

Our Lady's Hospice Limited

Reports and Financial Statements  
for the year ended  
31 December 2014

OUR LADY'S HOSPICE LIMITED

REPORTS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

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**OUR LADY'S HOSPICE LIMITED**

**DIRECTORS AND OTHER INFORMATION**

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**DIRECTORS**

Sean Benton (Chairman)  
Teresa Harrington  
Michael Lyons  
David Strahan  
Brian Murray  
Sr. Angela Kelly  
Dr. Stephen Higgins  
Stephen Walsh  
Dr. Brendan Clune  
Geraldine McSweeney  
Mary Rose Gearty

**INTERIM CHIEF EXECUTIVE OFFICER**

Audrey Houlihan (from 1 January 2015)

**CHARITY NUMBER**

CHY1144

**COMPANY SECRETARY**

Denis Maguire

**REGISTERED OFFICE**

Our Lady's Hospice  
Harold's Cross  
Dublin 6W

**AUDITORS**

Deloitte & Touche  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House  
Earlsfort Terrace  
Dublin 2

**BANKERS**

Bank of Ireland  
1 Rathfarnham Road  
Terenure  
Dublin 6

**SOLICITORS**

Woodcock Solicitors  
16 Clanwilliam Terrace  
Grand Canal Quay  
Dublin 2

Beauchamps  
Riverside Two  
Sir John Rogerson's Quay  
Dublin 2

## OUR LADY'S HOSPICE LIMITED

### DIRECTORS' REPORT

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The directors present their annual report and the audited financial statements for the year ended 31 December 2014. As the company does not trade for the acquisition of gain by its members, the directors are of the opinion that the company is exempt from the provisions of the Companies (Amendment) Act, 1986 under Section 2(1) of that Act.

#### PRINCIPAL ACTIVITIES

Our Lady's Hospice & Care Services has two facilities, Harold's Cross and Blackrock Hospice, where specialist care is provided for people with a range of needs from rehabilitation to end of life care. These services are provided in co-operation with the Health Service Executive and the Department of Health & Children.

#### RESULTS FOR THE YEAR

The directors are satisfied with the results for the year. Healthcare activities broke-even before charging depreciation and amortisation of capital grants. Development activities generated income of €4.4m in 2014 of which €3.3m was paid in respect of salaries to healthcare staff to maintain the level of services to patients at a level comparable with prior years. Depreciation on certain healthcare property assets is not funded by the HSE and is charged to the income and expenditure account resulting in an overall deficit in the year.

The cash outflow from operating activities for the year was €117k. The Hospice had €10.4m of cash on deposit at the year end of which €4m related to investment cash. The investment cash together with the investment portfolio of €4.2m is designated by the Directors for the future development of the healthcare facilities and to maintain the level of services at the current levels for the foreseeable future (at least twelve months). The Hospice had an overdraft on its healthcare activities at 31 December 2014 of €3.1m.

	Healthcare Activities 2014 €	Development Activities 2014 €	Total 2014 €
Deficit for the year	(349,013)	(624,483)	(973,496)
(Deficit)/surplus brought forward at beginning of year	(10,421,162)	39,717,614	29,296,452
(Deficit)/surplus carried forward at end of year	<u>(10,770,175)</u>	<u>39,093,131</u>	<u>28,322,956</u>

#### FUTURE DEVELOPMENTS

The strategic plan focuses on: Quality; Governance; Finances; Cultural Context; Technical Context; and, Knowledge and Skills. The overall aim of the plan is to set out the vision of the Directors, Management and staff for providing high quality and safe services for all of our patients, residents and clients, and developing those services in line with best national and international practice. During 2014 the Directors, Management and staff continued to work towards achievement of the objectives set out in the plan. The Board receives report from Management at each Board Meeting of progress against the Strategic Implementation Plan.

### **FUTURE DEVELOPMENTS (CONTINUED)**

The Board has committed to raising €3m annually in order to maintain services levels at our care facilities and are eternally grateful to all our supporters and donors for their on-going support. The Board also continues to review the Master Development Plan which was commissioned a number of years ago to review the use of space at the campus as a whole in terms of efficiency and best practice. During 2013 the board agreed to progress with the construction of a new Palliative Care Unit, which will provide single room accommodation for all patients. Planning permission for the first phase of this plan - the upgrade of the Palliative Care Facility has been received and work is planned to commence in September following completion of the Tender Process. Discussions are underway with the HSE with a view to a HSE Capital Grant towards the Project. The car park at the rear of the campus has been developed to facilitate patient parking.

It is the Board's intention over the coming years to develop and expand our services so that we meet the needs of our changing society while never losing sight of the core values of Our Lady's Hospice and Care Services.

The directors acknowledge the ongoing support of our donors, fund-raisers, volunteers and the HSE in enabling them to continue to enhance and develop the services at Our Lady's Hospice & Care Services.

### **CORPORATE GOVERNANCE**

The Board of Directors is responsible for the strategic direction and governance oversight of the Company on behalf of the Shareholders. To support their governance activities the Board has established a number of Committees, who report directly to the Board. The Committees of the Board are:

- The Mission Committee
- Education and Research Committee
- Audit Committee
- Fundraising & Development Committee

### **MANAGEMENT**

The senior management team is made up of our acting CEO - Audrey Houlihan, Finance Director - Denis Maguire and Director of Nursing, Pauline Newnham Quality and Clinical Services, Dr. Stephen Higgins Medical Director, Barbara Conalty Head of Non Clinical Services and Patricia Hallahan Director of Education & Research. The directors wish to express their gratitude to the senior management team for their commitment and dedication to the mission of the Company, the direction they provide to staff and the quality of care that they ensure for our patients. We would also like to thank all staff and volunteers for the excellent care that they provide.

Mo Flynn was CEO of the Company up until December 2014 when she took up the position of CEO at REHAB. The Directors wish to acknowledge the dedication and commitment shown by Mo in her 8 years with Our Lady's Hospice and Care Services and to thank her for the leadership and support that she provided to all the stakeholders during her time with the Company. The directors wish Mo every success in her new role.

The directors are delighted to welcome Audrey Houlihan as Acting CEO and wish her every success in that role.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks and uncertainties that the company faces are:

- the company is dependent on the ongoing support of the HSE for funding to deliver care services. Ongoing funding at an appropriate level is fundamental to the company's ability to continue as a going concern.
- the company is subject to stringent regulations in areas such as staff competency, staffing levels, health & safety matters and has appropriate processes in place to monitor adherence and compliance with all legislation impacting on its operations.

## RESEARCH AND DEVELOPMENT

The company carries out some on-going research to achieve optimum care for patients.

## EUROPEAN COMMUNITIES (LATE PAYMENT IN COMMERCIAL TRANSACTIONS) REGULATIONS 2012

The directors have put procedures in place which provide reasonable assurance that the company is complying in all material respects with the Prompt Payments of Account Act, 1997 and European Communities (Late payment in Commercial Transactions) Regulations 2012, in so far as is permitted by cashflow constraints.

## POST BALANCE SHEET EVENTS

There have been no significant events since the year end.

## DIRECTORS

The present membership of the Board is set out on page 2. Donal O'Donnell resigned as director on 26 May 2014 and Geraldine McSweeney was appointed as director on the same date. Mary Rose Gearty was also appointed as director on 29 September 2014.

In accordance with the Articles of Association, every year, one-third of the directors for the time being, or, if their number is not three or a multiple of three, then the number nearest one-third shall retire from office.

## DIRECTORS' AND SECRETARY'S INTERESTS IN SHARES

The directors and secretary of the company who held office at 31 December 2014, had no interests in the shares of the company.

## DIRECTORS' INTERESTS IN CONTRACTS

There were no contracts or arrangements of any significance in relation to the company's business in which the Directors or Secretary of the company had any interest as defined by the Companies Act, 1990.

## BOOKS OF ACCOUNT

To ensure that proper books and accounting records are kept in accordance with Section 202 Companies Act, 1990, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The books of account are located at the company's premises at Harold's Cross, Dublin 6W.

## AUDITORS

The auditors, Deloitte & Touche, Chartered Accountants and Statutory Audit Firm, continue in office in accordance with Section 160(2) of the Companies Act, 1963.

Signed on behalf of the Board:

Michael Lyons  
Director

Stephen Higgins  
Director

25 May 2015

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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Irish company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. 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; 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 keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with Irish statute comprising the Companies Acts, 1963 to 2013. 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.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OUR LADY'S HOSPICE LIMITED**

We have audited the financial statements of Our Lady's Hospice Limited for the year ended 31 December 2014 which comprise the Statement of Accounting Policies, the Income and Expenditure Account, the Balance Sheet, the Cashflow Statement and the related notes 1 to 25. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the company's members, as a body, in accordance with Section 193 of the Companies Act, 1990. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Reports and Financial Statements for the year ended 31 December 2014 to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the affairs of the company as at 31 December 2014 and of the deficit for the year then ended; and
- have been properly prepared in accordance with the Companies Acts, 1963 to 2013.

### **Matters on which we are required to report by the Companies Acts, 1963 to 2013**

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion proper books of account have been kept by the company.
- The financial statements are in agreement with the books of account.
- In our opinion the information given in the directors' report is consistent with the financial statements.
- The net assets of the company, as stated in the balance sheet are more than half of the amount of its called-up share capital and, in our opinion, on that basis there did not exist at 31 December 2014 a financial situation which under Section 40(1) of the Companies (Amendment) Act, 1983 would require the convening of an extraordinary general meeting of the company.

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## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OUR LADY'S HOSPICE LIMITED

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the provisions in the Companies Acts, 1963 to 2013 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Thomas Cassin  
For and on behalf of Deloitte & Touche  
Chartered Accountants and Statutory Audit Firm  
Dublin

29 May 2015

### **BASIS OF PREPARATION**

The financial statements are prepared in accordance with accounting standards generally accepted in Ireland and Irish Statute comprising the Companies Acts, 1963 to 2013. Accounting standards generally accepted in Ireland in preparing financial statements are those issued by the Financial Reporting Council and published by the Institute of Chartered Accountants in Ireland. The following accounting policies have been applied consistently in accounting for items which are considered material to the financial statements.

### **ACCOUNTING CONVENTION**

The financial statements have been prepared under the historical cost convention.

### **TANGIBLE FIXED ASSETS AND DEPRECIATION**

Purchased tangible fixed assets where the cost is in excess of €5,000 are recorded at historical cost. Cost comprises the cost of acquisition or construction as well as other costs which are directly attributable to the acquisition or cost of the asset.

Land is not depreciated. Depreciation on other tangible assets is provided at rates calculated to write off the cost of the assets over their estimated useful lives. The rates and methods of depreciation are as follows:

Building	2%	straight line
Fixtures and equipment	15%	straight line
Motor Vehicles	20%	straight line

Assets under construction are not depreciated.

### **FINANCIAL ASSETS**

Fixed asset investments are stated at market value.

### **STOCKS**

Stocks are stated at the lower of cost and net realisable value. Cost is determined by reference to invoice price including charges such as freight and duty as appropriate. Net realisable value comprises the actual or estimated disposal price (normally a return to a supplier).

### **FOREIGN CURRENCIES**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions. The resulting monetary assets and liabilities are translated at the balance sheet rate and the exchange differences are dealt with in the profit and loss account.

### **COSTS AND REVENUE – GRANTS FROM HEALTH AUTHORITIES AND OTHER SOURCES**

All income is accounted for when the Hospice has entitlement, there is certainty of receipt and the amount is measureable.

Costs are recognised as they are incurred and dealt with in the Income and Expenditure account for the period to which they relate.

Revenue grants are received from the Health Service Executive (HSE), towards the annual running costs of the Hospice. These grants may be less than the net annual running costs. The grants are accounted for on an accruals basis to the extent that they have been confirmed by the Health Service Executive in respect of the costs of the relevant year. Otherwise they are accounted for as received.

Capital grants received are treated as deferred credits and are amortised to the Income and Expenditure account over the period that the related assets are depreciated.

### **PATIENT INCOME**

Patient income is recognised on a receivable basis.

### **DEVELOPMENT ACTIVITIES**

Development activities include voluntary donations and similar income arising from fundraising events. This income is accounted for when received.

Legacy/bequest income is recognised in the period that it is received or where the company is reasonably certain that the income will be received and the value of the legacy/bequest can be measured with reasonable accuracy.

### **PENSIONS**

Eligible employees are entitled to join the Voluntary Hospitals Superannuation Scheme (VHSS) operated by the Health Service Executive (HSE). The VHSS is an unfunded pay as you go scheme underwritten by the Minister for Health.

Pensions paid to former employees are charged to the Income and Expenditure account when paid. Pension contributions from current employees who are members of the VHSS are credited to the Income and Expenditure account when received.

No provision has been made in respect of the accrued benefits payable to current or former employees. (See note 25).

With effect from 31 December 2012 the VHSS was closed to new members. With effect from 1 January 2013 the Single Public Service Pension Scheme (SPSPS) commenced. Most new employees will be members of the SPSPS which will provide Consumer Price Index linked pensions based on career average pay. Pension contributions under this scheme are remitted to the Department of Public Expenditure and Reform.

Certain company employees are members of a defined contribution pension scheme and the assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Income and Expenditure account.

### **TAXATION**

The company has been granted Charitable tax exempt status by the Revenue Commissioners under CHY number 1144 and therefore no provision for Corporation tax is required.

OUR LADY'S HOSPICE LIMITED

INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	Healthcare Activities 2014 €	Development Activities 2014 €	2014 €	2013 €
Income	1	32,848,760	4,023,215	36,871,975	37,950,996
Expenditure - Healthcare		(35,837,505)	(3,317,616)	(39,155,121)	(37,662,325)
- Fundraising		-	(1,121,707)	(1,121,707)	(1,063,909)
		(2,988,745)	(416,108)	(3,404,853)	(775,238)
Other Income	4	2,992,515	422,358	3,414,873	3,653,818
Operating Surplus		3,770	6,250	10,020	2,878,580
Investment Income	6	-	187,554	187,554	190,638
Interest payable and similar charges	7	(52,323)	(15,349)	(67,672)	(35,686)
(Deficit)/surplus before taxation		(48,553)	178,455	129,902	3,033,532
Taxation	8	-	-	-	-
(Deficit)/surplus after taxation		(48,553)	178,455	129,902	3,033,532
Depreciation	10	(1,041,860)	(1,197,861)	(2,239,721)	(2,154,064)
Amortisation	15	741,400	-	741,400	763,534
Profit/(loss) on sale of investments	6	-	217,969	217,969	(1,572)
Changes in market value of investments	11	-	176,954	176,954	180,437
(Deficit)/surplus for the year	18	(349,013)	(624,483)	(973,496)	1,821,867

The company has no recognised gains or losses other than the deficit from continuing operations disclosed above. There are no movements on shareholders' funds other than those disclosed above.

The financial statements were approved by the Board of Directors on 25 May 2015 and signed on its behalf by:

Stephen Higgins  
Director

Michael Lyons  
Director

OUR LADY'S HOSPICE LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2014

	Notes	2014 €	2013 €
<b>FIXED ASSETS</b>			
Tangible Assets	10	75,646,675	76,685,157
Financial Assets	11	4,224,033	2,723,117
		<u>79,870,708</u>	<u>79,408,274</u>
<b>CURRENT ASSETS</b>			
Stocks	12	227,776	244,581
Debtors and prepayments	13	4,811,534	3,986,450
Cash at bank and on hand		10,397,562	13,233,243
		<u>15,436,872</u>	<u>17,464,274</u>
<b>CREDITORS: (Amounts falling due within one year)</b>	14	<b>(7,998,492)</b>	<b>(7,848,564)</b>
<b>NET CURRENT ASSETS</b>		<u><b>7,438,380</b></u>	<u><b>9,615,710</b></u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><b>87,309,088</b></u>	<u><b>89,023,984</b></u>
<b>CREDITORS: (Amounts falling due after more than one year)</b>	15	<b>(20,347,344)</b>	<b>(21,088,744)</b>
<b>NET ASSETS</b>		<u><b>66,961,744</b></u>	<u><b>67,935,240</b></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	16	2	2
Share premium	17	38,638,786	38,638,786
Healthcare activities	18	(10,770,175)	(10,421,162)
Development activities	18	39,093,131	39,717,614
<b>SHAREHOLDERS' FUNDS</b>	19	<u><b>66,961,744</b></u>	<u><b>67,935,240</b></u>

The financial statements were approved by the Board of Directors on 25 May 2015 and signed on its behalf by:

Stephen Higgins  
Director

Michael Lyons  
Director

OUR LADY'S HOSPICE LIMITED

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2014

	<i>Notes</i>	2014 €	2013 €
Net cash (outflow)/inflow from operating activities	21	(117,667)	1,299,357
Returns on investments and servicing of finance	22	119,882	154,952
Capital expenditure and financial investment	22	(2,307,232)	(916,739)
(Decrease)/increase in cash for the year	23	<u>(2,305,017)</u>	<u>537,570</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

1. GOING CONCERN

The financial statements have been prepared on the going concern basis. The Hospice is dependent on the Health Service Executive (HSE) to fund its activities and the ongoing support of the HSE at an appropriate level is fundamental to the Hospices ability to continue as a going concern. The HSE has not given any indication that it will withdraw its financial support from the Hospice for the foreseeable future and has continued to provide funding for 2015. The HSE has indicated that funding will be available during 2015 at a level similar to that of 2014. Cost and funding pressures remain as a result of the significant reductions in funding during the years 2008 to 2014. Management have reviewed the level of activity and costs of the Hospice and have drawn up plans to deal with the issues associated with the ongoing cost and funding pressures. The directors have a reasonable expectation that the plans will be achieved and that the Hospice will have adequate resources and sufficient liquidity to continue to operate for the foreseeable future and with the support of the HSE and the generosity of the public to complete the planned redevelopment of the Palliative Care facility during 2015/16. On that basis the directors have continued to adopt the going concern basis of accounting in preparing these financial statements. The ongoing support of the HSE at an appropriate level and the generosity of the public are fundamental to the achievement of these plans.

2. INCOME

Income represents proceeds from grants, patient receipts and development activities, including fundraising income and voluntary activities

3. EXPENDITURE

During the year healthcare salaries of €2,981,406 (2013: €1,922,828) were paid from fundraising activities in order to maintain the same level of care as previous years to our patients at Our Lady's Hospice and Care Services.

4. OTHER INCOME

	2014 €	2013 €
Superannuation	1,081,574	1,168,264
Pension levy	1,276,434	1,454,692
Other receipts	1,056,865	1,030,862
	<u>3,414,873</u>	<u>3,653,818</u>

OUR LADY'S HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2014

<b>5. OPERATING SURPLUS</b>	<b>2014</b>	<b>2013</b>
	€	€
Operating Surplus has been arrived at after charging:		
Directors' remuneration	-	-
Auditors' remuneration	<b>13,000</b>	<b>13,000</b>
	<u>          </u>	<u>          </u>
(a) Auditors' remuneration disclosures (net of VAT and outlays):		
Audit	<b>13,000</b>	<b>13,000</b>
Tax advisory	-	-
Other assurance	-	-
Other non-audit	-	-
	<u>          </u>	<u>          </u>
<b>6. INVESTMENT INCOME</b>	<b>2014</b>	<b>2013</b>
	€	€
Income from financial assets derived from listed investments	<b>83,749</b>	<b>31,899</b>
Interest received	<b>103,805</b>	<b>158,739</b>
	<u>          </u>	<u>          </u>
	<b>187,554</b>	<b>190,638</b>
	<u>          </u>	<u>          </u>
Profit/(loss) on sale of investments	<b>217,969</b>	<b>(1,572)</b>
	<u>          </u>	<u>          </u>
<b>7. INTEREST PAYABLE AND SIMILAR CHARGES</b>	<b>2014</b>	<b>2013</b>
	€	€
On bank loans, overdrafts and other loans wholly repayable within five years	<b>(67,672)</b>	<b>(35,686)</b>
	<u>          </u>	<u>          </u>
<b>8. TAXATION</b>		
As a result of the company's charitable status, no charge to corporation tax arises.		

**9. STAFF NUMBERS AND COSTS**

The average number of persons employed by the company during the year was as follows:

	2014 No.	2013 No.
Management and staff (whole time equivalents)	524	508

The aggregate payroll costs of these persons were as follows:

	2014 €	2013 €
Wages and salaries	27,965,087	26,765,316
Social welfare costs	2,489,308	2,401,014
Superannuation	1,533,437	1,373,600
Pension costs	25,010	-
	<u>32,012,842</u>	<u>30,539,930</u>

**10. TANGIBLE FIXED ASSETS**

	Land €	Buildings €	Fixtures & Equipment €	Motor Vehicles €	Total €
<b>Cost or Valuation:</b>					
At 1 January 2014	10,786,500	79,354,822	8,007,595	87,200	98,236,117
Additions	-	-	1,201,239	-	1,201,239
<b>At 31 December 2014</b>	<u>10,786,500</u>	<u>79,354,822</u>	<u>9,208,834</u>	<u>87,200</u>	<u>99,437,356</u>
<b>Depreciation:</b>					
At 1 January 2014	-	14,953,078	6,558,808	39,074	21,550,960
Charge for year	-	1,603,079	619,202	17,440	2,239,721
<b>At 31 December 2014</b>	<u>-</u>	<u>16,556,157</u>	<u>7,178,010</u>	<u>56,514</u>	<u>23,790,681</u>
<b>Net Book Value:</b>					
<b>At 31 December 2014</b>	<u>10,786,500</u>	<u>62,798,665</u>	<u>2,030,824</u>	<u>30,686</u>	<u>75,646,675</u>
At 31 December 2013	<u>10,786,500</u>	<u>64,401,744</u>	<u>1,448,787</u>	<u>48,126</u>	<u>76,685,157</u>

OUR LADY'S HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2014

<b>11. FINANCIAL ASSETS</b>	<b>2013</b>	<b>2013</b>
	€	€
Investments:		
At 1 January	2,723,117	1,949,435
Additions	2,563,172	1,289,827
Disposals	(1,239,210)	(696,582)
Change in market value	176,954	180,437
At 31 December	<u>4,224,033</u>	<u>2,723,117</u>

<b>12. STOCKS</b>	<b>2014</b>	<b>2013</b>
	€	€
Pharmacy	98,307	75,763
Stores	129,469	168,818
	<u>227,776</u>	<u>244,581</u>

There are no material differences between the replacement cost of stock and the balance sheet amounts. The pharmacy stock-take at the year-end was carried out by independent external valuers.

<b>13. DEBTORS</b>	<b>2014</b>	<b>2013</b>
	€	€
HSE	2,602,386	2,688,220
Patient income	1,738,043	1,109,931
Prepayments and other debtors	471,105	188,299
Closing balance at 31 December	<u>4,811,534</u>	<u>3,986,450</u>

OUR LADY'S HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2014

<b>14. CREDITORS: (Amounts falling due within one year)</b>	<b>2014</b>	<b>2013</b>
	€	€
Bank overdraft	3,085,374	3,616,038
Trade creditors	712,232	660,203
Accruals and deferred income	2,802,643	1,524,467
PAYE/PRSI	1,398,243	2,047,856
Closing balance at 31 December	<u>7,998,492</u>	<u>7,848,564</u>
<b>15. CREDITORS: (Amounts falling due after more than one year)</b>	<b>2014</b>	<b>2013</b>
	€	€
Capital grants	<u>20,347,344</u>	<u>21,088,744</u>
<b>Health board grants deferred:</b>		
At beginning of year	10,929,924	11,432,975
Amortised in year	(480,917)	(503,051)
	<u>10,449,007</u>	<u>10,929,924</u>
<b>Blackrock Hospice grant deferred:</b>		
At beginning of year	10,158,820	10,419,303
Amortised in year	(260,483)	(260,483)
	<u>9,898,337</u>	<u>10,158,820</u>

The Blackrock Hospice grant relates to The Venerable Louis and Zelig Hospice and was granted for the purpose of a Hospice, a centre of palliative care or like facilities and for no other purpose save with the Grantor's written consent.

<b>16. CALLED-UP SHARE CAPITAL</b>	<b>2014</b>	<b>2013</b>
	€	€
<b>Authorised:</b>		
100,000 Ordinary shares of €1 each	<u>100,000</u>	<u>100,000</u>
<b>Allotted, called-up and fully paid equity shares:</b>		
2 Ordinary shares of €1 each	<u>2</u>	<u>2</u>

OUR LADY'S HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2014

17. SHARE PREMIUM

	2014 €	2013 €
Share premium	38,638,786	38,638,786

18. RECONCILIATION OF REVENUE RESERVES

	Healthcare Activities 2014 €	Development Activities 2014 €	Total Reserves 2014 €	Total Reserves 2013 €
Revenue reserves at 1 January	(10,421,162)	39,717,614	29,296,452	27,474,585
(Deficit)/surplus for year	(349,013)	(624,483)	(973,496)	1,821,867
Revenue reserves at 31 December	(10,770,175)	39,093,131	28,322,956	29,296,452

19. RECONCILIATION OF SHAREHOLDERS' FUNDS

	2014 €	2013 €
Opening equity shareholders' funds	67,935,240	66,113,373
Healthcare activities deficit for year	(349,013)	(365,773)
Development activities (deficit)/surplus for year	(624,483)	2,187,640
Closing equity shareholders' funds	66,961,744	67,935,240

20. CAPITAL COMMITMENTS

At the balance sheet date the company had capital expenditure amounting to:

	2014 €	2013 €
Committed not contracted – 36 Palliative Care Unit	14,000,000	-
Contracted	363,200	-
	14,363,200	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2014

21.	RECONCILIATION OF OPERATING SURPLUS TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	2014 €	2013 €
	Operating surplus	10,020	2,878,580
	Decrease/(increase) in stock	16,805	(159,948)
	Increase in debtors	(825,084)	(1,086,801)
	Increase/(decrease) in creditors	680,592	(332,474)
	NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	(117,667)	1,299,357

  

22.	ANALYSIS OF HEADINGS GROUPED IN CASH FLOW	2014 €	2013 €
	Returns on investments and servicing of finance		
	Interest and similar income received	187,554	190,638
	Interest paid	(67,672)	(35,686)
		119,882	154,952
	Capital expenditure and financial investment		
	Payments to acquire tangible fixed assets	(1,201,239)	(321,921)
	Payments to acquire financial assets	(2,563,172)	(1,289,827)
	Proceeds on disposal of financial assets	1,457,179	695,009
		(2,307,232)	(916,739)

  

23.	ANALYSIS OF MOVEMENT IN NET FUNDS			
		At 1/1/2014 €	Cash Flow €	At 31/12/2014 €
	Cash in hand and at bank	13,233,243	(2,835,681)	10,397,562
	Bank overdraft	(3,616,038)	530,664	(3,085,374)
		9,617,205	(2,305,017)	7,312,188

  

24.	RECONCILIATION OF NET CASH INFLOW TO MOVEMENT IN NET FUNDS	2014 €	2013 €
	(Decrease)/increase in cash for the year	(2,305,017)	537,570
	Movement in net funds in the year	(2,305,017)	537,570
	Net funds at beginning of year	9,617,205	9,079,635
	Net funds at end of year	7,312,188	9,617,205

25. PENSION COMMITMENTS

The financial statements do not include pension liabilities and assets of those staff who are members of the Voluntary Hospitals Superannuation Scheme (VHSS), as required by Financial Reporting Standard 17 "Retirement Benefits" (FRS17). The majority of staff are members of the VHSS, which the directors believe is a scheme underwritten by the Minister for Health and Children.

The directors of the company believe that the funds required to pay current pension liabilities, under the VHSS, as they arise into the future, will be provided by the Department of Health and Children. The directors have arrived at this opinion having taken account of precedent set on the closure of certain other Healthcare facilities in recent years where pension payments (including retirement lump sum payments) have been honoured by the Department of Health and Children. Therefore, they believe that it is not necessary for the financial statements of the company to make provision against the net assets at the balance sheet date in respect of pension entitlements accrued to that date by employees of the company, nor the other disclosure requirements of FRS 17.

The above issue is similar to that applying in the majority of other publicly funded Healthcare facilities. Confirmation that the liability is underwritten by the Minister for Health and Children has been sought and is awaited from the Minister.

The company has conducted a review of certain contractual and non-contractual pension arrangements that were entered into in prior periods and is in discussion with the HSE in relation to these arrangements.

As these discussions are ongoing no provision has been reflected in the financial statements in respect of any potential liability that might arise in the event of an unfavourable outcome.