

Company registration number: 377794

**Health Research Charities Ireland CLG
(A Company Limited by Guarantee and not having Share Capital)**

Financial statements

for the financial year ended 31 December 2020

Health Research Charities Ireland CLG
(A Company Limited by Guarantee and not having Share Capital)

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Health Research Charities Ireland CLG
Company limited by guarantee

Directors and other information

Directors	Suzanne McCormack (Chairperson) Jonathan O'Connell (Treasurer) Jacinta Kelly (Secretary) Laura Brady Sinéad Hickey Geraldine Kelly Robert O'Connor Michael Walsh Philip Watt Bernadette Rock Brian Lynch (Appointed 16 June 2020)
Secretary	Jacinta Kelly
Company number	377794
Registered office	Digital Office Centre 12 Camden Row Dublin 8
Business address	Digital Office Centre 12 Camden Row Dublin 8
Auditor	McCloskey & Co Apex Business Centre Blackthorn Road Sandyford Dublin 18
Bankers	AIB 7/12 Dame Street Dublin 2
Charity (Revenue) Number	CHY 15386
Registered Charity Number	20052973

Health Research Charities Ireland CLG
(A Company Limited by Guarantee and not having Share Capital)

Directors' report

The directors present their annual report and audited financial statements for the year ended 31 December 2020.

Reference and Administrative Details

The organisation is a charitable company with a registered office at Digital Office Centre, 12 Camden Row, Dublin 8. The company's registration number is 377794.

The charity has been granted charitable tax status under Sections 207 and 208 of the Taxes Consolidation Act 1997, Charity No CHY 15386 and is registered with the Charities Regulatory Authority, Registered Charity Number 20052973.

Directors

The names of persons who at any time during the financial year and since the year end unless otherwise stated were directors/trustees of the company are as follows:

Suzanne McCormack (Chairperson)
Jonathan O'Connell (Treasurer)
Jacinta Kelly (Secretary)
Laura Brady
Sinéad Hickey
Geraldine Kelly
Robert O'Connor
Michael Walsh
Philip Watt
Bernadette Rock
Brian Lynch (Appointed 16 June 2020)

Principal Activities and Objectives

The main objects of the company are to inform, facilitate and support those charities in Ireland that are undertaking medical research in the development of their research function.

The activities are funded by the receipt of grants, awards, corporate support, member subscriptions and levies.

As an umbrella body, our members represent well over 1 million patients in Ireland. Health Research Charities Ireland CLG (HRCI) promotes a dynamic medical research environment in Ireland, seeking a greater understanding of how illness can be prevented, how it can be diagnosed earlier and treated more effectively, with the ultimate goal of improving the whole nation's health.

Financial review, achievements and performance

At the start of 2020, we published our [new HRCI strategy 2020-2023, entitled Together for Better Health Research](#) with the following strategic goals.

1. Ensure impactful health research through increased patient and public involvement (PPI).
2. Facilitate an increase in the quantity and quality of health research through the Joint Funding Scheme.
3. Support and inform HRCI members, to increase their capacity to engage in health research.
4. Positively influence Ireland's development as an excellent place to do health research.

Despite the challenges of Covid 19, we remained focused on working towards these goals, continuing with the core activities and also re-focusing some of our activities in response to the current needs.

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Directors' report

Financial review, achievements and performance (continued)

We particularly focused on how we can play to our strengths to communicate evidence-based (and public health messaging aligned) information about COVID-19, being conscious that it brings with it the chance for more appreciation of health research.

Some highlights of our activities in 2020 are outlined below.

Public and Patient Involvement in Research (PPI)

PPI is research carried out 'with' or 'by' patients/members of the public rather than 'to', 'about' or 'for' them. PPI improves the quality and relevance of research and occurs when patients/members of the public meaningfully and actively collaborate in the governance, priority setting, conduct of research, and appropriately applying its resulting knowledge. A key HRCI strategic aim for 2020-2023 is to '**Ensure impactful health research through increased patient and public involvement (PPI)**'. HRCI aim to prioritise support for our members as they involve their respective communities in their own research decision-making and as they facilitate researchers to undertake PPI.

One of our major activities in this area was our continued facilitation of our members **PPI Shared Learning Group** with notable increase in member PPI activities during the year.

In January, we held a **briefing on PPI in industry-led research**, the speakers at which included representatives from IPHA (Irish Pharmaceutical and Healthcare Association), HRCI member charities and UK PPI experts. Following on from this, we coordinated an extensive group of PPI experts and UK charities to host a **Tweetchat on PPI in industry**, resulting in over ¼ million impressions.

We also continued and strengthened excellent partnerships with all five **PPI Ignite initiatives** (who support PPI in universities) in TCD, DCU, UL, NUIG and UCD. We were selected as one of 10 national partners on a planned new **National PPI Network** and represented all the partners at a meeting of international reviewers to assess the grant. This will be a five year project funded by the HRB, involving all universities and led by NUIG. We will also continue to be a local partner to DCU and UL PPI Ignites.

In partnership with TCD PPI Ignite, we **developed a PPI toolkit**, and launched it at the UL PPI Ignite Summer School: <https://bit.ly/HRCIPPItoolkit>. The toolkit is a comprehensive document written to help health research charities develop an initial workshop with PPI contributors. As part of this launch, we also produced a video on the need for and value of the PPI toolkit. It has been very well received and is being used by our member organisations, as well as external organisations.

Irish Health Research Forum (IHRF)

The IHRF was established by **Health Research Charities Ireland** in 2014. The Forum considers key health research issues and identifies constructive solutions at twice yearly meetings. We strongly value the on-going guidance of an exceptional Steering Group of leaders in health research and the Forum is nationally recognised for the quality of its events and the diversity of stakeholders it attracts. See more here: <https://hrci.ie/ihrf/>

Early in the year we published the report from the 2019 Irish Health Research Forum event– '**Working across Health Services and Academia - Challenges and Solutions for Health Research**'. It contains seven recommendations, developed in consultation with the IHRF Steering Group, to improve health research. It was disseminated to over 650 health research stakeholders.

Despite the limitations of Covid-19, in November we held an IHRF event via webinar on the **Future of Genomics Research**. The event was supported with a discussion paper including 21 invited submissions. This brought together a broad range of perspectives and the emerging themes were summarised at the event. 176 people attended which was our largest ever IHRF attendance. We also produced and disseminated videos from the event.

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Directors' report

Financial review, achievements and performance (continued)

Joint Funding Scheme

HRCI manage the Joint Funding Scheme in partnership with HRB (Health Research Board). See more here: <https://hrcli.ie/joint-funding-scheme/>.

In June, 12 HRCI member charities submitted a total of 31 projects to the Joint Funding scheme. The projects were assessed through a zoom panel meeting with **10 projects approved for funding**.

In November, we produced a report on this round of the Joint Funding Scheme, including details of its evolution over time and findings from a member survey on their experiences of the most recent round. We also **launched a fact sheet** on the scheme, to promote it among charities and researchers.

In December, with the support of the Health Research Board, we held an online launch event to celebrate successful projects and raise the profile of the scheme. **Minister for Health, Stephen Donnelly** gave a live presentation at this event which was also attended by charities, successful research applicants, future potential applicants, health research policy makers and members of the public. For the purposes of this event we produced two videos highlighting the real-world impact of the scheme for the charities, researchers and patients.

Other Events

In early March, we held a member-only workshop on the topic of **Research Governance**. This interactive workshop provided an opportunity for our members to learn more about peer review, research committees, conflicts of interest and research strategies.

Other Member Support

We provided much one-to-one support to our members over the course of the year. Although our board and member meetings were held online from March, we continued where possible, with the practice of inviting expert speakers to our meetings. The speakers over the course of the year included i) Representatives from Dept of Jobs Enterprise and Innovation, ii) National Contact Point for Health, Enterprise Ireland, iii) CEO Health Products Regulatory Authority, iv) The Head of the National Office for Research Ethics Committees.

During 2020, We undertook two surveys on the **Impact of COVID-19 on health research** – one with Irish Universities (eight participating universities) and one with HRCI members.

- A key finding from the **Irish University survey** was that Health Research was operating at an estimated 46% capacity relative to normal.
- **The HRCI members survey showed a reduction** in charity fundraising and in patients participating in clinical research. Also, significant delays to charity funded research projects were reported.

Governance

HRCI is fully compliant with the Charities Governance Code. Full compliance was initially approved by the board at a meeting on October 23rd 2019. Since then and in line with the guidelines, we continually review and approve our policies and practises as per documented review schedule. All updated policies are approved by the Staff & Finance committee. In 2020, we developed a new board competency matrix and also reviewed and approved The Employee Handbook, The Risk Register and the Terms of Reference for the Staff & Finance Committee and the IHRF Steering Group.

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Directors' report

Financial review, achievements and performance (continued)

Funding

HRCI income wasn't negatively impacted by Covid 19 in 2020. We received all of our planned funding grants from HRB (€75,000), POBAL Grants (€89,533) and other Grant Income (€5,633). We had four new membership applications in 2020 which brought our membership income to €38,045 (2019: €29,549)

We were successful in our HRB application for a funding renewal for the period of 2020-2024 ensuring continued financial stability in the coming years.

Assets and liabilities and financial position

The financial results are set out on page 9 of the financial statements. The retained surplus for the year amounted to €3,536, (2019: €28,058).

At the end of the year the company had assets of €193,996 (2019: €205,786) and liabilities of €18,826 (2019: €34,152). The net funds increased to €175,170 (2019: €171,634). Of the net funds at 31 December 2020 €1,305 of this is attributable to restricted funds.

Principal risks and uncertainties

The Directors have identified that the key risks and uncertainties the company faces relate to the risk of reduced funding in the future and the potential increase in compliance requirements in accordance with company, health and safety, taxation and other legislation;

The company mitigates these risks as follows: i) The company continually monitors the level of activity, prepares and monitors its budgets targets and projections. ii) The company closely monitors emerging changes to regulations and legislation on an ongoing basis.

Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff.

In addition, the staff and finance committee review the risk register on an annual basis.

Future developments

The company plans to continue and expand the activities outlined above in the forthcoming years subject to satisfactory funding arrangements.

Structure, Governance and Management

The organisation is a charitable company limited by guarantee. The company does not have a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding €1.27.

The charity was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association and managed by a Board of Directors who meet several times a year.

Health Research Charities Ireland CLG believe good governance means being clear in our objectives, ethical and transparent in our dealings, accountable to our stakeholders and compliant with legal requirements. It is a way of working rather than a tick box exercise. It is about a commitment, from the Directors down, to operate in the best way at all times, for the benefit of all patients, member organisations and stakeholders. As an umbrella organisation for other charities, it is particularly important that Health Research Charities Ireland CLG acts as a positive example in all aspects of governance. We have built the trust of our members and funders and we must work hard to retain that trust.

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Directors' report

Subcommittees

Health Research Charities Ireland CLG has 2 subcommittees composed of HRCI members which help guide and oversee the organisation.

i) Staff and Finance Subcommittee

The role of this committee is to consider all issues related to staff, finance and governance and where necessary to make recommendations to the Board of HRCI. The committee meets prior to each board meeting – 6 times per year. Key matters that can be considered by the committee include the following: Budgets and Financial statements, Recruitment, Human Resource Issues, including sensitive issues where it is inappropriate for a detailed board discussion, Governance of HRCI, other issues of major concern to the HRCI

ii) Advocacy and Communications Subcommittee.

The role of this committee is to advise and make recommendations to the HRCI board on Public Affairs, Advocacy and Communications issues, to input into the Communications and Advocacy strategy for the HRCI going forward and to help position the HRCI as a critical player in health research in Ireland and by doing so increase the profile of medical research in Ireland.

Attendance at Board meetings:

The HRCI Board of directors met six times in 2020. Attendance at these meetings by Board members is indicated by a tick in the following table:

Name	5 Feb	2 Apr	10 June	16 Sep	21 Oct	10 Dec
Suzanne McCormack	√	√	√	√	√	√
Jonathan O'Connell	√	√	√	√	√	√
Jacinta Kelly	√	√	√	√	√	√
Laura Brady	√	√	√	√	√	
Sinéad Hickey	√	√	√	√	√	√
Geraldine Kelly	√	√	√			
Robert O'Connor	√		√	√		√
Michael Walsh	√		√		√	√
Philip Watt	√		√	√	√	√
Bernadette Rock	√		√	√		√
Brian Lynch*				√	√	√

*Appointed 16 June 2020

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, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The accounting records of the company are located at the registered office.

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Directors' report

Relevant audit information

In the case of each of the persons who are directors at the time this report is approved in accordance with section 332 of Companies Act 2014:

- so far as each director is aware, there is no relevant audit information of which the company's statutory auditors are unaware, and
- each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

Auditors

In accordance with Section 383 (2) of Companies Act 2014, the auditors, McCloskey & Co, have indicated their willingness to continue in office.

This report was approved by the board of directors on 2 June 2021 and signed on behalf of the board by:

Suzanne McCormack

Director

Jonathan O'Connell

Director

Health Research Charities Ireland CLG
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Directors responsibilities statement

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

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

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

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

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

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

Health Research Charities Ireland CLG
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Independent auditor's report

Opinion

We have audited the financial statements of Health Research Charities Ireland CLG (the 'company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies set out in note 3. The financial reporting framework that has been applied in their preparation is applicable Irish law and Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015.

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 2020 and of its net income for the year then ended;
- have been properly prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

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

Other information

The other information comprises the information included in the directors' report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

**Health Research Charities Ireland CLG
(A Company Limited by Guarantee and not having Share Capital)**

Independent auditor's report

Opinions on other matters prescribed by Companies Act 2014

In our opinion, based on the work undertaken in the course of the audit:

- we have obtained all the information and explanations which we consider necessary for the purposes of our audit;
- the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited;
- the financial statements are in agreement with the accounting records;
- the information given in the Directors' Report is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with the Companies Act 2014.

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.

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 6, 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 the directors 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 the directors either intend to liquidate the company or to cease operations or have 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 website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our audit report.

**Health Research Charities Ireland CLG
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Independent auditor's report

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

This report is made solely to the company's members as a body in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters that we are required to state to them in the audit 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 or the company's members as a body for our audit work, for this report, or for the opinions we have formed.



Thomas McCloskey

For and on behalf of
McCloskey & Co
Chartered Accountants & Statutory Auditor
Apex Business Centre
Blackthorn Road
Sandyford
Dublin 18

2 June 2021

Health Research Charities Ireland CLG
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Statement of financial activities
Year ended 31 December 2020

	Unrestricte d funds 2020	Restricted funds 2020	Total 2020	Unrestricte d funds 2019	Restricted funds 2019	Total 2019
Notes						
Incoming resources:						
Membership and subscriptions	€38,045	€0	€38,045	€29,549	€0	€29,549
5% Levy on the Joint Funding Scheme	€0	€0	€0	€62,777	€0	€62,777
Corporate sponsorship	€0	€0	€0	€0	€2,500	€2,500
HRB funding	€37,500	€37,500	€75,000	€75,000	€0	€75,000
SSNO Project - Pobal funding	€0	€89,533	€89,533	€0	€85,154	€85,154
Other income and awards	€3,671	€5,633	€9,304	€8,045	€3,066	€11,111
5	€79,216	€132,666	€211,882	€175,371	€90,720	€266,091
Resources expended:						
Programme expenses	€2,863	€89,607	€92,470	€15,704	€92,557	€108,261
Operational expenses	€74,122	€41,754	€115,876	€129,773	€0	€129,773
	€76,985	€131,361	€208,346	€145,477	€92,557	€238,034
Net movements in funds for the year	€2,231	€1,305	€3,536	€29,894	(€1,836)	€28,058
Reconciliation of funds						
Balances brought forward at 1 January 2020	€171,634	€0	€171,634	€143,576	€0	€143,576
Transfer between funds	€0	€0	€0	(€1,836)	€1,836	€0
Balances carried forward at 31 December 2020	€173,865	€1,305	€175,170	€171,634	(€0)	€171,634

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Balance sheet
As at 31 December 2020

	Note	2020		2019	
		€	€	€	€
Fixed assets					
Tangible assets	10	1,226		301	
			1,226		301
Current assets					
Debtors	11	4,232		3,626	
Cash at bank and in hand	12	188,538		201,859	
		192,770		205,485	
Creditors: amounts falling due within one year	13	(18,826)		(34,152)	
Net current assets			173,944		171,333
Total assets less current liabilities			175,170		171,634
Net assets			175,170		171,634
Capital and reserves					
Restricted funds	14	1,305		-	
Unrestricted funds	14	173,865		171,634	
Members funds			175,170		171,634

These financial statements were approved by the board of directors on 2 June 2021 and signed on behalf of the board by:

Suzanne McCormack
Director

Jonathan O'Connell
Director

The notes on pages 15 to 24 form part of these financial statements.

Health Research Charities Ireland CLG
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Statement of cash flows
Financial year ended 31 December 2020

	2020	2019
	€	€
Cash flows from operating activities		
Profit for the financial year	3,920	28,058
<i>Adjustments for:</i>		
Depreciation of tangible assets	450	465
Accrued expenses/(income)	(3,000)	4,663
<i>Changes in:</i>		
Trade and other debtors	(606)	(92)
Trade and other creditors	(12,710)	13,134
Cash generated from operations	<u>(11,946)</u>	<u>46,228</u>
Net cash (used in)/from operating activities	<u>(11,946)</u>	<u>46,228</u>
Cash flows from investing activities		
Purchase of tangible assets	(1,375)	-
Net cash (used in)/from investing activities	<u>(1,375)</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents	(13,321)	46,228
Cash and cash equivalents at beginning of financial year	<u>201,859</u>	<u>155,631</u>
Cash and cash equivalents at end of financial year	<u><u>188,538</u></u>	<u><u>201,859</u></u>

Health Research Charities Ireland CLG
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Notes to the financial statements
Financial year ended 31 December 2020

1. General information

The company is a private company limited by guarantee, registered in Ireland. The address of the registered office is Digital Office Centre, 12 Camden Row, Dublin 8.

2. Statement of compliance

The financial statements have been prepared in accordance with accounting standards issued by the Financial Reporting Council, including FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) as modified by the Statement of Recommended Practice “Accounting and Reporting by Charities” effective 1 January 2015.

The charity has applied the Charities SORP on a voluntary basis as its application is not a requirement of the current regulations for charities registered in the Republic of Ireland however it is considered best practice. As noted below, the directors consider the adoption of the SORP requirements as the most appropriate accounting practice and presentation to properly reflect and disclose the activities of the organisation.

The significant accounting policies adopted by the Company and applied consistently are as follows:

3. Accounting policies and measurement bases

a) Basis of preparation

The Financial Statements are prepared on the going concern basis, under the historical cost convention, and comply with the financial reporting standards of the Financial Reporting Council and promulgated by Chartered Accountants Ireland as modified by the Statement of Recommended Practice “Accounting and Reporting by Charities” effective 1 January 2015 and the Companies Act 2014.

The financial statements are prepared in Euro which is the functional currency of the company

b) Going concern

Given the level of net funds the company holds the directors consider that there are no material uncertainties about the company’s ability to continue as a going concern. The validity of this assumption is dependent on achieving sufficient operating cash flows for the future years. The company’s principal funder, Pobal has not given any indication that it will withdraw its financial support from the company in the foreseeable future. The directors are satisfied that in view of the expected continued financial support from its principal funder the company has the necessary resources to continue trading for the foreseeable future.

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Notes to the financial statements
Financial year ended 31 December 2020

c) Income

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income, the amount can be quantified with reasonable accuracy and it is probable the income will be received. The following specific policies are applied to particular categories of income:

- Income from government and other grants, whether 'capital' or 'revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably.
- Investment income is included when receivable.

d) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

e) Taxation

No charge to current or deferred taxation arises as the charity has been granted charitable status under Sections 207 and 208 of the Taxes Consolidation Act 1997, Charity no. CHY 15386.

f) Tangible fixed assets

Tangible assets are initially recorded at cost and are subsequently stated at cost less any accumulated depreciation and impairment losses.

g) Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures fittings and equipment - 33% straight line

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

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h) Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

i) Fund accounting

The following funds are operated by the Charity

Restricted Funds

Restricted Funds represent grants, donations and sponsorships received which can only be used for particular purposes specified by the donors or sponsorship programmes binding on the directors/trustees. Such purposes are within the overall aims of the charity.

Unrestricted Funds

Unrestricted Funds includes general funds and designated funds and it represent amounts which are expendable at the discretion of the Directors/Trustees in furtherance of the objectives of the charity and which have not been designated for other purposes. Such funds may be held in order to finance working capital or capital expenditure.

Designated Funds

Designated funds are unrestricted funds earmarked by the Directors/Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. The designations have an administrative purpose only and do not legally restrict the Board's discretion in applying the funds.

j) Employee benefits

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

(i) 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.

(ii) Defined contribution pension plans

The Company operates a defined contribution plan. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate fund. Under defined contribution plans, the company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans, the company pays contributions to privately administered pension plans on a contractual or voluntary basis. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

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k) Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

- (a) Establishing useful economic lives for depreciation purposes of property, plant and equipment

The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual values. The directors regularly review these asset useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation and amortisation charges for the period. Detail of the useful economic lives is included in the accounting policies.

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5. INCOME

The whole of the turnover is attributable to the principal activity of the company which is wholly undertaken in Ireland.

Turnover arises from:

	2020	2019
	€	€
Corporate Support	0	2,500
SSNO Project funded by Pobal	89,533	85,154
HRB funding	75,000	75,000
Membership and subscriptions	38,045	29,549
5% Levy on the Joint Funding Scheme	0	62,777
Other income and awards	<u>9,304</u>	<u>11,111</u>
	<u>211,882</u>	<u>266,091</u>

In 2020 €132,666, (2019 €90,720) of incoming resources from charitable activities were restricted.

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging:

	2020	2019
	€	€
Depreciation of tangible assets	450	465
Auditors remuneration	<u>3,690</u>	<u>3,690</u>

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7. STAFF COSTS

The average number of persons employed (full time equivalents) by the company during the financial year was as follows:

	2020	2019
	€	€
Operations	2.1	2.1
Research	<u>0.5</u>	<u>0.5</u>
	<u>2.6</u>	<u>2.6</u>

	2020	2019
	€	€
Wages and salaries	142,413	145,262
Social insurance costs	15,729	15,193
Other retirement benefit costs	<u>6,873</u>	<u>6,981</u>
	<u>165,015</u>	<u>167,436</u>

The number of employees whose emoluments for the year fall within the following bands are as follows:

	2020	2019
	€	€
€60,000 - €70,000	-	-
€70,000 - €80,000	-	-
€80,000 - €90,000	-	-
€90,000 - €100,000	-	-
€100,000 - €110,000	=	=

8. EMPLOYEE BENEFITS

The amount recognised in profit or loss in relation to defined contribution pension plans was €6,873 (2019: €6,981).

9. DIRECTORS EMOLUMENTS

None of the directors received remuneration or benefits for their services during 2020 or 2019.

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Notes to the financial statements
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10. TANGIBLE FIXED ASSETS

	Fixtures, fittings and equipment	Total
	€	€
Cost		
At 1 January 2020	6,671	6,671
Additions	<u>1,375</u>	<u>1,375</u>
At 31 December 2020	<u>8,046</u>	<u>8,046</u>
Depreciation		
At 1 January 2020	6,370	6,370
Charge for the financial charge	<u>450</u>	<u>450</u>
At 31 December 2020	<u>6,820</u>	<u>6,820</u>
Carrying amount		
At 31 December 2020	<u>1,226</u>	<u>1,226</u>
At 31 December 2019	<u>301</u>	<u>301</u>

11. DEBTORS

	2020	2019
	€	€
Prepayments	<u>4,232</u>	<u>3,626</u>

12. CASH AND CASH EQUIVALENTS

	2020	2019
	€	€
Cash at bank	<u>188,538</u>	<u>201,859</u>
Unrestricted income	187,233	201,859
Designated income	0	0
Restricted income	<u>1,305</u>	<u>0</u>
	<u>188,538</u>	<u>201,859</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	€	€
Trade creditors	1,512	13,866
Other creditors	1,172	2,648
Tax and social insurance:		
PAYE and social welfare	12,432	12,386
Accruals	3,710	4,062
Deferred income	-	<u>1,190</u>
	<u>18,826</u>	<u>34,152</u>

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Notes to the financial statements
Financial year ended 31 December 2020

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Funds	Designated Funds	Restricted Funds	Total Funds
	€	€	€	€
Tangible assets	1,226	-	-	1,226
Current assets	191,465	-	1,305	192,770
Current liabilities	<u>(18,826)</u>	-	-	<u>(18,826)</u>
Net assets at 31 December 2020	<u>173,865</u>	-	<u>1,305</u>	<u>175,170</u>

15. MOVEMENTS IN FUNDS

	At 1 January 2020	Income	Expenditure	Transfers	Gain and Losses	At 31 December 2020
	€	€	€	€	€	€
Restricted Funds:						
Pobal grant	0	89,533	(88,228)	0	1,305	1,305
HRB grant	0	37,500	(37,500)	0	0	0
PPI Ignite	<u>0</u>	<u>5,633</u>	<u>(5,633)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total restricted funds	0	132,666	(131,361)	0	0	1,305
Unrestricted funds						
Designated funds	0	0	0	0	0	0
General Funds	<u>171,634</u>	<u>79,216</u>	<u>(76,985)</u>	<u>(0)</u>	<u>2,232</u>	<u>173,866</u>
Total unrestricted funds	171,634	79,216	(76,985)	(0)	0	173,866
TOTAL FUNDS	<u>171,634</u>	<u>211,882</u>	<u>(208,346)</u>	<u>0</u>	<u>3,537</u>	<u>175,170</u>

Purposes of Restricted Funds

Pobal grant: This purpose of this grant is to fund 2 staff positions as part of the Scheme to Support National Organisations (SSNO).

Health Research Board (HRB): The purpose of HRB grant is to contribute towards operational salaries and overheads.

Public and Patient Involvement grant (PPI): Purpose of PPI grant is to fund direct PPI expenses and indirect operational costs.

General funds

The general reserve represents the funds of the charity which are not designated for particular purposes.

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Notes to the financial statements
Financial year ended 31 December 2020

16. FINANCIAL INSTRUMENTS

The carrying amount for each category of financial instruments is as follows:

	2020	2019
	€	€
Financial assets that are debt instruments measured at amortised cost		
Trade and other debtors	4,232	3,626
Cash and short-term deposits	<u>188,538</u>	<u>201,859</u>
	<u>192,770</u>	<u>205,485</u>
Financial liabilities measured at amortised cost		
Trade creditors	1,512	13,866
Other creditors	<u>17,314</u>	<u>19,096</u>
	<u>18,826</u>	<u>32,962</u>

17. LIMITED BY GUARANTEE

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding €1.27.

18. CAPITAL AND OTHER COMMITMENTS

There were no capital commitments at the year ended 31 December 2020 (2019: €-).

19. POST BALANCE SHEET EVENTS

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

20. RELATED PARTY TRANSACTIONS

Key management personnel

Total remuneration including employer's social insurance in respect of senior employees who have authority and responsibility, directing and controlling the activities of the charity amounted to €147,393 (2019: €138,401).

None of the directors received remuneration or benefits for their services during 2020 or 2019.

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Notes to the financial statements
Financial year ended 31 December 2020

21. GRANTS RECEIVED

Grant 1

Agency	Pobal
Sponsoring Government Department	Department of the Environment, Community and Local Government
Grant Programme	Support for National Organisations
Total Grant	€89,533
Grant taken to income in the period	€89,533
Cash received in the period	€89,533
Amounts deferred or due at the period end at the period end	€0
Term	1 July 2019 to 30 June 2022
Received year end	31 December 2020
Capital grant	Nil
Restriction on use	Pay and general administration

Grant 2

Agency	Health Research Board
Total Grant	€262,500
Grant taken to income in the period	€75,000
Cash received in the period	€75,000
Amounts deferred or due at the period end at the period end	€0
Term	1 July 2020 to 30 June 2024
Received year end	31 December 2020
Capital grant	Nil
Restriction on use	Salary related costs and running costs

22. TAX CLEARANCE

The company comply with relevant Circulars, including Circular 44/2006 "Tax Clearance Procedures Grants, Subsidies and Similar Type Payments.

23. APPROVAL OF FINANCIAL STATEMENTS

The board of directors approved these financial statements for issue on 2 June 2021.

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The following pages do not form part of the statutory accounts.

Health Research Charities Ireland CLG
[Company Limited by Guarantee and not having a Share Capital]
Appendix 1: Operating Statement
Year ended 31 December 2020

	2020	2019
	€	€
Income		
Membership and subscriptions	38,045	29,549
5% Levy	0	62,777
Corporate Support	0	2,500
HRB funding	75,000	75,000
SSNO Project - Pobal funding	89,533	85,154
Other income	9,304	11,111
	<u>211,882</u>	<u>266,091</u>
 Direct Expenses		
SSNO costs	89,473	88,561
Irish Health Research Forum	1,473	6,055
Rare Disease Taskforce	120	2,361
Other direct expenses	3,196	11,283
	<u>94,261</u>	<u>108,261</u>
 Surplus before overheads	 117,621	 157,830
 Overhead Expenses		
Allocation of indirect costs to SSNO	(14,547)	(12,542)
Salaries and social welfare costs	86,611	89,704
Staff pension	3,907	3,779
Rent & rates	23,014	22,329
Insurance	1,400	1,400
Post, printing and stationery	265	1,686
Telephone and fax	695	622
Computer/website costs	2,206	7,706
Professional fees	1,838	6,150
Travel/subsistence	0	257
Board expenses	272	337
Accountancy	1,108	836
Audit	3,775	3,690
Bank charges	542	540
Company secretariat	20	20
Sundry expenses	1,606	2,073
Subscriptions	921	719
Depreciation	450	465
	<u>114,084</u>	<u>129,772</u>
 Total expenses	 <u>208,345</u>	 <u>238,032</u>
 Operating surplus	 <u>3,537</u>	 <u>28,058</u>

Health Research Charities Ireland CLG
[Company Limited by Guarantee and not having a Share Capital]
Appendix 2: Pobal Operating Statement
Year ended 31 December 2020

	2020	2019
	€	€
Income		
Pobal funding	89,533	85,154
Direct Expenses		
SSNO costs	<u>88,228</u>	<u>86,991</u>
Operating deficit	<u>1,305</u>	<u>(1,838)</u>