

The National Children's Research Centre Company Limited
by Guarantee

Reports and Financial Statements
for the financial year ended
31 March 2021

THE NATIONAL CHILDREN'S RESEARCH CENTRE COMPANY LIMITED BY GUARANTEE

**REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

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THE NATIONAL CHILDREN'S RESEARCH CENTRE COMPANY LIMITED BY GUARANTEE

DIRECTORS AND OTHER INFORMATION

DIRECTORS

Dr. Ruth Barrington (Chairperson)
Prof. Conleth Feighery
Ms. Joanne Ferris
Prof. Michael Gill
Ms. Carol Hilliard
Prof. Jonathan Hourihane
Prof. Hannah McGee
Prof. Eleanor Molloy
Mr. David O'Donohue
Mr. William Shannon
Prof. Frank Casey
Ms. Mary Finlay Geoghegan
Prof. Deirdre Murray
Prof. Michael Keane
Prof. Michael McDermott

CHIEF EXECUTIVE

Dr. Jacinta Kelly

SECRETARY

Mr. William Shannon

REGISTERED OFFICE

Gate 5, Our Lady's Children's Hospital,
Crumlin,
Dublin 12.

SOLICITORS

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

BANKERS

Allied Irish Banks plc,
219 Crumlin Road,
Dublin 12.

AUDITORS

Deloitte Ireland LLP,
Chartered Accountants and Statutory Audit Firm,
Deloitte & Touche House,
Earlsfort Terrace,
Dublin 2.

COMPANY REGISTRATION NUMBER

551661

CHARITY NUMBER

CHY 21309

THE NATIONAL CHILDREN'S RESEARCH CENTRE COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT

The directors present their annual report on the affairs of the company, together with the financial statements and auditors' report, for the financial year ended 31 March 2021 which have been prepared in accordance with the Small Companies Regime.

PRINCIPAL ACTIVITY

The principal activity of the National Children's Research Centre Company Limited by Guarantee (NCRC) is to support key areas of research of significance to children's health.

BUSINESS REVIEW

The NCRC has been at the heart of paediatric research in Ireland and internationally for over five decades and has been funded since its inception by the Children's Medical and Research Foundation (CMRF), now Children's Health Foundation (CHF) since 1st January 2019.

Founded in 1965, it was the first dedicated research centre on the site of a hospital. It is located on the site of Our Lady's Children's Hospital Crumlin (now Children's Health Ireland (CHI) at Crumlin since 1st January 2019). The Charities Regulatory Authority, under Section 39 of the Charities Act 2009, has approved the NCRC's charitable status.

NCRC has been a key enabler of research at CHI since its establishment in 2019. It has supported CHI in developing its research capacity and contributed to the development of CHI's Strategy for Research (2021-2025). The NCRC established the Children's Clinical Research Unit (CCRU), which forms the backbone of clinical research in the Hospital. It was agreed to transfer its governance and operation to CHI under a Transfer of Undertakings, in April 2021. The CCRU conducts clinical trials which give children access to the best of care and are key to improving diagnostics and therapies for childhood illnesses.

In early 2021, the Board of NCRC was informed by its principal funder, the Children's Health Foundation, that it would no longer continue to fund NCRC beyond 31 December 2021 and of the intention of CHI to acquire the functions of NCRC by way of transfer by that date.

CHI has proposed new structures to govern paediatric education and research with its Dublin academic partners- UCD, TCD, RCSI and DCU. The proposal is to establish a Paediatric Academic Health Science Centre (PAHSC) which will subsequently expand to become an all-island network. In 2021 it was agreed that the mission and function of the NCRC would transfer to CHI under the governance of the PAHSC when established. The transfer will take place by a Transfer of Undertakings due for completion by the end of December 2021 at which point the NCRC will commence a voluntary wind-up. The specific expertise of the NCRC will be vital to the work of the PAHSC and will be the key activity that is carried out in the Children's Research and Innovation Centre (CRIC) on the grounds of the new Children's Hospital, when completed. Grants awarded and committed by the NCRC up to the 31st March 2021 that continue beyond the proposed transfer date of the 31st December 2021 will continue to be funded by CHF but managed by CHI.

The core objective of the NCRC is to improve the lives and health of children through research, and this will continue through the transfer to CHI.

DIRECTORS' REPORT (CONTINUED)

BUSINESS REVIEW (CONTINUED)

NCRC grant funded researchers are primarily associated with CHI at Crumlin, CHI at Temple Street and CHI at Tallaght Hospital, and their associated academic institutions – RCSI, TCD and UCD but are also located in major academic hospitals around Ireland. These grants will continue to be funded by CHF after the transfer of NCRC to CHI.

NCRC has confirmed its compliance with the Charities Governance Code as developed and implemented by the Office of the Charities Regulator in 2021.

EVENTS AFTER THE BALANCE SHEET DATE

The NCRC is currently working closely with CHI and CHF to plan the smooth transfer of the NCRC mission and functions to CHI under the Governance of the PAHSC. This is expected to be completed by the 31st December 2021 at which point the NCRC will commence the winding up of the company by way of members' voluntary liquidation.

GOING CONCERN

The company will cease operations after the balance sheet date. The financial statements have been prepared on a basis other than that of a going concern. Provision has also been made for any onerous contractual commitments at the balance sheet date. The financial statements do not include any provision for the future costs of orderly winding up the operations of the company except to the extent that such were committed at the balance sheet date.

Further details regarding the adoption of the going concern basis can be found in note 2 to the financial statements.

STRUCTURE, GOVERNANCE AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The NCRC is an Irish Company incorporated under the Companies Act 2014, on 28th October 2014. It is a company limited by guarantee registered under part 18 of the Companies Act, 2014 and does not have a share capital. It is governed by a Constitution, which was last amended on the 18th May 2017.

NCRC is governed by a Board of directors, each whom is elected for a three-year term, which is renewable twice (a total of 9 years). The Directors represent a diverse range of relevant expertise. The Board comprises a maximum of seventeen members. While now required by the bye-law, the Board includes directors who are Professors of Paediatrics; Deans of Medicines of the Medical Schools; Research active staff of Children's Hospital's nationally and experts in Finance, Legal and Human Resources.

THE NATIONAL CHILDREN'S RESEARCH CENTRE COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT (CONTINUED)

STRUCTURE, GOVERNANCE AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

The directors, and secretary, who served at any time during the financial year except as noted, and their percentage attendance at Board and Board subcommittee meetings, were as follows:

	Board (7 Meetings)	Finance and Audit Committee (6 meetings)	Governance Committee (8 meetings)	Nominations Committee (5 meetings)	Strategy Committee (5 meetings)
Dr. Ruth Barrington (Board Chairperson)	100%	100%	100%	100%	n/a
Mr. David O'Donohoe (Governance Committee Chair)	100%	n/a	100%	n/a	n/a
Mr. William Shannon (Finance and Audit Committee Chair)	100%	100%	n/a	n/a	n/a
Ms. Carol Hilliard	86%	n/a	n/a	100%	n/a
Prof. Conleth Feighery	86%	n/a	86%	100%	n/a
Ms. Joanne Ferris (Nominations Committee Chair)	57%	n/a	n/a	100%	n/a
Ms. Mary Finlay Geoghegan (since appointed)	100%	n/a	100%	n/a	n/a
Prof. Jonathan Hourihane (Strategy Committee Chair)	86%	n/a	n/a	n/a	100%
Prof. Eleanor Molloy	86%	83%	n/a	n/a	40%
Prof. Frank Casey	57%	n/a	n/a	n/a	80%
Prof. Deirdre Murray (since appointed)	57%	n/a	n/a	n/a	60%
Prof. Michael Gill	86%	n/a	n/a	n/a	n/a
Prof. Hannah McGee	86%	n/a	n/a	n/a	n/a
Prof. Michael Keane	100%	n/a	n/a	n/a	75%
Dr Michael McDermott	80%	n/a	67%	n/a	n/a

Secretary:

Mr. William Shannon (Company Secretary)

The Board is supported by a Board structure which deals effectively with specific aspects of the business of the company. The Board subcommittees in place are the Finance and Audit Committee, Governance Committee, Nominations Committee and Strategy Committee. The Board delegates the day to day management of the NCRC to the Chief Executive. No members of the Board receive payment.

DIRECTORS' REPORT (CONTINUED)

GOVERNANCE

The NCRC is committed to maintaining the highest standards of governance to ensure full transparency of how we operate. Financial accounts are published annually. They are prepared annually in accordance with Section 1A of FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland.

The NCRC is fully compliant with the Charities Governance Code as developed by the Office of the Charities Regulator which came into effect in 2021.

The NCRC is fully compliant with all relevant Irish Charity legislation and regulatory frameworks.

There were no political contributions in the period and as a result no disclosures are required (2020: €Nil).

RISK MANAGEMENT

The NCRC operates a risk management process culminating in a risk register that identifies the top risks, their likelihood and impact, and the consequent actions to manage this effectively. The company's activities expose it to a number of financial risks including credit risk and cash flow risk. These risks are governed by the company's policies approved by the board of directors.

RESULTS

The results for the financial year and state of affairs of the company are set out in the statement of financial activities and the balance sheet on pages 17 and 18 respectively. The NCRC does not operate with a view to profit and all income is received solely for the purpose of research and related operational expenditure.

OBJECTIVES AND ACTIVITIES

In 2014, the NCRC approved a new NCRC Strategy 2015-2019, following a review by an international panel, and extensive environment analysis and stakeholder consultation. In 2020, the Board extended the strategy by a further year. The resulting Strategy contained 5 strategic objectives; these are outlined below;

1. Clinical and Translational Research

To develop a sustainable, internationally competitive, national clinical paediatric research community of scientists, clinicians, nurses, and allied health professionals working in key areas of paediatric research.

2. Leadership in Paediatric Research

To provide strategic leadership in developing the research agenda nationally and at the new National Children's Hospital

3. Communication and Outreach

To play a significant role in communicating the NCRC mission, vision, and function to the widest community and to engage with all our stakeholders, including the CHF, patients' families and the public to promote the importance of paediatric research and participation in such research

DIRECTORS' REPORT (CONTINUED)

OBJECTIVES AND ACTIVITIES (CONTINUED)

4. Funding and Finance

To maximise the funding obtained by the NCRC by assisting the CHF in its fundraising endeavor's, creating partnerships with other funders, encouraging NCRC principal investigators to leverage funding from other agencies both national and international, and to use the funds available to the NCRC as cost effectively as possible.

5. Organisational Reform

To develop the NCRC's organisational structure as an incorporated entity, complying with the highest governance standards of efficiency, effectiveness, accountability, transparency and value for money, ensuring that the NCRC is the best funder of paediatric research that it can be.

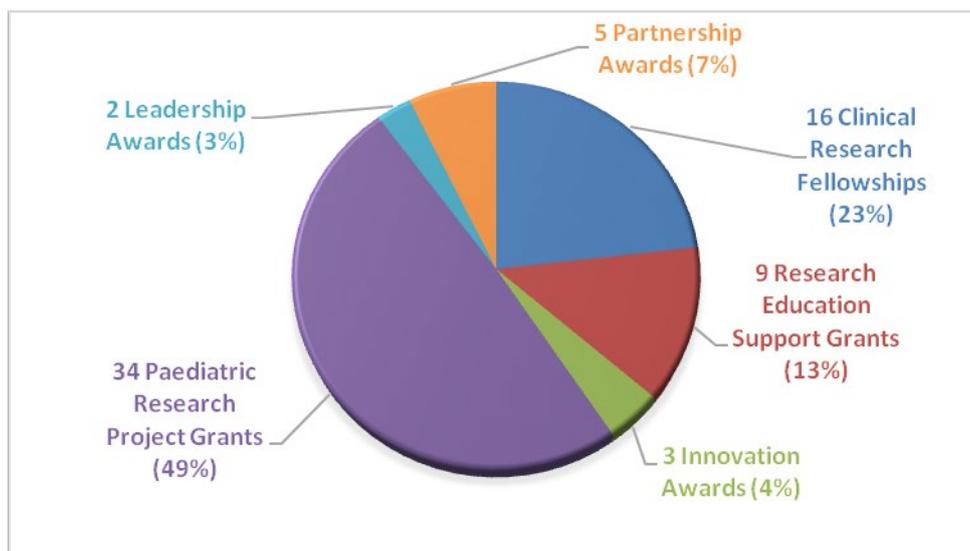
The NCRC supported Children's Health Ireland to develop its new Research Strategy for Paediatric Research for the period 2021-2025.

Outlined below under each strategic objective heading is an update on the objective progress during 12-month financial period to 31st March 2021:

Strategic Objective 1: Clinical and Translational Research

Project Grant Awards

The NCRC provided financial support for 69 Research project grants during the period including 5 partnerships, 34 Paediatric Research Project Grants, 2 Leadership awards, 3 Innovation awards, 16 Clinical Research Fellowship awards and 9 Research Education support awards (Figure 1).



(Figure 1)

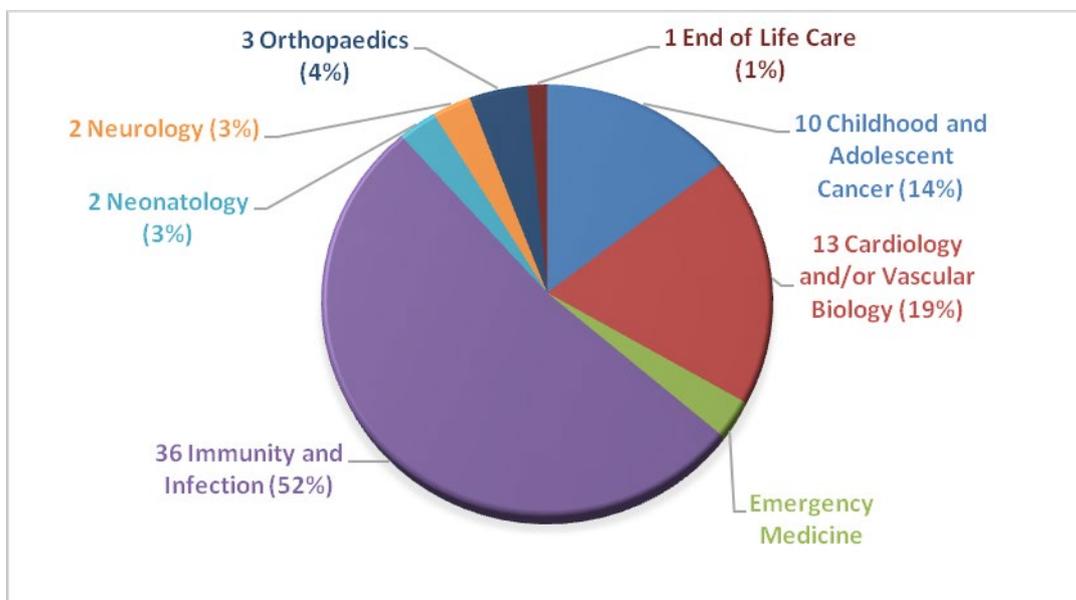
DIRECTORS' REPORT (CONTINUED)

OBJECTIVES AND ACTIVITIES (CONTINUED)

Strategic Objective 1: Clinical and Translational Research (Continued)

Project Grant Awards (Continued)

Of the 69 Active Research Projects, 59 were focused predominantly on the NCRC's strategic research priority areas of Childhood Cancer, Cardiology, Infection and Immunity (Figure 2), with the remainder focused on other key paediatric research priority areas. The area of Infection and Immunity spans a broad field of research activity.



2020/21 Grant Awards

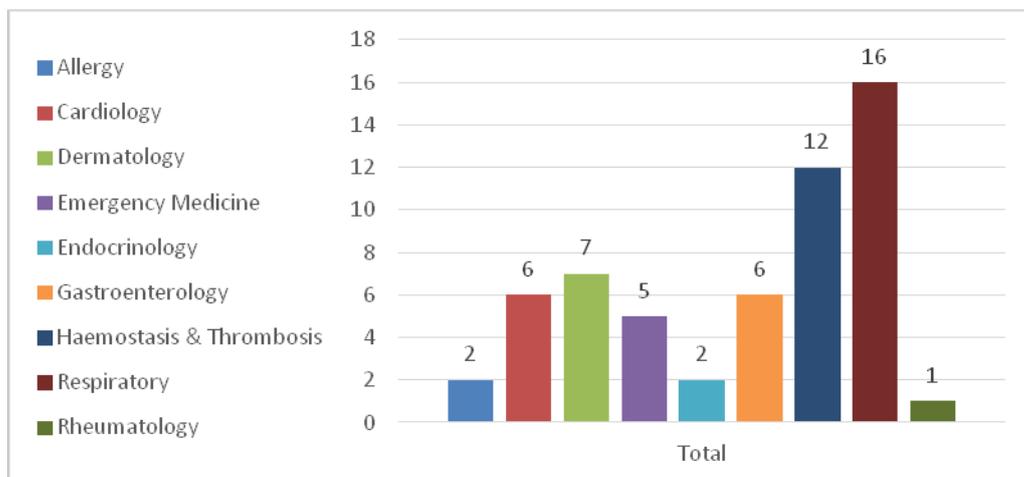
During the period due to changing funding priorities at CHF and the impact of COVID 19 on fund raising, no new Grant Awards were issued by the NCRC.

OBJECTIVES AND ACTIVITIES (CONTINUED)

Strategic Objective 1: Clinical and Translational Research (Continued)

Children's Clinical Research Unit (CCRU)

In the period, there were 57 active research studies across nine different therapeutic areas supported by CCRU (Figure 3).



(Figure 3)

Of these 57 active studies, 28 were Clinical Trial Investigations of Medicinal Products, 1 was a Medical Device trial requiring regulatory approval and 28 were non-interventional research studies. Of these 35 (61%) were commercially sponsored studies.

In addition, 20 feasibility study requests were received to assess Investigator interest in study participation.

The CCRU transferred to CHI under a Transfer of Undertaking on April 1st 2021.

Strategic Objective 2: Leadership in Paediatric Research

Paediatric Academic Health Sciences Centre/Network (PAHSC/N)

Children's Health Ireland and its multiple academic partners will form a Paediatric Academic Health Sciences Centre / Network (PAHSC/N) that will fundamentally reshape the hospital and university model of education, research and innovation. This strategic shift reflects international experience demonstrating that the integration of services, education and research in an Academic Health Sciences Centre / Network model improves both patient outcomes and research and contributes to innovation and the knowledge economy.

As a result, the Academic Partnership Group (APG) was established in early 2019, chaired by Professor Ian Hann tasked with developing comprehensive constitutional, governance, executive and operational provisions to apply to the PAHSC and PAHSCN. NCRC is represented on the APG by its CEO. A Memorandum of Agreement between the PAHSC/N and CHI is currently being developed.

DIRECTORS' REPORT (CONTINUED)

OBJECTIVES AND ACTIVITIES (CONTINUED)

Developing research capacity at CHI

During the period NCRC continued to work closely with CHI to further develop its research capacity. Preparations for the transfer of the CCRU to CHI were completed. CHI and NCRC signed an MOA to allow a smooth transfer of the CCRU under a Transfer of Undertakings that was concluded on April 1st 2021. Discussions on the future transfer of NCRC's mission and functions to CHI under the governance of the proposed PAHSC have commenced.

Strategic Objective 3: Communication and Outreach

To play a significant role in communicating the NCRC mission, vision and function to the widest community and to engage with all our stakeholders, including the CHF and the public to promote the importance of paediatric research and participation in such research.

NCRC prioritises communication and outreach as a key activity to inform all stakeholders of the work ongoing in NCRC, and importantly, to assist the CHF in their fundraising efforts. Communication is also a fundamental requirement in science and medicine, not solely through academic papers but through presentations, and networking so that the work funded generously by the CHF receives maximum exposure. This is achieved by:

- The publication of the Annual Highlights report (available on the NCRC's website www.nationalchildrensresearchcentre.ie)
- The publication of biannual newsletters (available on the NCRC's website)
- The publication of researcher profiles on the NCRC's website
- Annual Symposium (and an associated social media campaign),
- Children's Health Foundations (CHF) engagement

Strategic Objective 4: Funding and Finance

Children's Health Foundation (CHF)

As part of the reorganisation of the fundraising effort for CHI, the CMRF merged with Temple Street Foundation forming "Children's Health Foundation" (CHF), with effect from 1st January 2019. The National Children's Hospital Foundation at Tallaght will join the new Foundation at a later stage.

The relationship between the CHF (formerly CMRF) and the NCRC from a financial perspective continues to be managed under the terms of the Memorandum of Understanding agreed in 2015.

Financial Governance

The NCRC continues to manage its finances under the supervision of the NCRC Finance and Audit Committee and in accordance with its Statement of Financial Controls.

DIRECTORS' REPORT (CONTINUED)

OBJECTIVES AND ACTIVITIES (CONTINUED)

Strategic Objective 5: Organisational Reform

NCRC Organisation Structure change – Transfer of Undertaking

Under a Transfer of Undertakings, the Children's Clinical Research Unit (CCRU) transferred to CHI on 1st April 2021. Also, in 2021 it was agreed that the NCRC's mission and function would transfer to CHI, under the governance of the PAHSC when established, by way of a transfer of undertakings. The transfer is to be effective by 31st December 2021.

ACCOUNTING RECORDS

The measures that the directors have taken 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 employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at Gate 5, Our Lady's Children's Hospital, Crumlin, Dublin 12.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 330 of the Companies Act 2014.

DIRECTORS' REPORT (CONTINUED)

AUDITORS

The auditors, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, continue in office in accordance with Section 383(2) of the Companies Act 2014.

Approved by the Board and signed on its behalf by:



Ruth Barrington
Director



William Shannon
Director

Date: 21/10/2021

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the directors' report and the financial statements in accordance with the Companies Act 2014.

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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council* ("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 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 those financial statements, the directors are required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the 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.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL CHILDREN'S RESEARCH CENTRE

Report on the audit of the financial statements

Opinion on the financial statements of National Children's Research Centre ("the company")

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 March 2021 and of the result for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- the Statement of Financial Activities;
- the Balance Sheet; and
- the related notes 1 to 23, including a summary of significant accounting policies as set out in note 1.

The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council ("the relevant financial reporting framework").

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 below 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 issued by the Irish Auditing and Accounting Supervisory Authority, 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.

Emphasis of matter – Financial statements prepared on a basis other than that of going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

Other information

The other information comprises the information included in the Directors' Report and Audited Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Directors' Report and Audited Financial Statements. 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.

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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL CHILDREN'S RESEARCH CENTRE

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, 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.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity (or where relevant, the group) to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NATIONAL CHILDREN'S RESEARCH CENTRE

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2014

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

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

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Kevin Sheehan
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, 29 Earlsfort Terrace, Dublin 2

Date: 21 October 2021

THE NATIONAL CHILDREN'S RESEARCH CENTRE COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

	<i>Notes</i>	2021 Restricted Funds €	2021 Unrestricted Funds €	2021 Total Funds €	2020 Restricted Funds €	2020 Unrestrict ed Funds €	2020 Total Funds €
Income from:							
Grant income	4	5,065,895	-	5,065,895	6,335,964	-	6,335,964
Total Income		<u>5,065,895</u>	<u>-</u>	<u>5,065,895</u>	<u>6,335,964</u>	<u>-</u>	<u>6,335,964</u>
Expenditure on:							
Charitable activities	5/6	(5,065,895)	-	(5,065,895)	(6,335,964)	-	(6,335,964)
Total Expenditure		<u>(5,065,895)</u>	<u>-</u>	<u>(5,065,895)</u>	<u>(6,335,964)</u>	<u>-</u>	<u>(6,335,964)</u>
Net income before taxation	7	-	-	-	-	-	-
Taxation	8	-	-	-	-	-	-
Net movement in funds		-	-	-	-	-	-
Reconciliation of funds:							
Total funds brought forward	16	-	-	-	-	-	-
Total funds carried forward		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

All income and expenditure derives from continuing activities.

THE NATIONAL CHILDREN'S RESEARCH CENTRE COMPANY LIMITED BY GUARANTEE

BALANCE SHEET
AS AT 31 MARCH 2021

	Notes	2021 €	2020 €
Fixed Assets			
Tangible assets	11	252,413	298,569
		<u>252,413</u>	<u>298,569</u>
Current Assets			
Debtors	12	808,256	725,178
Cash at bank and in hand		1,465,470	1,199,455
		<u>2,273,726</u>	<u>1,924,633</u>
Creditors: Amounts falling due within one year	13	(2,273,726)	(1,924,633)
		<u></u>	<u></u>
Net current assets			
Creditors: Amounts falling due after more than one year	15	(252,413)	(298,569)
		<u></u>	<u></u>
NET ASSETS			
		<u><u>-</u></u>	<u><u>-</u></u>
FUNDS OF THE CHARITY			
Restricted funds	16	-	-
		<u><u>-</u></u>	<u><u>-</u></u>

The financial statements were prepared in accordance with the Small Company Regime and were approved and authorised for issue by the Board of Directors on21/10/2021.....and signed on its behalf by:



Ruth Barrington
Director



William Shannon
Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year.

General Information and Basis of Accounting

The NCRC is a company incorporated in Ireland under the Companies Act 2014 as a company limited by guarantee and is a registered charity. The address of the registered office is given on page 4. The nature of the company's operations and its principal activities are set out in the directors' report on page 5.

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2014, Small Companies Regime and Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The NCRC has prepared its financial statements in accordance with the formats provided for in the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in accordance with the Financial Reporting Standard applicable in the UK (which has been recognised as best practice for financial reporting by charities in Ireland) and FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), issued by the Financial Reporting Council, and the Companies Act 2014.

The functional currency of the NCRC is considered to be euro because that is the currency of the primary economic environment in which the company operates.

Going Concern

As explained in note 2, the company will cease operations after the conclusion of the transfer of the activities of the company to CHI, which is expected to be completed by the end for 2021. Accordingly, the financial statements have been prepared on a basis other than that of a going concern. The financial statements do not include any provision for the future costs of orderly winding up the operations of the company except to the extent that such were committed at the balance sheet date.

Income and Expenditure

Revenue grant income and expenditure is recognised on an accrual's basis. Grant income received for specific research projects is recognised as the related expenditure is incurred in fulfilling conditions of the grant. Expenditure is recognised when a liability is incurred. Contractual arrangements are recognised as goods or services are supplied.

The salaries of staff and other costs involved in administrative activities, laboratory activities and research activities were apportioned across those three expenditure categories on a reasonable, justified and consistent basis.

Capital grants are treated as deferred grants. These grants are amortised on the same basis as the related fixed assets are depreciated.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (CONTINUED)

Taxation

In accordance with the provisions of section 207 (as applied to companies by Section 76) Section 609 (Capital Gains Tax) and Section 266 (Deposit Interest Retention Tax) of the Taxes Consolidation Act, 1997, under charity number CHY21309, the NCRC has been granted a tax exemption. This exemption, which applies to Corporation Tax, Capital Gains Tax and Deposit Retention Tax, extends to income and property of the NCRC.

Funds Accounting

Restricted Funds represent income which can only be used for those purposes that have been specified by grant making institutions.

Unrestricted Funds represent amounts which are expendable at the discretion of the Board in furtherance of the objectives of the charity. Such funds may be held in order to finance working capital or capital investment.

Tangible Fixed Assets

Tangible fixed assets are stated at cost, net of depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

- Laboratory Equipment - 10% per annum
- Computer Equipment - 20% per annum
- Fixtures & Fittings - 10% per annum

Foreign Currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Exchange differences are recognised in the Statement of Financial Activities in the financial year in which they arise.

Pension Costs

The company's annual contributions to defined contribution arrangements are charged to the financial statements in the financial year to which they relate. Payments are made to pension trusts which are financially separate from the company. These payments are recognised in the Statement of Financial Activities of the financial year in which they become payable.

Financial Instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES (CONTINUED)

Financial Instruments (Continued)

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs).

Balances that are classified as payable or receivable within one year on initial recognition are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

2. GOING CONCERN

The financial statements have been prepared on a basis other than that of a going concern. The company's day to day cashflow requirements were primarily through direct funding from the Children's Health Foundation (CHF) trading as CRMF Crumlin. During the current year The National Children Research Centre's (NCRC) was informed by CHF that there will be no new grant funding, however, CHF have confirmed they would fund NCRC's support, laboratory and grant management costs to December 31st, 2021 when its functions will transfer to Children's Health Ireland (CHI).

The NCRC and CHI are currently in the process of developing the transition arrangements for the remaining NCRC functions to transfer to CHI in advance of the funding ceasing at the end of the year. A Transition agreement is being developed to formalise this arrangement. The NCRC is currently working closely with CHI and CHF to plan the smooth transfer of the NCRC mission and functions to CHI under the Governance of the PAHSC, and the orderly wind up of the company.

The NCRC's, Children's Clinical Research Unit (CCRU) staff transitioned to CHI on the 31st March 2021.

Thus, the directors adopted the basis other than going concern in preparing the annual financial statements. These financial statements do not include any provision for the future costs of terminating the business of the company except to the extent that such were committed at the balance sheet date.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Other than going concern in Note 2, there were no significant judgements and estimates made by the directors for the current financial period.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

4. GRANT INCOME

The grant income is attributable to the one principal activity of the company.

	2021 Restricted €	2021 Unrestricted €	2021 Total €	2020 Total €
CHF (formerly CMRF)	4,350,615	-	4,350,615	5,495,041
Other external sources	565,800	-	565,800	750,129
Temporary Wage Subsidy	91,317	-	91,317	-
Grant - amortisation	58,163	-	58,163	90,794
	<u>5,065,895</u>	<u>-</u>	<u>5,065,895</u>	<u>6,335,964</u>

Capital grants are treated as deferred grants. These grants are amortised on the same basis as the related fixed assets are depreciated.

5. EXPENDITURE ON CHARITABLE ACTIVITIES

The table below analyses direct and support costs. Direct costs are the delivery cost of an activity including direct salaries. Support costs are analysed in note 6.

	Direct €'000's	Support €'000's	2021 €'000's
Research grant awards	2,880,915	362,594	3,243,509
Clinical research unit	1,244,428	156,624	1,401,052
Laboratory infrastructure	374,231	47,102	421,333
Total Costs:	<u>4,499,574</u>	<u>566,320</u>	<u>5,065,895</u>

Analysis of direct and support costs – prior period

	Direct €'000's	Support €'000's	2020 €'000's
Research grant awards	3,660,746	386,535	4,047,281
Clinical research unit	1,563,879	165,128	1,729,007
Laboratory infrastructure	506,224	53,452	559,676
Total Costs:	<u>5,730,849</u>	<u>605,115</u>	<u>6,335,964</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

5. EXPENDITURE ON CHARITABLE ACTIVITIES (CONTINUED)

RESEARCH GRANT AWARDS:	Year ended 2021 €	Year ended 2020 €
Paediatric research project grants	1,466,559	1,621,856
Leadership grants	357,031	330,275
Clinical research fellowship grants	731,559	1,068,149
Innovation grants	115,828	113,389
External grants	8,697	200,896
Research grant award program management	134,902	244,999
Communications, outreach, training & education	66,339	81,182
	<u>2,880,915</u>	<u>3,660,746</u>
	<u>2021</u>	<u>2020</u>
	<u>€</u>	<u>€</u>
CLINICAL RESEARCH UNIT:		
Infrastructure & resource costs	621,731	877,991
External funded studies	622,697	685,888
	<u>1,244,428</u>	<u>1,563,879</u>
	<u>2021</u>	<u>2020</u>
	<u>€</u>	<u>€</u>
LABORATORY INFRASTRUCTURE COSTS:		
Staff costs	49,278	95,367
Premises costs	200,878	213,454
Depreciation	49,496	77,811
Maintenance/service/other costs	74,579	119,592
	<u>374,231</u>	<u>506,224</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

6. SUPPORT COSTS

Support Costs are the costs of personnel and associated overheads of the chief executive, finance, human resources, infrastructural support of facilities and information technology, governance costs of the external audit and other legal and regulatory compliance.

Costs are allocated across the NCRC's activities to fairly represent the cost of delivering those activities, Allocations are based on the number and cost of direct and indirect staff involved, and a cost apportionment.

	2021 €	2020 €
Staff and related costs	400,841	425,505
Rent & premises costs	66,959	71,151
Other costs	98,519	108,459
	<u>566,319</u>	<u>605,115</u>

7. NET INCOME

The net income before taxation
is stated after charging / (crediting):

	2021 €	2020 €
Depreciation	58,163	90,794
Capital grant - amortisation	(58,163)	(90,794)
Directors' remuneration	-	-
	<u>-</u>	<u>-</u>

8. TAXATION

In accordance with the provisions of section 207 (as applied to companies by Section 76) Section 609 (Capital Gains Tax) and Section 266 (Deposit Interest Retention Tax) of the Taxes Consolidation Act, 1997, under charity number CHY21309, the NCRC has been granted a tax exemption. This exemption, which applies to Corporation Tax, Capital Gains Tax and Deposit Retention Tax, extends to income and property of the NCRC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

9. STAFF NUMBERS AND COSTS

The average monthly number of total persons employed in the financial year was 35 (2020: 48).

	2021	2020
	€	€
Key management compensation paid in the year	535,395	504,046
	<u> </u>	<u> </u>

The number of persons included as part of the key management compensation at the end of the year was 6 (2020: 6).

The number of employees whose salaries (excluding employer pension contributions (6%) and PRSI) were greater than €65,000 were as follows:

	2021	2020
	Number	Number
€65,001 - €75,000	2	2
€75,001 - €85,000	-	-
€85,001 - €95,000	1	1

The CEO is paid a salary of €143,500, (2020: €143,500) and has additional entitlements to a pension contribution (10%) and life insurance at a cost of €1,988, (2020: €1,988).

10. DIRECTORS' REMUNERATION

No Directors were paid any remuneration in the current financial year (2020: Nil). Directors join the Board on a voluntary basis.

THE NATIONAL CHILDREN'S RESEARCH CENTRE COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

11. FIXED ASSETS

	Laboratory Equipment €	Computer Equipment €	Fixtures & fittings €	Total €
<i>Cost</i>				
At 1 April 2020	1,312,434	275,293	84,716	1,672,443
Additions	10,103	5,535	-	15,638
Disposal	-	(1,333)	-	(1,333)
At 31 March 2021	1,322,537	279,495	84,716	1,686,748
<i>Depreciation</i>				
At 1 April 2020	1,078,058	239,854	55,962	1,373,874
Charge for the financial year	43,778	12,060	5,267	61,105
Disposal	-	(644)	-	(644)
At 31 March 2021	1,121,836	251,270	61,229	1,434,335
<i>Net book value</i>				
At 31 March 2021	200,701	28,225	23,487	252,413
<i>Net book value</i>				
At 31 March 2020	234,376	35,439	28,754	298,569

12. DEBTORS

	2021 €	2020 €
Amounts due from CHF (2020: CMRF)	748,957	653,950
Prepayments	59,299	71,228
	<u>808,256</u>	<u>725,178</u>

Amounts due from CHF are interest free and repayable on demand by NCRC.

13. CREDITORS: Amounts falling due within one year

	2021 €	2020 €
Trade creditors	704,740	567,983
PAYE/PRSI	38,043	55,118
Accruals	38,750	48,313
Research income – deferred (Note 14)	1,418,296	1,168,157
Other creditors	73,897	85,062
	<u>2,273,726</u>	<u>1,924,633</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

14. DEFERRED INCOME

Deferred income comprises of grants inclusive of overheads for specific research projects carried out by the NCRC. This income is released as the associated project costs are incurred for the relevant research project.

	2021	2020
	€	€
Balance at start of year	1,168,157	797,158
Amount received in the year	815,939	1,121,128
Amount released to income in the year	(565,800)	(750,129)
	<u>1,418,296</u>	<u>1,168,157</u>

15. CREDITORS: Amounts falling due after more than one year

	2021	2020
	€	€
Capital Grants		
Balance at beginning of year	298,569	317,335
Received in the year	15,638	72,028
	<u>314,207</u>	<u>389,363</u>
Amortisation/Disposal for the year	(61,794)	(90,794)
	<u>252,413</u>	<u>298,569</u>

The purchase of approved equipment by NCRC was fully grant aided by CHF (prior to 1st January 2019 by CMRF.)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

16. FUNDS OF THE CHARITY

	Balance 1/4/2020 €	Income €	Expenditure €	Funds Transfer €	Balance 31/3/2021 €
Restricted Funds					
Grant income	-	5,065,895	(5,065,895)	-	-
	-	5,065,895	(5,065,895)	-	-
Unrestricted Funds	-	-	-	-	-
Total Funds	-	5,065,895	(5,065,895)	-	-

The NCRC is funded by Grants received from the CHF and other external sources (refer to note 4),

In respect of prior financial year:

	Balance 1/4/2019 €	Income €	Expenditure €	Funds Transfer €	Balance 31/3/2020 €
Restricted Funds					
Grant income	-	6,335,964	(6,335,964)	-	-
	-	6,335,964	(6,335,964)	-	-
Unrestricted Funds	-	-	-	-	-
Total Funds	-	6,335,964	(6,335,964)	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds €	Unrestricted Funds €	Total 2021 €	Total 2020 €
Tangible fixed assets	252,413	-	252,413	298,569
Current assets	2,273,725	-	2,273,725	1,924,633
Current liabilities	(2,526,139)	-	(2,526,139)	(2,223,202)
	-----	-----	-----	-----
	-	-	-	-
	=====	=====	=====	=====

18. FINANCIAL INSTRUMENTS

The carrying value of the financial assets and liabilities are summarised by the category below:

	2021 €	2020 €
Financial assets		
<i>Measured at undiscounted amounts receivable</i>		
Debtors – amounts due from CMF (Note 12)	748,957	653,950
	=====	=====
Financial Liabilities		
<i>Measured at undiscounted amounts payable</i>		
Trade and other creditors (Note 13)	748,957	653,950
	=====	=====

19. RETIREMENT BENEFIT SCHEME

The NCRC operates a defined contribution retirement benefit schemes for certain employees. The assets of the schemes are held separately from those of the company in independently administered funds with an insurance company. The contributions payable to the retirement benefit schemes during the financial year are charged to the Statement of Financial Activities. The amount paid in the financial year was €40,548 (2020: €49,944). An accrual of €6,379 is included in the financial statements with respect to outstanding contributions at 31 March 2021 (2020: €8,122).

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2021**

20. COMMITMENTS

Grants awarded and committed by the NCRC up to the 31st March 2021 that continue beyond the proposed NCRC wind-up date of the 31st December 2021 will continue to be funded by CHF but managed by CHI.

21. RELATED PARTY TRANSACTIONS

The Company meets its day to day cashflow requirements primarily through direct funding from the Children's Health Foundation (CHF) trading as CRMF Crumlin.

During the financial year ended 31 March 2021 revenue grants receivable from CHF and CMRF amounted to €4,350,615 (2020: €5,366,007) and capital grants received amounted to €14,305 (2020: €72,028). NCRC was notionally charged €200,000 (2020: €200,000) by CHF and CMRF during the financial year. At 31 March 2021 an amount of €748,957 (2020: €653,950) was due from CHF (2020: CHF).

22. CONSTITUTION

The Company is a company limited by guarantee, not having a share capital. Under the guarantee each member has undertaken to contribute in the event of a winding up, an amount not exceeding the sum of €1

The Company is prohibited by its constitution from the distribution of any of its reserves by way of a dividend or otherwise to its members.

Under the provisions of the Companies Act 2014, the company is exempt from including the word "Limited" in its name.

If upon the winding up or dissolution of the Company there remains, after satisfaction of all debts and liabilities, any property whatsoever, they shall be given or transferred to the Children's Health Foundation (CHF) trading as CRMF Crumlin.

23. POST BALANCE SHEET EVENTS

There were no post balance sheet events identified.