,890)	(483,247)	(2,113,948)
Charge for the year	1,811,436	53,371	109,131	1,973,938
At 31 December 2015	<u>9,064,300</u>	<u>1,829,203</u>	<u>5,205,232</u>	<u>16,098,735</u>
<b>Net Book Value</b>				
At 31 December 2015	<u>17,913,409</u>	<u>41,388</u>	<u>297,308</u>	<u>18,252,105</u>
At 31 December 2014	<u>19,169,150</u>	<u>32,677</u>	<u>310,160</u>	<u>19,511,987</u>

11. Stocks	2016 €	2015 €
Wheelchair, promotional and sundry stock	<u>86,300</u>	<u>97,982</u>

12. Debtors	2016 €	2015 €
Grant and service income receivable	3,119,316	3,558,428
Prepayments and other debtors	<u>288,155</u>	<u>228,792</u>
	<u>3,407,471</u>	<u>3,787,220</u>

All debtors are due within one year. All trade debtors are due within the company's normal terms, which is thirty days. Trade debtors are shown net of impairment in respect of doubtful debts.

13. Cash and cash equivalents	2016 €	2015 €
IWA cash and cash equivalents	5,525,313	5,289,893
IWA Branches & Sports Clubs cash and cash equivalents	<u>809,542</u>	<u>-</u>
	<u>6,334,855</u>	<u>5,289,893</u>

## NOTES TO THE FINANCIAL STATEMENTS

14. Creditors (amounts falling due within one year)	2016 €	2015 €
Creditors and accruals	3,946,559	3,739,395
Payroll taxes	843,154	859,055
Housing Association Sinking Fund	93,657	51,339
Deferred income (Dormant Accounts Fund)	72,000	-
	<u>4,955,370</u>	<u>4,649,789</u>

The repayment terms of trade creditors vary between on demand and ninety days. No interest is payable on trade creditors. Tax and social insurance are subject to the terms of the relevant legislation. No interest on late payment was due at the financial year end date. The terms of the accruals are based on the underlying contracts. Other amounts included within creditors not covered by specific note disclosures are unsecured, interest free and repayable on demand.

### 15. Restricted, Unrestricted, Designated and Capital Funds

#### (a) Restricted Funds:

	Capital Grants €	Restricted Fundraising Activities €	Restricted Charitable Activities €	Total €
<b>At 1 January 2016</b>	15,130,351	334,367	-	15,464,718
<b>In 2016:</b>				
Income	-	-	47,043,152	47,043,152
Expenditure	-	-	(49,429,704)	(49,429,704)
Transfer from Unrestricted Funds	-	-	2,386,552	2,386,552
Transfer to Capital Funds	(15,130,351)	(172,675)	-	(15,303,026)
Transfer to Designated Funds	-	(161,692)	-	(161,692)
<b>At 31 December 2016</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Restricted funds comprise the residual value of capital grants for fixed assets together with accumulated fundraising towards capital projects and specific IWA activities. These funds have been transferred to the Capital Fund and Designated Funds.

#### Restricted Funds

(in respect of the prior year):

	Capital Grants €	Restricted Fundraising Activities €	Restricted Charitable Activities €	Total €
<b>At 1 January 2015</b>	16,487,188	277,925	-	16,765,113
<b>In 2015:</b>				
Income	160,105	56,442	46,791,480	47,008,027
Expenditure	(1,516,942)	-	(48,154,128)	(49,671,070)
Transfer from Unrestricted Funds	-	-	1,362,648	1,362,648
Net Income (Expenditure)	<u>(1,356,837)</u>	<u>56,442</u>	<u>-</u>	<u>(1,300,395)</u>
<b>At 31 December 2015</b>	<u>15,130,351</u>	<u>334,367</u>	<u>-</u>	<u>15,464,718</u>

## NOTES TO THE FINANCIAL STATEMENTS

<b>(b) Unrestricted Funds:</b>	<b>2016</b> €	<b>2015</b> €
Fund balances at start of year	6,744,703	6,845,992
Net incoming (outgoing) resources in year	1,546,175	1,261,359
Transfer to restricted funds in year	(2,386,551)	(1,362,648)
<b>Fund balances at end of year</b>	<b><u>5,904,327</u></b>	<b><u>6,744,703</u></b>

Unrestricted funds are funds that have been raised by the Association and which may be used at the discretion of the company in furtherance of the objects of the charity. IWA has a policy of retaining sufficient unrestricted reserves to safeguard the continuity of its operations and to implement its strategic plan.

<b>(c) Designated Funds:</b>	<b>2016</b> €	<b>2015</b> €
Fund balances at start of year	244,397	119,173
Net incoming resources in year	40,298	125,224
Transfer from restricted funds in year	161,692	-
Transfer to capital funds in year	(62,000)	-
IWA Branches & Sports Clubs	873,797	-
<b>Fund balances at end of year</b>	<b><u>1,258,184</u></b>	<b><u>244,397</u></b>

Designated funds comprise the funds of the IWA voluntary branches and sports clubs together with accumulated fundraised income for IWA activities, such as sports activities and centre refurbishment, which has not yet been spent at the end of the year. IWA acknowledges the contribution of €62,000 from the Killarney Branch towards the new Centre.

<b>(d) Capital Funds:</b>	<b>2016</b> €	<b>2015</b> €
Fund balances at start of year	323,596	213,596
Income	1,420,671	110,000
Expenditure	(1,199,039)	-
Transfer from restricted funds in year	15,303,026	-
Transfer from designated funds in year	62,000	-
<b>Fund balances at end of year</b>	<b><u>15,910,254</u></b>	<b><u>323,596</u></b>

Capital funds comprise fundraised income and grants for fixed assets.

## NOTES TO THE FINANCIAL STATEMENTS

16. Financial Assets	2016 €	2015 €
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Investments in subsidiary undertaking (at cost) :

Ability Consultancy Training Limited

Ordinary shares of €1.27 each, at beginning and end of year	3	3
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IWA has one wholly-owned subsidiary, Ability Consultancy Training Limited, incorporated in Ireland (company number 225160). This is a fully integrated operation within IWA, which provides training in specialist skills related to the provision of services to people with disabilities. The financial results, which are consolidated in these financial statements, are set out below.:

Information required under Section 314 of the Companies Act 2014 is as follows:

Nature of business : Provision of training services

Registered office: Áras Chúchulainn, Blackheath Drive, Clontarf, Dublin 3

Country of Incorporation: Republic of Ireland

Proportion of holding: 100%

	2016 €	2015 €
Profit after taxation for the year	228	359
Accumulated reserves at 31 December	1,126	898

17. IWA Voluntary Branches and Sports Clubs	2016 €	2015 €
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The following items are considered to be exceptional by virtue of size or incidence:

Income on consolidation of the voluntary branches and sports clubs	873,797	-
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In May 2016 following a process of consultation, IWA approved new Bye-Laws which enable the Association to consolidate the accounts of its voluntary branches and sports clubs (including sports sections) in the Annual Financial Statements of the Association commencing in 2016.

# NOTES TO THE FINANCIAL STATEMENTS

## 18. Income from State sources

Term €

Irish Wheelchair Association acknowledges with thanks income received in 2016 from the following State sources:

HSE North West	Section 39 services	Annual	3,245,717
HSE West	Section 39 services	Annual	4,708,750
HSE Mid-West	Section 39 services	Annual	4,919,781
HSE South	Section 39 services	Annual	4,722,856
HSE South East	Section 39 services	Annual	4,668,960
HSE Dublin South East	Section 39 services	Annual	2,095,600
HSE Dublin South West	Section 39 services	Annual	2,371,955
HSE Midlands North East	Section 39 services	Annual	4,251,237
HSE Dublin North	Section 39 services	Annual	9,747,905
Total HSE Income			40,732,761
Dept of Social Protection	Community Employment Scheme	3-year rolling	5,706,254
Dept of Social Protection	Employment Support Scheme	Annual	100,306
Dept of Social Protection	Pobal Community Services Programme: Ardee Sports Project	3-year 2014-2016	62,066
Dept of Health	National Lottery Funds	Once-off	317,193
Dept of Transport, Tourism and Sport	Sports Capital Programme	Once-off	54,469
Dept of Transport, Tourism and Sport	Sport Ireland	Annual	240,000
Dept of Transport, Tourism and Sport	Sport Ireland (DAF)	Once-off	72,000
Dept of Environment	Capital Assistance Scheme	Once-off	978,614

In 2016, the cost of the Ardee Sports Project was €152,137 of which €62,066 was funded by Pobal; further income of €29,465 was generated by the Project and €60,606 was funded from unrestricted income.

## 19. Pensions

### Defined Contribution Pension Scheme and PRSA Scheme

The company continues to operate two occupational pension schemes, being a defined contribution pension scheme and a personal retirement savings account (PRSA) scheme. All IWA staff are eligible to join one of these schemes. The assets of the pension schemes are held separately from those of the company in independently administered funds. The cost of employer pension contributions in 2016 was €315,875 (2015: €309,710).

## 20. Related Party Transactions

There were no related party transactions other than transactions between the company and its subsidiary, Ability Consultancy Training Limited, as referred to in Note 16 above. There were no transactions with directors other than as outlined in Notes 6 and 9c above.

# NOTES TO THE FINANCIAL STATEMENTS

## 21. Commitments

### (a) Capital Commitments

At 31 December 2016, the company had entered into contracts for the construction or purchase of properties and buses amounting to €670,800 (2015: €1,189,030).

### (b) Operating Lease Commitments

At 31 December 2016, total future minimum payments under operating leases were:

	2016 €	2015 €
Within one year	439,000	374,600
Within 2 to 5 years	909,600	723,000
After 5 years	52,100	114,200
	<u>1,400,700</u>	<u>1,211,800</u>

## 22. Contingent Liabilities

In the event that the company should cease to use certain properties for which grants were received, these grants could become repayable in part or in whole up to an amount of €6,652,400 at 31 December 2016.

## 23. Prior year adjustment

A prior year adjustment has been reflected in the comparative amounts included in these financial statements, the impact of which is outlined below:

**Capital Grants:** Historically, the treatment of capital grants received by IWA and which were provided specifically to fund the cost of land, buildings and bus fleet were credited to the Capital Fund on the Balance Sheet in the year of receipt. These grants were then amortised to the Statement of Financial Activities on the same basis as the related asset was depreciated. This treatment represented a departure from the method recommended under Charities SORP (FRS 102). In the current year, the company has decided to treat capital grants in a manner consistent with Charities SORP (FRS 102) (as set out in the accounting policies) and as a result has adjusted the comparative amounts.

**Deferred income:** Under Charities SORP (FRS 102), all income is recognised in the Statement of Financial Activities when there is evidence of entitlement, receipt is probable, and the amount can be measured reliably. Charities SORP (FRS 102) permits deferral of income to the Balance Sheet only in certain circumstances. In 2016 a review was carried out by management of all balances included within deferred income to ensure that the treatment was in line with Charities SORP (FRS 102). This review identified a number of items previously deferred which it was considered did not meet the criteria for deferral under Charities SORP (FRS 102).

## NOTES TO THE FINANCIAL STATEMENTS

### 23. Prior year adjustment (continued)

The adjustment impacts the prior year comparatives as follows:

#### 2015 Comparatives:

	As Previously Stated €	Effect of Transition €	As Restated €
Total incoming resources	53,202,332	395,329	53,597,661
Total expenditure	53,247,179	1,516,942	54,764,121
Other recognised gains/(losses)	(1,356,837)	1,356,837	-
Creditors (amounts falling due within one year)	5,680,280	(1,030,491)	4,649,789
<b>Total Funds</b>	<b><u>21,746,923</u></b>	<b><u>1,030,491</u></b>	<b><u>22,777,414</u></b>

The reconciliation of the Statement of Financial Activities, Other Recognised Gains and Losses, Total Funds as at 1 January 2015 and Total Funds as at 31 December 2015 as previously stated and after restatement is as follows:

	Statement of Financial Activities Year ended 31 December 2015 €	Other recognised gains/(losses) Year ended 31 December 2015 €	Total funds as at 1 January 2015 €	Total funds as at 31 December 2015 €
As previously reported:	(44,847)	(1,356,837)	23,148,607	21,746,923
Impact of:				
Income previously recognised as deferred	235,224	-	795,267	1,030,491
Capital grants previously credited to reserves	160,105	(160,105)	-	-
Amortisation on capital grants	(1,516,942)	1,516,942	-	-
<b>Restated for the year ended 31 December 2015</b>	<b><u>(1,166,460)</u></b>	<b><u>-</u></b>	<b><u>23,943,874</u></b>	<b><u>22,777,414</u></b>





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I.W.A. Company Limited by Guarantee,  
operates under the registered name of:  
Irish Wheelchair Association