

THE CARE TRUST LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2011

THE CARE TRUST LIMITED

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for the year ended 31 DECEMBER 2011**

TABLE OF CONTENTS	<i>PAGE</i>
COMPANY INFORMATION	2
DIRECTORS' REPORT	3
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE CARE TRUST LIMITED	6
PROFIT AND LOSS ACCOUNT	8
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES	9
BALANCE SHEET	10
NOTES TO THE FINANCIAL STATEMENTS	11

THE CARE TRUST LIMITED

COMPANY INFORMATION

DIRECTORS

J.Nugent - chairman, reappointed 27 September 2011
C.Allen - deceased 15 April 2011
H.Goulding
L.Hogan
P.Kiely
J.McGuire
K.Poole
P.Ryan - resigned 27 September 2011

SECRETARY AND CHIEF EXECUTIVE

S. Mullins

DATE OF INCORPORATION

9 January 1974

REGISTERED IN IRELAND

45561

REGISTERED CHARITY NUMBER

CHY 13691

BANKERS

Bank of Ireland,
6 Lower O'Connell Street,
Dublin 1.

Allied Irish Bank
Main Street,
Blackrock,
Co. Dublin.

SOLICITORS

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

AUDITORS

Ernst & Young
Chartered Accountants,
Ernst & Young Building,
Harcourt Centre,
Harcourt Street,
Dublin 2.

REGISTERED ADDRESS

College House
71 - 73 Rock Road,
Blackrock,
Co Dublin.

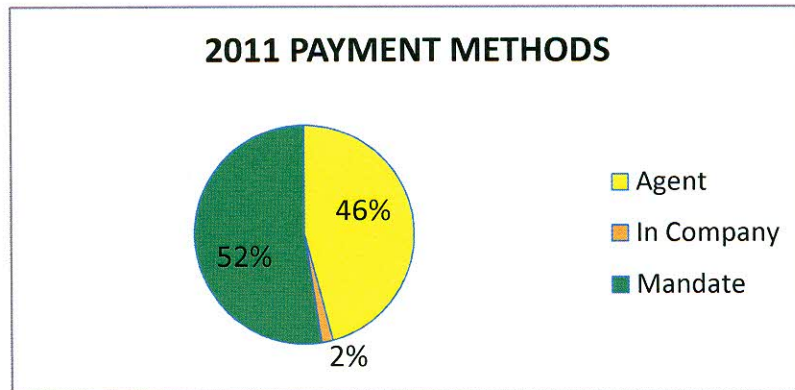
DIRECTORS' REPORT
for the year ended 31 DECEMBER 2011

The directors are pleased to present their annual report and financial statements for the year ended 31 December 2011.

REVIEW OF THE DEVELOPMENT AND PERFORMANCE OF THE BUSINESS

The Care Trust, (the 'Company') fundraises on behalf of the Central Remedial Clinic, Rehab and by agreement for the Mater Misericordiae University Hospital.

In 2011 the Company operated 3 draws each month, an increase on its 2010 draw offering of 26 fortnightly draws, while still retaining the special year end draw. Contributors subscribe to the draws through agents collecting door to door, or directly by bank mandate. Contributor agents operate mainly on a two-weekly or four-weekly cycle, while mandates are by monthly direct debit. The Company is authorised to operate the direct debit plus scheme. Approximately 50% of contributors pay by bank mandate. a small number pay through company payroll deduction schemes.



The Contributor Information Database (CID) maintains the transactions for each contributor's individual account and records payments received and deductions made for draws. In 2011 the draw tariff was set at €5.00. The year-end special draw issues tickets for €1.00, up to a maximum of 4 tickets, where funds allow, and facilitates the capture of receipts as income in the year. This helps reduce the amount of balances being carried forward. Contributors who ceased paying during the year may have a residual balance at the year end. The year end special draw reduces this balance and anything remaining will be small, 99 cent or less, which is then treated as a donation.

The Company continues to retain a small but consistent number of non-prize fund contributors, who pay directly by bank mandate and have elected not to participate in the draw.

The total Care Trust commission receivable as agent for the beneficiaries, including lottery and non-lottery, was €3.22m (2010 €3.12m). There was some assistance from the "wrap around" ticketing method introduced in June 2011, which released some client funds from the balance sheet. This ensured that contributor balances were allocated to the 36 draws in the next 12 months, one ticket per draw. Where funds were still available, the process was repeated until no more tickets could be allocated. All tickets are only recognised as income when the draw actually takes place. This avoids a build up of client funds where a contributor is paying more than €15.00 a month.

A total of 7,006 (2010 7,676) new DD enrolments were signed up during 2011, by a cohort of approximately 25 Fundraising Representatives. This was 9% down on the enrolments for 2010. The Company also experienced a high level of contributor cancellations, mandate and cash collection, with 10,851 (2010 13,149) cancelling in the year.

There was also a significant shift in the persistency rate of DD contributions – 26% of new DDs enrolled in 2011, were no longer contributing to the Company at year end; this compares to a typical 10% fall off rate during the years 2006-2008.

The Agent-collected component of the business continues to decline. In 2011 Agents receipts fell 8.5%.

As part of the Business Plan 2012 - 2014 the Company agreed and initiated a staff re-structuring project – resulting in two less staff in Administration.

In 2011, the Company honoured the budgeted and agreed contribution to its Beneficiaries.

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