Thrive | Achieve | Shine

RehabGroup

Investing in People, Changing Perspectives

annual report 2017

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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 17,000 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.

Lisa Boylan, who uses the Smart Room in Park House in Stillorgan

I've so many friends here, it's such a good community of people.

The team are great, it's a lot of fun. I've been supported to live an independent life by exploring technology. I can watch TV and play music using technology.

I'm now able to communicate better. I'm able to text my friends on my mobile using Eye Gaze.

Our Vision:

We are a charity that champions the value of diversity and inclusion of 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 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:

Our values underpin all we do, shape who we are and how we work with one another, in our organisation and in the community:

- **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 changes, growth, trust in our organisation and in partnership with others, working together as one Rehab team

Rehab Group Board Members

Jimmy Tolan (Chairman of The Rehab Group) is currently the Chairman of CareChoice Group, a provider of residential services to older people. He has previously served as Head of Healthcare Advisory with PwC, as Chief Executive of VHI Healthcare and as Chief Executive Officer of Fyffes PLC.

Ann Duffy is a Chartered Accountant by profession and has been with Fyffes, a leading international importer and distributor of tropical produce, for over 25 years and is currently Director Corporate Affairs. She is a member of the Institute of Directors having successfully completed the Chartered Director Programme with the award of a Certificate and Diploma in Company Direction. Ann is currently an external member of the Trinity College Dublin Audit Committee.

Kevin Marshall is responsible for developing, designing and implementing education strategy for Microsoft Ireland. He has worked on public policy projects in technology curriculum design, and has served on the boards of a number of educational institutions. He has a strong personal interest in improving opportunities for people with a learning disability.

Seán McMahon, B.Ed, M. R.D. a graduate of MIC, Limerick and N.U.I.G. has had an extensive involvement in education throughout his professional career. Currently elected Deputy Chairperson of the Teaching Council, the professional standards body for the teaching profession which promotes and regulates professional standards in teaching. He was an elected member of the Irish Teachers Organisation Executive from 2007 - 2016 serving as INTO President in 2014/2015.

Stan McHugh has been involved in education and training all of his working life. He worked as a secondary school teacher until 1990, and since then as a senior educationalist in a number of Irish national agencies, including CERT, NCVA and FETAC, the Further Education and Training Awards Council, where he was chief executive for ten years, playing a central role in establishing and implementing the Irish National Framework of Qualifications.

Ian Brady is Head of the Institutional Advisory Group at Davy, where he advises institutions ranging from charities to corporations on how to preserve and grow their assets. A significant element of his work involves engaging with the non-profit entities he advises on financial strategies that can allow them to sustain and enhance their valuable mission. Ian has qualifications in business, finance, financial planning, law, corporate governance and non-profit financial stewardship.

John F. Smith is a Chartered Surveyor, based in Galway. He has significant experience in commercial and residential property, together with property management. He is a former President of Connacht Rugby, a former member of the I.R.F.U Committee and a past Chairman of the I.R.F.U. Charitable Trust. He has just finished a term as President of Galway Corinthians R.F.C. In the past seven years he has served as a member of The Rehab Group Board and as a member of the board of a number of its companies.

Robert Barker was appointed in September 2017, having served on the Audit and Risk Committee as an external member for the previous year. He is a Fellow of the Association of Chartered Certified Accountants and an Associate of the Institute of Taxation of England and Wales. He was, until his retirement, a tax partner in KPMG, specialising in Financial Services. Since retirement, he has been involved with a number of charitable organisations apart from Rehab Group.

Steven Wrigley-Howe has over thirty years' experience in management, consulting, and board membership in the public, private and non-profit sectors. He held a number of senior management posts in the NHS in the UK, including Head of Hospital Development in the NHS executive before developing a health care consultancy which he ran for almost a decade. He currently serves as a non-executive director and senior independent director on the Board of the Leeds and York Partnership NHS Foundation Trust, a specialist mental health and learning disabilities provider.

Left to right: Stan McHugh, Ian Brady, John F. Smith, Denise Lawler, Jimmy Tolan, Henry McGarvey, Ann Duffy, Noreen O'Kelly, \Robert Barker, Kevin Marshall, Conor Fottrell, Steven Wrigley-Howe, Sean McMahon & Helen Bunbury

Noreen O'Kelly, having qualified as a chartered accountant in KPMG, spent over eleven years in Independent News & Media plc, where she held a number of senior roles including group treasurer and company secretary. She then spent nine years in C&C Group plc as company secretary. She is now a consultant on corporate governance, and is a non-executive director of a number of companies and not-for-profit organisations.

Denise Lawler is Director of Midwifery programmes and Head of Midwifery in the School of Nursing and Midwifery, Trinity College Dublin. Denise completed her PhD studies and the title of her thesis is '(Re)constructing Myself: the process of transition to motherhood for women with a disability.' Denise is also a member and co-founder of the Meta-synthesis in Midwifery group (MMSG) in the School of Nursing and Midwifery, Trinity College Dublin and is a ministerial appointee to the board member of the Nursing and Midwifery Board of Ireland.

Conor Fottrell is a Partner in Mason Hayes & Curran solicitors in Dublin practising in Public & Administrative Law. He is a highly experienced litigation solicitor specialising in child & family law, healthcare law & mental health law. He is from Galway but living in Dublin and he is an Arts & Law graduate of NUI Galway. He has a keen interest in corporate governance and also serves as a member of the Governing Authority of NUI Galway.

Henry McGarvey is the Secretary/Financial Controller in Letterkenny Institute of Technology and prior to that was the Head of the Department of Computing and Creative Practices in Sligo Institute of Technology. Henry chairs the Donegal Clinical Academy Trust, is a member of the boards of An Grianan theatre in Letterkenny and Beaumont Hospital in Dublin, serves on the audit committee of Donegal County Council and is a member of the board of the Donegal Investment Group plc.

Henry has served on various boards including as a member of the boards of the IDA, the American Chamber of Commerce Ireland, Pramerica Systems Ireland Ltd. and Ilex (Northern Ireland)., as well as a Trustee of the Pramerica Pensions Fund. Henry completed an Executive Diploma in Corporate Governance from UCD in 2012 and holds a MSc. in Transport and Distribution from Cranfield University. He completed his primary degree in Commerce in NUIG, as well as a Masters' in Business Studies in NUIG.

Helen Bunbury has spent more than 25 years working in Financial Services, Legal, Public Services and NGO sectors. She has worked across UK, Ireland, Europe, Asia, Middle East, Caribbean and the Americas in senior executive roles, including COO, Chief Internal Auditor and Change Director, with a focus on business transformations, creating new businesses, finance and governance. Helen has completed the Chartered Director Programme and is currently a Non-Executive Director of a number of companies and not for profit organisations.

A Word from our Chairman

This is my second year as Chair of the Board of The Rehab Group, and I am proud to be reporting on another year of change, a year which has brought us closer to realising our strategic goals and to ensuring that the thousands of people who use our services every day are getting what they need.

Our role is not simply functional: we bring social value to the community and to society. Our work is underpinned by values and a mission to serve. We are not looking for special status, but we need to be sustainable if we are to continue to provide vital services in the community and society.

We face continuing challenges of which proper funding is the biggest. As a result, retaining staff in the face of the government's refusal to restore the funding cut during the austerity years is a significant issue for us. Like the public service, we were required to cut staff pay during the difficult years.

With public service pay being restored across the board, we have lobbied for the funding necessary to restore pay to our dedicated staff, and to ensure the future sustainability of our services. The government's response, that being a Section 39 organisation means our staff are not public servants and therefore not included in pay agreements, is not sufficient. It does however represent the crux of a major issue for an independent not-for-profit organisation like ours, which is the urgent need to develop a new framework for our relationship with the state, our main customer.

We are neither a state organisation nor a commercial company, but The Rehab Group nevertheless plays a vital role in the delivery of services for many thousands of vulnerable and voiceless people.

We were pleased when the Minister for Health, Simon Harris, announced the establishment of an Independent Review Group to examine the role and relationship of the voluntary health sector to the state. We were glad to have the opportunity to meet this Group and eagerly await their report in 2018.

By the time the Board reports for 2018, we will have re-launched ourselves with a new name and brand identity, and will have achieved another milestone on the road to achieving our aims.

I want to acknowledge the support and leadership provided by the Board. In 2017, a number of members of the Board retired. I would like to extend my personal thanks to Niamh Hyland, Assumpta Kelly, Maeve Martin, Patrick Salmon, Brendan Nevin and Mike Williams who have given their time and energy to re-building The Rehab Group and ensuring that we operate to the highest possible standards of governance and compliance.

I would also like to welcome the new members: Robert Barker, Ian Brady, Helen Bunbury, Ann Duffy, Conor Fottrell, Denise Lawler, Henry McGarvey and Sean McMahon.

Jimmy Tolan
Chairman

RehabGroup
Investing in People, Changing Perspectives

2017 – Thrive, Achieve, Shine

In 2017, we faced many challenges in terms of major transformation and organisational change and increasing financial uncertainty throughout The Rehab Group. Most significantly we began to see the full impact of the scale and size of the expansion of our care services on behalf of the state during the recessionary years.

We expanded by almost 20%, but have not been sufficiently funded to manage that cost. The HSE relied on us to meet new and growing needs of people with disabilities which they were unable to meet due to the moratorium on recruitment. Not being a public service organisation, we were free to recruit and we were willing to step up to meet that need.

But we have done this at a cost. Recruitment, training and ensuring that standards are met, is costly. So is governance, compliance and regulation. We are committed to the highest possible standards, and we are not willing to cut corners in the delivery of our services to vulnerable people. As a result, we faced financial challenges in 2017, challenges which are difficult for us to meet without a recognition by the state that more funding is needed.

In 2017, we told the HSE we could not sign the Service Level Agreement unless they funded us to restore the pay cut to our staff under FEMPI. The government refused, and we began a lobby of government and opposition politicians, to demonstrate the unfairness to our staff, who, having been required to carry the burden of FEMPI pay cuts, were then not rewarded with pay restoration, as public servants are. The campaign to secure pay restoration for our staff has continued beyond 2017.

Despite that, we have remained determined that the people who come to us get what they need. I am proud to report that in 2017 over 5,000 qualifications were achieved across various courses on offer in our learning centres throughout the country. Almost nine out of every ten people who completed programmes at our learning centres went on to a job or to further education and training. We are the largest employer of people with disabilities in Ireland and Scotland with over 350 people working for us across a range of enterprises.

Every month in 2017, over 3,000 people used our centres and 120 people lived in our supported accommodation. Our Carelink services support many people to stay at home and live independently.

In the UK, Momentum Care and Skills are providing supports for people with brain injury to return to work or training. In Scotland, more than 4,000 people were supported to get a job, or training, and Momentum also successfully bid to be the lead provider in Aberdeenshire for the new Fair Start welfare to work schemes, while being partners in other areas.

This year, finally, the Government ratified the United Nations Convention for the Rights of People with Disabilities (UNCRPD), after many years of lobbying.

As a leading charity championing the rights of people with disabilities, we very much welcome it. Although Ireland is the last country in the EU to ratify, it's better late than never! We look forward to seeing these rights in action in the future.

We are innovators and look to the future and its possibilities for people with disabilities. We are collaborating with partners in the world of assistive technology. We are developing an Autism Strategy to meet the needs of the growing number of people on the autism spectrum. In 2017, we appointed a Fundraising Manager who is working with our Centre Managers to grow our community fundraising potential. We are also matching our innovative spirit with corporate ambitions to fund new programmes and initiatives. I would like to acknowledge the long-standing work of The Care Trust, the fundraising company which we own jointly with the Central Remedial Clinic, which has been such an important source of support for our work. The strategic review which it began in 2017 is an important milestone for its future growth.

Finally, I want to thank all our incredibly hard working and committed staff for their dedication to our common purpose, which is to constantly seek to provide excellent services which foster and enhance social and economic independence for the people who use our services.

Mo Flynn

CEO

Anne Coyle, RehabCare

Some people only see the disability, but I am a mother and grandmother. I was very active and used to play a lot of golf before having a brain haemorrhage. I found I lost my independence. I came to the service and found it very supportive. It fills a great part of my day, otherwise I wouldn't be doing much at home. I'd just be sitting in a chair, but I'm far too young for that. There are a variety of activities, from photography to art. Everybody gets on with everybody else. We're all very supportive of each other. We rally around each other.

Senior Leadership Team, The Rehab Group







Left to right, top row to bottom row: ① **Mo Flynn – Chief Executive** ② **Catherine Whelan – Chief Operations Officer** ③ **Connie Kelleher – Director of Finance & Corporate Support** ④ **Kathleen O'Meara – Director of Communications, Public Affairs and Fundraising** ⑤ **Pauline Newnham – Director of Quality and Governance** ⑥ **Martina Behrendt – Director of People and Culture** ⑦ **Barry McGinn – Director of Business Development & Planning**

Objectives and Activities – 2017

Community Support, Learning and Employability

In 2017 , The Rehab Group progressed with the implementation of our 5 year strategy with a significant organisational restructure. This involved the merging of the managerial levels of RehabCare and National Learning Network, and the creation of a single unified structure in the UK, with three distinct regions in Ireland. Our clear ambition is to create a continuum of services in education/ training, community support (including supported accommodation) & employment, so that people can access them, when they need them, at any stage of their lives.

In parallel with this merging of our structures and the streamlining of our services, we appointed Group Heads of Community Support, Learning and Employability. These roles will drive the development and implementation of our agendas across the three areas of community support, learning and employability. We are determined to support best practice & the development of a unified framework for the development of our services across Ireland and the UK.

Consistent with the vision outlined in The Rehab Group's 5 year Strategy, we have embarked on a process to develop greater organisational capacity in a number of specialist areas.

Autism Strategy

18% of people accessing The Rehab Group services at present have a primary or secondary diagnosis of autism. In 2017, we progressed the development of an overall Autism Strategy for the organisation.

The specific purpose of this strategy is to enhance our expertise, resources and models of best practice; build external relationships; design, develop and grow innovative models of service and ensure our staff have the requisite skills to deliver high class, quality, technologically driven and personally enhancing services for people with Autism Spectrum Disorder.

The strategy is founded on a development of an integrated pathway of innovative services incorporating support, learning and employability. The development of this Strategy – a key organisational priority - supports the goals of integration and innovation set out in the overarching strategic plan, published in late 2015. By harnessing all of the existing strengths of the organisation, and planning a path forward, we have the opportunity to be at the forefront of service provision, and to enable the people using our services to maximise their own potential.

Neuro-Rehabilitation Strategy

Approximately 13% of NLN learners, and 21% of RehabCare service users, live with Neurological conditions. In our Momentum services in the UK, 1,039 people with an acquired brain injury are supported by our services each year. Brain Injury-specific services are currently provided by the organisation in Aberdeen and the Borders in Scotland, and Newcastle and Birmingham in the UK. Specialist rehabilitative services are provided to people with brain injuries and other neurological conditions in Galway, Mayo, Roscommon, Mullingar, Bantry, Dublin and Dunboyne in Ireland. A significant number of our generic services in Ireland and the UK provide support to people with Neurological conditions also.

Hence the need to develop an overall Neuro Rehabilitation Strategy and framework for the organisation, one which will build an integrated pathway of high quality rehabilitation focussed services. The development of this strategy embeds the goals of integration and innovation from the overarching group Strategic Plan. Given the organisation's size, geographical breadth and existing expertise, we are very well placed to further develop, enhance and replicate existing services, offering a full continuum of specialist, community based neuro rehabilitation services

As with autism, we are keen to develop a framework for an integrated pathway of services incorporating support, rehabilitation, learning and employability. In particular we want to bring together the skills of our people across neuro-psychology, training and education and technology innovation to develop and implement new models of service. From our experience across the two jurisdictions we see the opportunity to create a significant new model of vocational intervention that will open up opportunities for the many thousands of people experiencing the effects of brain injury.

Significant progress has been made against a number of these areas in autism and neuro-rehabilitation in the latter part of 2017 and will remain a key organisational priority in 2018.

Learning

In 2017, we continued our work with the creation and piloting of the Fresh Start Hybrid Model of Delivery and Assessment of QQI Level 3 Vocational Training Programme. This work will be rolled out further in 2018. This Hybrid Model has been developed so The Rehab Group can offer an innovative alternative to the current mechanism of delivery and assessment. The current assessment model was introduced in 2012 and is based on completing stand-alone modules through the use of assessment instrument specifications designed by FÁS.

The new Hybrid system of delivery and assessment integrates all seven modules over 3 project based assessments. This pilot was a result of collaboration between NLN and Louth Meath Education Training Board. An extensive evaluation was carried out throughout 2017 and results show that attendance rates and retention rates of learners during the pilot improved dramatically.

There was also a positive impact on certification rates, progression of learners, employment outcomes and other soft outcome observations, such as the overall improvement in learners' personal wellbeing.

JobStart Belmullet, Co. Mayo.

In 2017, Rehab Learning Mayo developed Jobstart, a supported vocational training programme located in Belmullet and funded by Mayo Sligo Leitrim ETB. The development of the service at a hub site was to address the needs of those living in more remote areas of Mayo who couldn't easily access our vocational programmes in Castlebar.

The programme is delivering vocational exploration, work related social skills, building to employment outcomes and QQI L4 certification for the 14 students who are currently midway through their programme. The programme was developed through a strong partnership of Rehab Learning, MSLETB, DSP, Employability Mayo, Udarás na Gaeltachta and the Local Employment Service Mayo. Discussions are underway to develop a similar programme in Ballina, Co. Mayo.

Contracted Training

The Rehab Group was successful in securing a place on the Multi-Supplier Contracted Training Services Framework Tender in 2017. The Rehab Group was ranked first of 18 technical categories across the four regions of Cork ETB; Donegal ETB; Louth & Meath ETB; Mayo, Sligo and Leitrim ETB. The delivery of these courses offer an opportunity for the Group to broaden its training offering across a range of technical categories.

Employability

Saudi Rehab Group Services (SRGS)

The SRGS team fully delivered the Group's contract with Human Resource Development Fund in Saudi Arabia. The consultancy work undertaken by SRGS focused primarily on the development of inclusive employment practices.

In Scotland

In Scotland our employability work expanded. Momentum Skills supported the Scottish Government as part of **Work First Scotland**, a one-year transition programme which placed 380 disabled customers into work from just under 1,000 referrals. Momentum were also the only Scottish sub-contractor to UK National providers RBLI & People Plus for all ergonomic and technical workstation assessment through the DWP Access To Work programme, approximately 1000 assessments per year. Haven PTS successfully secured a contract to supply suits to the Australian Defence Forces.

Objectives and Activities – 2017

New Directions

Our **Community Links** Projects in Cork and Kerry are based on a New Directions model of support, responding to individual needs of all service users that are referred to our services.

In Cork and Kerry, we found many service users with an intellectual disability or Autism Spectrum Disorder who reported a struggle in accessing appropriate services after leaving school or a training/education programme. These service users often found themselves in need of a service but without resources available to them in order to pursue their goals. Through our partnership with the HSE, the Links Project has been developed to address this need where each service user will access a team of community support workers who will work individually with them to address their needs and work towards helping them to achieve their desired outcomes.

Supported Self Directed Living within the community

In Donegal, we have developed an outreach community integration programme called SOAR, underpinned by theories of Supported Self Directed Living (SSDL) and the principles of New Directions. The programme encompasses two aspects:

- provision of person centred, individualised information and support across a range of personal development topics including health and wellbeing
- provision of opportunities within the community for forming networks of support such as friendships and membership of community groups etc.

This is a joint and innovative initiative between our Learning and Care Divisions, marshalling the expertise of both, in close cooperation and funded by the HSE and is a solid example of how we are designed and implementing integrated services across our divisions, consistent with our strategic ambition.

Connections in Mayo

Connections is a Person First, Community Inclusion service that supports people to enjoy an active self-determined role in their community. The service is underpinned by the ethos and values of person-centeredness; is guided by the vision of New Directions and uses the framework of SSDL to support people to identify personal and social goals and aspiration for life; to maximise their independence; to develop meaningful connected social roles and to build relationships and a network of natural and community supports that will sustain.

The **Connections** service was developed in 2017 as an integrated response to the needs of a group of young people who had completed their rehabilitative training service with NLN Castlebar and whom had identified Rehabcare as a progression pathway.

The Connections journey is a personal pathway which is wholly informed by the person's expressed wishes. The pathway they take; the activities they participate in; the services and amenities they engage with; the support network they develop; and the timelines for engagement are unique to the individual and determined by the person's dreams and goals.

Pioneers in Innovation

2017 saw a new step in The Rehab Group's innovation journey. We recognise the potential of new technologies to support the ambitions of the people who use our services. We have reached out beyond the organisation to grow our networks and maximise progress.

Phase 1 saw the start of a plan to create an innovation network, internally and externally. This phase included Rehab Group Technology and Innovation Meetups in collaboration with other organisations supported by Bank of Ireland and Microsoft.

The first event took place in the first quarter of 2017 at BOI, where both staff and people who use Rehab Group services could share their ideas and learn how technology can enhance the lives of the people who use our services. We had an impressive line-up of innovative guest speakers for this event, including:

- Kieran Hanrahan – The Rehab Group
- Stephen Howell - Academic Program Manager Microsoft
- Noelle Daly - Founder/Director Mobility Mojo
- Janice Valentine - Founder of Hack Access Dublin

Directly following this event, Rehab Group were confirmed as main charity partner of the accessibility event #Hack Access Dublin. The vision of **#Hack Access Dublin** is to enhance the quality of life of people with a disability through inclusion in society. Other supporters included Nissan Ireland, AHEAD, NCAD and UCD.

The Rehab Group's support included the creation of 6 systematic challenges for event attendees by The Rehab Group Innovation Pioneer, David Pollard. Together, The Rehab Group and Hack Access Dublin aimed to distil these problems into 6 tangible challenges that the start-up community could help solve.

These challenges had a balanced focus on the needs of those with a physical, cognitive, visual, and/or hearing disability. There was also a focus on education and how we as a community can encourage young people to take an interest in creating an inclusive society by solving challenges impeding that goal. The aim was to inspire and empower young people with a disability to get involved in the start-up community as a way to include them in the process of finding solutions to their challenges in order to thrive, achieve and shine.

Before this event took place in November, Meetup No2 was held at Microsoft to explore how assistive technology can improve the lives of the people who use our services.

The day included presentations, demonstrations and 3D printing and was supported by UCD Smartlab. The objective of #HackAccessDublin is to make Dublin inclusive to people of all abilities by hacking the access obstacles in our way.

The call to action was put out around the city. Engineers, developers, designers, urban innovators, entrepreneurs and anyone interested in innovation were invited to seize the opportunity to make an impact on the capital city.

Interviews with the Co-organisers can be viewed still.

- Facebook Live: **https://www.facebook.com/TheRehabGroup/**
- Twitter Live: **https://twitter.com/RehabGroup/status/925734895002927105**

Rehab Group's participation during the event was also high, with speakers, judges, volunteers and mentors.

According to data by ATOS, the event had a 23 million spread on social media over 13 days prior and including event. This included a 12 million spread on social media over 3 days during event. Data showed 549 unique influencers, with top social media influencers from Rehab Group:

#2 **David Pollard**: 5,441,027 spread

#9 **Mo Flynn**: 581,432 spread

Other supporters: Accenture, Smart Dublin, AHEAD, Girls in Tech, Neatebox, Google, Nissan Ireland, Dogpatch Labs

Hack Access Dublin will return the second weekend of November 2018 with Rehab Group once again the main charity partner. Detailed info: **http://www.hackaccessdublin.ie/**

Declan Convery,
Roslyn Park College, Sandymount

Before coming here life was difficult. I didn't have a job, my routine was all over the place. The centre is a great place to go to. I was doing the wellness course and moved into the culinary arts course. Things just started clicking into place for me. I am now a lot more focused and have confidence. I realised how to get back on track. My tutors Paul and Tony understood my situation and guided me through the difficult times. My goal is to work as a professional chef. At one stage I didn't think I'd be able to do that – I now believe I can achieve that goal.

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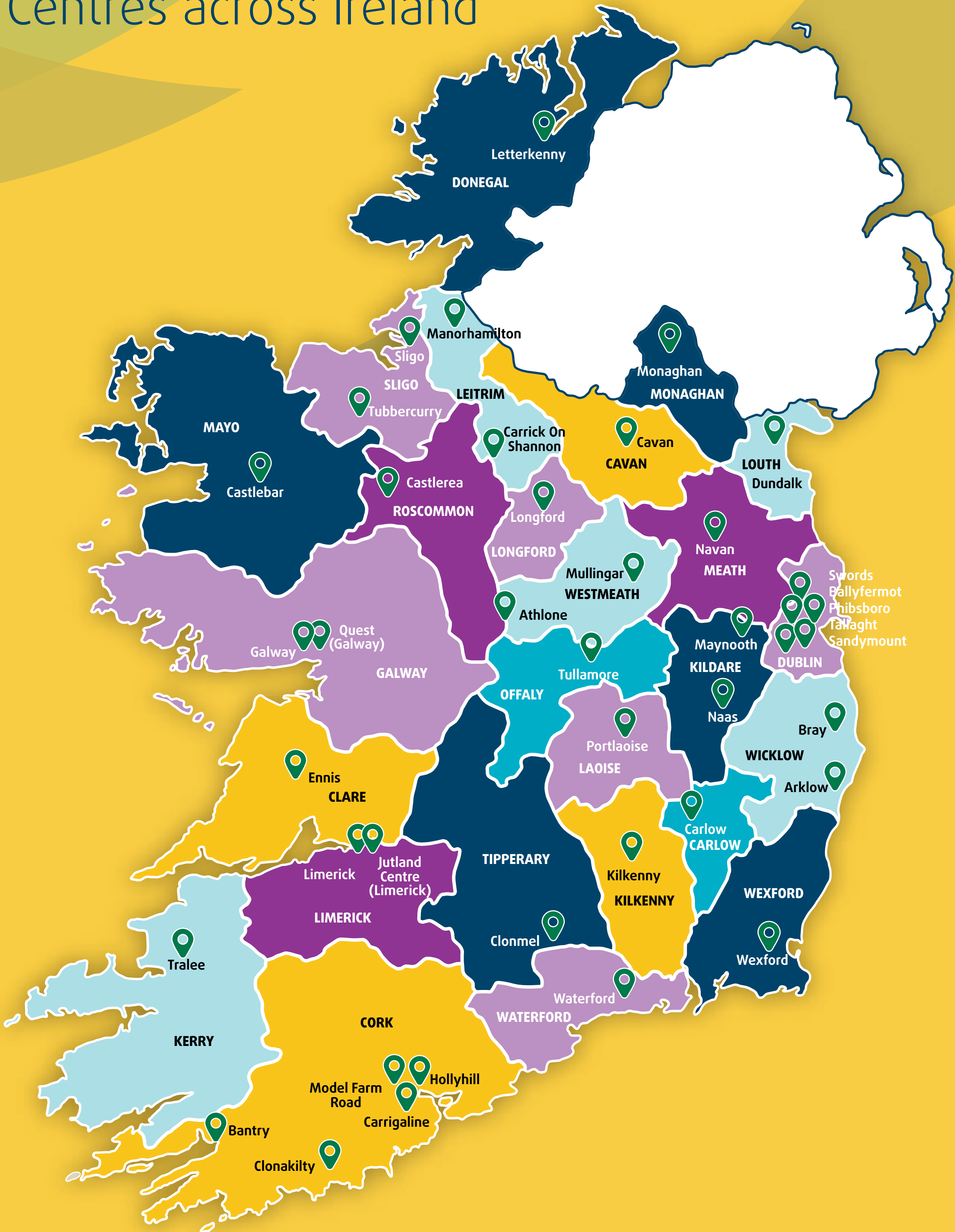
National Learning Network

Centres across Ireland



Tony Garrigan,
NLN Staff Member,
Roslyn Park College

National Learning Network

The Rehab Group's training activities are delivered in Ireland though National Learning Network (NLN). NLN provides personalised training, education, employment and community-based rehabilitation supports and services to people who due to health conditions, illness, disability, mental health difficulty, trauma, addiction or challenging life circumstances need additional specialist support to progress their education, training or life plan.

Each person gets the opportunity to identify their strengths, needs & goals, and is then facilitated to develop their own personalised support plans for successful results. These include achieving qualifications, accessing further or higher education, getting into employment and improving their quality of life, health and wellness.

NLN is one of Ireland's leading training organisations and education providers. It delivers over 140 accredited Vocational training programmes at levels 3, 4, 5 and 6 on the (QQI) Quality and Qualifications Framework. These programmes allow students to commence or recommence their educational studies post having a personal setback or out of work due to an accident, illness or disability.

The training programmes ensure the students develop the skills necessary to enter or re-enter the labour market. All these NLN programmes are currently funded by the Department of Education through the 16 Education and Training Boards. NLN currently offers training programmes across many disciplines from Art, Administration, Sports, Computing and Horticulture. NLN also provides Rehabilitative Training throughout the country on behalf of the HSE.

The majority of training programmes operate on a continuous intake basis system which allows students to enter the educational system in NLN at any time of the calendar year unlike the traditional methods of intake within 3rd Level education providers which generally commence in September/October.

In 2017, a total of 5,704 qualifications were achieved across various courses on offer in centres throughout the country. 89% of people who completed programmes at NLN progressed to employment or higher levels of training and education.

5,704
Qualifications were achieved

89%
of people progressed to employment of higher levels of training

Over
140
accredited vocational training programmes on offer

Dylan Foley, National Learning Network

I didn't speak up if I had a problem, I didn't ask for help if I was struggling. I didn't have much confidence. I was holding back. I live in a rural community, so I felt a little isolated before coming here. I wasn't a very outgoing person. When I was in school I wasn't that independent or confident.

I was telling myself that I wouldn't be able to do certain things. But I thought this service would help me, and it has. I came here for two week for a trial and I knew this place was for me. I now have friends that I go out with on a Friday night.

I feel part of the community now. I've done a lot of work experience in my course and feel confident that I can get a job.

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Community Support

The Rehab Group's care and day activities are provided in Ireland by RehabCare. RehabCare is committed to providing a range of support services for people with disabilities, both adults and children, people with mental health difficulties and older people, which support them to maximise their independence, their community presence and participation.

In 2017, an average of 3,337 people used the services of RehabCare each month. The vast majority of the people using the RehabCare services have a person centred plan. RehabCare provided a total of 7,193 bed nights of respite throughout the year, as well as after-school and day respite. Each month, an average of 120 people were supported to live in our accommodation services.

RehabCare's home-based services, Carelink, provided more than 187,463 hours of personal supports across Ireland to people with disabilities, palliative care and to older people in their own homes, enabling them to live more independently.

There are 52 designated centres throughout the country. This represents an increase of 2 during 2017. By 31st December 2017, 50 of RehabCare's 52 centres had secured a 3 year registration with HIQA. Some services are now engaged in a second round registration cycle with HIQA. We are working closely with HIQA to meet requirements for registration.

187,463
hours of personal supports provided by Carelink

An average of
3,337
people used RehabCare services each month in 2017

7,193
bed nights of respite throughout 2017

Ben Wallace Tallant,
RehabCare

I've been coming here for over three years and it is great fun. If I wasn't coming here I'd be sitting at home doing nothing.

I enjoy playing around with the technology here, it gives me independence. The day trips are a great way of getting out into the community.

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UK Services

Momentum Care and Skills provided a range of vocational rehabilitation and social care support services for those with an acquired brain injury across its operation in the Scottish Borders, Aberdeen, Newcastle, Blythe and Birmingham. Last year these services supported over 500 individuals, many of whom returned to work, education or voluntary work.

3,829 people accessed Momentum Skills services across Scotland in 2017 and did so across a range of interventions including employment, training, vocational rehabilitation and health and social care. In the same period we helped 1,469 people to gain and/or sustain jobs through a combination of employment and access to work services.

Momentum continued to work closely with the Scottish Government in planning for the delivery of a new Fair Start Scotland Service following the devolution of welfare to work powers. Momentum successfully bid for lead provider in the North East lot and is a partner in several other lots across Scotland.

In partnership with Skills Development Scotland, Momentum secured financing in the last quarter of 2016 through the Third Sector Challenge Fund, which receives funding through the European Social Fund.

Momentum Skills carried out over 1,100 Access to Work ergonomic assessment and technical workstation assessments for disabled people in paid employment. Momentum remains a top performing provider for this national contract in the UK.

3,829
people accessed Momentum Skills services across Scotland in 2017

1,469
people were helped to gain and/or sustain jobs

Scott Wilson, Momentum Skills, Scotland

The main reason I came here was that I suffer with anxiety and depression and I came here looking for help to be able to get out and have more of a routine, structure and that in my life.

I was looking for a bit of training or a bit of volunteering and I ended up getting both somehow. It's been great for building my confidence and being able to interact a bit better with people and just in general it's been great for my state of mind

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Social Enterprises – Employability

The Rehab Group's social enterprises which employ people with disabilities are delivered in Ireland by Rehab Enterprises and in Scotland by Haven Enterprises.

At the end of 2017, 150 people with a disability were employed by Rehab Enterprises. Fundamental to our success are our employees and our customers.

150
people with a disability were employed by Rehab Enterprises in 2017

Rehab Enterprises aspires to balance a successful commercial activity with employee wellbeing. During 2017, our employees continued to fulfil contracts for our key commercial partners including: Dell, DuPont and Thermoking.

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

The consolidation of four of six of the businesses in 2015 into two new modern factory locations continued in 2017 and, across the businesses, people with disabilities represented 208 out of the total Haven Products workforce of 219 making the organisation the largest employer of people with disabilities in Scotland.

Haven Products 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.

Haven Products continues to engage and participate in discussions with the UK Government in Westminster and the devolved Scottish Government in Edinburgh as outcomes from Scotland`s devolved employability and procurement policies become clearer.

208
people with a disability were employed by Haven Products in 2017

Advocacy and Public Affairs

In 2017, The Rehab Group's Advocacy Team in Ireland supported 1,874 people across RehabCare and National Learning Network services. In 2016, work was undertaken to bring the advocacy structures in line with the new structural changes within the organisation. A sub-group of representatives from both the National Committees of RehabCare and National Learning Network came together to identify and plan a way forward working together.

To reflect The Rehab Group's new organisational structure, representatives of RehabCare and National Learning Network now work together building new structures of advocacy representation for people who use these services. In line with the three geographical regions of The Rehab Group, there are now three established regional Advocacy Committees with relationships continuing to strengthen with the three regional management teams. At local level, the Advocacy Committees and structures continue to be supported by the Advocacy Team. Facilitating purposeful engagement on a local, regional and national level continues to be an aim of the representatives on the Regional Advocacy Committees and the Advocacy Team.

The National Advocacy Conference took place on 5th April 2017. At this conference, the new Regional Advocacy Committees were elected. Representatives reflecting the diversity of both the people who use RehabCare and the students attending National Learning Network were elected onto the Regional Advocacy Committees.

Over 150 people from services and centres all over Ireland came together to talk about advocacy and what was important to them in their lives. Guest speakers included Minister for Disabilities, Finian McGrath, T.D., Siona Cahill, Unions of Students Ireland, and Mo Flynn, Chief Executive of The Rehab Group. The delegates utilised their time at the conference to raise issues which were important to them.

The newly elected joint Regional Advocacy Committees met in the weeks after the National Advocacy Conference. Supported by the Advocacy Officers, and considering issues raised by delegates at the conference which they experienced themselves or were raised by people from their local centres, they began to develop work plans for the committees. The three National Regional Committees then consulted with each other to ensure they took on different issues, therefore maximising their efforts. Each of the committees built strong relationships with the Regional Management Team during 2017.

Focus areas for the Regional Advocacy Committees in 2017 included:

- Inclusion of people who use our services in the recruitment process
- Exploring people's experiences of travel and transport
- Student Identification Cards for students in National Learning Network
- Input into the rebranding of the organisation
- Development of local and regional Advocacy Committee guidelines
- Developing and sustaining relationships with management, directors and board members of The Rehab Group

The Advocacy Team supported people to become involved in a number of consultations on issues of importance to them. These included submissions on Home Care Services and Personalised Budgets, and consultations with the Department of Health, the National Policy on Social Enterprise, The Department of Rural and Community Development and the New Directions Working Group. The Regional Advocacy Committees also led consultations on the development of a pre-budget submission, a survey on transport and branding strategy focus groups. Over 1,400 people were consulted on the transport survey.

Pay restoration for staff in Section 39 organisations

Throughout 2017, Rehab Group campaigned on several issues, one of them being pay restoration for staff in Section 39 organisations. Among the activities were briefings of and meetings with Ministers and Oireachtas members as well as appearances before the Public

Accounts and Health Committees. Local Rehab Group staff also lobbied local representatives.

Following representations from the Rehab Group, Fianna Fáil proposed a motion calling for the restoration of pay for Section 39 workers.

Article 20 of the EU Public Procurement Directive 2014

The Rehab Group continued to lobby for the promotion and use of Article 20 of the EU Public Procurement Directive 2014, which allows reserve public procurement contracts for organisations employing over 30% of staff who have a disability and met officials of the Office of Public Procurement.

Minister for Disabilities, Finian McGrath TD, and Minister for Employment and Social Protection, Regina Doherty TD were also briefed on this issue. Contacts opened with the Irish Business and Employers Confederation (IBEC) on the issue with a view to developing a collaborative approach.

The United National Convention on the Rights of Persons with Disabilities (UNCRPD)

The Rehab Group campaigned for the ratification of UNCRPD via media and public representatives, and were involved in the organisation of a large protest outside Leinster House to mark the 10th Anniversary of Ireland signing the UNCRPD. Lobbying and media campaigning eventually led to the ratification at the end of the year.

Independent Review Group On The Role Of Voluntary Organisations

The Rehab Group made a presentation to the Independent Review Group On The Role Of Voluntary Organisations in December outlining Rehab Groups' vision of what changes are needed in the relationship between the Government and the Independent Sector.

Submissions to Government Departments

Regular submissions to Government Departments were made by the Rehab Group on subjects including: 'Taskforce on Personalised Budgets'; Governance of Charities'; 'Improving Home Care Services in Ireland'; 'Review of Safeguarding Vulnerable Persons at Risk of Abuse - National Policy and Procedures 2014; 'National Policy for Social Enterprise'; 'HSE Autism Review'; 'Our Public Service 2020': 'Assisted Decision-Making (Capacity) Act 2015 A Guide for Health and Social Care Professionals' and 'Make Work Pay'.

Pre-Budget Submission

A Pre-Budget Submission was also made to the Department of Finance following a survey of 700 people who use Rehab Group services. Key findings found that 61% of people find it difficult to live on the income they receive from the state and 85% of people surveyed said they would like a job.

National Learning Network Award Ceremonies

Ministers and TDs continued to officiate at the NLN award ceremonies at our centres around the country. These Ministers included: Minister for Health, Simon Harris TD, in Bray; Minister of State for Public Procurement, Open Government and eGovernment, Patrick O'Donovan TD in Limerick and Minister of State for Mental Health and Older People, Jim Daly TD in Bantry.

'Ag Obair le Chéile' + 'SOAR'

In November, Minister of Finance and Public Expenditure and Reform, Pascal O'Donoghue was Guest of Honour in NLN Phibsborough at the launch of 'Ag Obair le Chéile'- an employment activation programme delivered by NLN. Minister of State for Gaeilge, Gaeltacht and the Islands, Joe McHugh TD, attended the official opening of SAOR-RehabCare and NLN Donegal's new integrated service.

The Rehab Group's National Advocacy Conference in April 2017, and The Rehab Group's protest in March 2017 to ratify UNCRPD

Lotteries & Fundraising

Ireland

The Rehab Group benefits from The Care Trust which also raises funds for the Central Remedial Clinic and the Mater Misericordia University Hospital. The Care Trust publishes its own annual report which is available upon request or on its website: www.thecaretrust.ie. In 2017, The Rehab Group appointed the following representatives to serve on The Care Trust Board: Bernard Walsh (Chairman), John McGuire, Noreen O'Kelly and Kathleen O'Meara.

In 2017, The Care Trust contributed €1.057m to The Rehab Group which was applied to various projects including psychology services, autism services, behavioural therapy services, fixtures and fittings in Eiscir Meadows centre, IT equipment and GDPR implementation costs. A balance of €341.5k has been brought forward to 2018.

Gary Brady was appointed Fundraising Manager in May 2017.

A new internal fundraising procedure was rolled out to centre managers to ensure all local community fundraising activity and donations are recorded centrally and are run in compliance with regulations and guidelines.

Local fundraising carried out by centres nationwide raised €172,890 during the year. A relatively large percentage of this is attributed to one individual fundraising drive.

The Meadows Children's Respite Centre in Navan individually raised over €65k for a new bus through the efforts of external supporters Keith Russell and his daughter Alanna, who attended our service. Team Alanna completed the Dublin Marathon in October with their extraordinary efforts and support receiving largescale nationwide and regional media coverage.

All activities in relation to our fundraising activities across scratch cards and radio bingo ceased in December. The management of the lottery activities on behalf of The Rehab Group was through a joint venture set up with External Lottery Management Company (ElmCo) in 2014. The financial winding up of this joint ventures continues in process.

UK

Fundraising continues in the UK primarily in the area of grants and t rusts.

The Annual Moor Park Golf Classic took place for the final time in 2017 with the committee stepping down after 25 years of support for our services in the UK. A final amount of £32,316 was donated at the closing of the event's finances.

The Parliamentary Pancake Race now remains as the main fundraising and promotional event held in the UK annually. This had a fundraising event profit of £3,935 in 2017. Local fundraising takes place in the services in Newcastle and across Scotland.

The Directors present their annual report and the audited financial statements of The Rehab Group ("Group", "Charity", "Company") and parent company for the year ended 31 December 2017.

Structure, Governance & Management

Legal Structure

The Rehab Group is a company limited by guarantee and not having a share capital and is governed by Part 18 of the Companies Act 2014 (the "Act"). The Company was incorporated in 1953 and is a registered charity. Any commercial activities are operated in pursuit of the Group's charitable objectives. The company is a public benefit entity.

Governance

The Rehab Group operates to the highest standards of governance and believes that setting and maintaining standards is a key element in demonstrating accountability to all stakeholders, funders and supporters. The Rehab Group is on the journey to compliance with the Governance Code for the Community, Voluntary and Charitable Sector in Ireland and the Board anticipate that the Company will be in a position to publicly state their compliance with the Governance Code before the end of 2018.

The Rehab Group is compliant with all the requirements of the Charities Regulatory Authority, the Charity Commission (England and Wales) and the Office of the Scottish Charity Regulator, particularly in relation to reporting obligations.

The appointments to the Boards of all subsidiaries (with the exception of Newgrove Housing Association) are recommended by the Nominations and Governance Committee and are approved by the Board. Representatives of The Rehab Group appointed to joint venture entities are approved by the Board, based on the recommendation of the Nominations and Governance Committee.

Board of Directors

Under The Rehab Group's Constitution, the Board holds the Company's power and authority. The Board is responsible for:

- Providing leadership, setting overall strategy and monitoring budgets and the outcomes of the Company.
- Ensuring the Company's prosperity by collectively directing the Company's affairs while meeting the appropriate interests of its relevant stakeholders.
- Complying with all necessary legislation and regulation.
- Ensuring high standards of governance, transparency and accountability.

The Board of Directors ensure that the vision, mission and core values of The Rehab Group are upheld and realised through the adoption and implementation of strategic plans and through oversight of their implementation. A statement of the role, responsibilities and duties of the Directors of The Rehab Group has been adopted by the Board and its implementation is reviewed periodically by the Board.

The Board delegates the day to day running and conduct of the Company to the CEO and through her to other members of staff. The Board has approved and adopted a Delegated Authority Matrix. Any exceptions to this are set out in a Matters Reserved for the Board Policy which has been reviewed and adopted by the Board.

The Directors are elected by the members of the Charity at the Annual General Meeting and serve for a three year term. The Nominations and Governance Committee regularly reviews the Board's skill mix, experience and tenure to ensure that the renewal process is orderly and planned.

The Board may have a maximum of twenty directors and a minimum of seven and the Board can fill vacancies that arise during the year. The maximum number of terms that a Director can serve is two (i.e. six years), however, the Board may permit a member to be re-elected for a further two years after the lapse of the six year period, provided the director still meets the criteria for membership.

New Board Directors undergo a wide ranging induction programme. The induction programme includes visits to The Rehab Group services, coverage of the Charity's aims and a detailed briefing on the Charity's operations and financial affairs. Further specific and relevant training is provided during their tenure to ensure that all members of the Board are fully aware of the responsibilities associated with the role. The Directors undertake an annual board effectiveness review to help identify any actions that may be needed to improve the Board's governance.

The Board of Directors act in a voluntary capacity and receive no remuneration. In accordance with the Constitution of the Company, a Director is entitled to be reimbursed for out of pocket expenses incurred by them in and about the business of the Company.

The Board of Directors have approved and adopted a Conflicts of Interest Policy which is provided to Directors on appointment and is circulated annually. A director is required to identify and promptly declare any conflict of interest or potential conflict of interest, such declarations to be made at the meeting at which the matter is discussed.

The Board met 7 times in 2017 (2016: nine meetings) to determine and review The Rehab Group's budgets, business plans, performance, objectives, strategic aims and to receive reports from senior managers. In addition to the Board of Directors, the Board meetings are attended by the CEO, the Director of Finance and the Chief Operations Officer. Members of the SLT who do not normally attend the Board Meetings may be asked to attend a meeting or part of it, from time to time, to provide greater detail in specific operational, policy or agenda items. The attendance record for the Board Meetings is set in the Report, on page 106.

The Board has five formal Committees and has set out formal terms of reference for each of these Committees, which include Nominations and Governance, Audit and Risk, Performance and Remuneration, Finance and Quality and Safety. The Chair of each Committee is a Director of the Board and reports back to the Board on each Committee Meeting. Further detail on each Committee is included in the specific Committee reports.

The names of the persons, external to The Rehab Group board, who serve on the boards of our subsidiary companies are indicated below:

- **Mary Doyle** – Newgrove Housing Association
- **Bernard Walsh** – Newgrove Housing Association
- **Michael Moriarty** – Newgrove Housing Association
- **Paulyn Marrinan Quinn** – Newgrove Housing Association and Rehab Enterprises Limited
- **Robert Cleary** - Momentum Scotland, Momentum Care and Haven Products Ltd.

Senior Leadership Team

The Board maintains and keeps under review a scheme of delegation, which defines key matters reserved for the Board whilst delegating authority over management and operational matters to the Chief Executive Officer ("CEO") and the Senior Leadership Team ("SLT"). The current scheme of delegation was approved by the Board in March 2015 and is reviewed annually. The SLT comprises heads of departments who guide more than 3,200 people to deliver our services in over 170 locations throughout Ireland, the UK, Poland and Saudi Arabia. The SLT comprises head of six departments, spanning finance and corporate support, people and culture, business development and planning, quality and governance, operations, communications, public affairs and fundraising. The SLT oversees the day to day activities of the organisation and ensures the strategic framework is implemented.

Subsidiaries

In 2015, as a part of the overall governance arrangements, the Board approved a plan to simplify the organisation's structure and to date, nine companies have been dissolved and three companies have been sold. In addition, the Care and Day Activities of RehabCare have been transferred to The Rehab Group meaning, as at 31 December 2017, there were twelve trading entities in the Group. The intention is to reduce this further in the years ahead.

The appointments to the Boards of all subsidiaries were recommended by the Nominations and Governance Committee and are approved by the Board. Rehab Group representatives appointed to joint venture entities were approved by the Board, based on the recommendation of the Nominations and Governance Committee.

Compliance Policy Statement

The Directors, in accordance with Section 225(2) of the Companies Act 2014, acknowledge that they are responsible for securing the company's compliance with certain obligations specified in that section arising from the Companies Act 2014 and Tax laws ('relevant obligations').

The directors confirm that:

- a compliance policy statement has been drawn up setting out the Company's policies with regard to such compliance;
- appropriate arrangements or structures that are, in the directors' opinion, designed to secure material compliance with the Company's relevant obligations have been put in place, including reliance on the advice of one or more than one person employed by the Company or retained by it under a contract for services, being a person who appears to the directors to have the requisite knowledge and experience to advise the Company on compliance with its relevant obligations; and
- a review has been conducted, during the financial year, of the arrangements and structures that have been put in place to secure the Company's compliance with its relevant obligations.

Reserves

The Directors have reviewed the financial position of the Group during the year and have reflected on the reserves required to successfully operate the services of a diverse and geographically dispersed charity.

The Directors are conscious of the need to regularly review the reserves position to ensure that we have adequate funds to support the work of the charity. At a minimum, this review is completed annually. In doing this, the Directors take into consideration the assets required to provide long-term care and employment support for the people using our services, reasonable working capital and planned development projects.

Also, the Group holds adequate reserves to react to challenging and unforeseen circumstances, whilst ensuring that the maximum levels of resources are applied to the people who avail of our services or depend upon the Group to provide supported employment.

As at 31 December 2017, the total funds held on a consolidated basis are: €58.8 million and this includes:

- €30.2 m Unrestricted funds
- €9.7 m Designated funds
- £18.9 m Restricted Income

The Board has set a target of greater than €20m to be maintained in unrestricted general funds. As at 31 December 2017, unrestricted funds amounted to €30.2m (2016: €29.4m).

The current unrestricted reserve is €30.2m which is In line with target:

	€M
Provision for a downturn in unrestricted income	5.95
Financing of Fixed Assets (committed)	4.5
Funding of Working Capital and emergency provisions	14.25
Capital Expenditure	5.5
Total	**30.2**

The level of unrestricted reserves across the Rehab Group has been determined based on maintaining sufficient reserves to cover fluctuations in the operating environment of each service and maintaining sufficient reserves in the event of a change in this operating environment so that the charity can meet its obligations as they fall due.

The Directors have reviewed the expected future budgets and cash flows, and have discussed the potential efficiency savings that might arise in the future and the opportunities for growth across all services and are confident that they meet the "going concern" criteria.

Financial review

This has been another year of transition for The Rehab Group. The year ending 31 December 2017 is our third year reporting under SORP (FRS102) for charities and showed an improved performance when compared with the previous financial year. However, we still incurred an operating deficit for the period. The year resulted in an operating loss of €0.3m (2016: (€2.9.m)). We are currently operating in a financially difficult trading environment with funding cuts imposed on our services during the austerity years which have not been restored to date. We are also experiencing cost pressures in many of our services with increased regulation and pay restoration demands.

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

	€'000
Health Service Executive	68,878
Education Training Boards	26,010
Department for Work & Pensions (UK)	8,139
Other	35,288
Income from charitable activities	138,315

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Income	€'000 2017	€'000 2016
Lotteries and donations	2,197	3,379
Grant income	1,925	2,591
Lotteries, donations and grant Income (sub-total)	4,122	5,970
Training support and employability	55,658	65,013
Day activity and care services	56,419	54,333
Social enterprises	26,238	25,905
Services (sub-total)	138,315	145,251
Total	**142,437**	**151,221**

Income above is reported before exceptional items and share of resources in associate.

Total income of €142.4m decreased by 5.8% (€8.8m) on the prior year with reductions in training support, lotteries and donations and grant income. The fall in income was due to the organisational restructure which took place, primarily in England and Wales in 2016.

Running Costs	€'000 2017	€'000 2016
Lotteries and donations	1,876	2,998
Training support & employability	53,316	64,737
Day activity and care services	60,326	57,493
Social enterprises	27,218	28,916
Total expenditure	**142,736**	**154,144**

Total running costs above are reported before exceptional items.

Total running costs of €142.7m reduced by 7.4% or €11.4m compared with same period last year. Cost reductions resulted from our exit from the Chaseley Trust and from the reorganisation of our training support and employability services in England and Wales.

Financial Health

As at 31 December 2017 the Rehab Group had consolidated net assets of €58.8m, primarily representing its fixed assets of €41.1m, investments €0.2m and net current assets of €21.2m less provisions and creditors due after more than one year (€3.7m).

Capital expenditure amounted to €2.4m (2016: €3.2m).

There was an outflow of cash of (€0.7m) during the year (2016 inflow: €1.3m) before repayment of borrowings resulting in a net movement in cash of €2.8m (2016 €13.1m inflow).

Foreign exchange losses of €61k meant the net movement in funds for the year ended up as €0.7m versus a gain of €3.4m in 2016.

Funds	€'000 2017	€'000 2016
Group		
Opening funds as at 1 January 2017		58,130
Foreign currency translation		(61)
Total income including associate	143,497	
Total expenditure	(142,736)	
Net Income/Expenditure		761
Closing funds as at 31 December 2017		58,830

Movement in funds is disclosed in note 24 to the accounts.

Audit & Risk Committee Report

Terms of Reference

The Audit and Risk Committee (the "Committee") is tasked with assisting the Board of The Rehab Group in its oversight of the integrity of the Company's Financial Statements and the Financial Reporting process.

In addition the Committee has responsibility for oversight of the performance of the Internal Audit function, the effectiveness of the systems of internal controls and policies and procedures for risk assessment and risk management.

The Chair of the Committee reports to the Rehab Group Board on the Committee's proceedings after each meeting on all matters within the Committee's duties and on how the Committee discharged its responsibilities.

Scope of the Committee's Work in 2017

The Committee met on five occasions during 2017. The Committee meetings or part thereof are attended by the CEO, Director of Finance and Corporate Support, Director of Quality & Governance, the Head of Internal Audit and representatives from the external auditors

In accordance with best practice during the year the Committee met with the external auditors and the Head of Internal Audit without any members of the Management team present to provide them with the opportunity to raise any matters or concerns in confidence.

At a Committee meeting held in April 2017, the Committee reviewed the Audit Results Report from the external auditors and the Financial Statements for the year ended 31 December 2016 were presented to the Committee for review. The Committee was satisfied that the Financial Statements be recommended to The Rehab Group Board for approval.

Deloitte (Internal Audit partners) presented to the Committee meeting in June 2017 on their GDPR Preparedness assessment of The Rehab Group. This was a high level review of the Data Protection Controls in place within The Rehab Group, in the context of the requirements for GDPR implementation in May 2018. Throughout 2017, the Committee monitored and oversaw The Rehab Group's roadmap to compliance with the GDPR Regulations, with GDPR updates being a standing item on the Agenda for each meeting.

Throughout 2017, the Committee reviewed the results of the issued Internal Audit Reports, the implementation of the recommendations arising from the Internal Audit Reports and any Open Recommendations. The Committee reviewed and monitored management's responsiveness to the internal auditor's findings and recommendations

At a Committee meeting held in December 2017, the Committee reviewed and approved the Internal Audit Plan for 2018. The Committee monitored and assessed progress against the 2017 Audit Plan throughout the year.

During the course of 2017, the Committee oversaw the effectiveness of the Risk Management Framework for The Rehab Group. The Committee reviewed risks to ensure that they were properly identified and controlled and reviewed key risks to The Rehab Group & the adequacy of planned mitigation.

Priorities and Key Tasks for 2018

- Continued development and implementation of a Risk Indicator Report and Risk Appetite Statement.
- Review and monitor implementation of steps towards compliance with GDPR Regulations for May 2018.
- Oversee the progression of the 2018 Internal Audit Plan and Internal Audit recommendations.
- Monitor and review the External Audit Process.

Committee Members at the date of signing of the Annual Report.

- Noreen O'Kelly (Chair)
- Robert Barker
- Ann Duffy
- Sean McMahon
- Deirdre Reddan

In conclusion

I wish to thank my fellow Committee members for their continued and valued insight, co-operation and oversight during the year.

Noreen O'Kelly
Chair
Audit and Risk Committee

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Nominations & Governance Committee Report

Terms of Reference

The Nominations and Governance Committee (the "Committee") is tasked with ensuring that The Rehab Group continues to maintain the highest standards of best practice in Corporate Governance.

The Committee's duties also include reviewing the structure, size and composition (to include skills, knowledge, experience and diversity) required for The Rehab Group Board, Subsidiary Boards and Board Committees to carry out their functions.

The Committee is also responsible for recommending any appointments to The Rehab Group Board, Committees of the Board, the Boards of all Subsidiaries (with the exception of Newgrove Housing Association) and the appointment of The Rehab Group representatives to joint venture entities to The Rehab Group Board for approval.

Scope of the Committee's Work in 2017

During 2017, a Corporate Governance Handbook (the "Handbook") was compiled, which sets The Rehab Group's policies and procedures in relation to all aspects of the organisation's Governance from the perspective of the Board of Directors. The Handbook documents the legal obligations for the Board of Directors as well as the process that The Rehab Group have in place to ensure continued compliance with best practice standards.

The Rehab Group operates to the highest standards in Corporate Governance and believes that setting and maintaining standards is a key element in demonstrating accountability to all stakeholders, funders and supporters. Accordingly, throughout the year, the Committee kept under review any developments in Corporate Governance that may affect The Rehab Group with a view to ensuring that The Rehab Group's Corporate Governance policies and practices continue to be in line with best practice.

The Rehab Group is on a journey to Compliance with the Governance Code for the Community, Voluntary and Charitable Sector in Ireland and the progression of this journey is monitored and reviewed by the Committee throughout the year.

There were a number of changes to the Board of Directors during 2017 and the Committee oversaw the consideration and recruitment of new members of the Board. As part of this process, the Committee reviewed the Board's skill mix, experience and tenure to ensure that the renewal process was orderly while considering the challenges and opportunities facing The Rehab Group.

Priorities and Key Tasks for 2018

The Priorities and Key Tasks for the Committee during 2018 are:

- Review the Training and Development Program for the Directors to ensure that the Directors have access to appropriate training and development opportunities that support the work of the Board.
- Review the Corporate Governance Handbook and recommend necessary amendments and updates to The Rehab Group Board of Directors
- Ensure continued compliance with all Regulatory and Corporate Governance requirements.
- Conduct a Board Effectiveness Review & an evaluation on the performance of the Chair of the Board.
- Review and consider succession planning policy for the Board of Directors, the Chairperson and Chief Executive

Committee Members at the date of signing of the Annual Report.

- Jimmy Tolan (Chair)
- Ian Brady
- Noreen O'Kelly
- John F Smith

In conclusion

I wish to thank my fellow Committee members for their continued insight, co-operation and oversight as the Committee continues to maintain best practice in all areas of Corporate Governance.

Jimmy Tolan
Chair
Nominations and Governance Committee

Finance Committee Report

Introduction:

The Finance Subcommittee is tasked with assisting the Rehab Group Board in making decisions on financial matters within its remit by advising, questioning and clarifying financial decisions prior to them being submitted to the Rehab Group Board.

The Finance Subcommittee is primarily focused towards ensuring the sustainability of the Group. We see this sustainability as both financial sustainability (the ability to generate resources to meet the needs of the present without compromising the future) and programmatic sustainability (the ability to be responsive to community requirements over time).

This focus on long term sustainability is a core part of the finance committee's remit and their contribution to Board.

Areas of focus for 2018:

- Key Priority: Undertake a multi-year financial and sustainability plan for The Group.
- Complete a reassessment of our Reserves Policy
- Oversight of Information Technology strategy and implementation plan
- Reassessment of our strategic financial reporting to Group Board with a focus on regular financial health assessments.
- Property related oversight

Committee Members at the date of signing of the Annual Report:

- Ian Brady (Chair)
- Helen Bunbury
- Henry McGarvey
- Kevin Marshall
- Jimmy Tolan (ex-officio member)

The Finance Committee met four times during 2017. As at the end of December 2017, The Rehab Group had consolidated Net Assets of €58.83m primarily related to fixed assets of €41.32 m.

This has been another year of transition for The Rehab Group. In financial terms, we are becoming more streamlined as an organisation and that allows us to assess our sustainability and align our resources more efficiently.

As you can see from our Income Statement, we incurred a deficit in 2017, however, a smaller deficit than 2016, showing tight management control and progress towards delivering our services in a challenging environment and in line with our budget forecast. Our operating deficit reduced from €2.923m (2016) to €299k (2017).

We continued to live and breathe for the people who use our services but to do this effectively it has remained necessary to subsidise services we offer from our own internal resources. This was a trend that again continued in 2017. However, as some of the ancillary activities that generated income in previous years dissipated and the Group experienced a continued reduction in our non-statutory income, our ability to continue this subsidy has become more challenging. This placed significant and direct pressure on the Group's financial situation whilst we continue to maintain the high quality service provision that we are known for. We do not have the financial resources to subsidise these services in perpetuity.

The finance committee and the Board as a collective view addressing this financial sustainability issue as our key priority for resolution during 2018 and beyond. It is apparent to us that to be a reliable provider of quality services we will need active and collaborative engagement with our funders.

Whilst these are challenging times we are resolute towards achieving a favourable outcome for all.

Income:

Total Income decreased by €8.78m with almost all of the fall relating to the organisational restructure that took place in England and Wales in 2016. However, we also experienced some falls in fundraising, lotteries and grants, mostly unrestricted income, some of these falls temporary and others more permanent in nature. It has led us to witness first-hand the importance of diversifying your income lines and in particular how fortunate we are to have the generous support of the public.

Expenditure:

Turning to expenditure, the total outturn for the year was €142.7m, which was a reduction of 7.4% year on year, again largely commensurate with the aforementioned restructure in England and Wales.

This spend has included an additional spend on information technology as we move to deploy our IT strategy across the Group. We have also refocused our spending on training and development across the Group.

These investments in our infrastructure are important to ensuring we can maintain the high standard integral to the Group.

It is also worth noting that we have significant property assets in the Group in which we constantly have to invest to ensure they are maintained to an appropriate standard to deliver our services.

Looking to 2018

As a finance committee we see our ultimate responsibility being to ensure The Group can reliably provide its services into the future. Thus, our key activity for 2018 will be to oversee the creation of a multi-year financial sustainability plan for the Group. We enter this process with enthusiasm as it will illustrate our financial pathway for the future. It will be a collaborative process during which we will naturally engage with our funders; all of us together mindful of the benefits of long-term planning.

During 2018, it will be necessary to source a new head office location as well as plan for the relocation of Roslyn Park College, both significant milestones for the Group, and with financial consequences. These are positive steps for The Group but naturally have a depleting effect on our liquid Reserves. Thus, we feel it is an opportune time to reassess and oversee an assessment of our Reserves policy.

All at Finance Committee, Board and the executive are conscious that Reserves are the lifeblood of sustainability so our planning and oversight in this area is most important. During the year ahead, we intend to maintain vigilance around 5 key pillars of the Group's financial health, notably, increased funding resources, revenue and expenditure trends, reserves, balance sheet dynamics and liquidity.

In Conclusion:

As we enter 2018, we continue to operate in an uncertain economic and funding environment with increasing costs associated with carrying out our activities to the exacting standards we set ourselves. To constantly improve our services we are mindful of the need for significant investment in our services and infrastructure.

This will support the executive as they enhance our infrastructure and the quality of the services that are delivered to the people who use our services.

I would like to thank my fellow Committee members for their overall input and co-operation, as we focus on sustaining the valuable services of the Group into the future. It gives me great confidence when I see how diligently the committee works with the executive to ensure the Rehab Group thrives in the years ahead.

Particular thanks are due to Jimmy Tolan who served as Chair before I assumed the role during the year as well as John F. Smyth and Patrick Salmon who departed after many years of valuable oversight.

Ian Brady
Chair
Finance Committee

Quality & Safety Committee Report

Terms of Reference

The Rehab Group Quality and Safety Committee provides assurance to the Board that appropriate and robust policies, processes and practices exist to provide high quality and safe services. The Committee does this by examining regularly updated information measuring quality across our services and taking an in depth look at specific service issues as appropriate and by visiting services and inviting service users and staff to discuss services with the Committee. The committee asks management to provide assurance to the Committee, and, through the Committee, the Board, on both of these and tracking progress against agreed actions where appropriate

Scope of the Committee's work in 2017

The Committee met four times in 2017, in February, April, August and November. The Committee meets at The Rehab Group's headquarters in Dublin but for its August meeting it met in Cork, where the opportunity was taken for members to visit services in and around Cork over a two to three day period.

The agenda is divided between standing items (where the Committee considers quarterly data on, for example, complaints, user satisfaction, and incidents) and items where the Committee takes a closer look at specific areas.

In 2017, these areas included

- Safeguarding
- Quality Assurance and Improvement systems
- The results of HIQA inspections and thematic trend analysis within these
- Recovery and Risk in mental health services.

I believe the Committee contributes significantly to The Rehab Group's open learning culture by actively encouraging reporting on all aspects of quality and safety, whether good or bad, and seeking to learn rather than to blame when things go wrong.

I would like to thank my fellow Committee members, past and present, for their contribution to the work of the Committee, and, on behalf of my fellow Committee members, to thank the management team and other contributors led by Pauline Newnham for their work in providing the committee with continuously improving information and consistently productive discussion throughout the year.

Priorities for 2018

The Committee has made great strides in 2017 in developing a set of indicators and reporting tools that gives the Board greater intelligence and therefore greater assurance on the quality and safety of the services which The Rehab Group provides. We will continue to work on this in 2018, with a particular focus on developing quality intelligence around our learning services.

We will also continue to hold at least one of our meetings away from Head Office where we can again take the opportunity to meet staff and service users and to discuss their perceptions of the quality of our services.

Finally, we will receive and review the completed work begun in 2017 on Quality Assurance and Improvement systems and report to the Board on this accordingly.

Committee Members at the date of signing of the Annual Report.

- Steven Wrigley Howe (Chair)
- Conor Fottrell
- Denise Lawler
- Sean McMahon
- Stan McHugh

Steven Wrigley-Howe
Chair
Quality and Safety Committee

RehabGroup
Investing in People, Changing Perspectives

Performance & Remuneration Committee Report

Terms of Reference

The Performance and Remuneration Committee (the "Committee") are responsible for reviewing and setting The Rehab Group's remuneration policy for the Senior Leadership Team, CEO and Company Secretary. The Committee is also responsible for annually evaluating the performance of the CEO.

The Committee is tasked with overseeing any major changes in employee benefit structures throughout The Rehab Group.

Scope of the Committee's Work in 2017

The Committee's work during 2017 included reviewing the ongoing appropriateness and relevance of the remuneration policy for the Senior Leadership Team and CEO to ensure that the remuneration is supportive of the overall strategy for The Rehab Group. The CEO and Senior Leadership Team have no involvement with respect to any decisions as to their own remuneration.

Priorities and Key Tasks for 2018

The Key priorities and Tasks for the Committee in 2018 are:

- Conducting the annual evaluation of the CEO's Performance.
- Reviewing the Remuneration details for 2018.
- Reviewing the Expenses Policy and Authorizations for the Board of Directors.

Committee Members at the date of signing of the Annual Report.

- Jimmy Tolan (Chair)
- John F Smith

In conclusion

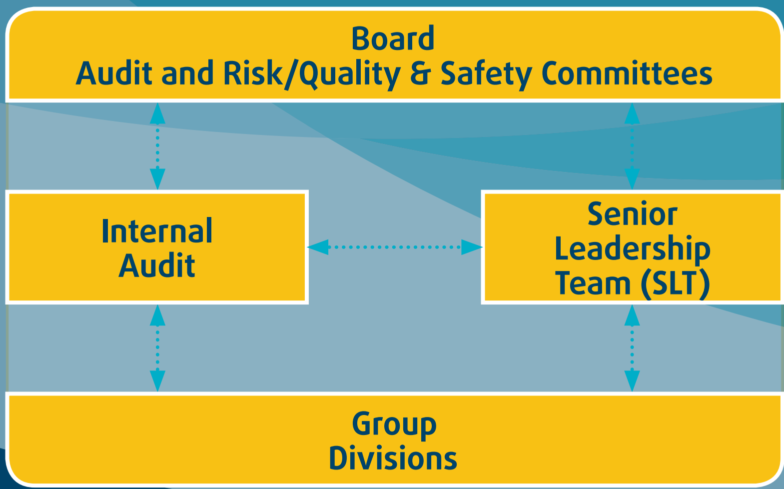
I wish to thank my fellow Committee members during the year for their co-operation and input.

Jimmy Tolan
Chair
Performance and Remuneration Committee

Risk Management Approach

The 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



The Organisation conducted a significant review of the Risk Register in 2016, with a revised model implemented with continuous and independent oversight, in line with the Organisation's Transformation Programme. This has undergone further redesign and refinement throughout 2017 to align with new regional structures.

Risk Management Structure

Whilst 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 and Risk and Quality and Safeguarding Committees have specific responsibility to review & adopt the Group Risk Register.	Review risk reporting. Review Group Risk Register.
The SLT has oversight of the Group's 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.

Principal risks and uncertainties

The major risks to which The Rehab Group is exposed as identified by the Senior Leadership 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
The 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 and supports in place • Audit & Compliance monitoring • Focus on communication with relevant safety authorities • Oversight at Senior Leadership Team and Quality & Safeguarding Committees • Effective Policy and Procedures
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 Plan process under further review with expected outcome of a more streamlined process and improved visibility of service plans
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 SLT
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 SLT/ Board.
Risk of Care or Educational services not being funded adequately Rehab as a commercial and social enterprise operates in competitive commercial markets where, in order to ensure long term future sustainability, the costs of providing its services must not exceed what it is gets funded for.	• Financial oversight provided by the Board Finance Committee. • Finance Directorate provides support and oversight to all operational units • Monthly, Quarterly management accounts reported on. • An active cost limitation / reduction program including: > Procurement procedures & review > Remuneration committee > Setting annual cost reduction targets

Key Future Organisational Priorities

Looking to the future, the organisation will continue to develop the key priority areas of neuro rehabilitation and autism, with projects based on the strategic plans formulated around these two areas. These will be implemented through integrated activity across the divisions.

- The Group will continue to innovate both in terms of services developed and delivered, and in the use of technology at centre level to support the people who use our services.
- In terms of the external voice of the organisation, we will continue to build on the foundations laid by our rebrand to build our profile, particularly using social media platforms.
- We will review our fundraising strategy and targets, growing both our corporate and community presence to grow fundraised income.
- We will build on our partnership with both the Health Service Executive (HSE) and the Education Training Boards (ETB) in Ireland and to Commissioners in the UK governments to grow our income, through the continued development of services and supports for new and existing service users.
- Key to our longer term sustainability, will be our ongoing development of specialist capacity across the organisation, building on the work referenced above. Harnessing the benefits of an integrated structure and supported by our re-branding strategy will help position us a future-focused, provider of choice.
- We will continue to develop the Group's reputation as a specialist provider, utilising conferences, key networking events, research, policy, collaboration and membership of key groups as levers.
- We will explore potential for strategic alliances and shared approaches with similar organisations.

Subsequent events

There have been no significant events affecting the company since the year end.

Research and development

Evidence-based practice underpins all of our support services, and in 2017, the organisation supported numerous external and internal research projects in areas such as mental health and disability.

A joint research study by AHEAD and NLN investigated good practice in third level educational institutions on supporting students with mental health difficulties. We continue to develop links with partner academic institutions, and in 2017/18 will be establishing a new research and ethics committee, as well as further developing our research department.

Related parties

Details of transactions with related parties &connected organisations can be found in note 33 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.

Company secretary

Ms. Cliona Deegan acted as company secretary until her resignation on 17 May 2017. She was replaced as company secretary by Mr. Connie Kelleher on this date.

Transactions with Directors

Details of transactions with Directors can be found in note 30 to the financial statements.

Directors

The names of the persons who were Directors at any time during the year ended 31 December 2017 are set out below. Unless indicated otherwise, they served as Directors for the entire year.

James Tolan (Chairman)
Robert Barker (appointed 11 September 2017)
Ian Brady (appointed 08 May 2017)
Helen Bunbury (appointed 08 May 2017)
Ann Duffy (appointed 08 May 2017)
Conor Fottrell (appointed 08 May 2017)
Denise Lawler (appointed 11 September 2017)
Kevin Marshall
Stan McHugh
Henry McGarvey (appointed 11 September 2017)
Sean McMahon (appointed 11 September 2017)
Noreen O'Kelly
John F Smith
Steven Wrigley-Howe
Niamh Hyland (resigned 10 April 2017)
Brendan Nevin (resigned 07 March 2017)
Assumpta Kelly (resigned 11 September 2017)
Maeve Martin (resigned 17 July 2017)
Patrick Salmon (resigned 11 September 2017)
Michael Williams (resigned 11 September 2017)

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 the 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

In accordance with Section 383(2) of the Companies Act, 2014, the auditors, Mazars, Chartered Accountants and Statutory Audit Firm, will continue in office.

The Directors' Report was approved by the Board and authorised for issue on 06 July 2018.

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

The Rehab Group (a company limited by guarantee and not having a share capital)
Directors' Annual Report and Consolidated Financial Statements 2017

Directors & Other Information

Company Number	14800
Registered Charity Number	20006716
Charity Revenue Number	CHY4940
Registered Office	Roslyn Park, Sandymount, Dublin 4, D04 FH28

Board of Directors

James Tolan
Robert Barker
Ian Brady
Helen Bunbury
Ann Duffy
Conor Fottrell
Denise Lawler
Kevin Marshall
Stan McHugh
Henry McGarvey
Sean McMahon
Noreen O'Kelly
John F Smith
Steven Wrigley-Howe

Company Secretary	Connie Kelleher
External Members of the Audit & Risk Committee	Deirdre Reddan
Chief Executive Officer	Mo Flynn
Auditors	Mazars, Chartered Accountants & Statutory Audit Firm Harcourt Centre, Block 3, Harcourt Road, Dublin 2
Bankers	Allied Irish Bank plc, Bank of Ireland, Barclays Bank plc Royal Bank of Scotland, H.S.B.C.
Solicitors	
• Ireland	McCann Fitzgerald, Riverside One, 37 – 42 Sir John Rogerson's Quay, Grand Canal Dock, Dublin 2
• UK	Withers Solicitors, 16 Old Bailey, London EC4M 7EG Wright, Johnston & Mackenzie LLP, 302 St Vincent Street, Glasgow G2 5RZ

Directors' Responsibilities Statement

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

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 net income or expenditure 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 net income or expenditure of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

J Tolan
Director

N O'Kelly
Director

17 September 2018.

Independent Auditor's Report to the Members of the Rehab Group

Report on the audit of the financial statements

Opinion

We have audited the financial statements of The Rehab Group for the year ended 31 December 2017 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 notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2017 and of its result for the year then ended;
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Independent Auditor's Report to the Members of the Rehab Group

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014

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

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report. The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made. .

We have nothing to report in this regard.

Independent Auditor's Report to the Members of the Rehab Group

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 47, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: *http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Descriptionofauditorsresponsibilitiesforaudit.pdf*
This description forms part of our auditor's report.

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

Our 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.

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

17 September 2018.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including an income and expenditure account)
For the Year Ended 31 December 2017

	Notes	Unrestricted 2017 €'000	Restricted 2017 €'000	Total 2017 €'000	Total 2016 €'000
Income and endowments					
Income including share of joint venture	3	139,576	2,861	142,437	156,618
Less: share of joint venture income		-	-	-	(5,397)
Group income and endowments		139,576	2,861	142,437	151,221
Income: donations and legacies					
Lotteries and donations	4	2,188	9	2,197	3,379
Grant income	5	338	1,587	1,925	2,591
		2,526	1,596	4,122	5,970
Income from charitable activities					
Training, support and employability	6	54,549	1,109	55,658	65,013
Day activity and care services	7	56,263	156	56,419	54,333
Social enterprises	8	26,238	-	26,238	25,905
		137,050	1,265	138.315	145,251
Total income and endowments	**3**	**139,576**	**2,861**	**142,437**	**151,221**
Expenditure on:					
Raising funds					
Voluntary costs including fundraising, lotteries and donations		(1,874)	(2)	(1,876)	(2,998)
Charitable activities					
Training, support and employability		(52,240)	(1,076)	(53,316)	(64,737)
Day activities & care services		(60,231)	(95)	(60,326)	(57,493)
Social enterprises		(27,218)	-	(27,218)	(28,916)
		(139,689)	(1,171)	(140,860)	(151,146)
Total expenditure	**9**	**(141,563)**	**(1,173)**	**(142,736)**	**(154,144)**

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES - continued
(including an income and expenditure account)
Year Ended 31 December 2017

	Notes	Unrestricted 2017 €'000	Restricted 2017 €'000	Total 2017 €'000	Total 2016 €'000
Net (expenditure)/income for the year before exceptional item		(1,987)	1,688	(299)	(2,923)
Group share of resources in associate and joint venture undertakings		1,060	-	1,060	1,561
Exceptional items: Profit on sale of Roslyn Park		-	-	-	8,378
The Chaseley Trust exit		-	-	-	(2,478)
Rehab Glassco disposal		-	-	-	(1,337)
Net (expenditure)/income for the year after exceptional item and before transfers		(927)	1,688	761	3,201
Transfer between funds	24	1,061	(1,061)	-	-
Net income before other recognised gains and losses		134	627	761	3,201
Other recognised gains and losses					
Exchange (loss)/gain on foreign currency net assets	24	(9)	(52)	(61)	150
Gains on revaluation of fixed assets		-	-	-	91
Net movement in funds		125	575	700	3,442
Fund brought forward 1 January	24	39,800	18,330	58,130	54,688
Fund balances carried forward 31 December	**24**	**39,925**	**18,905**	**58,830**	**58,130**

There were no recognised gains or losses other than those dealt with in the statement of financial activities.

All income is in respect of continuing operations.

The notes on page 56 to 107 form part of these financial statements.

RehabGroup
Investing in People, Changing Perspectives

CONSOLIDATED BALANCE SHEET
For the Year Ended 31 December 2017

	Notes	2017 €'000	2016 €'000
Fixed assets			
Tangible assets	16	41,074	42,170
Financial assets:	17		
Investment in associates		243	241
Total fixed assets		**41,317**	**42,411**
Current assets			
Stocks	18	1,165	1,190
Debtors	19	17,828	21,793
Cash at bank and in hand		20,244	21,516
		39,237	**44,499**
Creditors - amounts falling due within one year	20	**(16,975)**	**(21,040)**
Net current assets		**22,262**	**23,459**
Total assets less current liabilities		**63,579**	**65,870**
Creditors - amounts falling due after more than one year	21	(234)	(1,091)
Provisions for liabilities and charges	22	(4,515)	(6,649)
Net assets		**58,830**	**58,130**
Funds			
Restricted funds	24	18,905	18,330
Unrestricted funds	24	39,925	39,800
Total funds		**58,830**	**58,130**

The notes on page 56 to 107 form part of these financial statements.
On behalf of the board

J Tolan
Director

N O'Kelly
Director

17 September 2018.

COMPANY BALANCE SHEET
31 December 2017

	Notes	2017 €'000	2016 €'000
Fixed assets			
Tangible assets	16	20,468	20,602
Financial assets	17	318	316
		20,786	**20,918**
Current assets			
Stocks	18	15	-
Debtors	19	12,024	8,496
Cash at bank and in hand		10,183	7,411
		22,222	**15,907**
Creditors - amounts falling due within one year	20	**(6,636)**	**(15,639)**
Net current assets		**15,586**	**268**
Debtors - amounts falling due after more than one year	19	2,611	2,474
Total assets less current liabilities		38,983	23,660
Creditors - amounts falling due after more than one year	21	-	(758)
Provisions for liabilities and charges	22	(954)	(1,090)
Net assets		**38,029**	**21,812**
Funds			
Restricted funds	24	5,958	6,591
Unrestricted funds	24	32,071	15,221
Total funds		**38,029**	**21,812**

On behalf of the board

J Tolan
Director

N O'Kelly
Director

17 September 2018.

CONSOLIDATED STATEMENT OF CASH FLOWS
Year Ended 31 December 2017

	Notes	2017 €'000	2016 €'000
Cashflows from operating activities:			
Net cash used in operating activities	26	4,700	(5,610)
Cashflows from investing activities:			
Purchase of property, plant and equipment	16	(2,389)	(3,233)
Proceeds from the sale of property, plant and equipment		605	20,593
Interest received	13	18	28
Interest paid	13	(105)	(594)
Proceeds from the sale of investments		-	1,933
Net cash provided by/(used in) investing activities		(1,871)	18,727
Cashflows from financing activities:			
Repayments of borrowings		(3,469)	(12,035)
Finance lease repaid		(33)	195
Net cash used in financing activities		(3,502)	(11,840)
Change in cash and cash equivalents in the reporting period	28	(673)	1,277

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 40 constitute the Group financial statements of The Rehab Group for the financial year ended 31 December 2017.

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 30 to 46. The company is a public benefit entity and a registered charity.

Statement of Compliance

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 2017. The results of subsidiaries are included from the effective date of acquisition. Acquisition accounting principles are followed in respect of all subsidiaries acquired.

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 financial statements also comply with the 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 & 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 and the Office of the Scottish Regulator 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. 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.

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.

Notes to the financial statements

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 €15,365k (2016: €12,837k).

Impairment of Stocks
The Group holds stocks amounting to €1,165k (2016: €1,190k) 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 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 €32m (2016: €33m).

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 2017 was €318k (2016: €316k).

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.

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 (FRS102), 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

Notes to the financial statements

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.

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 is 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

Notes to the financial statements

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 income and expenditure account, except to the extent that it relates to items recognised in other comprehensive income or directly in funds. In this case tax is also recognised in other comprehensive income or directly in funds 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.

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:

	2017	2016
British Pound	€1=Stg£	€1=Stg£
Average	0.8765	0.82021
Year end	0.8872	0.8543

	2017	2016
Polish Zloty	€1=PLN	€1=PLN
Average	4.257	4.3632
Year end	4.177	4.4103

	2017	2016
Saudi Riyal	€1=SAR	€1=SAR
Average	4.31	4.140
Year end	4.49	3.940

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 the Statements 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

Notes to the financial statements

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.

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.

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. In transitioning to FRS102 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 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 Activities.

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

Notes to the financial statements

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.

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 Statement of Financial Activities. 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 Statement of Financial Activities.

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 amounts 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

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 amounts 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.

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.

Notes to the financial statements

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.

Notes to the financial statements

3	Total income by geographical location Current year	Total income €'000	Less share of joint venture €'000	2017 €'000
	Ireland	119,025	-	119,025
	UK	19,101	-	19,101
	Other	4,311	-	4,311
		142,437	**-**	**142,437**

	Total income by geographical location Prior year	Total income €'000	Less share of joint venture €'000	2016 €'000
	Ireland	122,755	(5,397)	117,358
	UK	29,423	-	29,423
	Other	4,440	-	4,440
		156,618	**(5,397)**	**151,221**

4	Lotteries and donations Current year	Unrestricted €'000	Restricted €'000	2017 €'000
	Local fundraising	229	-	229
	Lottery activity	1,894	-	1,894
	Donations	52	9	61
	Other	13	-	13
		2,188	**9**	**2,197**

	Lotteries and donations Prior year	Unrestricted €'000	Restricted €'000	2016 €'000
	Local fundraising	179	-	179
	Lottery activity	2,899	-	2,899
	Donations	58	7	65
	Other	236	-	236
		3,372	**7**	**3,379**

Notes to the financial statements

5	Grant income Current year	Unrestricted €'000	Restricted €'000	2017 €'000
	Capital grants	-	1,459	1,459
	Other grants	338	128	466
		338	**1,587**	**1,925**

	Grant income Prior year	Unrestricted €'000	Restricted €'000	2016 €'000
	Capital grants	5	430	435
	Other grants	1,963	193	2,156
		1,968	**623**	**2,591**

6	Training, support and employability Current year	Unrestricted €'000	Restricted €'000	2017 €'000
	HSE	13,985	-	13,985
	Education Training Boards (ETB's)	26,010	-	26,010
	Department for Work and Pensions (UK)	8,139	-	8,139
	Scottish Government	1,112	-	1,112
	Department of Education	674	-	674
	Glasgow City Council (UK)	272	340	612
	Other	4,357	769	5,126
		54,549	**1,109**	**55,658**

	Training, support and employability Prior year	Unrestricted €'000	Restricted €'000	2016 €'000
	HSE	13,999	-	13,999
	Education Training Boards (ETB's)	27,021	-	27,021
	Department for Work and Pensions (UK)	12,424	-	12,424
	Glasgow City Council (UK)	372	364	736
	Other	10,109	724	10,833
		63,925	**1,088**	**65,013**

Notes to the financial statements - continued

7	Day activity and care services Current year	Unrestricted €'000	Restricted €'000	2017 €'000
	HSE	54,893	156	55,049
	Other	1,370	-	1,370
		56,263	**156**	**56,419**

	Prior year	Unrestricted €'000	Restricted €'000	2016 €'000
	HSE	50,161	225	50,386
	Other	3,947	-	3,947
		54,108	**225**	**54,333**

8	Social enterprises Current year	Unrestricted €'000	Restricted €'000	2017 €'000
	Department of Work and Pensions (UK)	1,446	-	1,446
	Wages Subsidy Scheme - Department of Social Protection	2,494	-	2,494
	Income from trading activities	22,298	-	22,298
		26,238	**-**	**26,238**

	Social enterprises Prior year	Unrestricted €'000	Restricted €'000	2016 €'000
	Department for Work and Pensions (UK)	-	-	-
	Wages Subsidy Scheme - Department of Social Protection	2,595	-	2,595
	Income from trading activities	23,310	-	23,310
		25,905	**-**	**25,905**

Notes to the financial statements - continued

9	Analysis of expenditure Current year	Fundraising €'000	Training support and employability €'000	Day activity and care services €'000	Social enterprises €'000	2017 Total €'000
	Staff costs (note 12)	65	36,034	45,433	11,419	92,951
	Depreciation (note 16)	4	868	1,493	617	2,982
	Other operating costs	51	15,876	13,386	4,042	33,355
	Prizes & retailer commission	1,756	50	-	-	1,806
	Raw materials and freight	-	-	-	11,087	11,087
	Net finance charge (note 13)		23	14	50	87
	Amortisation/impairment of goodwill	-	-	-	-	-
	Taxation (note 14)	-	477	-	16	493
	Increase/(decrease) in stock and WIP (note 18)	-	(12)	-	(13)	(25)
		1,876	**53,316**	**60,326**	**27,218**	**142,736**

	Analysis of expenditure Prior year	Fundraising €'000	Training support and employability €'000	Day activity and care services €'000	Social enterprises €'000	2016 Total €'000
	Staff costs (note 12)	262	38,568	41,541	12,443	92,814
	Depreciation (note 16)	24	964	1,539	673	3,200
	Other operating costs	290	24,523	14,073	3,995	42,881
	Prizes & retailer commission	2,406	-	-	-	2,406
	Raw materials and freight	-	68	-	11,544	11,612
	Net finance charge (note 13)	16	202	251	97	566
	Amortisation of goodwill	-	-	89	-	89
	Taxation (note 14)	-	420	-	25	445
	Increase/(decrease) in stock and WIP (note 18)	-	(8)	-	139	131
		2,998	**64,737**	**57,493**	**28,916**	**154,144**

Notes to the financial statements - continued

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 and communication €'000	2017 Total €'000
Staff costs	319	1,936	373	2,252	1,866	6,746
Other operating costs	318	663	2,195	428	742	4,346
	637	**2,599**	**2,568**	**2,680**	**2,608**	**11,092**

Analysis of support costs Prior year	Governance €'000	Human resources €'000	Information technology €'000	Finance and administration €'000	Policy compliance and communication €'000	2016 Total €'000
Staff costs	287	2,081	470	2,299	2,207	7,344
Other operating costs	293	501	2,049	357	563	3,763
	580	**2,582**	**2,519**	**2,656**	**2,770**	**11,107**

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.

9	Analysis of expenditure - continued	2017 €'000	2016 €'000
	Analysis of governance costs		
	Board and committee meeting costs	21	34
	Company secretarial costs	78	103
	Legal, strategy and other costs	59	-
	External audit fees		
	- Audit work (excluding vat)	182	163
	Internal audit	297	280
		637	**580**

RehabGroup
Investing in People, Changing Perspectives

Notes to the financial statements - continued

10	Net income		2017 €'000	2016 €'000
	Net income for the year has been arrived at after charging:			
	Auditors' remuneration - group			
	-	Statutory audit of group and subsidiaries' accounts	166	163
	-	Other assurance services	-	-
	-	Tax advisory and compliance services	-	2
			166	**165**
	Depreciation of tangible fixed assets owned		**2,982**	**3,200**
	Impairment of goodwill (note 16)		-	36
	Amortisation of goodwill (note 16)		-	(383)
	Operating lease rentals:			
	-	Property	3,715	3,662
	-	Other	625	604
	Realised gain/(loss) on foreign currency transactions		(195)	(684)
	Cost of stock recognised as an expense		-	131
	Impairment of stock recognised as an expense in cost of sales		-	9

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	2017 €'000	2016 €'000
	Profit on the sale of Roslyn Park, Sandymount, Dublin 4	-	8,378
	The Chaseley Trust – Exit from Group	-	(2,478)
	Disposal of shares in RG Recycle Holdings Ltd	-	(1,337)
		-	**4,563**

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.

Notes to the financial statements - continued

12 Staff costs

The average monthly number of persons employed by the Group during 2017 analysed by category was as follows: 3,026 (2016: 3,073). All directors of the Company are non-executive and receive no remuneration.

	2017 Number	2016 Number
Management	215	220
Administration / support	197	203
Service delivery	2,614	2,650
	3,026	**3,073**

		2017 €'000	2016 €'000
Their aggregate remuneration comprised:			
Staff costs:			
-	Wages and salaries	79,197	78,450
-	Social welfare costs	7,926	7,886
-	Retirement benefit costs	5,807	5,872
		92,930	**92,208**
-	Other compensation costs – termination benefits	21	606
		92,951	**92,814**

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	2017 Number	2016 Number
The remuneration of higher paid employees excluding redundancy			
	€60,000 - €70,000	43	56
	€70,001 - €80,000	23	28
	€80,001 - €90,000	8	11
	€90,001 - €100,000	3	7
	€100,001 - €110,000	4	6
	€110,001 - €120,000	4	5
	€120,001 - €130,000	1	3
	€130,001 - €140,000	2	-
	€140,001 - €150,000	1	1
		89	**117**
	Numbers excluding redundancies	88	113

Employer pension contributions made to defined contribution schemes for these 89 employees amounted to €475,163 during the year. Included in the remuneration figures used to complete this table are redundancy costs totalling €20,834 and benefit in kind totalling €160,848.

Total remuneration including redundancy costs paid to the Senior Leadership Team (SLT) in 2017 amounted to €1,123,478. Remuneration includes salary, redundancy costs and benefit in kind on motor vehicles but excludes pension scheme contributions. If redundancy costs were excluded, staff would be included on this table in 2017, which is included below:

		2017 Number	2016 Number
	The remuneration of higher paid employees excluding redundancy		
	€60,000 - €70,000	42	56
	€70,001 - €80,000	23	27
	€80,001 - €90,000	8	11
	€90,001 - €100,000	3	5
	€100,001 - €110,000	4	5
	€110,001 - €120,000	4	5
	€120,001 - €130,000	1	3
	€130,001 - €140,000	2	-
	€140,001 - €150,000	1	1
		88	**113**

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

Notes to the financial statements - continued

12 Staff costs - continued

During 2014, the CEO and members of the SLT'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 SLT 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 SLT members.

13	Finance costs	2017 €'000	2016 €'000
	This interest was in respect of:		
	Interest receivable	(18)	(28)
	Interest payable:		
	Borrowings wholly repayable within five years	105	594
	Borrowings not wholly repayable within five years		-
	Total charge	**87**	**566**

14	Taxation	2017 €'000	2016 €'000
	Corporation tax:		
	Overseas corporation tax on profit in the current year	493	445

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 surplus/deficit 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 income and expenditure account to the Annual General Meeting and from filing it with the Registrar of Companies. The Company's surplus/deficit for the year is €0.2m (2016: loss of €0.6m).

Notes to the financial statements - continued

16	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 2017	46,595	13,144	9,059	10,348	4,931	84,077
	Reclassification / transfers	-	15	5	4	1	25
	Translation adjustment	(119)	(57)	(32)	(59)	(4)	(271)
	Additions	1,371	182	134	596	106	2,389
	Disposals	(461)	-	(139)	(661)	(352)	(1,613)
	At 31 December 2017	**47,386**	**13,284**	**9,027**	**10,228**	**4,682**	**84,607**
	Accumulated depreciation						
	At 1 January 2017	7,997	12,311	8,662	9,159	3,778	41,907
	Reclassification / transfers	-	15	5	4	1	25
	Translation adjustment	(38)	(36)	(28)	(51)	(3)	(156)
	Charge for the year (note 9)	1,364	262	196	765	395	2,982
	Disposals	(86)	-	(139)	(648)	(352)	(1,225)
	At 31 December 2017	**9,237**	**12,552**	**8,696**	**9,229**	**3,819**	**43,533**
	Net book amounts						
	At 1 January 2017	**38,598**	**833**	**397**	**1,189**	**1,153**	**42,170**
	At 31 December 2017	**38,149**	**732**	**331**	**999**	**863**	**41,074**

Notes to the financial statements - continued

16 Tangible assets - continued

Group - continued included above are the following amounts in respect of assets held under finance leases.

	2017 €'000	2016 €'000
Net book amount	162	205
Depreciation charge for year	43	11

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

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.

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 €8.87m (2016: €8.95m) which is not depreciated.

Notes to the financial statements - continued

16	Tangible assets – continued Current year	Land and buildings €'000	Plant and machinery €'000	Fixtures and fittings €'000	Computer equipment €'000	Motor Vehicles €'000	Total €'000
	Company						
	Cost						
	At 1 January 2017	25,929	282	357	1,830	-	28,398
	Transfer	-	2,191	7,113	3,981	832	14,117
	Additions	226	36	1	380	-	643
	Disposals	(409)	(1)	(1)	(16)	(302)	(729)
	At 31 December 2017	**25,746**	**2,508**	**7,470**	**6,175**	**530**	**42,429**
	Accumulated depreciation						
	At 1 January 2017	5,470	282	350	1,694	-	7,796
	Transfer	-	2,082	6,989	3,508	770	13,349
	Charge for the year	644	41	27	441	17	1,170
	Disposals	(34)	(1)	(1)	(16)	(302)	(354)
	At 31 December 2017	**6,080**	**2,404**	**7,365**	**5,627**	**485**	**21,961**
	Net book amounts						
	At 1 January 2017	**20,459**	**-**	**7**	**136**	**-**	**20,602**
	At 31 December 2017	**19,666**	**104**	**105**	**548**	**45**	**20,468**

Notes to the financial statements - continued

16 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	4,491	*note	Allied Irish Banks plc	Mortgage	13 April 2015
Unit 2, Parkmore Business Park, Galway	483	*note	Bank of Ireland	Deed of mortgage	18 September 1998
Clash, Co. Kerry	284	59	Kerry County Council	Indenture of mortgage	2 April 1998
Roseville, Clonmel, Tipperary & Faythe, Wexford	400	1,132	South Eastern Health Board	Mortgage	22 December 1998
The Ramparts, Dundalk, Co. Louth	107	520	North Eastern Health Board	Mortgage	29 September 1999
Raheen Industrial Estate, Limerick	533	668	Mid Western Health Board	Mortgage and charge	22 December 1999
Liosbaun, Galway	222	1,270	Western Health Board	Charge	13 November 2001
Cootehill Road, Drumlee, Cavan	284	546	North Eastern Health Board	Charge	14 February 2003
Kylemore Road, Ballyfermot, Dublin 10	888	2,729	Eastern Regional Health Authority	Charge	31 December 2004
St. Anne's, Charleville Road, Tullamore, Co. Offaly	251	349	Midland Health Board	Mortgage	21 February 2002
Model Farm Road, Cork	622	1,570	Southern Health Board	Mortgage and charge	6 November 2000
Blennerville, Tralee, Kerry	89	311	Southern Health Board	Mortgage and charge	6 November 2000
Clash, Tralee, Kerry	284	381	Southern Health Board	Mortgage and charge	10 November 1999
Dromleigh South, Bantry, Cork - charge satisfied 15 April 2013	89	454	Cork County Council	Charge	13 November 2001
Grafton Court, Longford	622	549	Midland Health Board	Mortgage and charge	21 September 2000
Mullaghboy Industrial Estate, Navan, Co. Meath	4,491	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

16 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	231	339	The Mayor Alderman and Burgesses of the County Borough of Galway	Mortgage	28 June 2001
Site at Kill Abbey, Deansgrange, Co. Dublin	436	634	Dun Laoghaire Rathdown County Council	Mortgage	1 May 2002
Apts 1,2 and 3, Cootehill Road, Drumalee, Cavan	113	599	Cavan County Council	Mortgage	30 April 2003
No 12 and 14 Clonleigh Park, Lifford, Co. Donegal	227	347	Donegal County Council	Mortgage	13 May 2003
Graifen, Leopardstown Road, Foxrock, Dublin 18	680	977	Dun Laoghaire Rathdown County Council	Mortgage	5 August 2003
Highfield House, Knockloughlin, Co. Longford	292	444	Longford County Council	Mortgage	13 October 2003
Townland of Clybaun, Galway Folio 2837	270	397	Galway County Council	Mortgage	9 November 2004
74-76 Wingfield, Enniskerry Road, Stepaside, Co. Dublin	301	425	Dun Laoghaire Rathdown County Council	Mortgage	16 June 2005
20 Balreask Manor, Navan, Co. Meath	275	673	Meath County Council	Mortgage	16 October 2006
19 Oaklands Green, Ardnacassagh, Longford	181	381	Longford County Council	Mortgage	8 November 2006
Property at Folio 7276F, Waterford	880	1,798	Waterford County Council	Mortgage	20 March 2007
24 Heathergrove, Mervue, Galway	355	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	222	611	Clare County Council	Mortgage	4 February 2009
Apps. 10, 22, 37, 51 St. Johns Well, Old Kilmainham Road Dublin 8	558	694	Dublin City Council	Charge	21 April 2010
No 1 The Boulevard, Grangerath, Drogheda, Co. Louth	331	899	Meath County Council	Charge	22 April 2010
Folio 14861F Register County Monaghan	346	-	Monaghan County Council	Mortgage	9 January 2015

Notes to the financial statements - continued

16 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	314	376	The Mayor Alderman & Burgesses of the County Borough of Sligo	Mortgage	28 February 2002
No 15 Rosog, Ballinamore, Co Leitrim	96	177	Leitrim County Council	Mortgage	19 September 2002
No 13 Ripley Hills, Killarney Road, Bray, Co Wicklow	240	476	Wicklow County Council	Mortgage	30 April 2002
No 2 Castle Oaks, Dark Road, Nenagh, Co. Tipperary	262	397	North Tipperary County Council	Mortgage/ charge	6 December 2010
Stradavoher, Co Tipperary	392	1,397	North Tipperary County Council	Mortgage/ charge	9 December 2010
No. 57 The Oaks, Turlough Rd, Castlebar, Mayo	183	392	Mayo County Council	Mortgage	29 May 2012
Sexton Street, Limerick	1,040	3,302	Limerick City Council	Mortgage/ charge	15 February 2012
No 13 Rosog, Ballinamore Co. Leitrim	96	251	Leitrim County Council	Mortgage	31 May 2006
No 5 Belfry Grove, Avenue Road, Dundalk, Co Louth	222	482	Louth County Council	Mortgage	25 May 2009
Ballard House, Clara Road, Tullamore, Co Offaly	238	511	Offaly County Council	Mortgage	6 February 2008
No 1 Cluain Mhuillean, Tyone, Nenagh, Co Tipperary	240	342	North Tipperary County Council	Mortgage	18 July 2005
Larissa, Trandhill Road, Sligo	266	564	Sligo Borough Council	Mortgage/ charge	4 February 2013
Regent House Apts, William Street, Kilkenny	663	2,869	Kilkenny County Council	Mortgage/ charge	22 March 2013
No. 3 the Cedars, Breaffy Road, Castlebar, Co. May	262	559	Mayo County Council	Mortgage/ charge	December 2017
Cloogh, Doon, Tralee, Co. Kerry	233	243	Kerry County Council	Mortgage	December 2017
Clonlara, 6 Monaskeha Heights, Co. Clare	289	301	Clare County Council	Mortgage	December 2017
Killeigh, Aghanrush, Co. Offaly	230	240	Offaly County Council	Mortgage	December 2017
Bouila, Firies, Killarney, Co. Kerry	276	288	Kerry County Council	Mortgage	December 2017
Kilmurray, Kenmare, Co. Kerry	22	54	Kerry County Council	Charge	December 2017
Gortrooskagh, Kenmare, Co. Kerry	46	75	Kerry County Council	Charge	December 2017
Kilcummin, Killarney, Co. Kerry	31	77	Kerry HSE	Charge	December 2017

Notes to the financial statements - continued

16 Tangible assets - continued

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
Pavilion 7, Watermark Park, 325 Gowan Road, Glasgow	123	737	R.B.S.	1st standard security	28 October 2008

17	Financial assets Current year	Investment in joint venture €'000	Investment in associates €'000	Other investments €'000	2017 Total €'000
	Group				
	Balance at beginning of year	-	241	-	241
	Net share of profits and losses		1,060		1,060
	Distributions received	-	(1,058)	-	(1,058)
	Balance at end of year		**243**		**243**

In December 2016, The Rehab Group sold its shares in RG Recycle Holdings Limited. This holding represented the Group's share in Rehab Glassco.

The investment in associates' value represents the Group's shares of assets and liabilities in The Care Trust Limited. The primary activity of The Care Trust Limited is charitable fundraising for which The Rehab Group is a beneficiary.

17 Financial assets - continued

At 31 December 2017	The Care Trust Limited €'000	Group share 50% €'000
Tangible assets	29	14
Debtors	44	22
Cash	819	410
Total assets	892	446
Creditors< 1 year	(410)	(205)
Creditors> 1 year		
Total liabilities	(410)	(205)
Total reserves	**482**	**241**

Notes to the financial statements - continued

At 31 December 2016	The Care Trust Limited €'000	Group share 50% €'000
Tangible assets	54	27
Debtors	22	11
Cash	806	403
Total assets	882	441
Creditors< 1 year	(400)	(200)
Creditors> 1 year		
Total liabilities	(400)	200)
Total reserves	**482**	**241**

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.

17	Financial assets Company	2017 €'000	2016 €'000
	Balance at beginning of year	316	210
	Net share of profits and losses	1,060	1,200
	Additions	-	-
	Distribution received	(1,058)	(1,094)
	Balance at end of year	**318**	**316**

The information in respect of subsidiary and associate companies is given in note 34.

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

Notes to the financial statements - continued

18	Stocks	2017 €'000	2016 €'000
	Group		
	Raw materials and consumables	761	767
	Work in progress	42	43
	Finished goods	362	380
		1,165	**1,190**
	(Decrease)/increase during the year	(25)	131

Stocks considered obsolete are written down to net realisable value. The amount of the write down is €nil (2016: €9k). There are no stocks pledged as security.

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

		2017 €'000	2016 €'000
	Company		
	Finished goods	15	-
		15	-
	Increase during the year	15	-

Notes to the financial statements - continued

19	Debtors	2017 €'000	2016 €'000
(a)	**Amounts falling due within one year**		
	Group		
	Trade and public authority debtors	15,365	12,837
	Prepayments and accrued income	1,893	8,176
	VAT	232	349
	Other debtors	338	431
		17,828	**21,793**
	Company		
	Trade debtors	5,793	156
	Amounts owed by subsidiary companies	5,628	1,600
	Prepayments and accrued income	592	6,711
	VAT	11	29
		12,024	**8,496**
(b)	**Amounts falling due after more than one year**		
	Company		
	Amounts owed by subsidiary companies	**2,611**	**2,474**

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.

Notes to the financial statements - continued

20	Creditors - Amounts falling due within one year	2017 €'000	2016 €'000
	Group		
	Bank loan (note 23) (secured)	65	3,468
	Bank overdrafts (note 23) (secured)	369	968
	Trade creditors	3,580	3,797
	Corporation tax	-	425
	VAT	319	330
	PAYE/Social insurance	2,251	2,352
	Accruals	10,391	9,700
		16,975	**21,040**
	Creditors for taxation and social welfare included above	2,570	3,107

	Company		
	Bank overdraft	-	9,765
	Bank loan (secured) (note 23)	-	3,400
	Trade and other creditors	2,617	420
	Float provided by the ETB's	1,500	-
	PAYE/social insurance	920	130
	Amounts owed to group companies	441	346
	Accruals	1,158	1,578
		6,636	**15,639**
	Creditors for taxation and social welfare included above	920	130

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.

Notes to the financial statements - continued

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

21	Creditors - Amounts falling due after more than one year	2017 €'000	2016 €'000
	Group		
	Bank loan (secured) (note 23)	72	138
	Finance Leases	162	205
	Accruals	-	748
		234	**1,091**
	Company		
	Accruals	-	758
		-	**758**

Accruals

The terms of accruals are based on the underlying contracts.

22	Provisions for liabilities and charges Current year	Onerous leases €'000	Other €'000	2017 €'000
	Group			
	As at 1 January 2017	1,184	5,465	6,649
	Foreign currency	-	(13)	(13)
	Released/charged to Statement of Financial Activities	39	(1,827)	(1,788)
	Utilised during year	(269)	(64)	(333)
	As at 31 December 2017	**954**	**3,561**	**4,515**

RehabGroup
Investing in People, Changing Perspectives

Notes to the financial statements - continued

	Provisions for liabilities and charges Prior year	Onerous leases €'000	Other €'000	2016 €'000
	Group			
	As at 1 January 2016	1,481	3,724	5,205
	Foreign currency	-	(201)	(201)
	Released/charged to Statement of Financial Activities	-	2,432	2,432
	Utilised during year	(297)	(490)	(787)
	As at 31 December 2016	**1,184**	**5,465**	**6,649**

Under the terms of grant agreements with local authorities, the company is obliged to maintain the properties and has made provision for this obligation in line with recommended practice of the Housing Agency Regulation Office.

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 five onerous contracts arising on leases. Such leases are due to expire between 2018 and 2027.

22	Provisions for liabilities and charges Current year	Onerous leases €'000	2017 €'000
	Company		
	As at 1 January 2017	1,090	1,090
	Transfer	86	86
	Released/charged to Statement of Financial Activities	39	39
	Utilised during year	(261)	(261)
	As at 31 December 2017	954	954

	Provisions for liabilities and charges Prior year	Onerous leases €'000	2016 €'000
	Company		
	As at 1 January 2016	1,303	1,303
	Released/charged to Statement of Financial Activities	-	-
	Utilised during year	(213)	(213)
	As at 31 December 2016	1,090	1,090

Notes to the financial statements - continued

23	Details of borrowings	2017 €'000	2016 €'000
	Bank loans and overdrafts		
	Group		
	Current		
	Overdraft	369	968
	Bank loan	65	3,468
		434	**4,436**
	Non-current		
	Bank loan	72	138
		506	**4,574**

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	369	-	-	369
Indebtedness repayable by instalments				
Bank loans	65	72	-	137
Total	**434**	**72**	**-**	**506**

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	968	-	-	968
Indebtedness repayable by instalments				
Bank loans	3,468	138	-	3,606
Total	**4,436**	**138**	**-**	**4,574**

Notes to the financial statements - continued

24	Details of borrowings - continued	2017 €'000	2016 €'000
	Bank loans and overdrafts		
	Company		
	Current		
	Overdraft		9,765
	Bank loan		3,400
			13,165
	Non-current	-	-
	Bank loan		**13,165**

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	9,765	-	-	9,765
Indebtedness repayable by instalments				
Bank loans	3,400	-	-	3,400
Total	**13,165**	**-**	**-**	**13,165**

Notes to the financial statements - continued

23 Details of borrowings - continued

Security

Group
At the year end, the overdraft facilities with Allied Irish Banks plc of €3m, of which €nil was drawn down and outstanding at year end, were secured by a debenture creating a fixed charge over the premises at Park House, Stillorgan, County Dublin. Bank overdrafts are repayable on demand.

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 £250k 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 Stg £122k. 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 3.5% (2016: 3.5%). They are repayable over the next three years by instalments.

The Group has net cash including cash at bank and overdrafts of €19.6m (2016: net cash €16.7m). 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.

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 Housing Agency Regulation Office.

Company
At the year end, the overdraft facilities with Allied Irish Banks plc of €3m, of which €nil was drawn down and outstanding at year end, were secured by a debenture creating a fixed charge over the premises at Park House, Stillorgan, County Dublin. Bank overdrafts are repayable on demand.

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.

Notes to the financial statements - continued

24	Movement in funds	Balance at 1 January 2017 €'000	Foreign currency €'000	Income €'000	Expenditure €'000	Transfers €'000	Balance at 31 December 2017 €'000
	Current Year						
	Group						
	Restricted						
	HSE capital grants	2,585	-	252	(95)	(534)	2,208
	JP McManus grants	3,524	-	-	-	(66)	3,458
	Housing grants	9,805	-	1,364	-	(269)	10,900
	The Great Book	228	-	-	-	-	228
	Department of Education	753	-	-	-	(189)	564
	Other	1,435	(52)	1,245	(1,078)	(3)	1,547
	Total restricted funds	**18,330**	**(52)**	**2,861**	**(1,173)**	**(1,061)**	**18,905**
	Unrestricted						
	General:						
	Donated asset reserve	330	-	-	-	-	330
	Other general funds	29,066	(9)	139,542	(140,399)	1,667	29,867
	Total general funds	**29,396**	**(9)**	**139,542**	**(140,399)**	**1,667**	**30,197**
	Designated						
	Fixed asset fund	10,404	-	34	(104)	(606)	9,728
	Total unrestricted funds	39,800	(9)	139,576	(140,503)	1,061	39,925
	Total funds	**58,130**	**(61)**	**142,437**	**(141,676)**	**-**	**58,830**

Notes to the financial statements - continued

24	Movement in funds - continued	Balance at 1 January 2017 €'000	Income €'000	Expenditure €'000	Transfers €'000	Balance at 31 December 2017 €'000
	Current Year					
	Company					
	Restricted					
	HSE capital grants	2,086	156	-	(534)	1,708
	JP McManus grants	3,524	-	-	(66)	3,458
	The Great Book	228	-	-	-	228
	Department of Education	753	-	-	(189)	564
	Total restricted funds	**6,591**	**156**	**-**	**(789)**	**5,958**
	Unrestricted					
	General:					
	Donated asset reserve	330	-	-	-	330
	Unrealised gain on revaluation of property	3,907	-	-	-	3,907
	Other general funds	6,121	45,428	(45,377)	17,130	23,302
	Total general funds	**10,358**	**45,428**	**(45,377)**	**17,130**	**27,539**
	Designated					
	Fixed asset fund	4,863	-	-	(331)	4,532
	Total unrestricted funds	**15,221**	**45,428**	**(45,377)**	**16,799**	**32,071**
	Total funds	**21,812**	**45,584**	**(45,377)**	**16,010**	**38,029**

Notes to the financial statements - continued

24	Movement in funds - continued	Balance at 1 January 2016 €'000	Foreign currency €'000	Income €'000	Expenditure €'000	Transfers €'000	Balance at 31 December 2016 €'000
	Prior year						
	Group						
	Restricted						
	HSE capital grants	2,789	-	441	(123)	(522)	2,585
	JP McManus grants	3,589	-	-	-	(65)	3,524
	Housing grants	10,164	-	186	-	(545)	9,805
	The Chaseley Trust	2,483	(340)	28	(40)	(2,131)	-
	The Great Book	228	-	-	-	-	228
	Department of Education	942	-	-	-	(189)	753
	Other	1,599	(201)	1,288	(1,195)	(56)	1,435
	Total restricted funds	**21,794**	**(541)**	**1,943**	**(1,358)**	**(3,508)**	**18,330**
	Unrestricted						
	General:						
	Donated asset reserve	330	-			-	330
	Unrealised gain on revaluation of property	8	(34)	91	-	(65)	-
	Other general funds	21,475	725	156,992	(154,307)	4,181	29,066
	Total general funds	**21,813**	**691**	**157,083**	**(154,307)**	**4,116**	**29,396**
	Designated						
	Fixed asset fund	11,081	-	34	(103)	(608)	10,404
	Total unrestricted funds	**32,894**	**691**	**157,117**	**(154,410)**	**3,508**	**39,800**
	Total funds	**54,688**	**150**	**159,060**	**(155,768)**	**-**	**58,130**

Notes to the financial statements - continued

24	Movement in funds - continued	Balance at 1 January 2016 €'000	Income €'000	Expenditure €'000	Transfers €'000	Balance at 31 December 2016 €'000
	Prior year					
	Company					
	Restricted					
	HSE capital grants	2,383	225	-	(522)	2,086
	JP McManus grants	3,589	-	-	(65)	3,524
	The Great Book	228	-	-	-	228
	Department of Education	942	-	-	(189)	753
	Total restricted funds	**7,142**	**225**	**-**	**(776)**	**6,591**
	Unrestricted					
	General:					
	Donated asset reserve	330	-	-	-	330
	Unrealised gain on revaluation of property	3,907	-	-	-	3,907
	Other general funds	5,852	11,807	(12,645)	1,107	6,121
	Total general funds	**10,089**	**11,807**	**(12,645)**	**1,107**	**10,358**
	Designated					
	Fixed asset fund	5,194	-	-	(331)	4,863
	Total unrestricted funds	**15,283**	**11,807**	**(12,645)**	**776**	**15,221**
	Total funds	**22,425**	**12,032**	**(12,645)**	**-**	**21,812**

Notes to the financial statements - continued

24 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 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.

25 Operating leases

Operating leases charged in arriving at the surplus attributable to the Group amounted to €4.2m (2016: €4.3m).

Obligations payable at 31 December 2017 on operating lease agreements in place at 31 December 2017, amounted to €7.2m (2016: €7m) analysed as follows:

	2017 €'000	2016 €'000
Leases expiring less than 1 year	1,570	1,428
Leases expiring two to five years	2,350	2,717
Leases expiring after five years	3,325	2,816
	7,245	**6,961**

Notes to the financial statements - continued

26	Net cash provided by/(used in) operating activities	2017 €'000	2016 €'000
	Net income for the year - parent and subsidiary undertakings	761	3,201
	Share of resources in associate and joint venture undertakings	(1,060)	(1,561)
	Profit on disposal of fixed assets	(215)	(5,371)
	Net interest costs	87	566
	Taxation charge	493	425
	Taxation paid	(918)	(383)
	Depreciation charge	2,982	3,200
	Distributions received from associate company	1,058	1,093
	Decrease in provision for liabilities and charges	(1,487)	(227)
	Amortisation of goodwill	-	(347)
	Loss on disposal of investments	-	1,337
	Decrease / (increase)/ in stocks	22	(131)
	Increase / (decrease) in debtors	3,965	(6,821)
	Decrease in creditors	(1,032)	(1,770)
	Non cash foreign exchange	44	1,179
	Net cash used in operating activities	**4,700**	**(5,610)**

27	Analysis of cash and cash equivalents	31 December 2017 €'000	31 December 2016 €'000
	Cash at bank and in hand	20,244	21,516
	Overdraft facility repayable on demand	(369)	(968)
	Total cash and cash equivalents	19,875	20,548
	Debt		
	Loans due within one year	(65)	(3,468)
	Loans due after one year	(72)	(138)
	Finance leases	(162)	(195)
		(299)	(3,801)
	Net cash	**19,576**	**16,747**

Notes to the financial statements - continued

28	Reconciliation of net cash and cash equivalents to movement in net funds	31 December 2017 €'000	31 December 2016 €'000
	Increase / (Decrease) in cash during period	(673)	1,277
	Repayment of borrowings	3,502	11,840
	Movement in net cash for period	2,829	13,117
	Net cash at start of year	**16,747**	**3,630**
	Net cash at end of year	**19,576**	**16,747**

29 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 2017 would have been €13.1m (2016: €11.1m).

Implementation of the Lansdowne Road Agreement:
As detailed in the Directors' Report, payment of pay restoration in line with the Lansdowne Road Agreement is dependent on funding by the HSE.

30 Directors' remuneration, loans and shareholdings

The Directors did not receive any emoluments or compensation either from The 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.

An amount of €7,653 (2016: €19,124) 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.

Notes to the financial statements - continued

	2017 €	2016 €
J. Smith	2,706	6,422
S. Wrigley-Howe (UK)	859	2,627
P. Salmon (UK)	3,440	8,389
M. Martin	-	1,196
A. Kelly	531	373
F. Ross	-	117
Total	**7,536**	**19,124**

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.

31 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 2017 and ending on 31 December 2017

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 (2016: €0.8m) on behalf of its subsidiary company Rehab Enterprises Limited.

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 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 December 2019.

Notes to the financial statements - continued

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 fulfil 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.

Guarantee to The Care Trust DAC - On an annual basis the shareholders of The Care Trust DAC (The Care Trust) are asked to enter into a joint agreement to provide for all the losses of The Care Trust. On 23rd February 2018 the Rehab Group provided a letter of support in which it agreed equally with the CRC to provide adequate funds to The Care Trust to meet the liabilities of that company as they fall due. The Rehab Group has the power to appoint half of the Directors of The Care Trust and has access to the monthly management accounts of the company.

32 Capital commitments

Capital expenditure approved at 31 December 2017 and not provided in these financial statements is estimated at €0.3m (2016: €0.44m), of which €0.3m (2016: €0.44m) had been contracted at the balance sheet date and for which capital grants and bequests of €0.3 (2016: €0.26m) have been assigned.

Notes to the financial statements - continued

33 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 30.

Details in respect of transactions with associates are discussed in note 17.

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 £473k (2016: £621k) was recorded as revenue by TBG Learning Limited in the year. Amounts due from Rehab Jobfit LLP at 31 December 2017 were £63k (2016: £96k).

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 £160,076 (2016: £232,638).

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

- M. Flynn
- L. Bayfield
- C. Kelleher
- C. Whelan
- P. Newnham
- K. O'Meara
- N. O'Reilly
- B. McGinn
- M. Rogan
- K. Nolan

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 17.

Notes to the financial statements - continued

34	Investment in group undertakings	Shareholdings/Ownership			
		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
	RehabCare*	100	-	282889	Services
	Newgrove Housing Association*	100	-	308429	Housing association
	Rehab Foundation Limited	100	-	17662	Dormant
	The Care Trust Limited	50	-	45561	Lottery promotions/ fund-raising
	The Polio Fellowship of Ireland*	100	-	24172	Services
	Stepping Out (Athlone) Limited^ Company limited by guarantee	100	-	353820	Services
	Incorporated in the UK				
	Momentum Scotland*	100	-	SC127950 / SC004328	Services
	Haven Products Limited	-	100	SC023852/ SC018094	Manufacturing/services
	Momentum Care Services^	-	100	SC182092 / SC029767	Services
	Rehab Group Services Limited	100	-	2989817	Holding
	Rehab UK*	100	-	3005672 / 1043839	Dormant
	Rehab^	100	-	2725214	Fund-raising
	TBG Learning Limited	-	100	2236017	Training

Notes to the financial statements - continued

34 Investment in group undertakings – continued

	Shareholdings Direct %	Through subsidiary %	Company / Charity Number	Principal activity
Incorporated in the UK				
Rehab JobFit LLP	51	-	OC361645	Training and employment service
Acorn Training Consultants Limited	-	-	03182459	Disposed on 1 February 2017
Protective Technology Solutions Limited	-	100	SC455458 / SC044325	Strike off Listed
Redrock Document Processing Services Limited	-	100	08174293 / SC044839	Dissolved 10 January 2017
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 during 2016/2017

2016
Rehab Net Games (dissolved 10 February 2016)
Conquer and Care Lotteries Limited (dissolved 4 May 2016)
Conquer and Care (N.I.) Limited (dissolved 5 April 2016)
Rehab Lotteries Limited (dissolved 7 December 2016)
Clashganna Mills Trust Limited (dissolved 20 July 2016)

2017
Redrock (dissolved 10 February 2017)

RehabGroup
Investing in People, Changing Perspectives

Notes to the financial statements - continued

34 Investment in group undertakings – continued

	Performance Income €'000	Expenditure €'000	Surplus/(Deficit) €'000
Incorporated in the Republic of Ireland			
National Learning Network Limited	540	12	528
Rehab Enterprises Limited	20,238	20,360	(122)
RehabCare	55,162	56,286	(1,124)
Newgrove Housing Association Limited	1,901	1,014	887
The Polio Fellowship of Ireland	51	90	(39)

	Performance Income £'000	Expenditure £'000	Surplus/(Deficit) £'000
Incorporated in the UK			
Momentum Scotland	5,304	4,864	440
Haven Products Limited	5,415	5,856	(441)
Momentum Care Services	906	1,046	(140)
Rehab	277	111	166
Rehab Group Services Limited	434	391	43
TBG Learning Limited	4,675	4,370	305

	SAR'000	SAR'000	SAR'000
Incorporated in the Kingdom of Saudi Arabia			
Saudi Rehab Group Services Co. LLC	6,457	6,238	219

Notes to the financial statements - continued

34 Investment in group undertakings – continued

	Position Assets €'000	Liabilities €'000	Funds €'000
Incorporated in the Republic of Ireland			
National Learning Network Limited	3,406	2,828	578
Rehab Enterprises Limited	4,739	4,825	(86)
RehabCare	8,796	8,432	364
Newgrove Housing Association Limited	13,636	1,448	12,188
The Polio Fellowship of Ireland	6,112	298	5,814

	Position Assets £'000	Liabilities £'000	Funds £000
Incorporated in the UK			
Momentum Scotland	3,569	1,328	2,241
Haven Products Limited	2,470	2,697	(227)
Momentum Care Services	306	794	(488)
Rehab Group Services Limited	1,539	549	990
Rehab	1,762	115	1,647
TBG Learning Limited	1,768	2,624	(856)

	SAR'000	SAR'000	SAR'000
Incorporated in the Kingdom of Saudi Arabia			
Saudi Rehab Group Services Co. LLC (SAR)	6,457	6,238	219

Notes to the financial statements - continued

34 Investment in group undertakings – continued

The registered office of the subsidiaries and related companies in the Republic of Ireland is Roslyn Park, Sandymount, Dublin, 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
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
Rehab Group Services Limited	Unit 11, 137 Newhall Street, Birmingham, B3 1SF
TBG Learning Limited	Unit 11, 137 Newhall Street, Birmingham, B3 1SF
Rehab UK	Unit 11, 137 Newhall Street, Birmingham, B3 1SF
Rehab	Unit 11, 137 Newhall Street, Birmingham, B3 1SF
Rehab JobFit LLP	Interserve House, Ruscombe Park, Twyford, Reading, Berkshire, RG10 9JU
Saudi Rehab Group Services Co. LLC	Riyadh, Kingdom of Saudi Arabia

35 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 employees' service lives on the basis of a constant percentage of earnings. The Group's contributions to the scheme amounted to €5.8m (2016: €5.9m). Contributions payable at the year end amounted to €520k (2016: €517k).

Notes to the financial statements - continued

36 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:

Group	2017 €'000	2016 €'000
Financial assets that are equity instruments measured at cost less impairment		
Unlisted fixed asset investments	243	241
Financial assets that are debt instruments measured at amortised cost		
Trade debtors	15,365	12,837
Amounts owed by related parties	-	-
Cash at bank and in hand	20,244	21,516
Financial liabilities measured at amortised cost		
Trade creditors	3,580	3,797
Bank loans and overdrafts	506	4,574
Company		
Financial assets that are equity instruments measured at cost less impairment		
Unlisted fixed asset investments	318	316
Financial assets that are debt instruments measured at amortised cost		
Trade debtors	5,793	156
Amounts owed by subsidiary companies	8,239	11,182
Cash at bank and in hand	10,183	7,411
Financial liabilities measured at amortised cost		
Trade and other creditors	2,617	420
Bank loans and overdrafts	-	13,165

Notes to the financial statements - continued

37 Transfer to The Rehab Group

Company

On 1 January 2017 specified assets and liabilities were transferred to The Rehab Group from The National Learning Network.

The Group paid €1 as consideration for the transfer of assets and liabilities. The assets and liabilities transferred were valued at net book value on the date of transfer. In line with FRS 102, the directors believe the market value did not materially differ from the net book value. The following table summarises the value of the assets and liabilities arising on the transfer at 1 January 2017.

Net assets arising on the transfer:	€'000
Tangible fixed assets	999
Stocks	23
Debtors	6,380
Cash at bank	12,778
Creditors (amounts falling due within one year)	(4,094)
Creditors (amounts falling due after one year)	(38)
Provision for liabilities and charges	(86)
Net assets transferred	**15,962**

At 31 December 2017 all the specified net assets were transferred with the exception of:

	€'000
Property (at net book value)	230
Cash at bank and in hand	2,598
Net assets transferred	**2,828**

These assets were transferred post year end or are in the process of being assigned / transferred.

Notes to the financial statements - continued

38 Comparatives

Certain comparatives have been re-grouped and re-stated where necessary for classification and comparative purposes.

39 Subsequent events

There were no significant events affecting the company since the year end.

40 Approval of financial statements

The members of the Board of Directors approved the financial statements on 06 July 2018.

Directors Attendance

Table of membership of Board of Directors, Committee members
(as at date of signing of Annual Report)

	Board	Committees				
	The Rehab Group Board	Audit & Risk	Finance	Quality & Safety	Nominations & Governance	Performance & Remuneration
Robert Barker	✓	✓				
Ian Brady	✓		✓ ©		✓	
Helen Bunbury	✓		✓			
Ann Duffy	✓	✓				
Conor Fottrell	✓			✓		
Denise Lawler	✓			✓		
Kevin Marshall	✓		✓			
Henry McGarvey	✓		✓			
Stan McHugh	✓			✓		
Sean McMahon	✓	✓		✓		
Noreen O'Kelly	✓	✓ ©			✓	
John F Smith	✓				✓	✓
Jimmy Tolan	✓ ©				✓	✓
Steven Wrigley-Howe	✓			✓ ©		
Deirdre Reddan		✓				

* © - Chair

Directors Attendance - continued

The Rehab Group Board of Directors 2017 Attendance

	February 13th	March 13th	May 5th	July 17th	Sept. 11th	Nov. 13th	Dec. 11th	
Robert Barker						✓		Appointed 11.9.2017
Ian Brady				✓	✓	✓	✓	Appointed 8.5.2017
Helen Bunbury				✓	✓	✓	✓	Appointed 8.5.2017
Ann Duffy					✓	✓	✓	Appointed 8.5.2017
Conor Fottrell							✓	Appointed 8.5.2017
Niamh Hyland	✓	✓						Resigned 10.4.2017
Assumpta Kelly	✓	✓	✓	✓	✓			Resigned 11.9.2017
Denise Lawler						✓	✓	Appointed 11.9.2017
Kevin Marshall		✓			✓	✓		
Maeve Martin		✓		✓				Resigned 17.7.2017
Henry McGarvey						✓		Appointed 11.9.2017
Stan McHugh	✓	✓	✓	✓	✓	✓	✓	
Sean McMahon						✓	✓	Appointed 11.9.2017
Brendan Nevin								Resigned 7.3.2017
Noreen O'Kelly		✓	✓	✓	✓	✓	✓	
Patrick Salmon	✓	✓	✓	✓	✓			Resigned 11.9.2017
John F. Smith	✓	✓	✓		✓	✓		
Jimmy Tolan	✓	✓	✓	✓	✓	✓	✓	
Mike Williams	✓	✓	✓					Resigned 11.9.2017
Stephen Wrigley-Howe		✓	✓	✓	✓	✓	✓	

Gráinne Blair,
RehabCare

I am a published historian and have lectured internationally. I had an accident 8 years ago and have a permanent brain injury and post-traumatic stress, which locks me down.

It's very much so an invisible illness. My whole life has changed completely. I now come to the service two days a week. I'm doing the art and camera courses. It has made a difference. Having somewhere like here is good. A lot of supports aren't known about. If I didn't have the support here, with everybody working together, I wouldn't have left the house at all. After being encouraged by friends and peers here, I recently gave a lecture at the Women's History Association of Ireland Conference in Galway.

Thrive | Achieve | Shine

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