2015
A YEAR OF CHANGE

Annual Report 2015

RehabGroup

Investing in People, Changing Perspectives


NIKE

Contents

Our Vision & Mission

Our Vision

We are a charity that champions the value of diversity and inclusion for people with a disability or disadvantage, in their communities. Together, we will constantly learn and seek to provide excellent services to foster and enhance social and economic independence.

Our Mission

Helping the people we serve to be more independent; helping them to contribute to and be more included in their communities; empowering them with the skills and confidence to be active in the workforce; and supporting them to be in charge of their health and wellness.

Our Values

Advocacy
Challenge exclusion and promote inclusion

Quality
Strive for excellence in all aspects of our work

Dignity
Respect the unique worth of every person (that includes people who access our services, families, employees and volunteers)

Justice
Act with integrity, honesty, commitment and accountability in everything we do to ensure equity, fairness and transparency

Team Work
Foster an environment that encourages change, growth, trust in our organisation and in partnership with others, working together as one Rehab team

About Rehab

Rehab is a charity that champions the value of diversity and inclusion for people with a disability or disadvantage in their communities.

Our mission is to help the people we serve to be more independent and to contribute to and be more included in their communities; empowering them with the skills and confidence to be active in the workforce, and supporting them to be in charge of their health and wellness.

Over 20,000 people use Rehab's services – children and adults with disabilities, people on the autism spectrum, people with mental health difficulties and people who are disadvantaged in some way in the labour market. More than 3,200 employees deliver Rehab's services in over 170 locations in Ireland, Scotland, England, Wales, Poland and Saudi Arabia.

Directors and Other Information

Board of Directors

J. Tolan (Chairperson) *(appointed 14 March 2016)*
B Nevin (AR) (Vice Chairperson)
J Brereton (A)
N Hyland (N)
A Kelly (Q)
K Marshall (F)
M Martin (Q)
S McHugh (Q)
K O'Higgins (FR)
N O'Kelly (A) (appointed 8 February 2016)
P Salmon (FR) (UK)
JF Smith (FN)
M Williams (Q)
S Wrigley-Howe (Q) (UK)

A – member of audit and risk committee
F – member of finance committee
N – member of nominations and governance committee
Q – member of quality and safeguarding committee
R – member of remuneration and performance committee

Secretary and Registered Office

C Deegan
(appointed joint secretary 27 July 2015; appointed sole secretary 30 September 2015)

KOMSEC Ltd *(resigned 30 September 2015)*
Roslyn Park
Sandymount
Dublin 4

Registered Company Number: 14800
Registered Charity Number: 20006716
Charity Revenue Number: CHY4940

Chief Executive
M Flynn

Solicitors

Ireland

McCann Fitzgerald
Riverside One
Sir John Rogerson's Quay
Dublin 2

UK

Withers Solicitors
16 Old Bailey
London EC4M 7EG

Wright, Johnston & Mackenzie LLP
302 St Vincent Street
Glasgow
G2 5RZ

Auditors

Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Centre, Block 3
Harcourt Road
Dublin 2

Bankers

Allied Irish Banks plc
Bank of Ireland
Barclays Bank plc
Royal Bank of Scotland
H.S.B.C.

A Note from the Chairman

I became Chairman of the Rehab Group Board in March 2016. I am delighted to be involved with an organisation which has played such a central role in progressing the position of people with disabilities and people who are disadvantaged in Irish society, for more than 75 years.

It's an exciting time to join the organisation. After some difficult years, Rehab is now moving towards a brighter future. Over the course of the next five years, the new Strategic Plan will guide the organisation and its work. It will ensure that everyone working for Rehab and using its services are certain of the direction it is taking and of its ethos and values.

Through turbulent times, the Rehab Group Board has provided strong leadership for the organisation, enabling it to set a new course for the future. I look forward to working with my new Board colleagues over the next few years. Our focus is on ensuring that Rehab has the appropriate governance and management structures in place to ensure it can effectively do its work. The organisation has come a long way in a short period of time and we will work to continue to strive for best practice and continuous improvement in everything we do.

A very strong senior leadership team is now in place, led by Mo Flynn, Chief Executive. I have confidence that this team has the competencies required to guide Rehab into its next chapter. There is a great deal of work to be done but the new Strategic Plan is changing the way that Rehab works, uniting its divisions as one team. This will radically transform the way Rehab works, ensuring that it focuses on the needs of the people who use its services. Work has already begun. The sale of Rehab's head office site in Dublin will result in an organisation which better reflects the Group's strategic direction.

My term as chairman of the Rehab Group has arisen in very sad circumstances. I would like to take this opportunity to recognise the contribution that my predecessor as chairman, Seán Egan, made to the organisation prior to his untimely death in November 2015. Seán took up the mantle at a time of significant difficulty for the organisation and his strong hand ensured the organisation was able to begin to rebuild and transform. He leaves behind a substantial legacy in the organisation, one that the Rehab Group Board and I intend to continue.

In 2015, more than 20,000 people were supported by Rehab in Ireland, England, Scotland, Wales, Poland and Saudi Arabia. Each person who comes to us experiences improved quality of life as a result of the services they receive – they might get a new job, gain a new skill, learn to live more independently or play a more active role in their communities. Throughout my term as Chairman, I will ensure that we deliver high quality services and that we continue to focus all our energies on meeting the needs of the people who use Rehab's services. They are the very heart of this organisation and the reason why we exist.

Jimmy Tolan
Chairman

2015: A Year of Change

2015 has been a year of significant change at the Rehab Group. We have restated our mission, our vision and our values and set ourselves five major goals which will guide us in our work in the coming years. These are the foundation of our new Strategic Plan.

This foundation has been built by all of us, not just some of us. We set out on an extensive process of consultation involving all our people – from employees and volunteers, parents of the people who use our services and those people themselves, in sessions which took place all across the country.

This process has restored our sense of ourselves, following a very difficult few years for the charity.

I came on board as Chief Executive on January 1st 2015, to steer us on this journey of change and renewal. It has been a very exciting journey, so far, and it is not over yet.

With the Strategic Plan in place, it is time to put the goals into practice. We have recruited a new Senior Leadership Team who, working with me, will implement the five key goals: corporate excellence; that our services are integrated in order to offer a holistic, end to end journey for people with disadvantage or disability; that our voice as the leading charity for people living with a disability is heard, loud and clear; that we are innovative and expert and that, with effective leadership, we manage the ongoing change process in the organisation in a way which ensures high levels of engagement with leadership, our employees and everyone involved in it.

Our core work did not stop while we were building the Strategic Plan, and we have much to be proud of. For instance, our National Learning Network delivered more than €2.4m worth of new training business in 2015. Rehab supported more than 550 people in Ireland into getting a job in 2015, while in the UK, Momentum Skills' Work Choice programme was recognised as the No.1 provider in this category. Right throughout this report are stories of where Rehab is transforming lives and delivering world-class services which foster and enhance social and economic independence.

We can also be proud of the new work we are doing in the area of brain injury, of autism and our very new work with people who are living in direct provision.

All the people who work in Rehab are committed to working as a team. This means that we are fostering an environment that encourages change, growth, partnership and trust in our organisation. This is vital if we are to live up to our vision of being a charity which champions the value of diversity and inclusion for people with a disability or disadvantage, in their community.

I want to pay a particular tribute to our former Chairman, Seán Egan, who took on the role at the height of the crisis and steered the Rehab ship out of troubled waters. The loss of Seán, in November of 2015, was a shock to us. His loss is a tragedy for his family, but they should be assured that he has left a strong legacy of service, leadership and dedication. Rehab is indebted to him.

Mo Flynn
Chief Executive

A Tribute to Seán Egan

It was with great sadness that we learned in November of the death of Rehab's Chairman, Seán Egan. Seán became Chairman of Rehab in May 2014, acting as Executive Chairman and Interim CEO until January of 2015, and then as Chairman, all in an entirely voluntary capacity.

Seán's contribution to Rehab was of vital importance to the organisation. He led, with conviction, a significant programme of transformation and change and set the organisation on a new course. Under his committed leadership a new vision and progressive plan for Rehab was developed, which is securing the future sustainability of the organisation.

He gave so generously of his time and skill, his insight, acumen and enthusiasm. His vast contribution was essential in leading the organisation through great challenges.

As someone who had undertaken significant rehabilitation following a life-altering stroke some years ago Seán empathised enormously with the people who used our services and had a deep understanding of the value of Rehab's work and its impact on the lives of many thousands of people with disabilities and others who are marginalised.

The legacy of his important work and leadership of Rehab will be felt by the organisation for many years to come. We are indebted to him.

Ar dheis Dé go raibh a anam.

Senior Leadership Team, Rehab Group


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1. Mo Flynn
Chief Executive

2. Catherine Whelan
Chief Operations Officer

3. Michael Cronin
Interim Director of Finance

4. Martin Rogan
Director of Strategic Planning & Development

5. Kathleen O'Meara
Director of Communications, Public Affairs & Fundraising

6. Pauline Newnham
Director of Quality & Governance

7. Liz Bayfield
Director of People, Culture and Transformation

8. Neasa O'Reilly
Director of PMO & IT

Our Social Impacts

Every year, Rehab makes a difference to the lives of thousands of people, in the communities in which we work. Here are some of the ways in which Rehab supported people to achieve their dreams, enhance their lives or live more independently in 2015.

202,940 hours

CareLink, RehabCare's home-based services, provided more than 202,940 hours of personal supports across Ireland to people with disabilities and the older person in their own homes, enabling them to live more independently.

1,581

people were supported by Rehab Care's community-based resource centre services to live more active lives in their own communities.

380

children and adults availed of RehabCare's centre-based respite services, which provided over 7,482 nights of respite, as well as after-school and day respite.

124,700 tonnes

Rehab Glassco facilitated the collection and recycling of over 100,000 tonnes of glass which equated to 476 million individual bottles, jars and cans.

3,230

people who used our services were supported to get and maintain jobs.

113

people were supported to live independently in the community in our supported accommodation services.

17,105 people

A total of 17,105 people were supported directly in 2015 by Rehab Group, with a further 28,007 people supported by our delivery partners in our supported accommodation services.

86%

of people who completed programmes at National Learning Network training centres progressed to employment or higher levels of training and education.

435

people with disabilities were sustained in employment in our supported businesses, providing a range of quality services to customers in recycling, logistics, packaging, textiles retail and document scanning.

7,074

qualifications were achieved by people accessing Rehab's training and employability skills services.

Directors' Report

The Directors present their annual report and the audited financial statements of the Group and parent company for the year ended 31 December 2015.

The Directors would like to thank the Group's funders, service users, staff and supporters for their ongoing support in 2015.

Companies Act 2014

The Companies Act 2014 commenced on 1 June 2015. As the Company is exempt from the provisions of the Act relating to the use of the words 'Company Limited by Guarantee', no name change is required, provided the Directors completed the necessary amendments to the company's constitution within the transition period.

Structure, Governance and Management

The Rehab Group ("Group", "Charity", "Company") was incorporated in 1953 and is a registered charity. Any commercial activities are operated in pursuit of the Group's charitable objectives. It is a company limited by guarantee and its governing document is the Memorandum and Articles of Association.

The Directors are elected by the members of the Charity at the Annual General Meeting and serve for a three year term. The Board can also fill vacancies that arise during the year. The maximum number of terms that a Director can serve is three (i.e. nine years).

The Nominations and Governance Committee's duties include regularly reviewing the structure, size and composition including the skills, knowledge and experience required of the Board and any subsidiary boards to carry out their function and make appropriate recommendations to their fellow Directors in this regard.

The Autism Support programme in NLN in Castlebar won an award for 'Innovative practice, supporting people with intellectual disabilities through positive behaviour' by the British Institute of Learning Disabilities (BILD). Pictured here is Ann Chivers, BILD CEO, with Shelley Brady, NLN in Castlebar and Sharon Paley, Awards Ceremony Chair.

In November, the Chairman Mr Seán Egan unfortunately died unexpectedly. Mr Egan had led the transformation programme since his appointment in May 2014 and his untimely death was a huge loss to the organisation. The Vice Chairman stepped into the Chair and the Nominations and Governance Committee commenced the difficult task of finding a replacement. Following an extensive recruitment process Mr. Jimmy Tolan was appointed as the new Chairman in March 2016.

New Board Directors undergo a wide ranging induction programme. The induction programme includes visits to Rehab Group services, coverage of the Charity's aims and a detailed briefing on the Charity's operations and financial affairs. The Directors undertake an annual board effectiveness review to help identify any actions that may be needed to improve the Board's governance.

Under the Rehab Group's Articles of Association, the Board holds the Charity's powers and authority. The Board met ten times in 2015 (2014: fourteen meetings) to determine and review Rehab Group's budgets, plans and performance and to receive reports from senior managers. The Board has delegated some of its powers and responsibilities to its Remuneration & Performance, Nominations & Governance, Audit & Risk, Quality & Safeguarding and Finance committees.

In addition, the Board strengthened its Audit and Risk Committee with two independent non-executive members who do not sit on the Board, namely Professor Patricia Barker and Ms Deirdre Reddan.

The Board maintains and keeps under review a scheme of delegation, which defines key matters reserved for the Board while delegating authority over management and operational matters to the Chief Executive Officer ("CEO") and the Group Management Team ("GMT"). The current scheme of delegation was approved by the Board in March 2015. In 2015, the Rehab Group made a decision to comply with the Code of Practice for Good Governance of Community, Voluntary and Charitable Organisations in Ireland and anticipate being compliant by 31 July 2016.

In 2015, the Board took the decision to appoint new auditors and following a competitive tender process, which was overseen by the Audit and Risk Committee, Mazars was appointed.

Haven Enterprises officially opened its new facility in Larbert in March 2015. Pictured (left to right) Sandra Murphy, Haven Sign Factory Sales Assistant, Councillor Craig Martin, Leader of Falkirk Council, Anthony Benney, Head of Operations, Haven Enterprises, Deputy First Minister, Mr John Swinney MSP, Mo Flynn, CEO Rehab and Jamie Lawson, Haven Recycle.

Lisa Boylan and Anne Coyle, along with staff Barbara Kaszewska and Shelagh McCann from RehabCare in Park House in Stillorgan travelled to the Mansion House in Dublin to collect a bronze Sustainability Award from ECO-UNESCO for leading the way in caring for the environment in May 2015.

At 1 January 2015, the Rehab Group had twenty five subsidiaries, four joint ventures, an associate and a limited liability partnership. As a part of the overall governance arrangements, the Board approved a plan to simplify the organisation's structure and to date, three companies have been dissolved and an additional five companies listed for strike-off. In addition, activities in two entities in Scotland were hived up into a parent entity meaning, as at 31 December 2015, there were eighteen trading entities in the Group. The intention is to reduce this further in 2016. The appointments to the Boards of all subsidiary entities are recommended by the Nominations and Governance Committee and are approved by the Board. Rehab Group representatives appointed to joint venture entities are approved by the Board, based on the recommendation of the Nominations and Governance Committee.

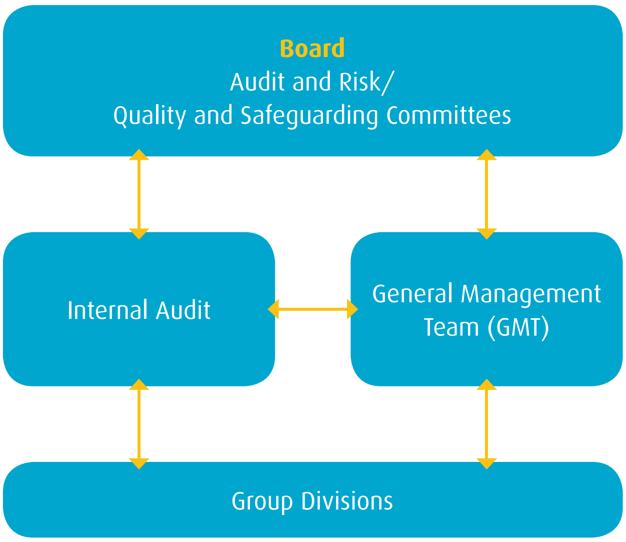
As a part of the overall governance arrangements, the Board approved a plan to simplify the organisation's structure

Risk Management Approach

Rehab Group has an evolving risk management framework which is used throughout its business and service activities to allow it to identify and manage the principal risks and uncertainties that could:

- adversely impact the Group's reputation or stakeholder expectations
- compromise progress and achievement of the Group's objectives and/or financial targets
- have a material impact on the financial performance of the Group
- have a material impact on the operational performance of the Group
- have a negative impact on the safety and wellbeing of our service users/customers and employees
- adversely impact on the security of its assets.

The Board has overall responsibility for the Group's system of internal control. Following publication of the revised direction on Charity Governance and Financial and Business reporting, the Group has commenced a review of the current Risk Framework which will be implemented and monitored in 2016. As part of the Group's continuing commitment to risk management, the board have decided to increase internal audit resources in 2016.



Risk Management Structure*

While some risks are managed at corporate level, all of the divisions/businesses own and manage risks they face on a day to day basis, with assistance from the Group's central function, as required.

The current structure is as follows:

Responsibilities	Process
The Board has overall responsibility. Audit & Risk and Quality & Safeguarding Committees have specific responsibility to review and adopt the Group Risk Register.	Review risk reporting. Review Group Risk Register.
The GMT has oversight of the Groups Risk Register and risk processes. Internal Audit ensures that the audit plan is appropriately risk based.	Review and endorse Group Risk Register.
Business divisions have responsibility for the identification and management of risks identifying current/additional controls to mitigate risk and the maintenance of Risk Registers.	Facilitated by divisional management, risks and mitigating actions for functions and divisions are monitored through divisional senior management teams.

*(Structure and process under review in 2016).

Principal Risks and Uncertainties

The major risks to which the Rehab Group is exposed as identified by the Group Management Team and the Directors, have been revised and systems and procedures which are subject to continuous review have been established to manage those risks.

The principal risks and uncertainties facing the Group are set out below. These risks have been assessed taking into account their potential impact, the probability/likelihood of occurrence and the residual risk following the implementation of additional controls. At any given time events which are not known or which are considered of low likelihood could develop and give rise to material consequences.

Potential Risks/Uncertainties	Controls
Rehab Group operates internationally involving different divisions and jurisdictions and must comply with a broad range of legislation and regulation. Failure to comply or address corrective action where compliance falls short could result in negative impact on contracts, registration and reputation.	▪ Group divisions continuously monitor/record key legal and regulatory requirements, appropriate action plans/controls to meet gaps and monitor implementation and effectiveness. ▪ This is overseen by both the General Management Team and relevant board committees. ▪ Service Level Agreements are carefully monitored.
Economic conditions for some of the markets in which the Group are involved may impact in terms of reduced demand and opportunities for growth.	▪ Internal review of monthly management accounts in place with potential withdrawal from loss making contracts. ▪ Continued focus on working capital management, cash generation and managing supplier, customer and employee relationships. ▪ Board and GMT investment in communications and implementation of the transformation programme is a continued focus with structural planning.

Mr Calum Kerr MP for Berwickshire, Roxburgh and Selkirk officially opened the Money Matters services at Momentum's Galashiels office. Pictured here (left to right) are: Janice McNeil, Tracy Low, Calum Kerr MP, Harry Wood, Emma Abram and Debbi Dixon.

Potential Risks/Uncertainties	Controls
Rehab Group supports a diverse group of service users with various degrees of vulnerability across a number of divisions and jurisdictions. Our goal is to assist service users to be safe and protected from injury, abuse and other forms of harm.	■ Close working relationships with Community Health Organisations (IRE) inclusive of Safeguarding & Quality, Safety Teams. ■ Strong Health & Safety culture with expertise supports in place. ■ Audit & Compliance monitoring. ■ Focus on communication with relevant safety authorities. ■ Oversight at General Management Team and Quality & Safeguarding Committees. ■ Effective Policy and Procedures.* *Policy & Procedure Framework reviewed and planning implementation for 2016.
Staff work in a diverse range of services across a variety of industries and jurisdictions which come with their own unique profile of inherent risks and potential to compromise employee safety.	■ Safety incident programmes in place. ■ Training of operational staff with system of audit. ■ Insurance cover is maintained at Group level for significant insurable risks. ■ Business continuity plans are in place and a review of the model to be implemented in 2016.
Failure to effectively manage the implementation of upgrade to Information Technology may result in compromise to future growth /increased cost/reduction and service interruption.	■ Managed Service Agreement (MSA) from infrastructure perspective in place. ■ Implementation of MSA is closely governed by the GMT. ■ A full review of IT/Infrastructure/Application Layer will be undertaken in 2016.
Failure to recruit/retain and motivate employees at a time of transformation and new Strategy Launch.	■ Regular leadership information sharing seminars. ■ Employee survey. ■ Engagement with wider workforce/external stakeholders and union partners.
Competition and/or failure to deliver on key contracts across jurisdictions could lead to non-renewal of contracts, loss of revenue and negative reputational damage.	■ Ongoing communication with stakeholders and customers. ■ Monitoring and review of key delivery targets by GMT/Board.

Objectives and Activities

The charitable objectives of the Rehab Group, as set out in the Memorandum of Association, are to provide or assist, by whatever manner or means from time to time available, in the provision of the assessment, preventative or remedial action, vocational training, encouragement, education, development, employment, care, housing, equipment and rehabilitation process of persons with disabilities and other disadvantaged persons designed or adapted to meet their needs and to do all things as will improve the quality of life of such persons especially to enhance their social and economic independence, support the fundamental right of equal opportunity with specific actions and help prevent social exclusion.

"The primary aim of the Rehab Group is to support people to live the lives that they want, fulfil their potential, and enable them to be part of their communities and live as independently as possible"

In addition, the Group engages in various fund-raising and lottery promotions solely in support of its main objective.

Rehab's Aims

The primary aim of the Rehab Group is to support people to live the lives that they want, fulfil their potential, and enable them to be part of their communities and live as independently as possible. Rehab Group achieves this aim by providing a range of training, employment and health and social care services, each of which is designed to support each individual person's needs, as defined by the person during a personal planning process. The manner in which Rehab Group delivers these services is influenced by these individual needs and wishes, the support network of the individual, international best practice, national policy in the relevant area and the requirements of funders. The Rehab Group also provides support to individuals to advocate on their own behalf, and advocates on behalf of the people who use its services on issues of importance.

An extensive engagement process was organised with the Working Group involving the coordination of four Working Group projects: Best Practice Analysis; Current Situation Analysis; Service User Engagement; and Vision 2020. One to one interviews were held with the Board, General Management Team, and a selection of external influencers such as funders and partners. The process delivered a new five-year Strategic Plan, a high level 3-year Implementation Plan and a revised Organisation Structure.

A key outcome of the plan was a re-modelling of the senior management team. A recruitment process saw the establishment of a new eight-person senior Leadership Team with six appointments from outside the organisation.

James McMahon who uses the services in RehabCare's Longford Autism Day Centre being presented with a Gold Gaisce Award by President Michael D. Higgins in Dublin Castle.

Jan Pennington, Mark Bibby, Kathy Price, David Kayes and Karen Olds from TBG Learning got involved in a team huddle for Rehab's Strategic Planning process.

Main Objectives in 2015

In 2015, the Rehab Group's core objective remained to provide high quality training, education, employment, health and social care services, to as many people as possible in line with its main aim and mission.

The objective to provide a wide range of high quality health and social care, training, education and employment services was managed at divisional level across Rehab Group. Objectives were measured against financial, compliance, outcome and impact targets. Local delivery of programmes and services by team members in communities all around Ireland and the UK and of customer focused social enterprise in Scotland led to the achievement of many of the targets set. In Ireland, RehabCare continued to adapt to the needs of people who use the services in line with the HSE's New Directions model of service delivery. Learner numbers were retained in training and education services in Ireland and the UK. The group adopted the Statement of Recommended Practice for Accounting and Reporting by Charities ("SORP") to ensure compliance with best practice in its reporting.

A key activity in 2015 was a strategic review of the organisation. Led by Mo Flynn, who took up position as Chief Executive in January 2015, the Rehab Group embarked on a programme of work to develop its five year strategic plan. The process commenced in February and concluded in September 2015. Employees played a central role in putting forward ideas, getting involved in working sessions, team huddles, Working Group projects and the Transformation Team workshops. This was a key factor in ensuring the development of a comprehensive strategy.

There were a number of key components to the programme:

- An extensive employee engagement process led by the Working Group;
- A comprehensive business and financial analysis;
- Detailed market and competitor analyses;
- Development of the vision, mission, values and strategy through interactive sessions;
- Assessment and redesign of the current Organisation Structure.

The process involved a series of structured workshops attended by the Transformation Team who represented the interests of all parts of Rehab including the Board. Working sessions were also held with the Board at key points of the process.

Mary Moyles who uses the services in RehabCare in Castlebar shows her art work at an art exhibition in the Linenhall Arts Centre in June 2015.

NLN in Bantry's Food Industry Skills course received their QQI certificates from Minister for Agriculture, Food and the Marine, Simon Coveney TD. Pictured (left to right) presenting fresh produce is James Hunter, Minister Simon Coveney, Ted Owen, CEO Cork ETB and Rory McAuliffe.

Strategic Review

Staff Survey

45+
workshops

172
team huddles

46
feedback sessions

1,567
staff members

900+
people who use our services

Strategic Goals

Corporate Excellence	Rehab will build a sustainable model of services by maximising value, efficiency, transparency and governance across the Group
Integration	Rehab will use all of its capabilities to provide a personalised pathway to independence for the people who use our services
Voice	Rehab will champion the rights, needs and the voice of the people we support by promoting inclusion and challenging exclusion
Innovation	Rehab will foster innovation, be at the forefront of evidence-based practice and will enable our people to be leaders in their fields
People Transformation	Rehab will work together as one team building a strong unified culture, investing in the development of our employees and building a flexible skillset to deliver our services

Details of Significant Activities

Training, Education, Support and Employability Services

Rehab Group's training activities are delivered in Ireland, England, Scotland and Wales through its companies National Learning Network, Momentum Skills, Acorn Training, TBG Learning and Rehab's joint venture partnership Rehab Jobfit.

In Ireland, National Learning Network (NLN) works with people who need extra support in their training and education. NLN works with them to identify their needs and goals, and facilitates personalised support plans to help people to achieve successful results. These include achieving qualifications, accessing further or higher education, getting into employment and improving their quality of life, health and wellness.

86% of people completing programmes in NLN achieved a positive outcome

The objectives set and achieved by NLN for 2015 were challenging: to deliver high quality training and education services to as many people as possible within its funding levels – all of whom have different needs; to support learners to achieve a high level of progression to employment and to further learning, to support learners to achieve certification in recognised qualifications, and to reach out in new ways to people who require additional support in learning. NLN used 96.4% of allocated training places in Education and Training Board (ETB) funded services and 100% of allocated training places in HSE funded services. In 2015 National Learning Network engaged with 7,338 people. Over 1.6 million NLN e-learning resources were accessed online.

2,166 students exited NLN services of which 1,389 (64%) completed their training in full. Of these 1,389 students who completed training, 426 exited to employment and 769 progressed to higher levels of training including internal NLN progression and external education progression options. In other words, 86% of people completing programmes in NLN achieved a positive outcome.

NLN achieved external validation of service quality by achieving the Excellence Award at Level 5

In 2015 NLN supported 1,130 people to achieve a qualification on the national qualifications framework with over 90% of students achieving modular certification. In total 416 major and 4,798 minor awards were achieved in the year. Some of the certification and assessment processes are creating barriers for some learners and NLN is working to find solutions to this.

NLN achieved external validation of service quality by achieving the Excellence Award at Level 5 from the European Foundation for Quality Management, as well as the European Quality in Social Services Award at Excellence Level across all its services

NLN provided a range of educational and psychological supports and assessment to 1,330 students in schools and third level institutes including the Institute of Technology Blanchardstown (ITB), the National College of Art and Design, Maynooth University and NUI Galway. The Student Central service for 3rd level students with mental support needs, which was run on campus by NLN in Maynooth University, is currently being evaluated externally by Edge Hill University. NLN continued to support students in the City of Dublin Education and Training Board (CDETB) colleges through its Disability Support Services.

Pictured at CodED Club - a club for novice coders set up by David Pollard, NLN Bray (third from right) and Reuben Jayawardene, RehabCare in Stillorgan (far right) - are (left to right) Fíona Ní Chíobháin, Hugh O'Connell, Tamara Stone, and Eleanor Liston.


Students from NLN's National Student Committee met with Minister of State for Equality, New Communities, Culture and Drugs Strategy, Aodhán Ó Ríordáin TD at Leinster House. Pictured (left to right) is: Eileen Coyle, Minister Aodhán Ó Ríordáin TD, Niall O'Shea, Kenneth O'Connor, Gary Mullen and Michael Comer.

The renewal of the contract for services in the Institute of Technology Blanchardstown is due to be signed in early 2016. Support was provided to the Red Hill School in Limerick, which is attended by 75 children on the Autism Disorder Spectrum.

Mental health programmes which include recovery college forums, peer support and Individual Place and Support (IPS) initiatives were piloted as part of the ongoing development of mental health and recovery services provided by NLN, including a joint training initiative where staff and students were trained as Wellness Recovery Action Plan® or WRAP® facilitators. Outcome Star and Recovery Star have also been piloted as outcome measurement tools for learners.

A Research Project began in 2015 with AHEAD on the support needs of student with disabilities at 3rd level. NLN also piloted an innovative programme for people in direct provision who have mental health support needs and is currently having the pilot externally evaluated.

Castlebar Autism Service was chosen as the winning recipient of the British Institute of Learning Disabilities PBS Leadership Awards

Castlebar Autism Service (part of NLN) was chosen as the winning recipient of the British Institute of Learning Disabilities (BILD) PBS Leadership Awards, for innovative practice in supporting people with intellectual disabilities through positive behaviour support.

In Saudi Arabia, NLN successfully delivered a contract with the Human Resources Development Fund to develop inclusive employment access routes for people with disabilities.

In the UK, Rehab Jobfit faced a year of change and challenge with the Government's welfare-to-work programme but made strong progress in organisational development and outcomes for people who use their services. Rehab JobFit continued to deliver the highest standard of support to people on the Department for Work & Pensions (DWP) Community Work Placements by providing a range of skills and opportunities for them to go on to sustainable employment.

Rehab Jobfit has faced some significant changes in delivering the programmes for the Department for Work & Pensions (DWP) to people with disabilities and learning support needs. The Work Programme, which is delivered in Wales and the South West, has been extended for a sixth year from April 2016. There has been a continuing decline in the number of people referred to the programme and an increase in the number of those with significant health conditions. This required Rehab JobFit to develop new support systems to provide the necessary support to these people. The Mandatory Work Activity programme which was due to finish in 2015 was extended by the DWP until March 2016. Rehab Jobfit has and continues to deliver very good results for those on the programme. Rehab JobFit continues to perform very well in delivering the Community Work Placements (CWP) programme in Cornwall, Devon, Dorset and Somerset.

TBG Learning in the UK continued to partner with Rehab Jobfit and several other Prime Providers working across a range of employability support programmes across south Wales and Swindon. Finishing ahead of target, TBG Learning helped over 5,000 people on the work programme move towards employment. With a focus on quality improvement, both the 'Green Dragon Award' for environmental management and the 'Matrix' accreditation, which promotes excellence in the provision of advice and support services, were retained

Following significant investments in a new 'learner journey', Acorn Training Consultants (Acorn), had a success rate of over 90% in supporting the 700 young people and adults across Derbyshire who undertook their courses.

NLN in Swords hosted a presentation morning for students, Leon Keogh and Emmett Daly who were a part of the Special Olympics Ireland team in the World Games in LA during the summer.

(From left to right) Patrick McDonagh (standing), Nigel Phillips, Gary Burton and Lisa Kelleher from RehabCare in Bray at RehabCare's annual 'Lark in the Park' summer festival in Park House in Dublin.

This contributed to a successful re-launch of its Study & Traineeship programmes in the autumn of 2015, which were subject to a successful Ofsted inspection and a rating of 'Good' a few weeks after the year-end.

Momentum secured over 270 jobs for disabled people in Scotland

Over 2,400 people used Momentum Skills' services in 16 locations in the UK in 2015. During the year, the organisation focused on stabilising existing services and ensuring the smooth transition of organisational changes made at the end of 2014. Momentum contributed to the Scottish Government's consultation exercise into the future of Welfare to Work powers, together with funding being devolved from the Westminster to Holyrood parliaments as part of the recommendations of the Smith Commission. The newly devolved powers will result in new commissioned services coming into force from spring 2017.

2015 was a year of maintaining existing funding levels and framework contracts as well as adding new services to Momentum Skills and Momentum Care. In May, Momentum started the new 'Money Matters' programme in the Scottish Borders which works with people with a brain injury, supporting them to manage their money and with any issues of debt and/or financial difficulties they or their families have. Every year over the next four years, over 120 people will undertake the programme, which is funded by the Big Lottery in Scotland.

Momentum Skills remained one of the top performers in its area for delivering the Work Choice Programme in Scotland, securing over 270 jobs for disabled people. Over 150 people were supported to stay in their jobs in the year. As a result of the strong performance, the DWP has extended Momentum's contract to deliver the programme by 19 months to April 2017.

Momentum Skills delivered 759 Access to Work ergonomic and technical workstation assessments to disabled people who are in paid employment. In September, Momentum Skills began delivering the DWP's Specialist Employability Support Contract in Scotland in partnership with other organisations. Over the 18 month contract, it will support disabled people who need additional supports before either accessing job opportunities or other employment related programmes such as Work Choice.

Care and Day Activities

Rehab's care and day activities are provided in Ireland by RehabCare and in the UK by Momentum Care and The Chaseley Trust.

Each month in Ireland, RehabCare supported circa 3,200 people with disabilities (adults and children), people with mental health difficulties and older people to maximise their independence, and to be part of their local communities.

RehabCare met and exceeded its objective for 2015 which was to maintain capacity at 2014 levels to ensure that it continued to support as many people as possible, within its funded resources. This was done through the development of new services and new places, including school leavers, as agreed with the Health Service Executive (HSE) and through work by local services to maximise the number of people who could benefit from supports.

Residential and supported accommodation services both recorded an increase in capacity on 2014

Residential and supported accommodation services both recorded an increase in capacity on 2014 (9% and 5% respectively); the number of people availing of resource centre supports increased by 12% and outreach and home support services recorded an increase of 7% and 10% respectively in hours delivered.

Michelle and Martina from RehabCare's Resource Centre in Dundalk featured on RTÉ One's six o'clock Angelus baking bread.

At the Haven Enterprises official opening of its Clydebank facility in January 2015 are Alain Sharkey, Haven Products General Manager, Fiona McLeod, Joe FitzPatrick MSP, Margaret Kelly, Thomas McInally, Haven Production Operative. Fiona and Margaret are former Production Operatives who retired after 48 and 42 years respectively.

In 2015, 94% of people using RehabCare's services were supported in updating their person-centred plan, with 6% opting not to engage with the process.

RehabCare continued to work towards the development of its services, providing individualised and person centred services with a clear focus on greater community integration for people using its supports. A National Service User Satisfaction Survey was carried out with a 53% response rate (1,034 questionnaires returned) and an increase in the overall satisfaction rate to 93% (89% in 2012).

The Health Information and Quality Authority (HIQA) continued the registration and inspection programme for all residential and respite services. By the end of 2015, 22 RehabCare services had completed the registration and inspection process, with 11 certificates issued; a total of 39 registration applications, as requested by HIQA, were submitted. The registration of the remaining services, in line with HIQAs timetable continues to be a key goal for 2016.

The Chaseley Trust, a 55 bed service for people with severe physical disabilities in Sussex in the UK focused on quality assurance. In 2015 this led to the successful re-instatement of new resident referrals from its main funder, East Sussex County Council and the confirmation (shortly after the year-end) of a positive Inspection from the CQC, which awarded judgements of 'good' across the board, following the concerns it had raised at a previous inspection.

Throughout this period Momentum Care and Skills provided a range of vocational rehabilitation and social care support services for those with an acquired brain injury and/or disability/significant health condition across its operations in Newcastle, Blyth, Birmingham and Coventry. During the year the focus was on ensuring that the way services were delivered was in line with the emerging commissioning plans of existing and potential funders. This was in preparation for a planned expansion of the services in 2016, building upon the success in the Newcastle programme, where 69% of people successfully went into employment, education or training. The successful awarding of new business in this area towards the end of the year, funded by the Big Lottery, will help to support over 130 people, starting in early 2016.

Social Enterprises

Rehab's social enterprises for people with disabilities are delivered in Ireland by Rehab Enterprises and in Scotland by Haven Enterprises.

Rehab Enterprises maintained a steady rate of employment for people with disabilities in 2015 with the number of employees with disability being 184 out of a total workforce of 390. It continues to service 2,200 customers through its 21 locations in Ireland and Poland, offering a range of recycle, retail and logistical solutions.

A plan was endorsed by the Board of Rehab which begins to address the underlying deficit in the operation in Ireland. Rehab Enterprises continues to deliver both on its financial and social obligations while recognising the importance of the integrated employment opportunities.

In Scotland, good progress was made on the longer-term objectives for Haven Enterprises which were to increase long term, commercially viable employment opportunities for disabled employees, to improve financial performance with a view to generating a satisfactory return and to achieve financial sustainability by 2016.

The Haven PTS and Redrock businesses have integrated into the existing structure and have enabled Haven to increase the number of people in employment, from 243 to 272 during the course of the year.

People with disabilities represented 251 out of the total Haven Enterprises workforce at the end of 2015, making the organisation the largest employer of people with disabilities in Scotland.

Young People of the Year Award winners 2015, Aoibheann Mangan and Padraig Goodwin with Irish Rugby player Robbie Henshaw.


Martin Flanagan from RehabCare in Dun Laoghaire spent time with An Taoiseach, Enda Kenny TD for the Irish Association of Supported Employment's (IASE) National Job Shadow day in April 2015.

A new supported business, Haven Sign Factory, was acquired from Falkirk Council with a three year support package to assist its transition to profitable operation. It transferred in January 2015. It offers further routes into employment in the Falkirk area.

Haven has continued to enjoy valued support from its long-term customers and the Scottish Government, and continues to win new contracts in both the public and private sector, particularly in the health, healthcare and emergency services sectors.

The relocation of Haven Packaging to newly refurbished facilities in Clydebank and similarly Haven PTS to new facilities in Larbert both went well with no downtime. All employees were fully supported in the move and the transition has been viewed as hugely positive for both the workforce and its customers. The excellent links with local councils in both West Dunbartonshire and Falkirk continue to thrive and now support out-reach programmes with local schools and colleges.

Haven continues to achieve high levels of quality and satisfaction for its customers, however the challenge remains to grow the customer base to ensure the long term financial viability on which its charitable purpose is founded.

At the end of 2015 Haven Enterprises amalgamated its Redrock and PTS companies into Haven Products Limited in a move to reduce administration costs and develop a more efficient structure. Haven Enterprises continues to engage and participate in discussions with the governments in Westminster and Holyrood as the outcomes from Scotland's devolved powers become clearer.

Advocacy

One of Rehab's key strategic goals is to champion the rights, needs and voice of people living with a disability and /or who are disadvantaged.

In 2015, objectives included working to influence policy in key areas of Rehab's activity as well as supporting people who use Rehab's services to build their capacity to play a role in decision-making in areas which affect their lives.

In total, Rehab made 13 submissions to Irish government agencies. These covered a range of areas and included submissions to the Department of Social Protection's reviews of the Employability Service, the Wage Subsidy Scheme and Partial Capacity Benefit, to the HSE's consultation on the rights, health and wellbeing of adults with an intellectual disability in Ireland and to the Department of Justice and Equality about the new National Disability Strategy Implementation Plan 2016-2019.

In total, Rehab made 13 submissions to Irish government agencies

2015 was a strong year for Rehab's representative structures in Ireland. The first National Student Committee was elected by students in National Learning Network while the National RehabCare Advocacy Council (NRAC) continued to engage on issues of importance to people using RehabCare's services. More than 900 people took part in the development of pre-budget submissions which highlighted financial and social welfare issues for people with disabilities.

2015 saw the publication of two long-awaited policies for people with disabilities, the Assisted Decision Making (Capacity) Act 2015 and the Comprehensive Employment Strategy for People with Disabilities. Prior to the publication of the Employment Strategy, NLN students met the Minister for Equality, Aodhán Ó Ríordáin TD, to discuss how it could positively impact on their lives. The Assisted Decision Making (Capacity) Act will come into force in late 2016 and will have far-reaching, positive impacts on the lives of people with disabilities in Ireland.

Ben Wright, BBC News pictured crossing the finish line to win the 2015 Rehab Parliamentary Pancake Race in Westminster!

RehabCare in Dundalk and Dundalk FC Supporters Club won a prestigious European Innovation Award. Their community spirit was honoured at the European Platform for Rehabilitation (EPR) conference in Valencia, Spain in June. Laura Jones, EPR General Secretary presented the Award to Darren Belton and Stephen Caraher from RehabCare in Dundalk.

Lotteries and Fundraising

In 2012 the Government in Ireland took a decision to wind down the Charitable Lottery Fund ("CLF") over three years ending in 2015. Rehab Group received €686,000 (2014: €1,342,000) from the CLF in 2015 which is the last payment. This fund had been established in 1997 to compensate charitable lotteries whose prize funds are capped and which had suffered as a result of direct competition from the National Lottery. The CLF has been significant source of funds for the Rehab Group.

In late 2014 the decision was taken to restructure the organisation's fundraising and lottery activity and rather than exit lottery activity fully, a new arrangement was commenced with External Lottery Management Company (Elmco) whereby they operate the lotteries on behalf of Rehab. It needs to be borne in mind that these lottery products compete against the National Lottery which dominates the Irish market. A significant portion of lottery sales goes on prizes. However, in 2015 Rehab secured a net return of €420,000 from this activity.

Given the demise of the CLF this net return represents a very important contribution to the organisation.

In addition the Rehab Group benefits from The Care Trust which also raises funds for the Central Remedial Clinic and the Mater Misercordiae University Hospital. The Care Trust publishes its own annual report which is available upon request or on its website; www.thecaretrust.ie. In 2015, The Care Trust contributed €1.3m to the Rehab Group which was applied to various capital projects.

Media coverage of events in Rehab in the first half of 2014 had a significant impact both on lottery sales and general fundraising however given the ongoing commitment to greater transparency and improved governance it is hoped that the organisation will continue to be able to draw on much needed public support for its charitable activities.

NLN in Cork held the 8th Annual Employer Recognition Awards in December where 20 employers and businesses in Cork were presented with certificates of recognition by the President of the Cork Chamber of Commerce, Mr Barrie O'Connell. Pictured (left to right) Brendan Dennehy, NLN EBT Placement Officer, Gerard Cronin, former NLN student, Barry O'Connell, President of Cork Chamber of Commerce, and Dolores Galvin, Disability Officer, Cork County Council.

Investment

In 2009, Rehab Group transferred its glass and can recycling business into a new joint venture with another recycling company Glassco Recycling Limited. The joint venture company is called Rehab Glassco Limited. The Directors have decided to write off the remaining goodwill in the current year.

Reserves

As a diverse and geographically dispersed charity, the Directors are conscious of the need to hold adequate reserves to react to challenging economic times, while also ensuring that the maximum level of resources are applied to the people who avail of our services or depend upon the Group to provide supported employment. The Board has set a target of €20m to be maintained in unrestricted general funds. This amounts to approximately 20% of the organisation's annual payroll costs (2015: €96m). As at 31 December 2015, unrestricted funds amounted to €21.8m.

Financial Review

2015 saw the introduction of the new SORP (FRS 102) for charities. In transitioning to the new SORP (FRS 102) the Directors revalued properties as at 1 January 2014. This led to a reduction of €62.6m in the asset values and the restatement of the comparative figures for 2014. As part of the transition to new SORP (FRS 102) the Directors intend treating these values as cost into the future thus dispensing with the need for triannual valuations.

The year resulted in net outgoing resources of €0.1m (€3.6m: 2014). This improvement on 2014 was due to steps taken at the end of 2014 to restructure the organisation in Ireland. Total incoming resources amounted to €160m (€159m: 2014).

The table below summarises the main sources of income for the group for the provision of services;

	€'000
Health Service Executive	62,409
Education Training Boards	26,641
Department for Work and Pensions (UK)	19,835
Other	44,963
Incoming resources from charitable activities	153,848

Total resources expended amounted to €162m (€160m: 2014). The Group's share of resources in associates and joint venture undertakings was €1.6m (€1.8m: 2014).

Finally, foreign exchange gains of €138,000 meant the net movement in funds for the year was €32,000 versus a loss of €3.3m in 2014.

Capital expenditure amounted to €5.2m.

There was an outflow of cash of €4.5m during the year (2014 outflow: €8.4m) however having undertaken a significant restructure, the Directors anticipate that cash flow will stabilise in 2016.

Funds	€'000	€'000
Group		
Balance on 1 January 2015		114,554
Transition adjustment following revaluation of property at 1 January 2014		(59,898)
Opening funds restated as at 1 January 2015		54,656
Foreign currency translation		138
Total incoming resources including associate	161,881	
Total resources expended	(161,987)	
Net outgoing resources before restructuring costs		(106)
Closing funds as at 31 December 2015		54,688

Movement in funds is disclosed in note 25 to the accounts.

Future Plans

During 2015, Rehab began to build strong foundations for the future of the organisation. A key objective was the publication of a Five-Year Strategic Plan. This plan sets out a clear plan for Rehab's future and gives clear direction to staff and people using our services about how we intend to work and what we will focus on. Our focus will always be on the person who uses our service and how we can continue to improve the supports that they need in order to live the lives they want to live.

The appointment of a new Senior Leadership Team was an important first step in the Strategic Plan. Each member of the team will take responsibility for driving the successful achievement of the Plan's objectives.

Rehab is now working in a very changed environment. Many of the policy shifts in recent years support a move towards greater choice, greater independence, community-based services and supported self-directed living. Rehab's strategic plan will ensure that Rehab can respond to the needs of people we support to help them to achieve their individual aspirations and ultimately fulfil their goals.

The changing policy environment offers many opportunities for Rehab to develop new initiatives and service models but there are also challenges on the horizon. In coming years, we will need to take account of political, economic, social, technological and regulatory changes.

The new organisational structure provided for in the Strategic Plan will ensure that Rehab is able to respond to opportunities and challenges which emerge. It will bring those who manage the organisation closer to the people who use our services. It will be a fundamental change. Rehab will become one team which will allow the organisation to integrate and share better. A new leaner structure which integrates each of our divisions into two organisations – one in Ireland and one in the UK – will bring the people who manage the organisation closer to those it serves.

The Strategic Plan commits Rehab to corporate excellence and to building a sustainable model of services by maximising value, efficiency, transparency and governance across the Group. This will mean making important choices about what to invest in, and what to divest, in line with the Strategy. Some difficult decisions will be required but ultimately these will improve the sustainability of the organisation and thereby enhance the experience of

St Rynaghs National School in Banagher in Offaly won a refurbished laptop from Rehab Recycle for their school.

An Taoiseach, Enda Kenny TD cuts the ribbon on Rehab's newly refurbished centre in Castlebar with Rehab CEO, Mo Flynn in June 2015.

people using our services and of our staff. During 2016 and 2017, consideration will be given to developing a new identity for the organisation, unifying our divisions under one strong, recognisable and trusted brand. Priority has been given to investment in technology across the organisation. This will mean that the organisation can fully realise the benefits that new technologies can have in the lives of people with disabilities.

Rehab provides services to people at all stages of their lives. The new Strategic Plan will ensure a seamless, more holistic approach which considers all of the person's support needs. This will mean that people can access the full range of Rehab's services according to their needs and wishes.

Rehab has always played a leading role in championing the rights of people with disabilities. The Strategic Plan commits the organisation to looking at this afresh. By identifying and understanding what concerns the people have and representing that to various key influencers, Rehab will ensure the voice of people living with a disability is heard at all levels of policy making. Essential to this is real and meaningful representation and advocacy structures which allow people to work in partnership in the delivery of services.

New service development and innovation will be key to the future sustainability of the organisation. Rehab will bring together people from different areas of the organisation into one cohesive service development function. We will use the wealth of knowledge of our people to develop and innovate more effective models of service. We will become expert in person-first services which look to promote enhanced outcomes for people who use our services. Rehab will be at the forefront of evidence-based practice and will enable our people to be leaders in their fields.

In the UK, it is now nearing the final stage of the Work Programme and the introduction of its successor, the Work and Health Programme, in April 2017 creates the context for re-evaluating the Group's participation in the employability services. The Prior Information Notice (PIN) for the Work & Health programme was published by the Department of Work and Pensions (DWP) in April 2016 with greater detail to follow. The objectives of this programme appear to be closer to the Group's organisational goals in being specifically focused on supporting the needs of people with a disability or health related needs. While voluntary participation of service users is expected, DWP have yet to formally declare how the programme will be accessed and how the payment of results funding model will operate although it is clear that there will be a significant reduction in funding. Once published, the Group will determine whether it will decide to submit a bid to provide these services.

The changes now and over the coming years are based on people. We are creating a management culture that drives accountability and enables improvements. The new Senior Leadership Team will lead the change required to implement the Strategic Plan. We will work together as one team building a strong unified culture, investing in the development of our employees and building a flexible skillset to deliver our services.

Subsequent Events

In April 2016 the Board placed the property at Roslyn Park, Sandymount on the market for sale. In addition the decision was taken that the Chaseley Trust would leave the Rehab Group and continue to operate as a stand alone charity. In making this decision it was agreed that the Rehab Group would make a cash contribution of up to £500k to the Chaseley Trust and forgive inter-company balances in an amount of £303k.

Research and Development

A joint research study was carried out by NLN and AHEAD (Association for Higher Education Access and Disability) on good practice in third level educational institutions in supporting students with mental health difficulties. A range of research was also conducted by individual members of Rehab staff.

Related Parties

Details of transactions with related parties and connected organisations can be found in note 34 to the financial statements.

Political Donations

Neither the Company nor any of its subsidiaries, joint ventures or associates made any disclosable political donations in the current financial year.

Transactions with Directors

Details of transactions with Directors can be found in note 31 to the financial statements.

Accounting Records

The measures taken by the Directors to secure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014, with regard to the keeping of accounting records, are the implementation of necessary policies and procedures for recording transactions, employment of appropriately qualified accounting personnel with appropriate expertise, the provision of adequate resources to the financial function and the maintenance of computerised accounting systems. The Company's accounting records are maintained at the Company's registered office at Roslyn Park, Sandymount, Dublin 4.

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:

a. so far as each Director is aware, there is no relevant audit information of which the Company's statutory auditors are unaware, and

b. each Director has taken all of 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

The auditors, Mazars, Chartered Accountants and Statutory Audit Firm, having been appointed during the year, continue in office in accordance with the Companies Act 2014.

The Directors' report was approved by the Board and authorised for issue on 9 May 2016.

J Tolan	**N O'Kelly**
Director	Director

9 May 2016

Directors

The names of the persons who were Directors at any time during the year ended 31 December 2015 are set out below. Unless indicated otherwise, they served as Directors for the entire year.

J Brereton	
S Egan	*(Deceased 7 November 2015)*
N Hyland	
A Kelly	
K Marshall	
M Martin	
S McHugh	
B Nevin	
K O'Higgins	
F Ross	*(Resigned 14 September 2015)*
P Salmon	
JF Smith	
D Tallon	*(Resigned 14 September 2015)*
D Went	*(Resigned 14 September 2015)*
M Williams	
S Wrigley Howe	

Niamh Murray from NLN in Bray worked with Pete the Vet for the IASE's National Job Shadow Day in April 2015.

Irish Country Meats partnered with RehabCare in Wexford in 2015 to support a new initiative which helps people with physical, sensory and intellectual disabilities to get jobs. Pictured (left to right) are: John Walsh (General Manager, Irish Country Meats), Kathryn Roche (Irish Country Meats), Sarah Kennedy (Community Services Manager, RehabCare Wexford), Mary O'Neill (Community Support Worker, RehabCare Wexford), Pat McPhillips (RehabCare, Regional Manager) and Bernie Finn (Service User, RehabCare Wexford).

Our People - Their Stories

I was finishing up in Kersland School in Paisley, in Scotland and I didn't know what I was going to do next. My deputy head teacher, Mr Kelly, helped me to get work experience in Haven Recycle.

I started off working one day a week. I was shy at the start but was happy to get stuck in with the work. After a while, I decided that this was where I wanted to work. There were no jobs available at that time but I decided to stay and volunteer until something came up. I got lots of experience working here.

A production operator job eventually came up and I got the job. I started working two days a week in Haven's WEEE recycling site. I help with taking apart the items that come into the factory for recycling. I have to do this in a safe way.

I really enjoy working in Haven and I can't wait for work on Mondays! I always remind my Mum to book my transport, so I can get to work on time. On non work days, I am a play leader with another organisation.

Haven gave me a good reference so that I could volunteer here. I really like working in Haven. I get lots of support, experience and I learn a lot. I'd like to thank Haven for giving me a job.

Rory Wilson
Haven Recycle

Rory Wilson (right) with his father, Andy Wilson

Olive Barrett (right) with her son Devon at her Livery Yard

I'm originally from Wicklow but moved to Sligo in 2013 with my husband and two sons after I lost my job and we couldn't afford to make our mortgage repayments on our house in Bray anymore.

I signed up for the Horsemanship programme in National Learning Network after hearing an ad on the radio. I was nervous at the start because I felt like I was too old to be doing a course. But once I started, I loved it. I got more out of it than I thought. It's the only place I've ever done a course that I felt that there was support. If you are having a bad day, you can talk to someone.

After I finished the course, my husband and I looked at our options. He had been sick and couldn't go back to work as a bus driver. We found a house to rent in Wexford with stables and land and we decided that it had the potential for a livery yard for horses. It's been slow to set up and the winter was hard but we now have five paying horses. We don't make any money yet but we will eventually. I've signed up for a course on therapeutic horse-riding classes for children and adults with special needs and I'm hoping to provide this service to people in our stables.

My son, Devon, who is 18, is now doing the same Horsemanship course that I did in NLN in Sligo. He has problems retaining information but he gets help in NLN. He doesn't get sneered at and the instructors are there for him and the rest of the group. He and his friend, Kelly from the course do their work experience with me in the yard two days a week and it's great experience for them.

Olive Barrett
National Learning Network

Our People - Their Stories

Before I went to RehabCare in Dundalk, Co. Louth in 1997, I found it hard. I didn't know if I was coming or going. I didn't have a lot of confidence.

When I first started going to the day service, I found it hard to talk to people, but the staff have helped me to be more confident and I'm now speaking up more for myself. I've had help getting work experience. I've got involved in lots of activities that I love, such as badminton, and drama. I'm also on NRAC (National RehabCare Advocacy Committee) and I really enjoy it. I enjoy meeting people from other centres on the committee and I've learned a lot working with them.

I go to RehabCare's day service in Carroll Village two days a week. The other days I work part-time in Tesco Extra. I also live in RehabCare's Supported Accommodation in Belfry. I really love living there with four other women. I have my own room with an ensuite and I have more independence living here than living with my family. If you need anything, the staff are always there to support you. I like doing things on my own but it's also good to have support from the staff.

I'm getting support now to learn how to drive and I would also like to go on holiday to Prague. Eventually, I think I will go out and live on my own. Whenever you need anything, there is always someone there to listen to you. I don't know where I'd be without the help from RehabCare. I'd have nowhere to go.

Majella Hughes
RehabCare

I spent three and a half months in hospital and spent another four months in respite care before I came to RehabCare's Resource Centre in Blennerville, Tralee.

When I met with the staff from RehabCare I had never lived on my own or didn't know how to live on my own. I had no friends at the start, until I met people in the Blennerville Resource Centre. I am now two years with RehabCare. I have learned to live independently, I have many friends and live a great life.

My highlights from the last couple of years are getting more involved in my local community, attending the local gym on a regular basis and swimming. I am learning to cook and love going on day trips with my friends. Last year we went to Dublin Zoo for the day. I loved seeing the gorillas!

A group of us play pool in the centre. This is a great way of making friends. It's a social thing. I attend many of the programmes in the centre. I love any programmes about history. We are hoping to plan a historical outing soon.

I have big plans of visiting more historical places such as Newgrange in the near future. I am getting support from the staff in planning my first holiday.

I am recovering from surgery at the moment and I appreciate the support of both the staff and the people I have met in the centre in my recovery.

Sheila O'Connor
RehabCare

Our People - Their Stories

Before I joined the Work Programme in TBG Learning in Swindon, in England, I was feeling bored being stuck at home. I had not worked for a while due to a knee injury from an accident at work.

TBG Learning has opened up a new future for me. After joining the Work Programme, they have supported me through difficult times and helped me with updating my CV, improving my Maths and English and building up my confidence.

I now have a Certificate in Functional Skills Maths and have passed the Functional Skills English course, which I'm proud of. TBG also gave me the confidence to apply for full time jobs again.

In July 2015, with support from the team in Swindon, I got an interview with Total Security and attended training with them. Following this, I got a job with them and I'm happy to be working again in this area. By attending the Work Programme, I feel my life has been completely turned around and I have a new lease of life since gaining employment. I feel like a different person and I'm grateful for the support that TBG has given me.

Pernell Wallace
TBG Learning

"I have a new lease of life since gaining employment"

Pernell Wallace (centre) with TBG Learning Advisors Patricia Ruddell and Bradley Bowles.

I've been working in the lo-call office in Rehab Enterprises in Portlaoise since January 2015. I answer the phones and deal with customer queries and orders.

I also get to work on the floor in the factory, doing lots of different jobs, such as packaging. I really like working here, especially in the lo-call office where I get to use computers every day. I'm 24 and this is my first real, full-time job.

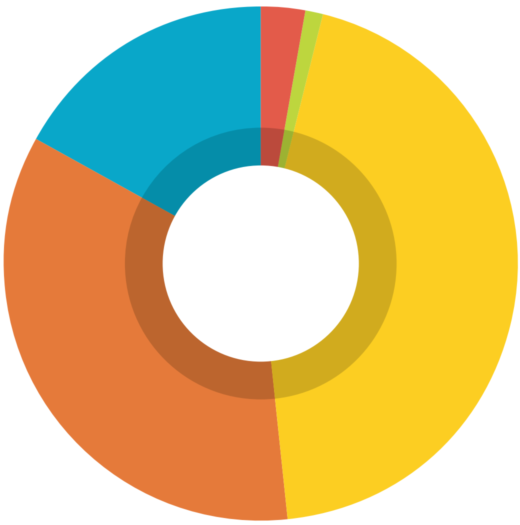
It's great having a job where you get to work with different people and it gives you a routine and lots of independence. Before I came to work in Enterprises, I did a course in National Learning Network in Portlaoise. I had taken a year out after I did the Leaving Certificate in 2010 and I didn't really know what I was going to do.

My dad saw a notice in our local church about NLN and I signed up for the course in Business and IT. It was good but hard work and I met a lot of nice people in NLN. I got to do work experience and learnt a lot of practical skills. The skills I learned in NLN definitely helped me to get the job in Enterprises.

It's my first proper job and I really enjoy it. The staff are always there to help you and there are opportunities to do different things. You appreciate the time off when you have it too. I've learned lots of communication skills and have gained more confidence working here. In the future, I'd like to keep working with computers.

James Dunne
Rehab Enterprises

Where Our Money Came from in 2015



3% Fundraising
Lotteries and donations

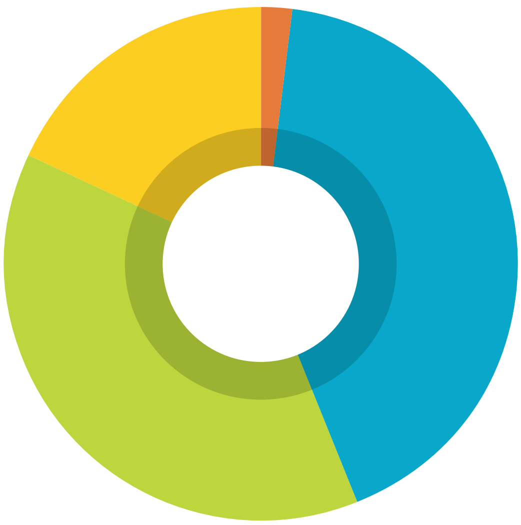
1% Grant Income
Capital Grants, Charity Lottery Fund and other grants

45% State income for the provision of training, support and employability services
Ireland and UK

35% State income for the provision of day activity and care services
Ireland and UK

17% Income from Social Enterprises
Ireland and UK

How We Spent Our Money in 2015



2% Cost of Fundraising

42% Training Support and Employability

38% Day Activities and Care Services

18% Social Enterprises

Contents

Directors' Responsibilities Statement

The Directors are responsible for preparing the Annual 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 that law, the Directors have elected to prepare the financial statements in accordance with 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 ("relevant financial reporting framework"). 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 group and parent Company as at the financial year end date and of the profit or loss of the Group and parent 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 profit or loss 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.

Independent Auditors' Report

to the members of The Rehab Group

We have audited the financial statements of The Rehab Group for the year ended 31 December 2015 which comprise the Consolidated Statement of Financial Activities (including an Income and Expenditure Account), Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is 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 Group's and the parent 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.

Opinion on financial statements

In our opinion the Group and parent company financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Group and parent company as at 31 December 2015 and of its net incoming resources 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 parent company financial statements to be readily and properly audited.
- The parent company balance sheet is 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.

Tommy Doherty

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

9 May 2016

Consolidated Statement of Financial Activities

(including an income and expenditure account) For the Year Ended 31 December 2015

	Notes	Unrestricted 2015 €'000	Restricted 2015 €'000	Total 2015 €'000	Total 2014 €'000
Income and endowments					
Income including share of joint venture	3	162,380	3,529	**165,909**	164,986
Less: share of joint venture income		(5,597)	-	**(5,597)**	(5,806)
Group income and endowments		156,783	3,529	**160,312**	159,180
Incoming resources from generated funds					
Lotteries and donations	4	4,104	93	**4,197**	7,565
Grant income	5	868	1,398	**2,266**	2,145
Investment and other income		1	-	**1**	14
		4,973	1,491	**6,464**	9,724
Income from Charitable Activities					
Training, support and employability	6	70,087	1,663	**71,750**	72,209
Day activity and care services	7	55,123	375	**55,498**	52,523
Social enterprises	8	26,600	-	**26,600**	24,724
		151,810	2,038	**153,848**	149,456
Total income and endowments	3	156,783	3,529	**160,312**	159,180
Expenditure on:					
Raising funds					
Voluntary costs including fundraising, lotteries and donations		(3,920)	–	**(3,920)**	(8,400)
Charitable activities					
Training, support and employability		(67,291)	(1,468)	**(68,759)**	(70,157)
Day activities and care services		(60,028)	(867)	**(60,895)**	(55,997)
Social enterprises		(28,413)	-	**(28,413)**	(25,825)
		(155,732)	(2,335)	**(158,067)**	(151,979)
Total resources expended	9	(159,652)	(2,335)	**(161,987)**	(160,379)

Consolidated Statement of Financial Activities (continued)

(including an income and expenditure account) For the Year Ended 31 December 2015

	Notes	Unrestricted 2015 €'000	Restricted 2015 €'000	Total 2015 €'000	Total 2014 €'000
Net (outgoing)/incoming resources for the year before exceptional item		(2,869)	1,194	**(1,675)**	(1,199)
Group share of resources in associate and joint venture undertakings		1,569	-	**1,569**	1,803
Exceptional item – restructuring costs	*11*	-	-	**-**	(4,249)
Net (outgoing)/incoming resources for the year after exceptional item and before transfers		(1,300)	1,194	**(106)**	(3,645)
Transfer between funds	*25*	2,215	(2,215)	**-**	-
Net incoming/(outgoing) resources before other recognised gains and losses		915	(1,021)	**(106)**	(3,645)
Other recognised gains and losses					
Exchange (loss)/gain on foreign currency net assets	*25*	(23)	161	**138**	308
Net movement in funds		892	(860)	**32**	(3,337)
Fund brought forward 1 January	*25*	32,002	22,654	**54,656**	57,993
Fund balances carried forward 31 December	*25*	32,894	21,794	**54,688**	54,656

Consolidated Balance Sheet

31 December 2015

	Notes	2015 €'000	2014 €'000
Fixed assets			
Intangible assets – goodwill	*16*	**43**	816
Intangible assets – negative goodwill	*16*	**(383)**	(408)
Tangible assets	*17*	**58,289**	58,981
Investments:	*18*		
Investment in joint venture		**2,701**	2,420
Investment in associates		**134**	113
Other investments		**208**	189
Total fixed assets		**60,992**	62,111
Current assets			
Stocks	*19*	**1,059**	980
Debtors	*20*	**14,972**	18,829
Cash at bank		**19,523**	23,815
		35,554	43,624
Creditors – amounts falling due within one year	*21*	**(20,273)**	(26,865)
Net current assets		**15,281**	16,759
Total assets less current liabilities		**76,273**	78,870
Creditors – amounts falling due after more than one year	*22*	**(16,380)**	(18,583)
Provisions for liabilities and charges	*23*	**(5,205)**	(5,631)
Net assets		**54,688**	54,656
Funds			
Restricted funds	*25*	**21,794**	22,654
Unrestricted funds	*25*	**32,894**	32,002
Total funds		**54,688**	54,656

On behalf of the board

J Tolan
Director

N O'Kelly
Director

9 May 2016

Company Balance Sheet

31 December 2015

	Notes	2015 €'000	2014 €'000
Fixed assets			
Tangible assets	*17*	**32,313**	31,705
Financial assets	*18*	**210**	189
		32,523	31,894
Current assets			
Debtors	*20*	**5,110**	8,829
Cash at bank		**2,618**	5,619
		7,728	14,448
Creditors – amounts falling due within one year	*21*	**(7,688)**	(4,276)
Net current assets		**40**	10,172
Debtors – amounts falling due after more than one year	*20*	**6,173**	5,734
Total assets less current liabilities		**38,736**	47,800
Creditors – amounts falling due after more than one year	*22*	**(15,008)**	(16,729)
Provisions for liabilities and charges	*23*	**(1,303)**	(2,178)
Net assets		**22,425**	28,893
Funds			
Restricted funds	*25*	**7,142**	8,298
Unrestricted funds	*25*	**15,283**	20,595
Total funds		**22,425**	28,893

On behalf of the board

J Tolan
Director

N O'Kelly
Director

9 May 2016

Consolidated Statement of Cash Flows

Year Ended 31 December 2015

	Notes	2015 €'000	2014 €'000
Cashflows from operating activities:			
Net cash used in operating activities	*27*	**(385)**	(2,249)
Cashflows from investing activities:			
Purchase of property, plant and equipment	*17*	**(5,204)**	(4,810)
Proceeds from the sale of property, plant and equipment		**2,678**	154
Interest received	*13*	**96**	148
Interest paid	*13*	**(748)**	(638)
Purchase of investments		**(19)**	(334)
Net cash provided by/(used in) investing activities		**(3,197)**	(5,480)
Cashflows from financing activities:			
Repayments of borrowings		**(948)**	(647)
Net cash used in financing activities		**(948)**	(647)
Change in cash and cash equivalents in the reporting period	*29*	**(4,530)**	(8,376)

Notes to the Financial Statements

1 General Information

These financial statements comprising the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows and the related notes 1 to 41 constitute the Group financial statements of The Rehab Group for the financial year ended 31 December 2015.

The Rehab Group is a company limited by guarantee (governed by Part 18 of the Companies Act 2014), incorporated in the Republic of Ireland. The registered office is Roslyn Park, Sandymount, Dublin 4. The principal place of business of the Company is the Republic of Ireland. The nature of the Company's operations and its principal activities are set out in the Directors' Report on pages 12 to 27.

The Group transitioned from previously extant Irish GAAP to FRS 102 as at 1 January 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 39.

The Rehab Group is constituted under Irish company law as a company limited by guarantee and is a registered charity. In prior years, company law excluded companies which are not trading for gain 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 The Rehab Group 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 The Rehab Group.

In order to provide information relevant to understanding the stewardship of the directors and the performance and financial position of the charity, The Rehab Group has prepared its financial statements in accordance with the formats provided for in the Charities SORP and has restated its prior year comparative figures accordingly.

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.

Statement of Compliance

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) and the Companies Act 2014. These are the first financial statements that comply with the new Statement of Recommended Practice (SORP FRS 102) "Accounting and Reporting by Charities".

Currency

The financial statements have been presented in Euro (€), which is also the functional currency of the Company. In instances where amounts have been rounded to the nearest thousand Euro, this is indicated by the symbol €'000.

2 Accounting Policies and Estimation Techniques

The significant accounting policies and estimation techniques adopted by the Group and parent company are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of preparation

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. The financial reporting framework that has been applied in their preparation is 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 the Statement of Recommended Practice (Charities SORP (FRS102)) as published by the Charity Commission for England and Wales which is recognised by the UK Accounting Standards Board (ASB) as the appropriate body to issue SORPs for the charity sector in the UK. Financial reporting in line with SORP is considered best practice for charities in Ireland. As noted above, the directors consider that the adoption of the SORP requirements is the most appropriate accounting to properly reflect and disclose the activities of the organisation.

Notes to the Financial Statements (continued)

2 Accounting Policies and Estimation Techniques (continued)

The consolidated financial statements of The Rehab Group incorporate the results of The Rehab Group and all of its subsidiaries, and its share of the results of associate and joint venture undertakings for the year ended 31 December 2015. The results of subsidiaries are included from the effective date of acquisition. Acquisition accounting principles are followed in respect of all subsidiaries acquired.

Judgments and key sources of estimation uncertainty

The Directors consider the accounting estimates and assumptions below to be its critical accounting estimates and judgements:

Going Concern

The Directors have prepared budgets and cash flows for a period of at least twelve months from the date of the 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.

Impairment of Trade Debtors

The Group trades with a large and varied number of customers on credit terms. Some debts due will not be paid through the default of a small number of customers. The Group uses estimates based on historical experience and current information in determining the level of debts for which an impairment charge is required. The level of impairment required is reviewed on an ongoing basis. The total amount of trade debtors is €11,336k (2014: €13,446k).

Impairment of Stocks

The Group holds stocks amounting to €1,059k (2014: €980k) at the financial year end date. The Directors are of the view that an adequate charge has been made to reflect the possibility of stocks being sold at less than cost. However, this estimate is subject to inherent uncertainty.

Useful Lives of Tangible Fixed Assets

Tangible fixed assets comprise plant and machinery, motor vehicles, computer equipment, and fixtures and fittings. The annual depreciation and amortisation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The Directors regularly review these useful lives and change them if necessary to reflect current conditions. In determining these useful lives, management consider technological change, patterns of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation charge for the financial year. The net book value of tangible fixed assets subject to depreciation at the financial year end date was €44m (2014: €46m).

Valuation of Land and Buildings

Land and buildings are stated at deemed cost less accumulated depreciation and accumulated impairment losses. The Group previously adopted a policy of revaluing land and buildings and they were stated at their revalued amount less any subsequent depreciation and impairment losses. The company revalued land and buildings on a fair value basis as at 1 January 2014. This valuation is being used as the deemed cost going forward.

Impairment of financial assets

At the end of each financial year, an assessment is made on whether there are indicators that the Company's investments in joint ventures are impaired. Where necessary, the Company's assessment is based on the estimation of the value-in-use of the assets defined in FRS 102 Section 27 Impairment of Assets by forecasting the expected future cash flows for a period of up to 5 years, using a suitable discount rate in order to calculate the present value of those cash flows. The Company's carrying amount of investments as at 31 December 2015 was €3,043k (2014: €2,722k).

2 Accounting Policies and Estimation Techniques (continued)

Income

Income comprises fees for the provision of care, employment and training services; income from the sale of goods and services supplied by the social enterprises and income from fundraising activities and the sale of lottery products in support of the Rehab Group's main objective.

With the following exceptions, all revenue items are credited to the Statement of Financial Activities for the year to which they relate:

- Income from fundraising activities is recorded in the Statement of Financial Activities when the receipt is probable.
- Income from the Irish Government received through the Charitable Lottery Fund is recognised on a cash receipts basis.

In the notes to the financial statements, income is disclosed by funding source for the charitable activity, with the designation 'Other' primarily representing self-generated trading income. In addition, all State funding is separately identifiable within the same notes.

Interest receivable

Interest income is recognised using the effective interest method.

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with Charities SORP (FRS 102), the general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Grants

i) Grants from public authorities, the European Social Fund, and other agencies both in Ireland and the United Kingdom, are credited to the Statement of Financial Activities in the year to which they relate.

ii) Grants received towards capital expenditure are credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless they relate to a specific future period in which case they are deferred.

iii) Grants are recognised when there is evidence of entitlement and their receipt is probable.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following headings:

- Voluntary costs including fundraising, lotteries and donations;
- Training, support and employability;
- Day activities and care services;
- Social enterprises

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Notes to the Financial Statements (continued)

2 Accounting Policies and Estimation Techniques (continued)

Allocation of support costs

Support costs arise from those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administration costs, finance, personnel, IT, payroll and governance costs which support the Group's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 9.

Exceptional items

The Group classifies certain one-off charges or credits that have a material impact on the Group's financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the Group.

Leases

Where tangible assets are financed by leasing agreements which give rights approximating to ownership ("finance leases"), they are treated as if they had been purchased outright at the present values of the minimum lease payments and the corresponding leasing liabilities are shown in the balance sheet as finance leases.

Depreciation on leased assets is calculated on a straight line basis over the estimated useful lives of the individual assets. Interest arising on finance leases is charged to the Statement of Financial Activities in proportion to the amounts outstanding under the leases.

All operating lease rentals are charged to the Statement of Financial Activities on a straight line basis. The Group classifies the lease of premises and motor vehicles as operating leases, as the title to the asset remains with the lessor.

Employee benefits

The group provide a range of benefits to employees, including paid holiday arrangements and defined contribution pension plans.

Short term benefits
Short term benefits, including holiday pay and other similar non-monetary benefits are recognised as an expense in the period in which the service is received.

Defined contribution pension plan
The Rehab Group operates defined contribution schemes. The pension entitlements are secured by contributions by the Rehab Group to separately administered pension funds. A defined contribution plan is a pension plan under which the Rehab Group and employees pay a fixed percentage of the employee's salary as a contribution into a separate fund. Under these plans, the Rehab Group has no further payment obligations once the contributions have been paid.

The costs arising in respect of the Rehab Group's defined contribution schemes are charged to the Statement of Financial Activities in the period in which they are incurred.

Taxation

The Group's operations are substantially not for profit and accordingly avail of the Charities exemption from corporation tax. The remainder of operations are subject to taxation.

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

Current tax
Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 Accounting Policies and Estimation Techniques (continued)

Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Foreign currencies

The principal exchange rates used for the translation of results, cash flows and balance sheet into Euro were as follows:

	2015	2014
British Pound	**€1=Stg£**	**€1=Stg£**
Average	**0.7263**	0.8062
Year end	**0.7375**	0.7765

	2015	2014
Polish Zloty	**€1=PLN**	**€1=PLN**
Average	**4.184**	4.184
Year end	**4.264**	4.273

	2015	2014
Saudi Riyal	**€1=SAR**	**€1=SAR**
Average	**4.166**	4.979
Year end	**4.092**	4.560

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates ruling at the balance sheet date and revenues, costs and non-monetary assets at the exchange rates ruling at the dates of the transactions.

Gains and losses arising from foreign currency translations and on settlement of amounts receivable and payable in foreign currency are dealt with in the Statement of Financial Activities.

Monetary assets are monies held and amounts to be received in money; all other assets are non-monetary assets.

The balance sheets of foreign subsidiary undertakings, joint ventures and associates are translated into Euro using the closing rate method and Statement of Financial Activities are translated using the average rate for the period. Exchange differences arising from the translation of the opening net investment together with the difference between the Statement of Financial Activities translated at the average rate and closing rate are dealt with as adjustments to reserves.

Business combinations and goodwill

Business combinations are accounted for by applying the purchase method.

The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination.

Notes to the Financial Statements (continued)

2 Accounting Policies and Estimation Techniques (continued)

On acquisition of a business, fair values are attributed to the identifiable assets, liabilities and contingent liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill. Where the fair value of contingent liabilities cannot be measured reliably they are disclosed on the same basis as other contingent liabilities.

Goodwill, representing purchased goodwill, being the difference of the cost of acquisition of new subsidiaries, joint ventures and associates over the fair value of the net tangible assets acquired, is capitalised as an intangible asset and amortised over a certain period. The period chosen is the Directors' best estimate of the goodwill's useful life and is outlined in Note 16.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs and borrowing costs capitalised.

Land and buildings
Land and buildings are stated at deemed cost less accumulated depreciation and accumulated impairment losses. The Group previously adopted a policy of revaluing land and buildings and they were stated at their revalued amount less any subsequent depreciation and impairment losses. The company revalued land and buildings as at 1 January 2014. This valuation is being used as the deemed cost going forward.

Depreciation

Buildings are depreciated on a straight line basis at a rate of 2 – 4% per annum on both cost (without deduction of capital based grants) and valuation.

All other assets are depreciated on a straight line basis at such rates as will write off the cost of these assets over the period of their expected useful lives.

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Derecognition
Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the Statement of Financial Activity.

Impairment of non-financial assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future pre-tax and interest cash flows obtainable as a result of the asset's (or asset's cash generating unit) continued use. The pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk free rate and the risks inherent in the asset.

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account, with the exception of losses on previously revalued assets which are recognised in other comprehensive income to the extent of any previously recognised revaluation increases accumulated in equity in respect of that asset.

If an impairment loss subsequently reverses, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the profit and loss account except to the extent a previous impairment loss was recognised in equity.

2 Accounting Policies and Estimation Techniques (continued)

Stocks

Stocks and work in progress have been valued at the lower of cost (which is comprised of suppliers' invoice price of materials) and net realisable value.

Net realisable value comprises the actual or estimated selling price (net of trade but before settlement discounts), less all costs to be incurred in marketing, selling and distribution.

At the end of each reporting period inventories are assessed for impairment. If an item of inventory is impaired, the identified inventory is reduced to its selling price less costs to complete and sell and an impairment loss is recognised in the profit and loss account. Where a reversal of the impairment is recognised the impairment loss is reversed, up to the original impairment loss, and is recognised as a credit in the profit and loss account.

Financial fixed assets

Investments in associated undertakings, where the Group has a long-term strategic interest, are recorded using the equity method of accounting. Under this method, the Group's current year share of post-acquisition gains less losses is included in the Statement of Financial Activities and added to the carrying value of the investments in the balance sheet.

The Group's share of income and results of joint ventures, which are entities in which the Group holds an interest on a long-term basis and which are jointly controlled by the Group and one or more other ventures under a contractual arrangement, are equity accounted from the dates on which the joint venture agreements are finalised.

Interests in subsidiary undertakings are stated in the Company's balance sheet at cost, less provision for any permanent diminution in value.

Accounting for partnership interests

These financial statements include the results of TBG Learning Limited, and its share of the results of Rehab Jobfit LLP. In accordance with FRS 102 Section 15, the Group has included its share of assets, liabilities and profits from the 51% share held in Rehab Jobfit LLP. Rehab Jobfit LLP is a limited liability partnership between The Rehab Group, TBG Learning Limited, and Interserve PFI 2009 Limited. The partnership is jointly controlled by both parties. The Rehab Group has a 51% interest in the surplus, assets and liabilities of the partnership. This interest has been assigned to TBG Learning Limited by The Rehab Group. TBG Learning Limited has been appointed to the partnership as a corporate member. The partnership remains under the joint control of The Rehab Group and Interserve PFI 2009 Limited. There is no restriction on the distribution of the partnership's surpluses and reserves.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short term deposits with an original maturity date of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents, as defined above net of outstanding bank overdrafts, if any.

Financial instruments

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and amount due from group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Notes to the Financial Statements (continued)

2 Accounting Policies and Estimation Techniques (continued)

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment loss is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire or are settled; or substantially all the risks and rewards of the ownership of the asset are transferred to another party; or control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions on transfer.

Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and amount due to group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting

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

Unlisted Investments

The Company holds investments in unlisted equity shares of a number of entities. It is considered by the Directors that the fair value of these shares cannot be measured reliably. These investments are measured at cost less impairment.

Trade and other debtors

Trade debtors, which generally have 30-90 day terms, are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is material, receivables are carried at amortised cost. Provision is made when there is objective evidence that the company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Funds

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Group’s work or for specific projects being undertaken by the Group.

2 Accounting Policies and Estimation Techniques (continued)

Provisions and contingencies

Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Contingencies

Contingent liabilities, arising as a result of past events, are recognised when it is probable that there will be an outflow of resources and the amount can be reliably measured at the reporting date. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

3 Total income by geographical location

Current year	**Total income €'000**	**Less share of joint venture €'000**	**2015 €'000**
Ireland	120,331	(5,597)	**114,734**
UK	39,893	-	**39,893**
Other	5,685	-	**5,685**
	165,909	(5,597)	**160,312**

Total income by geographical location Prior year	**Total income €'000**	**Less share of joint venture €'000**	**2014 €'000**
Ireland	118,765	(5,806)	**112,959**
UK	38,641	-	**38,641**
Other	7,580	-	**7,580**
	164,986	(5,806)	**159,180**

Notes to the Financial Statements (continued)

4 Lotteries and donations

Current year	Unrestricted €'000	Restricted €'000	2015 €'000
Local fundraising	173	86	**259**
Lottery activity	3,467	-	**3,467**
Donations	241	7	**248**
Other	223	-	**223**
	4,104	93	**4,197**

Prior year	Unrestricted €'000	Restricted €'000	2014 €'000
Local fundraising	1,451	-	**1,451**
Lottery activity	5,540	-	**5,540**
Donations	100	227	**327**
Other	247	-	**247**
	7,338	227	**7,565**

5 Grant income

Grant income Current year	Unrestricted €'000	Restricted €'000	2015 €'000
Charitable Lottery Fund	686	-	**686**
Capital grants	-	726	**726**
Other grants	182	672	**854**
	868	1,398	**2,266**

Prior year	Unrestricted €'000	Restricted €'000	2014 €'000
Charitable Lottery Fund	1,342	-	1,342
Scottish Government Grant	112	45	157
Capital grants	-	123	123
Other grants	-	523	523
	1,454	691	2,145

6 Training, support and employability

Current year	Unrestricted €'000	Restricted €'000	2015 €'000
HSE	13,609	-	**13,609**
Education Training Boards (ETB's)	26,641	-	**26,641**
Department for Work and Pensions (UK)	19,835	-	**19,835**
Glasgow City Council (UK)	-	497	**497**
Pobal	510	-	**510**
Other	9,492	1,166	**10,658**
	70,087	1,663	**71,750**

Prior year	Unrestricted €'000	Restricted €'000	2014 €'000
HSE	12,854	-	12,854
Education Training Boards (ETB's)	26,841	-	26,841
Solas	85	-	85
Department for Work and Pensions (UK)	20,852	-	20,852
Glasgow City Council (UK)	27	943	970
Pobal	667	-	667
Other	8,313	1,627	9,940
	69,639	2,570	72,209

7 Day activity and care services

Current year	Unrestricted €'000	Restricted €'000	2015 €'000
HSE	48,800	-	**48,800**
Other	6,323	375	**6,698**
	55,123	375	**55,498**

Prior year	Unrestricted €'000	Restricted €'000	2014 €'000
HSE	46,779	-	46,779
Other	5,642	102	5,744
	52,421	102	52,523

Notes to the Financial Statements (continued)

8 Social enterprises

Current year	Unrestricted €'000	Restricted €'000	2015 €'000
Department of Work and Pensions (UK)	1,808	-	**1,808**
Wages Subsidy Scheme – Department of Social Protection	2,766	-	**2,766**
Income from trading activities	22,026	-	**22,026**
	26,600	-	26,600

Prior year	Unrestricted €'000	Restricted €'000	2014 €'000
Department for Work and Pensions (UK)	1,100	-	1,100
Wages Subsidy Scheme – Department of Social Protection	2,490	-	2,490
Income from trading activities	21,134	-	21,134
	24,724	-	24,724

9 Analysis of resources expended

Current year	Fundraising €'000	Training support and employability €'000	Day activity and care services €'000	Social enterprises €'000	2015 Total €'000
Staff costs (note 12)	383	39,930	43,614	12,319	**96,246**
Depreciation (note 17)	52	853	2,010	782	**3,697**
Other operating costs	413	27,247	14,944	4,000	**46,604**
Prizes and retailer commission	3,048	-	-	-	**3,048**
Raw materials and freight	-	169	12	10,301	**10,482**
Net finance charge (note 13)	24	169	356	103	**652**
Amortisation/impairment of goodwill (note 16)	-	-	(41)	781	**740**
Taxation (note 14)	-	397	-	42	**439**
Increase/(decrease) in stock and WIP (note 19)	-	(6)	-	85	**79**
	3,920	68,759	60,895	28,413	**161,987**

9 Analysis of resources expended (continued)

Prior year	Fundraising €'000	Training support and employability €'000	Day activity and care services €'000	Social enterprises €'000	2014 Total €'000
Staff costs (note 12)	1,904	40,687	41,703	12,215	96,509
Depreciation (note 17)	184	1,196	1,832	755	3,967
Other operating costs	3,003	29,016	12,875	5,366	50,260
Prizes and retailer commission	4,358	-	-	-	4,358
Raw materials and freight	-	-	-	8,746	8,746
Net finance charge (note 13)	18	166	229	77	490
Amortisation of goodwill (note 16)	-	-	(45)	130	85
Taxation (note 14)	-	-	-	90	90
Increase/(decrease) in stock and WIP (note 19)	-	(35)	-	158	123
	9,467	71,030	56,594	27,537	164,628
Less exceptional costs for restructuring (note 11)	(1,104)	(1,170)	(818)	(1,157)	(4,249)
Total	8,363	69,860	55,776	26,380	160,379

Included in the analysis above are the following support costs:

Analysis of support costs Current year	Governance €'000	Human resources €'000	Information technology €'000	Finance and administration €'000	Policy Compliance & communication €'000	2015 Total €'000
Staff costs	232	2,351	769	2,732	2,834	**8,918**
Other operating costs	431	642	2,220	316	665	**4,274**
	663	2,993	2,989	3,048	3,499	**13,192**

Analysis of support costs Prior year	Governance €'000	Human resources €'000	Information technology €'000	Finance and administration €'000	Policy Compliance & communication €'000	2014 Total €'000
Staff costs	169	2,249	853	3,119	2,026	8,416
Other operating costs	494	754	3,231	1,001	1,400	6,880
	663	3,003	4,084	4,120	3,426	15,296

Where staff or other costs in support functions are borne centrally, they are charged out on the basis of headcount, time allocation or in the case of Information Technology based on users of technology; otherwise support costs are incurred wholly and exclusively within the service.

Notes to the Financial Statements (continued)

9 Analysis of resources expended (continued)

	2015 €'000	2014 €'000
Analysis of governance costs		
Board and committee meeting costs	**52**	43
Company secretarial costs	**161**	75
Legal, strategy and other costs	**82**	100
External audit fees		
- Audit work	**160**	287
Internal audit	**208**	158
	663	663

10 Net (outgoing)/incoming resources

	2015 €'000	2014 €'000
Net (outgoing)/incoming resources for the year has been arrived at after charging:		
Auditors' remuneration – group		
- Statutory audit of group and subsidiaries' accounts	**160**	287
- Other assurance services	**-**	22
- Tax advisory and compliance services	**-**	211
	160	520
Depreciation of tangible fixed assets owned	**3,697**	3,967
Impairment of goodwill (note 16)	**670**	-
Amortisation of goodwill (note 16)	**70**	85
Operating lease rentals:		
- Property	**3,722**	3,564
- Other	**720**	817
Realised gain on foreign currency transactions	**180**	20
Cost of stock recognised as an expense	**79**	123
Impairment of stock recognised as an expense in cost of sales	**11**	76

Whilst the Rehab Group is a charity and does not in the main incur corporation tax, it does remit significant payroll taxes and incurs a significant cost in irrecoverable VAT.

11 Exceptional items

The Group undertook a restructuring in 2014 to realign its cost base with its incoming resources.

	2015 €'000	2014 €'000
Pay redundancy costs	-	3,866
Non pay costs	-	383
Total restructuring costs	-	4,249

The above items are considered to be exceptional by virtue of size or incidence, notwithstanding that they fall within the ordinary activities of the Company.

12 Staff costs

The average monthly number of persons employed by the Group during 2015 analysed by category was as follows: 3,234 (2014: 3,235). All directors of the Company are non-executive and receive no remuneration.

	2015 Number	2014 Number
Management	**205**	201
Administration /support	**243**	235
Service delivery	**2,786**	2,799
	3,234	3,235

	2015 €'000	2014 €'000
Their aggregate remuneration comprised:		
Staff costs:		
- Wages and salaries	**81,233**	83,767
- Social welfare costs	**8,077**	7,895
- Retirement benefit costs	**5,916**	4,847
	95,226	96,509
- Other compensation costs – termination benefits	**1,020**	3,866
	96,246	100,375

All the amounts stated above were treated as an expense of the Group in the financial year. No amount was capitalised into assets.

The Group operates a number of defined contribution pension schemes for employees of group companies. All are held in separate trustee administered funds.

Notes to the Financial Statements (continued)

12 Staff costs (continued)

	2015 Number	2014 Number
The remuneration of higher paid employees		
€60,000 – €70,000	**58**	54
€70,001 – €80,000	**23**	34
€80,001 – €90,000	**15**	19
€90,001 – €100,000	**8**	9
€100,001 – €110,000	**6**	10
€110,001 – €120,000	**3**	6
€120,001 – €130,000	**-**	-
€130,001 – €140,000	**1**	6
€140,001 – €150,000	**1**	4
€150,001 – €160,000	**-**	3
€160,001 – €170,000	**-**	1
€170,001 – €180,000	**1**	2
€190,001 – €200,000	**-**	1
€220,001 – €230,000	**1**	1
€230,001 – €240,000	**-**	2
€240,001 – €250,000	**-**	1
€270,001 – €280,000	**1**	-
€300,001 – €310,000	**1**	-
€320,001 – €330,000	**-**	1
	119	154
Numbers excluding redundancies	**117**	126

Employer pension contributions made to defined contribution schemes for these 119 employees amounted to €614,983 during the year.

12 Staff costs (continued)

Remuneration includes salary, redundancy costs and benefit in kind on motor vehicles but excludes pension scheme contributions. If redundancy costs were excluded, 117 staff would be included on this table in 2015, which is included below:

	2015 Number	2014 Number
The remuneration of higher paid employees excluding redundancy		
€60,000 – €70,000	**58**	56
€70,001 – €80,000	**23**	32
€80,001 – €90,000	**15**	16
€90,001 – €100,000	**7**	7
€100,001 – €110,000	**7**	7
€110,001 – €120,000	**4**	2
€120,001 – €130,000	**-**	1
€130,001 – €140,000	**1**	1
€140,001 – €150,000	**1**	2
€150,001 – €160,000	**-**	1
€160,001 – €170,000	**-**	1
€170,001 – €180,000	**1**	-
	117	126

The Chief Executive has an annual salary of €140,000.

Four former employees' details have been redacted from this table as they withdrew their consent of disclosure of details to third parties that might identify them. Having taken legal advice and having previously consulted with the Data Protection Commissioner regarding the disclosure in 2014 the directors have redacted their details.

Included in the remuneration figures used to complete this table are redundancy costs totalling €1,020,231 and benefit in kind totalling €255,981. Total remuneration including redundancy costs paid to the GMT in 2015 amounted to €2,491,000.

Prior to 2014, the CEO and members of the GMT's compensation was aligned to the general market including all organisation types in Ireland. The compensation included contractual bonus arrangements. During 2014, the CEO and members of the GMT's compensation arrangements were revised by the Group Board and aligned to appropriate benchmarks in the Public, Health and Not for Profit sectors in Ireland. This involved very significant pay cuts for continuing GMT members (an average base salary reduction of 18.5%) and a termination of all bonus arrangements. It also involved a new compensation level for the recruitment of the CEO and new GMT members. The Directors anticipate all salaries in 2016 will fall below that of the Chief Executive.

13 Finance costs

	2015 €'000	2014 €'000
This interest was in respect of:		
Interest receivable	**(96)**	(148)
Interest payable:		
Borrowings wholly repayable within five years	**693**	583
Borrowings not wholly repayable within five years	**55**	55
Total charge	**652**	490

Notes to the Financial Statements (continued)

14 Taxation

	2015 €'000	2014 €'000
Corporation tax:		
Overseas corporation tax on profit in the current year	**(439)**	(90)

The Group's operations are substantially not for profit and accordingly avail of the Charities exemption from corporation tax. The remainder of operations which are subject to corporation tax have, where possible, utilised tax losses brought forward to derive a nil charge for tax. The charge above relates to the activities of the Polish branch of Rehab Enterprises Limited and Saudi Rehab Group Services Co. LLC.

15 Company loss for the financial year

In accordance with Section 304 of the Companies Act 2014, the Company is availing of the exemption from presenting its individual revenue account to the Annual General Meeting and from filing it with the Registrar of Companies. The Company's loss for the year is €6.5m (2014: loss of €0.1m).

16 Intangible assets

Current year	**Goodwill on Redrock and Acorn acquisitions €'000**	**Goodwill on joint venture €'000**	**Negative goodwill €'000**	**Total 2015 €'000**
At beginning of year	266	550	(408)	408
Currency adjustments	14	-	(22)	(8)
Additions				
Impaired during the year	(230)	(440)	-	(670)
Amortised during year	(7)	(110)	47	(70)
At end of year	43	-	(383)	(340)

Prior year	**Goodwill on Redrock and Acorn acquisitions €'000**	**Goodwill on joint venture €'000**	**Negative goodwill €'000**	**Total 2014 €'000**
At beginning of year	277	592	(423)	446
Currency adjustments	20	-	(30)	(10)
Additions	-	57	-	57
Amortised during year	(31)	(99)	45	(85)
At end of year	266	550	(408)	408

16 Intangible assets (continued)

Negative goodwill

In 2001, the Group took control of the Chaseley Trust by virtue of the fact that Rehab Group controls the composition of the majority of its Trustees. This negative goodwill is amortised over 25 years as it arose primarily on a property acquired.

Goodwill on Joint Venture

In December 2009, goodwill arose on the formation of the joint venture, Rehab Enterprises Limited transferred its glass and can recycling business into a new joint venture with another recycling company, Glassco Recycling Limited. The joint venture company is called Rehab Glassco Limited and Rehab Enterprises Limited holds 51% of its issued share capital. The Directors have decided to write off remaining goodwill in the current year.

Goodwill on Redrock and Acorn acquisitions

In 2012, the Group acquired 100% of the shares of Acorn Training Consultants Ltd through its subsidiary TBG Learning Limited. The Directors have decided to amortise the goodwill arising on this transaction over 10 years.

In December 2013, the Group acquired the share capital of Redrock Document Processing Services Limited. This acquisition was made by Haven Products Limited, which is a wholly owned subsidiary of The Rehab Group. The Directors have decided to write off the remaining goodwill in the current year.

17 Tangible assets

Current year	Land and buildings €'000	Plant and machinery €'000	Fixtures and fittings €'000	Computer equipment €'000	Motor vehicles €'000	Total €'000
Group						
Cost						
At 1 January 2015	62,431	14,831	12,010	12,614	4,688	106,574
Reclassification /transfers	-	-	359	429	-	788
Translation adjustment	512	160	197	222	13	1,104
Additions	2,848	600	191	531	1,034	5,204
Disposals	(2,593)	(480)	(250)	-	(930)	(4,253)
At 31 December 2015	63,198	15,111	12,507	13,796	4,805	109,417
Accumulated depreciation						
At 1 January 2015	7,696	13,370	11,107	11,191	4,229	47,593
Reclassification /transfers	-	-	359	429	-	788
Translation adjustment	141	103	170	202	9	625
Charge for the year (note 9)	1,764	445	233	916	339	3,697
Disposals	(533)	(101)	-	(98)	(843)	(1,575)
At 31 December 2015	9,068	13,817	11,869	12,640	3,734	51,128
Net book amounts						
At 1 January 2015	54,735	1,461	903	1,423	459	58,981
At 31 December 2015	54,130	1,294	638	1,156	1,071	58,289

Notes to the Financial Statements (continued)

17 Tangible assets (continued)

Prior year	Land and buildings €'000	Plant and machinery €'000	Fixtures and fittings €'000	Computer equipment €'000	Motor vehicles €'000	Total €'000
Group						
Cost						
At 1 January 2014	59,352	13,736	11,677	11,926	4,709	101,400
Reclassification	-	-	(39)	39	-	-
Translation adjustment	662	142	278	344	5	1,431
Additions	2,738	962	263	502	345	4,810
Disposals	(321)	(9)	(169)	(197)	(371)	(1,067)
At 31 December 2014	62,431	14,831	12,010	12,614	4,688	106,574
Accumulated depreciation						
At 1 January 2014	5,926	12,818	10,583	10,004	4,365	43,696
Reclassification	-	-	(27)	27	-	-
Translation adjustment	186	112	250	315	5	868
Charge for the year (note 9)	1,907	448	425	990	197	3,967
Disposals	(323)	(8)	(124)	(145)	(338)	(938)
At 31 December 2014	7,696	13,370	11,107	11,191	4,229	47,593
Net book amounts						
At 1 January 2014	53,426	918	1,094	1,922	344	57,704
At 31 December 2014	54,735	1,461	903	1,423	459	58,981

Included above are the following amounts in respect of assets held under finance leases.

	2015 €'000	2014 €'000
Net book amount	-	-
Depreciation charge for year	-	-

The estimated useful lives of fixed assets by reference to which depreciation is calculated are as follows:

Freehold and leasehold buildings	25 – 50 years
Plant and machinery	3 – 10 years
Fixtures and fittings	3 – 10 years
Motor vehicles	5 – 7 years
Computer equipment	3 – 5 years

17 Tangible assets (continued)

The properties included in freehold land and buildings were valued in Ireland by Lisney, 24 St Stephens Green, Dublin 2, an independent valuer, at 1 January 2014 on a fair value basis. These valuations are included above.

	2015 €'000	2014 €'000
If these buildings had never been revalued, they would have been shown at cost as follows;		
Cost	**102,492**	101,725
Accumulated depreciation	**(41,094)**	(37,668)
Net book amount	**61,398**	64,057

In undertaking the valuation (for both Group and Company properties), Lisney have made the following assumptions:

- that all property titles are deemed good and marketable freehold/long leasehold in compliance with modern conveyance practice;
- that all properties comply with all relevant planning permissions and after legislative requirements for existing developments and use;
- that there are no undisclosed "tenant improvements";
- that all properties, where relevant, comply with all HIQA standards and regulations;
- that there is no outstanding capital expenditure on any of the subject properties.

Certain freehold and leasehold land and buildings are charged as security for the Company's bank advances and loans. These are detailed below.

Freehold land and buildings includes land of €12.7m which is not depreciated.

Current year	Land and buildings €'000	Plant and machinery €'000	Fixtures and fittings €'000	Computer equipment €'000	Total €'000
Company					
Cost					
At 1 January 2015	35,795	282	349	2,328	38,754
Additions	1,819	-	8	58	1,885
At 31 December 2015	37,614	282	357	2,386	40,639
Accumulated depreciation					
At 1 January 2015	4,524	258	313	1,954	7,049
Charge for the year	1,005	17	20	235	1,277
At 31 December 2015	5,529	275	333	2,189	8,326
Net book amounts					
At 1 January 2015	31,271	24	36	374	31,705
At 31 December 2015	32,085	7	24	197	32,313

Notes to the Financial Statements (continued)

17 Tangible assets (continued)

Prior year	Land and buildings €'000	Plant and machinery €'000	Motor vehicles €'000	Fixtures and fittings €'000	Computer equipment €'000	Total €'000
Company						
Cost						
At 1 January 2014	34,392	282	66	347	2,195	37,282
Additions	1,403	-	-	2	133	1,538
Disposals	-	-	(66)	-	-	(66)
At 31 December 2014	35,795	282	-	349	2,328	38,754
Accumulated depreciation						
At 1 January 2014	3,392	220	52	293	1,700	5,657
Disposals	-	-	(53)	-	-	(53)
Charge for the year	1,132	38	1	20	254	1,445
At 31 December 2014	4,524	258	-	313	1,954	7,049
Net book amounts						
At 1 January 2014	31,000	62	14	54	495	31,625
At 31 December 2014	31,271	24	-	36	374	31,705

There are no assets held under finance leases.

If the company buildings had not been revalued, they would have been shown at the following amounts:

	2015 €'000	2014 €'000
Cost	71,574	69,755
Accumulated depreciation	(32,427)	(29,564)
Net book amount	39,147	40,191

17 Tangible assets (continued)

The Rehab Group has received capital grants from the Health Service Executive and local authorities in respect of various property developments. In addition certain properties are provided as security to financial institutions. Legal charges have been registered against the related properties as a result, details of which are set out below:

Property	Carrying amount €'000	Amount secured €'000	Person entitled	Nature of charge	Effective date
Park House, Stillorgan, Co Dublin	4,628	* note	Allied Irish Banks plc	Mortgage	13 April 2015
Roslyn Park, Sandymount, Dublin 4	11,800	* note	Allied Irish Banks plc	Mortgage	11 May 2015
Unit 2, Parkmore Business Park, Galway	514	* note	Bank of Ireland	Deed of mortgage	18 September 1998
Clash, Co. Kerry	302	59	Kerry County Council	Indenture of mortgage	2 April 1998
Roseville, Clonmel, Tipperary & Faythe, Wexford	425	1,132	South Eastern Health Board	Mortgage	22 December 1998
The Ramparts, Dundalk, Co. Louth	113	520	North Eastern Health Board	Mortgage	29 September 1999
Raheen Industrial Estate, Limerick	566	668	Mid Western Health Board	Mortgage and charge	22 December 1999
Liosbaun, Galway	236	1,270	Western Health Board	Charge	13 November 2001
Cootehill Road, Drumlee, Cavan	302	546	North Eastern Health Board	Charge	14 February 2003
Kylemore Road, Ballyfermot, Dublin 10	944	2,729	Eastern Regional Health Authority	Charge	31 December 2004
St. Anne's, Charleville Road, Tullamore, Co. Offaly	268	349	Midland Health Board	Mortgage	21 February 2002
Model Farm Road, Cork	661	1,570	Southern Health Board	Mortgage and charge	6 November 2000
Blennerville, Tralee, Kerry	94	311	Southern Health Board	Mortgage and charge	6 November 2000
Clash, Tralee, Kerry	302	381	Southern Health Board	Mortgage and charge	10 November 1999
Dromleigh South, Bantry, Cork – charge satisfied 15 April 2013	611	454	Cork County Council	Charge	13 November 2001
Grafton Court, Longford	94	549	Midland Health Board	Mortgage and charge	21 September 2000
Mullaghboy Industrial Estate, Navan, Co. Meath	661	265	North Eastern Health Board	Mortgage	25 June 1999

* note: All sums due or hereafter due from the company

Notes to the Financial Statements (continued)

17 Tangible assets (continued)

There are a number of legal charges in place over the related properties as a result of the grants received within Newgrove Housing Association. Details of the charges registered are set out below:

Property	Carrying amount €'000	Amount secured €'000	Person entitled	Nature of charge	Effective period
16 Glenina Heights, Dublin Road, Galway	248	339	The Mayor Alderman and Burgesses of the County Borough of Galway	Mortgage	28 June 2001
Site at Kill Abbey, Deansgrange, Co. Dublin	468	634	Dun Laoghaire Rathdown County Council	Mortgage	1 May 2002
Apts 1,2 and 3, Cootehill Road, Drumalee, Cavan	122	599	Cavan County Council	Mortgage	30 April 2003
No 12 and 14 Clonleigh Park, Lifford, Co. Donegal	243	347	Donegal County Council	Mortgage	13 May 2003
Graifen, Leopardstown Road, Foxrock, Dublin 18	730	977	Dun Laoghaire Rathdown County Council	Mortgage	5 August 2003
Highfield House, Knockloughlin, Co. Longford	312	444	Longford County Council	Mortgage	13 October 2003
Townland of Clybaun, Galway Folio 2837	290	397	Galway County Council	Mortgage	9 November 2004
74-76 Wingfield, Enniskerry Road, Stepaside, Co. Dublin	323	425	Dun Laoghaire Rathdown County Council	Mortgage	16 June 2005
20 Balreask Manor, Navan, Co. Meath	294	673	Meath County Council	Mortgage	16 October 2006
19 Oaklands Green, Ardnacassagh, Longford	201	381	Longford County Council	Mortgage	8 November 2006
Property at Folio 7276F, Waterford	940	1,798	Waterford County Council	Mortgage	20 March 2007
24 Heathergrove, Mervue, Galway	381	1,256	Galway City Council	Mortgage	18 February 2008
Lands in Townland of Kilnamack West, Folio 7176F		140	Health Service Executive (South East)	Mortgage	18 August 2008
No 22 The Willows, Oakleigh Wood, Tulla Road, Ennis, Co. Clare	239	611	Clare County Council	Mortgage	4 February 2009
Apps. 10, 22, 37, 51 St. Johns Well, Old Kilmainham Road Dublin 8	599	694	Dublin City Council	Charge	21 April 2010
No 1 The Boulevard, Grangerath, Drogheda, Co. Louth	356	899	Meath County Council	Charge	22 April 2010
Folio 14861F Register County Monaghan	366	-	Monaghan County Council	Mortgage	9 January 2015

17 Tangible assets (continued)

There are also charges in place in relation to properties in Newgrove Housing Association Ltd which are not registered in the CRO as set out below:

Property	Carrying amount €'000	Amount secured €'000	Person entitled	Nature of charge	Effective date
No 4 & 5 Claragh Glen, Tonnaphubble, Sligo	337	376	The Mayor Alderman and Burgesses of the County Borough of Sligo	Mortgage	28 February 2002
No 15 Rosog, Ballinamore, Co Leitrim	103	177	Leitrim County Council	Mortgage	19 September 2002
No 13 Ripley Hills, Killarney Road, Bray, Co Wicklow	257	476	Wicklow County Council	Mortgage	30 April 2002
No 2 Castle Oaks, Dark road, Nenagh, Co. Tipperary	281	397	North Tipperary County Council	Mortgage/charge	6 December 2010
Stradavoher, Co Tipperary	421	1,397	North Tipperary County Council	Mortgage/charge	9 December 2010
No. 57 The Oaks, Turlough Rd, Castlebar, Mayo	197	392	Mayo County Council	Mortgage	29 May 2012
Sexton Street, Limerick	1,118	3,302	Limerick City Council	Mortgage/charge	15 February 2012
No 13 Rosog, Ballinamore Co Leitrim	103	251	Leitrim County Council	Mortgage	31 May 2006
No 5 Belfry Grove, Avenue Road, Dundalk, Co Louth	239	482	Louth County Council	Mortgage	25 May 2009
Ballard House, Clara Road, Tullamore, Co Offaly	254	511	Offaly County Council	Mortgage	6 February 2008
No 1 Cluain Mhuillean, Tyone, Nenagh, Co Tipperary	257	342	North Tipperary County Council	Mortgage	18 July 2005
Larissa, Trandhill Road, Sligo	285	564	Sligo Borough Council	Mortgage/charge	4 February 2013
Regent House Apts, William Street, Kilkenny	711	2,869	Kilkenny County Council	Mortgage/charge	22 March 2013
No. 3 the Cedars, Breaffy Road, Castlebar, Co. May	281	559	Mayo County Council	Mortgage/charge	

In the UK legal charges are in place over the properties noted below:

Property	Carrying amount Stg £'000	Amount secured Stg £'000	Person entitled	Nature of charge	Effective date
The Chaseley Trust, South Cliffe Eastbourne, East Sussex	2,308	1,100	H.S.B.C.	Mortgage	18 December 2009
Pavillion 7, Watermark Park, 3 25 Gowan Road, Glasgow	737	227	R.B.S.	1st standard security	28 October 2008

Notes to the Financial Statements (continued)

18 Financial assets

Current year	Investment in joint venture €'000	Investment in associates €'000	Other investments €'000	2015 Total €'000
Group				
Balance at beginning of year	2,420	113	189	2,722
Transfer due to full consolidation of Saudi Rehab Group Services Co LLP	-	-	19	19
Net share of profits and losses	281	1,288	-	1,569
Distributions received	-	(1,267)	-	(1,267)
Balance at end of year	2,701	134	208	3,043

Financial assets Prior year	Investment in joint venture €'000	Investment in associates €'000	Other investments €'000	2014 Total €'000
Group				
Balance at beginning of year	1,777	305	108	2,190
Transfer due to full consolidation of Saudi Rehab Group Services Co LLP	-	-	(108)	(108)
Currency adjustment	-	-	4	4
Net share of profits and losses	643	1,160	-	1,803
Additions	-	200	185	385
Distributions received	-	(1,552)	-	(1,552)
Balance at end of year	2,420	113	189	2,722

In December 2009, the Rehab Group entered into a joint venture arrangement. The Group has joint control over the financial and operating policies of Rehab Glassco Limited. The primary activity of Rehab Glassco Limited is the recycling of glass and can packaging. Rehab Group also have a joint venture arrangement regarding RG Recycling Holdings Limited. The primary activity of this entity is the holding of shares in Rehab Glassco Limited.

18 Financial assets (continued)

The investment in joint venture value represents the Group's share of the assets and liabilities of Rehab Glassco Limited and RG Recycle Holdings Limited.

At 31 December 2015	RG Recycle Holdings €'000	Rehab Glassco €'000	Total €'000	Group share 50% €'000
Financial assets	160	-	160	80
Tangible assets	-	9,452	9,452	4,726
Debtors	-	2,160	2,160	1,080
Stocks	-	353	353	176
Cash	-	479	479	240
Total assets	160	12,444	12,604	6,302
Creditors< 1 year	-	(3,912)	(3,912)	(1,956)
Creditors> 1 year	-	(3,105)	(3,105)	(1,553)
Deferred tax	-	(185)	(185)	(92)
Total liabilities		(7,202)	(7,202)	(3,601)
Total reserves	160	5,242	5,402	2,701

At 31 December 2014	RG Recycle Holdings €'000	Rehab Glassco €'000	Total €'000	Group share 50% €'000
Financial assets	160	-	160	80
Tangible assets	-	9,251	9,251	4,625
Debtors	-	2,079	2,079	1,040
Stocks	-	285	285	142
Cash	-	611	611	306
Total assets	160	12,226	12,386	6,193
Creditors< 1 year	-	(4,188)	(4,188)	(2,094)
Creditors> 1 year	-	(3,173)	(3,173)	(1,586)
Deferred tax	-	(185)	(185)	(93)
Total liabilities	-	(7,546)	(7,546)	(3,773)
Total reserves	160	4,680	4,840	2,420

Notes to the Financial Statements (continued)

18 Financial assets (continued)

The Care Trust Limited is an associate of the Group. The primary activity of the Care Trust Limited is charitable fundraising for which the Rehab Group is a beneficiary.

The investment in associates' value represents the Group's shares of assets and liabilities in the Care Trust Limited.

At 31 December 2015	**The Care Trust Limited €'000**	**Group share 50% €'000**
Tangible assets	84	42
Debtors	67	33
Cash	595	298
Total assets	746	373
Creditors< 1 year	(478)	(239)
Creditors> 1 year	–	–
Total liabilities	(478)	(239)
Total reserves	268	134

At 31 December 2014	**The Care Trust Limited €'000**	**Group share 50% €'000**
Tangible assets	115	58
Debtors	41	20
Cash	542	271
Total assets	698	349
Creditors< 1 year	(459)	(230)
Creditors> 1 year	(13)	(6)
Total liabilities	(472)	(236)
Total reserves	226	113

18 Financial assets (continued)

During 2011, The Rehab Group entered into a limited liability partnership with Interserve plc. This led to the formation of Rehab Jobfit LLP. The Rehab Group owns 51% of the shares in Rehab Jobfit LLP and the Group's share of results and assets and liabilities are reported through TBG Learning Limited, who are also party to the partnership agreement. There were no capital costs incurred.

Company	2015 €'000	2014 €'000
Balance at beginning of year	**189**	381
Net share of profits and losses	**1,288**	1,160
Additions	**-**	200
Distribution received	**(1,267)**	(1,552)
Balance at end of year	**210**	189

The information in respect of subsidiary and associate companies is given in note 35.

Unlisted investments are carried at cost less impairment because their fair value cannot be measured reliably.

19 Stocks

	2015 €'000	2014 €'000
Group		
Raw materials and consumables	697	608
Work in progress	37	34
Finished goods	325	338
	1,059	980
Increase during the year	79	123

Stocks considered obsolete are written down to net realisable value. The amount of the write down is €11k (2014: €76k). There are no stocks pledged as security.

Replacement cost of stocks does not significantly differ from the amounts included above.

Notes to the Financial Statements (continued)

20 Debtors

	2015 €'000	2014 €'000
(a) Amounts falling due within one year		
Group		
Trade and public authority debtors	**11,336**	13,446
Prepayments and accrued income	**2,725**	4,425
European Social Fund grants due	**152**	-
Amounts owed by related parties	**79**	135
VAT	**189**	-
Other debtors	**491**	823
	14,972	18,829
Company		
Trade debtors	**127**	-
Amounts owed by subsidiary companies	**4,863**	7,649
Prepayments and accrued income	**111**	1,146
VAT	**9**	34
	5,110	8,829
(b) Amounts falling due after more than one year		
Company		
Amounts owed by subsidiary companies	**6,173**	5,734

Other than as indicated all debtors are due within one year. All trade debtors are due within the company's normal terms. Trade debtors are shown net of impairment in respect of doubtful debts.

The amounts owed by subsidiary companies after more than one year are unsecured, interest free and repayable on demand. However, the Rehab Group has confirmed by way of letter of support that it will not demand payment of such balances as long as the subsidiary companies require financial support, hence the balances owed by subsidiary companies have been classified as being due after one year.

21 Creditors – Amounts falling due within one year

	2015 €'000	2014 €'000
Group		
Bank loan (note 24) (secured)	**870**	851
Bank overdrafts (note 24) (secured)	**252**	14
Trade creditors	**4,902**	5,890
Corporation tax	**383**	160
VAT	**580**	325
PAYE/Social insurance	**2,405**	2,283
Payment on account	**-**	1,462
Accruals	**10,881**	15,880
	20,273	26,865
Creditors for taxation and social welfare included above	**3,368**	2,768
Company		
Bank overdraft	**3,173**	-
Bank loan (secured) (note 24)	**500**	500
Trade and other creditors	**496**	672
PAYE/social insurance	**129**	163
Amounts owed to group companies	**1,134**	78
Accruals	**2,256**	2,863
	7,688	4,276
Creditors for taxation and social welfare included above	**129**	163

Trade Creditors

The carrying amounts of trade and other payables approximate to their fair values largely due to the short-term maturities and nature of these instruments. The repayment terms of trade creditors vary between on demand and 90 days. No interest is payable on trade creditors.

Taxes and social security costs

Taxes and social security costs are subject to the terms of the relevant legislation. Interest accrues on late payment. No interest was due at the financial year end date.

Amounts owed to group companies

The amounts due to group companies are unsecured, interest free and repayable on demand.

Others

The terms of 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.

The Rehab Group has utilised its right of offset for cash and overdrafts.

Notes to the Financial Statements (continued)

22 Creditors – Amounts falling due after more than one year

	2015 €'000	2014 €'000
Group		
Bank loan (secured) (note 24)	14,771	15,738
Accruals	1,609	2,845
	16,380	18,583
Company		
Bank loan (secured) (note 24)	13,400	13,884
Accruals	1,608	2,845
	15,008	16,729

Accruals

The terms of accruals are based on the underlying contracts.

23 Provisions for liabilities and charges

Current year	**Onerous leases €'000**	**Other €'000**	**2015 €'000**
Group			
As at 1 January 2015	2,808	2,823	**5,631**
Foreign currency	-	10	**10**
Released/charged to statement of financial activities	(348)	1,120	**772**
Utilised during year	(979)	(229)	**(1,208)**
As at 31 December 2015	1,481	3,724	**5,205**

Provisions for liabilities and charges Prior year	**Onerous leases €'000**	**Other €'000**	**2014 €'000**
Group			
As at 1 January 2014	3,816	980	4,796
Foreign currency	3	4	7
Released/charged to statement of financial activities	(403)	1,878	1,475
Utilised during year	(608)	(39)	(647)
As at 31 December 2014	2,808	2,823	5,631

Under the terms of grant agreements with local authorities, Newgrove Housing Association Ltd. is obliged to maintain the properties and has made provision for this obligation in line with recommended practice of the Irish Council for Social Housing.

Provision has been made in respect of unremitted earnings from a subsidiary company due to uncertainty surrounding the receipt of same. The timing of any loss materialising is uncertain. Provision has been made in respect of six onerous contracts arising on leases. Such leases are due to expire between 2017 and 2027.

23 Provisions for liabilities and charges (continued)

Current year	Onerous leases €'000	Other €'000	2015 €'000
Company			
As at 1 January 2015	2,178	-	**2,178**
Released/charged to statement of financial activities	(171)	-	**(171)**
Utilised during year	(704)	-	**(704)**
As at 31 December 2015	1,303	-	**1,303**

Provisions for liabilities and charges Prior year	Onerous leases €'000	Other €'000	2014 €'000
Company			
As at 1 January 2014	2,818	-	2,818
Released/charged to statement of financial activities	(237)	-	(237)
Utilised during year	(403)	-	(403)
As at 31 December 2014	2,178	-	2,178

Notes to the Financial Statements (continued)

24 Details of borrowings

	2015 €'000	2014 €'000
Bank loans and overdrafts		
Group		
Current		
Overdraft	**252**	14
Bank loan	**870**	851
	1,122	865
Non-current		
Bank loan	**14,771**	15,738
	15,893	16,603

Maturity analysis **Current year**	**Within one year €'000**	**Between one & five years €'000**	**After five years €'000**	**Total €'000**
Group				
Indebtedness repayable other than by instalments				
Bank overdraft	252	-	-	252
Indebtedness repayable by instalments				
Bank loans	870	14,771	-	15,641
Total	1,122	14,771	-	15,893

Maturity analysis **Prior year**	**Within one year €'000**	**Between one & five years €'000**	**After five years €'000**	**Total €'000**
Indebtedness repayable other than by instalments				
Bank overdraft	14	-	-	14
Indebtedness repayable by instalments				
Bank loans	851	15,738	-	16,589
Total	865	15,738	-	16,603

24 Details of borrowings (continued)

	2015 €'000	2014 €'000
Bank loans and overdrafts		
Company		
Current		
Overdraft	**3,173**	-
Bank loan	**500**	500
	3,673	500
Non-current		
Bank loan	**13,400**	13,884
	17,073	14,384

Maturity analysis Current year	**Within one year €'000**	**Between one & five years €'000**	**After five years €'000**	**Total €'000**
Company				
Indebtedness repayable other than by instalments				
Bank overdraft	3,173	-	-	3,173
Indebtedness repayable by instalments				
Bank loans	500	13,400	-	13,900
Total	3,673	13,400	-	17,073

Maturity analysis Prior year	**Within one year €'000**	**Between one & five years €'000**	**After five years €'000**	**Total €'000**
Indebtedness repayable other than by instalments				
Bank overdraft	-	-	-	-
Indebtedness repayable by instalments				
Bank loans	500	13,884	-	14,384
Total	500	13,884	-	14,384

Notes to the Financial Statements (continued)

24 Term loans (continued)

Security

Group

At the year end, the overdraft facilities and long term loans with Allied Irish Banks plc of €16.9m, of which €13.9m was drawn down and outstanding at year end, were secured by a debenture creating a fixed charge over the premises at Roslyn Park, Sandymount, Dublin 4, and the premises at Park House, Stillorgan, County Dublin. Bank overdrafts are repayable on demand. The long term loans carry an interest rate of 3.865% (2014: 3.082%). It is repayable on the sale of the premises at Roslyn Park, Sandymount and Park House, Stillorgan. There are a number of special conditions and covenants in place which have been complied with to date.

Overdraft facilities with Bank of Ireland in the amount of €0.8m are secured by way of a first legal charge over Unit 2, Parkmore Business Park, Galway.

An overdraft facility of Stg£250,000 with Royal Bank of Scotland (RBS) is secured by a bond and floating charge over the assets of Momentum Scotland Limited and its direct subsidiaries Momentum Care Limited and Haven Products Limited.

Momentum Scotland has one term loan with RBS with balances outstanding at year end totalling £226,507. These were used to purchase the Momentum Scotland head office at Pavilion 7, Watermark Park, 325 Govan Road, Glasgow G51 2SE and are secured by way of a floating charge over the assets of Momentum Scotland and its subsidiaries and a standard charge on the head office. The term loans carry an interest rate of 4.26% (2014: 4.26%). They are repayable over the next three years by instalments.

The Chaseley Trust has a term loan outstanding of Stg£1.1m with HSBC. This loan is secured by way of a legal mortgage over the freehold property of the Chaseley Trust known as South Cliff, Eastbourne, East Sussex. In addition, HSBC holds a floating charge over the assets of the Chaseley Trust. The term loan carries an interest rate of Sterling base rate + 2% (2014: Sterling base rate + 2%). It is repayable over the next 5 years by instalments.

The Group has net cash including cash at bank and overdrafts of €3.6m (2014: net cash €7.2m). The Group's practice is to match the maturity profile of debt used to finance significant capital projects with the inflows from those projects. In addition, the Group normally fixes a portion of debt at fixed rates for periods of up to one year thus securing a stable borrowing cost for each financial year.

The main foreign exchange risk arises from the management of the Group's results and net investments in the United Kingdom. This is managed on a non speculative basis. The Group does not hedge currency translation exposures. The Group did not enter into foreign exchange contracts during the year.

The Rehab Group has given guarantees to the Bank of Ireland of €3.4m on behalf of Rehab Glassco Limited. These guarantees cover facilities which have been used to finance the expansion and upgrading of the glass recycling facility in Naas, County Kildare, and are secured by:

- A floating debenture over the assets and undertakings of Rehab Glassco Limited.
- First legal mortgage/charge over the property at recycling facility Osberstown, Naas, Co. Kildare comprising 2.47 acres registered in the name of Rehab Glassco Limited.
- First legal mortgage/charge over the property at Unit 2, Parkmore Industrial Estate, Galway, registered in the name of the Rehab Group.

Contribution agreements are in place with Green Strand Holdings Limited for 50% of any amounts that may become due under the Group guarantee.

Under the terms of grant agreements with local authorities, the company's subsidiary, Newgrove Housing Association, an approved housing body, is obliged to maintain the properties and has made provision for this obligation in line with recommended practice of the Irish Council for Social Housing.

24 Term loans (continued)

Company

The overdraft facilities and long term loans with Allied Irish Banks plc of €16.9m of The Rehab Group of which €13.9m was drawn down and outstanding at year end, are secured by a legal charge over premises at Roslyn Park, Sandymount Dublin 4.

The Company has given guarantees in relation to the €0.8m overdraft facility with Bank of Ireland and €3m overdraft with Allied Irish Banks plc. Bank overdrafts are repayable on demand. The long term loans carry an interest rate of 3.865% (2014: 3.082%). It is repayable on the sale of the premises at Roslyn Park, Sandymount and Park House, Stillorgan. There are a number of special conditions and covenants in place which are being complied with.

25 Movement in funds

	Balance at 1 January 2015 €'000	Foreign currency €'000	Incoming resources €'000	Outgoing resources €'000	Transfers €'000	Balance at 31 December 2015 €'000
Current Year						
Group						
Restricted						
HSE capital grants	3,385	–	86	(111)	(571)	2,789
JP McManus grants	3,655	–	–	–	(66)	3,589
Housing grants	10,853	–	643	–	(1,332)	10,164
The Chaseley Trust	2,425	95	83	(120)	–	2,483
The Great Book	228	–	–	–	–	228
Department of Education	1,131	–	–	–	(189)	942
Other	977	66	2,717	(2,104)	(57)	1,599
Total restricted funds	22,654	161	3,529	(2,335)	(2,215)	21,794
Unrestricted						
General:						
Donated asset reserve	330	-	-	-	-	330
Unrealised gain on revaluation of property	-	8	-	–	–	8
Other general funds	19,766	(31)	158,231	(159,544)	3,053	21,475
Total general funds	20,096	(23)	158,231	(159,544)	3,053	21,813
Designated						
Fixed asset fund	11,906	-	121	(108)	(838)	11,081
Total unrestricted funds	32,002	(23)	158,352	(159,652)	2,215	32,894
Total funds	54,656	138	161,881	(161,987)	-	54,688

Notes to the Financial Statements (continued)

25 Movement in funds (continued)

	Balance at 1 January 2015 €'000	Incoming resources €'000	Outgoing resources €'000	Transfers €'000	Balance at 31 December 2015 €'000
Current year					
Company					
Restricted					
HSE capital grants	2,954	-	-	(571)	**2,383**
JP McManus grants	3,655	-	-	(66)	**3,589**
The Great Book	227	-	-	-	**227**
Department of Education	1,132	-	-	(189)	**943**
Total restricted funds	7,968	-	-	(826)	**7,142**
Unrestricted					
General:					
Donated asset reserve	330	-	-	-	**330**
Unrealised gain on revaluation of property	3,907	-	-	-	**3,907**
Other general funds	11,162	5,495	(11,963)	1,158	**5,852**
Total general funds	15,399	5,495	(11,552)	1,158	**10,089**
Designated					
Fixed asset fund	5,526	-	-	(332)	**5,194**
Total unrestricted funds	20,925	5,495	(11,552)	826	**15,283**
Total funds	28,893	5,495	(11,552)	-	**22,425**

25 Movement in funds (continued)

	Balance at 1 January 2014 €'000	Foreign currency €'000	Incoming resources €'000	Outgoing resources €'000	Transfers €'000	Balance at 31 December 2014 €'000
Prior year						
Group						
Restricted						
HSE capital grants	3,722	-	383	(113)	(607)	3,385
JP McManus grants	3,703	-	18	-	(66)	3,655
Housing grants	11,369	-	-	-	(516)	10,853
The Chaseley Trust	2,294	162	91	(122)	-	2,425
The Great Book	-	-	228	-	-	228
Department of Education	1,320	-	-	-	(189)	1,131
Other	890	49	2,870	(2,827)	(5)	977
Total restricted funds	23,298	211	3,590	(3,062)	(1,383)	22,654
Unrestricted						
General:						
Donated asset reserve	330	-	-	-	-	330
Unrealised gain on revaluation of property	(335)	10	-	-	-	(325)
Other general funds	20,558	(27)	157,288	(161,461)	3,733	20,091
Total general funds	20,553	(17)	157,288	(161,461)	3,733	20,096
Designated						
Fixed asset fund	14,142	114	105	(105)	(2,350)	11,906
Total unrestricted funds	34,695	97	157,393	(161,566)	1,383	32,002
Total funds	57,993	308	160,983	(164,628)	-	54,656

Notes to the Financial Statements (continued)

25 Movement in funds (continued)

	Balance at 1 January 2014 €'000	Incoming resources €'000	Outgoing resources €'000	Transfers €'000	Balance at 31 December 2014 €'000
Prior year					
Company					
Restricted					
HSE capital grants	3,264	297	-	(607)	2,954
JP McManus grants	3,703	18	-	(66)	3,655
The Great Book	-	227	-	-	227
Department of Education	1,320	1	-	(189)	1,132
Total restricted funds	8,287	543	-	(862)	7,968
Unrestricted					
General:					
Donated asset reserve	330	-	-	-	330
Unrealised gain on revaluation of property	3,907	-	-	-	3,907
Other general funds	10,635	5,918	(6,578)	1,187	11,162
Total general funds	14,872	5,918	(6,578)	1,187	15,399
Designated					
Fixed asset fund	5,851	-	-	(325)	5,526
Total unrestricted funds	20,723	5,918	(6,578)	862	20,925
Total funds	29,010	6,461	(6,578)	-	28,893

25 Movement in funds (continued)

Restricted funds

HSE capital grants: Represents capital grants received from the HSE for capital projects where specific grant agreements exist. Transfers are made from this fund to the general fund in line with the terms of the grant agreement.

JP McManus grants: Represents monies received for two specific capital projects in Limerick and transfers are made to the general fund which equate to the annual depreciation charge incurred on those assets.

Housing grants: represents funds received under the Capital Assistance Scheme for social housing in Ireland and transfers are made to the general fund in accordance with the terms of the mortgage agreements attaching to the specific properties.

The Chaseley Trust: Represents assets held in the Chaseley Trust under a permanent endowment and no transfers are made to the general fund.

The Great Book: Represents the funds received from the sale of the Great Book and is restricted for use in the development of a lasting legacy for people with a disability in the arts.

Department of Education: Represents a capital grant received for the building Redhill School in Limerick and transfers are made to the general fund which equate to the annual depreciation charge incurred on the asset.

Other: Represents various other restricted grants or donations given for a specific purpose.

Donated asset reserve: Represents a residential property in Cork bequeathed to the organisation for use by service users.

Designated Funds

This represents capital grants received by the organisation towards the development of specific assets. Transfers to the general fund are made which equate to the annual depreciation charge incurred on those assets.

26 Operating leases

Group

Operating leases charged in arriving at the surplus attributable to the Group amounted to €4.9m (2014: €4.4 million).

Obligations payable at 31 December 2015 on operating lease agreements in place at 31 December 2015, amounted to €8.6m (2014: €9.2 million) analysed as follows:

	2015 €'000	2014 €'000
Leases expiring less than 1 year	**2,816**	2,914
Leases expiring two to five years	**3,294**	3,310
Leases expiring after five years	**2,537**	3,018
	8,647	9,242

Notes to the Financial Statements (continued)

27 Net cash provided by/(used in) operating activities

	2015 €'000	2014 €'000
Net expenditure for the year – parent and subsidiary undertakings	**(106)**	(3,645)
Share of resources in associate and joint venture undertakings	**(1,569)**	(1,803)
(Profit)/loss on disposal of fixed assets	**-**	(24)
Net interest costs	**652**	490
Taxation charge	**439**	90
Taxation paid	**(216)**	(64)
Depreciation charge	**3,697**	3,967
Distributions received from associate company	**1,267**	1,552
(Decrease)/increase in provision for liabilities and charges	**(426)**	835
Amortisation of goodwill	**70**	85
Impairment of goodwill	**670**	-
(Increase)/decrease in stocks	**(79)**	(123)
Decrease in debtors	**3,857**	1,513
Decrease in creditors	**(8,308)**	(4,871)
Non cash foreign exchange	**(333)**	(251)
Net cash used in operating activities	**(385)**	(2,249)

28 Analysis of cash and cash equivalents

	31 December 2015 €'000	31 December 2014 €'000
Cash at bank and in hand	**19,523**	23,815
Overdraft facility repayable on demand	**(252)**	(14)
Total cash and cash equivalents	**19,271**	23,801

Debt	31 December 2015 €'000	31 December 2014 €'000
Loans due within one year	**(870)**	(851)
Loans due after one year	**(14,771)**	(15,738)
	(15,641)	(16,589)
Net cash	**3,630**	7,212

29 Reconciliation of net cash and cash equivalents to movement in net funds

	31 December 2015 €'000	31 December 2014 €'000
Decrease in cash during period	**(4,530)**	(8,376)
Repayments of borrowings	**948**	647
Movement in net cash for period	**(3,582)**	(7,729)
Net cash at start of year	**7,212**	14,941
Net cash at end of year	**3,630**	7,212

30 Contingent liabilities

Capital grants

The Group receives grants towards capital expenditure. Such grants are credited to the Statement of Financial Activities in the year they are received in either restricted or unrestricted funds in accordance with the grant agreement.

If certain circumstances occur (the most significant of which is that the Group company which received the grants ceases to use the assets to which the grants relate), a certain proportion of these grants could be repayable. The amount repayable should these circumstances have arisen at 31 December 2015 would have been €21.8m (2014: €22.7m).

The Group's insurers are currently reviewing two product quality claims against a group company. It is the opinion of the directors that neither the entity nor the Group will be held liable for these claims, or should it be held liable that it will be covered by the insurance policy in place and, hence, that the likelihood of economic outflows is remote.

Notes to the Financial Statements (continued)

31 Directors' remuneration, loans and shareholdings

The Directors did not receive any emoluments or compensation either from Rehab Group or any subsidiary or associate undertakings during the current or previous year. Neither the Group nor any subsidiary or associate company made any contributions to retirement benefit schemes on behalf of the Directors during the current or previous year.

No fees were paid to any Director either by The Rehab Group or any subsidiary or associate company during the year.

€34,011 (2014: €30,983) has been incurred by the Directors during the year as vouched expenses. No other transactions took place between the Directors and the Group or any subsidiary, associate or joint venture. No Directors hold shares in any of the Group companies. No loans have been granted by the Group to any of the Directors. Neither The Rehab Group nor any of its subsidiary or associate companies made payments direct to a third party on behalf of Directors. The table below summarises vouched expenses incurred by the Directors which were incurred on travel, subsistence and accommodation.

	€
J. Brereton	-
S. Egan (UK)	5,718
N. Hyland	-
J. Smith	3,998
S. Wrigley-Howe (UK)	10,436
M. Williams	-
D. Went	-
D. Tallon	-
P. Salmon (UK)	10,373
K. Marshall	-
M. Martin	1,161
S. McHugh	-
B. Nevin	-
F. Ross	609
K. O'Higgins	66
A. Kelly	1,650
Total	34,011

The Rehab Group has arranged Directors and Officers Liability Insurance for the Directors of the Company and all subsidiary companies.

Other than as shown above, any further required disclosures in sections 305 and 306 of the Companies Act 2014 are nil for both financial years.

32 Guarantees

Group and Company

The Company has granted an irrevocable guarantee to Rehab Foundation Limited in respect of liabilities and losses referred to in Section 357(1)(b) of the Companies Act 2014 which may arise or are likely to arise in respect of the financial year of Rehab Foundation Limited commencing on 1 January 2015 and ending on 31 December 2015.

Rehab Foundation Limited is consolidated in these financial statements and is availing of the exemptions granted under Section 357 of the Companies Act 2014.

The Rehab Group, has given a guarantee to Allied Irish Banks plc in respect of a global overdraft facility of €3.0m on behalf of certain Irish subsidiary companies.

The Rehab Group has given guarantees to the Bank Ireland of €0.8m (2014: €0.8m) on behalf of its subsidiary company Rehab Enterprises Limited.

The Rehab Group has given guarantees to the Bank of Ireland of €3.4m (2014: €3.6m) on behalf of Rehab Glassco Limited. These guarantees cover facilities which have been used to finance the expansion and upgrading of glass recycling facilities in Naas, County Kildare. Contribution agreements are in place with Greenstrand Holdings Limited for 50% of any amounts that may become due under these guarantees.

The Rehab Group has given a guarantee to The Secretary of State for Work and Pensions in the United Kingdom guaranteeing due performance of a contract engaging its subsidiary Momentum Scotland as a prime contractor to deliver a Work Choice Contract CPA1, Highlands, Islands, Clyde Coast and Grampian.

The Rehab Group has given a guarantee to the Chief Executive of Skills Funding and The Secretary of State for Education Funding in respect of delivery of education and training services by its subsidiary Acorn Training Consultants Limited.

The Rehab Group is a joint guarantor with the Central Remedial Clinic on a lease relating to the offices of its associate company, The Care Trust, comprising part of a premises at College Road, Blackrock, Co. Dublin. The annual rent is €48,000 and the lease term is due to expire on 31 May 2017.

Rehab Jobfit LLP is jointly owned by The Rehab Group and Interserve plc. and is a prime contractor with the Secretary of State for Work and Pensions in the United Kingdom. As a part of the contract, Interserve plc has entered into a deed of guarantee under which Interserve guarantees certain obligations of the prime contractor. In support of this guarantee, The Rehab Group has indemnified Interserve plc in respect of 50% of any losses arising under this guarantee.

The Rehab Group has given a guarantee to Scottish Enterprise to pay all rents and other sums and to perform and fulfill all other obligations that may become due in the event that the subsidiary company Haven Products Limited is unable to fulfil the terms of a lease for the property at Block 6, Central Park, Larbert, Scotland.

The Rehab Group has given a guarantee to Scottish Enterprise pursuant to a grant in the amount of Stg£100,000 awarded to Protective Technology Solutions Limited and Haven Products Limited in the event that Scottish Enterprise seek repayment of said grant.

33 Capital commitments

Capital expenditure approved at 31 December 2015 and not provided in these financial statements is estimated at €0.9m (2014: €2.5m), of which €0.3m (2014: €0.4m) had been contracted at the balance sheet date and for which capital grants and bequests of €0.3m (2014: €2.1m) have been received.

Notes to the Financial Statements (continued)

34 Related party transactions

Group

The Directors have availed of the exemption under FRS 102 Section 33 “Related Party Disclosures” which permits qualifying subsidiaries of an undertaking not to disclose details of transactions between Group entities that are eliminated on consolidation. Transactions with Directors are disclosed in note 31.

Rehab Glassco Limited is related by virtue of being a joint venture. During the year the Group charged €120,000 (2014: €120,000) in respect of the recharge of expenses. There is a trade related balance receivable from Rehab Glassco Limited at year end amounting to €78,993 (2014: €135,088).

Details in respect of transactions with associates are discussed in note 18.

The Rehab Group has a limited liability partnership with Interserve plc which is operated through Rehab Jobfit LLP. During the year, TBG Learning Limited entered into a number of transactions with Rehab Jobfit LLP. TBG Learning Limited is a 100% subsidiary of The Rehab Group and it acts as a sub-contractor in respect of services provided by Rehab Jobfit LLP. In respect of these sub-contracts £1,739,907 (2014: £1,225,561) was recorded as revenue by TBG Learning Limited in the year. In addition, TBG Learning Limited operate a management services agreement with Rehab Jobfit LLP in respect of the provision of specified services to Rehab Jobfit LLP, including finance, premises, quality, health and safety services. Amounts charged by TBG Learning Limited under this agreement during the year amounted to £356,353 (2014: £477,958). Amounts due from Rehab Jobfit LLP at 31 December 2015 were £221,696 (2014: £202,108).

There were no related party transactions (other than remuneration – note 12) with key management personnel (defined as the Directors and the GMT). The Directors who served during the period are listed in the Directors’ Report. Those staff who were members of the GMT during the year are listed below:

M. Flynn	P. Murphy
L. Bayfield	P. Newnham
L. Bird	C. O’Neill
P. Brammall	N. O’Reilly
S.J. Dillon	K. Poole
G. Merrigan	D. Whyte

Two former employees’ details have been redacted from this table as they withdrew their consent of disclosure of details to third parties that might identify them. Their remuneration is included within note 12.

Company

The directors have availed of the exemption under Section 33.1A of FRS102 in respect of transactions entered into between two or more members of a group as all parties to such transactions are wholly owned members of that group.

Details in respect of transactions with associates are discussed in note 18.

35 Investment in group undertakings

	Shareholdings Direct %	Through subsidiary %	Company /Charity Number	Principal activity
Incorporated in the Republic of Ireland				
National Learning Network Limited	100	-	248453	Services
Rehab Enterprises Limited	100	-	216680	Manufacturing/services
RG Recycle Holdings Limited	-	51	477078	Holding
Rehab Glassco Limited	-	51	365472	Glass recycling
RehabCare*	-	-	282889	Services
Newgrove Housing Association Limited*	-	-	308429	Housing association
Rehab Foundation Limited	100	-	17662	Dormant
Rehab Lotteries Limited	100	-	123795	Listed for voluntary strike off
Rehab Net Games Limited	-	100	269951	Listed for voluntary strike off
The Care Trust Limited	50	-	45561	Lottery promotions/fund-raising
Conquer & Care Lotteries Limited	-	50	146107	Dissolved
The Polio Fellowship of Ireland*	-	-	24172	Services
Stepping Out (Athlone) Limited^	-	-	353820	Services
Clashganna Mills Trust Limited^	-	-	115934 /CHY7213	Listed for voluntary strike off
Incorporated in the UK				
Momentum Scotland*	-	-	SC127950 /SC004328	Services
Haven Products Limited	-	100	SC023852/SC018094	Manufacturing/services
Momentum Care Services^	-	-	SC182092 /SC029767	Services
Rehab Group Services Limited	100	-	2989817	Holding
Rehab UK*	-	-	3005672 /1043839	Dormant
Rehab^	-	-	2725214	Fund-raising
TBG Learning Limited	-	100	2236017	Training

Notes to the Financial Statements (continued)

35 Investment in group undertakings (continued)

	Shareholdings			
	Direct %	Through subsidiary %	Company /Charity Number	Principal activity
Incorporated in the UK				
The Chaseley Trust*	-	-	4344486 /1090579	Holds property in trust
The Chaseley Trust*	-	-	4344486 /1090579	Services
Conquer and Care (N.I.) Limited	-	50	NI 029102	Dissolved
Rehab JobFit LLP	51	-	OC361645	Training and employment service
Acorn Training Consultants Limited	-	100	03182459	Training
Protective Technology Solutions Limited	-	100	SC455458 /SC044325	Dormant
Redrock Document Processing Services Limited	-	100	08174293 /SC044839	Dormant
Incorporated in the Kingdom of Saudi Arabia				
Saudi Rehab Group Services Co. LLC	-	100		Services

*A company limited by guarantee and not having a share capital. Rehab controls the composition of the majority of its board

^A company limited by guarantee and not having a share capital

The following companies which were formerly subsidiaries have completed a voluntary strike off:

- Rehab Holdings Limited
- Rehab Scotland Limited
- Rehab Net Games Limited
- TBG Education

35 Investment in group undertakings (continued)

	Income €'000	Performance Expenditure €'000	Surplus / (Deficit) €'000
Incorporated in the Republic of Ireland			
National Learning Network Limited	44,105	40,812	3,293
Rehab Enterprises Limited	18,797	19,373	(576)
RehabCare	49,233	49,192	41
Newgrove Housing Association Limited	1,217	857	360

	Income £'000	Performance Expenditure £'000	Surplus / (Deficit) £'000
Incorporated in the UK			
Momentum Scotland (£)	5,029	4,887	142
Haven Products Limited	2,975	2,896	79
Momentum Care Services	929	1,335	(406)
Rehab	553	321	232
TBG Learning Limited	2,514	3,596	(1,082)
The Chaseley Trust	2,805	4,234	(1,429)
Rehab JobFit LLP (Rehab's share)	8,875	8,120	755
Acorn Training Consultants Limited	2,057	2,037	20
Protective Technology Solutions Limited	1,774	1,727	47
Redrock Document Processing Services Limited	1,454	1,572	(118)

	SAR'000	SAR'000	SAR'000
Incorporated in the Kingdom of Saudi Arabia			
Saudi Rehab Group Services Co. LLC (SAR)	12,159	9,438	2,721

Notes to the Financial Statements (continued)

35 Investment in group undertakings (continued)

	Assets €'000	Position Liabilities €'000	Funds €'000
Incorporated in the Republic of Ireland			
National Learning Network Limited	16,914	4,532	12,272
Rehab Enterprises Limited	7,270	8,254	(984)
RehabCare	7,050	5,488	1,562
Newgrove Housing Association Limited	12,693	1,193	11,500
The Polio Fellowship of Ireland	6,232	327	5,905

	Assets £'000	Position Liabilities £'000	Funds £000
Incorporated in the UK			
Momentum Scotland	2,969	1,348	1,621
Haven Products Limited	1,799	1,392	407
Momentum Care Services	506	605	(99)
Rehab Group Services Limited	1,535	1,462	73
Rehab	2,070	251	1,819
TBG Learning Limited	2,153	4,659	(2,506)
The Chaseley Trust	3,284	1,662	1,622
Conquer and Care (N.I.) Limited	-	-	-
Rehab JobFit LLP	1,184	1,116	68
Acorn Training Consultants Limited	442	187	255
Protective Technology Solutions Limited	384	561	(177)

	SAR'000	SAR'000	SAR'000
Incorporated in the Kingdom of Saudi Arabia			
Saudi Rehab Group Services Co. LLC (SAR)	12,081	3,013	9,068

35 Investment in group undertakings (continued)

The registered office of the subsidiaries and related companies in the Republic of Ireland is Roslyn Park, Sandymount, Dublin 4 D04 FH28, except as noted below and the registered offices of UK subsidiaries are noted below:

The Care Trust Limited	71-73 College House, Rock Road, Blackrock, Co Dublin
Rehab Glassco Limited	Unit 4, Osberstown Business Park, Carragh Road, Naas, Co. Kildare
Conquer and Care Lotteries Limited	Park House, Stillorgan Grove, Stillorgan, Co Dublin
Momentum Scotland	Pavilion 7, Watermark Park, 325 Govan Road, Glasgow, G51 2SE
Haven Products Limited	Pavilion 7, Watermark Park, 325 Govan Road, Glasgow, G51 2SE
Momentum Care Services	Pavilion 7, Watermark Park, 325 Govan Road, Glasgow, G51 2SE
Redrock Document Processing Services Limited and Protective Technology Solutions Limited	Lamberhead Industrial Estate, Kilshaw Street, Pemberton, Wigan, Lancashire, WN5 8EA
Rehab Group Services Limited	145 Great Charles Street, Birmingham B3 3LP
TBG Learning Limited	145 Great Charles Street, Birmingham B3 3LP
The Chaseley Trust	Chaseley, South Cliff, Eastbourne, East Sussex, BN20 7JH
Rehab UK	145 Great Charles Street, Birmingham B3 3LP
Rehab	145 Great Charles Street, Birmingham B3 3LP
Rehab JobFit LLP	Interserve House, Ruscombe Park, Twyford, Reading, Berkshire, RG10 9JU
Acorn Training Consultants Limited	145 Great Charles St., Birmingham B3 3LP
Saudi Rehab Group Services Co. LLC	Riyadh, Kingdom of Saudi Arabia

Notes to the Financial Statements (continued)

36 Retirement benefit cost

The Rehab Group operates defined contribution pension schemes for employees.

The retirement benefit costs in the financial statements represent the contribution payable by the Group during the year.

The regular cost of providing retirement pensions and related benefits is charged to the Statement of Financial Activities over the employee's service lives on the basis of a constant percentage of earnings. The Group's contributions to the scheme amounted to €5,916,000 (2014: €4,847,000). Contributions payable at the year end amounted to €525k (2014: €573k).

37 Financial instruments

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

	2015 €'000	2014 €'000
Group		
Financial assets that are equity instruments measured at cost less impairment		
Unlisted fixed asset investments	**208**	189
Financial assets that are debt instruments measured at amortised cost		
Trade debtors	**11,336**	13,446
Amounts owed by related parties	**79**	135
Cash at bank and in hand	**19,523**	23,815
Financial liabilities measured at amortised cost		
Trade creditors	**4,902**	5,890
Bank loans and overdrafts	**15,893**	16,603

	2015 €'000	2014 €'000
Company		
Financial assets that are equity instruments measured at cost less impairment		
Unlisted fixed asset investments	**210**	189
Financial assets that are debt instruments measured at amortised cost		
Trade debtors	**127**	-
Amounts owed by subsidiary companies	**11,447**	13,383
Cash at bank and in hand	**2,618**	5,619
Financial liabilities measured at amortised cost		
Trade and other creditors	**496**	672
Bank loans and overdrafts	**17,073**	14,384

38 Comparatives

Certain comparatives have been re-grouped and re-stated where necessary for classification and comparative purposes and as a result of the transition to FRS102.

39 Transition to FRS102 and Charities SORP (FRS 102)

This is the first year that the Group has presented its results under FRS 102 and Charities SORP (FRS102). The last financial statements under Irish GAAP and Charities SORP (2008) were for the year ended 31 December 2014. The date of transition to FRS 102 was 1 January 2014. Set out below are the effect of the changes in accounting policies which reconcile results for the financial year ended 31 December 2014 and funds as at 1 January 2014 and 31 December 2014 between Irish GAAP as previously reported and FRS 102 and Charities SORP (FRS102).

Reconciliation of funds	**1 Jan 2014 €'000**	**31 Dec 2014 €'000**
Total Funds (as previously stated)	120,614	114,554
Revaluation of property at 1 January 2014	(65,233)	(65,233)
Depreciation on revaluation (restated)	2,612	5,335
Total funds (restated) at 1 January 2014	57,993	54,656

	Financial year ended 31 December 2014		
Reconciliation of net incoming /(outgoing) resources	**As previously stated €'000**	**Effect of transition €'000**	**Under FRS 102 €'000**
Income and endowments	159,180	-	159,180
Expenditure	(163,102)	2,723	(160,379)
Net (outgoing) /incoming resources before exceptional items	(3,922)	2,723	(1,199)
Associates and JV's	1,803	-	1,803
Exceptional items	(4,249)	-	(4,249)
Exchange movements	308	-	308
Net (outgoing) /incoming resources before transfers	**(6,060)**	**2,723**	**(3,337)**
Transfer between funds	-	-	-
Net movement in funds	**(6,060)**	**2,723**	**(3,337)**

Prior to FRS 102, the Group did not make provision for holiday pay earned but not taken up before the financial year end date. FRS 102 requires this to be provided, however the Group's holiday year is coterminous with the year end so the accrual is immaterial.

The Group has not applied paragraph 20.15A to lease incentives where the term of the lease commenced before the date of transition to FRS 102. It has continued to recognise any residual benefit or cost associated with these lease incentives on the same basis that applied at the date of transition to FRS 102.

The Group is applying the exemption in respect of restating business combinations acquired prior to the transition date.

Intangible assets included in goodwill arising from acquisitions prior to the transition date have not been separately recognised.

Under previous Irish GAAP, the Group had a policy of revaluing land and buildings. On transition to FRS 102, the Group has elected to use a valuation obtained on 1 January 2014, the date of transition, as the deemed cost of land and buildings.

The cost of land and buildings has been reduced by €65,233,000 as a result of the change in accounting policy. This reduced cost resulted in a €5,335,000 reduction in accumulated depreciation for the year ended 31 December 2014. This net reduction of €59,898,000 is the transition adjustment following the revaluation of property at 1 January 2014.

Notes to the Financial Statements (continued)

39 Transition to FRS102 and Charities SORP (FRS 102) (continued)

Prior to FRS 102, deferred tax was not recognised on revaluation of property. Under FRS 102 deferred tax of €nil has been recognised as Rehab Group is a charity.

The Statement of Cash Flows reflects the presentation requirements of FRS 102, which is different to that prepared under FRS 1. In addition, the statement of cash flows reconciles to cash and cash equivalents whereas under previous Irish GAAP the cash flow statement reconciled to cash. Cash and cash equivalents are defined in FRS 102 as 'cash on hand and demand deposits and short term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value' whereas cash was defined in FRS 1 as 'cash in hand and deposits repayable on demand with and qualifying institution, less overdrafts from any qualifying institution repayable on demand'. The FRS 1 definition was more restrictive.

40 Subsequent events

In April 2016 the Board placed the property at Roslyn Park, Sandymount on the market for sale. In addition the decision was taken that the Chaseley Trust would leave the Rehab Group and continue to operate as a stand alone charity. In making this decision it was agreed that the Rehab Group would make a cash contribution of up to £500k to the Chaseley Trust and forgive inter-company balances in an amount of £303k.

41 Approval of financial statements

The members of the Board of Directors approved the financial statements on 9 May 2016.

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