

Our Lady's Hospice & Care Services
(formerly Our Lady's Hospice Limited)

Reports and Financial Statements
for the financial year ended
31 December 2016

**OUR LADY'S HOSPICE & CARE SERVICES
(FORMERLY OUR LADY'S HOSPICE LIMITED)**

**REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

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**OUR LADY'S HOSPICE & CARE SERVICES
(FORMERLY OUR LADY'S HOSPICE LIMITED)**

DIRECTORS AND OTHER INFORMATION

DIRECTORS

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

CHIEF EXECUTIVE OFFICER

Audrey Houlihan

CHARITY REGISTRATION NUMBER

20001827

CHARITY TAX NUMBER

CHY1144

COMPANY REGISTRATION NUMBER

352404

COMPANY SECRETARY

Teresa Harrington

REGISTERED OFFICE

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

AUDITORS

Deloitte
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 & CARE SERVICES
(FORMERLY OUR LADY'S HOSPICE LIMITED)**

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the financial year ended 31 December 2016.

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 (HSE) and the Department of Health. The company also fundraises to continue to develop the campus and to enhance patient services. The company's name was changed to Our Lady's Hospice & Care Services on 4 August 2016. The principal activities of the company are summarised below:

Palliative Care

Our Lady's Hospice & Care Services offers person-centred specialist Palliative Care to people with advanced life-threatening illnesses who are approaching the end of life.

Community Reablement Unit, CRU

The Community Reablement Unit (CRU) is a unique intermediate care programme, specially designed to help those 65 years of age and over in the local community.

Care of Older People in Anna Gaynor House

Care of Older People and Extended Care Services are provided at Anna Gaynor House which is a purpose-built red brick building on the Harold's Cross campus.

Rheumatic & Musculoskeletal Disease Unit, RMDU

The Rheumatic & Musculoskeletal Disease Unit provides a unique service to people with chronic rheumatologic and musculoskeletal conditions requiring specialist medical management and rehabilitation.

Education & Research

Education, research and training form the bedrock for a quality service to patients and their families. Education courses, seminars and workshops are provided throughout the year. The state-of-the-art facilities are also available to hire.

Fundraising & Communications

The company's achievements in specialist person centred care are built upon the generous donations and fundraising of thousands of individuals, groups and companies across a number of campaigns and events every year. Thanks to their compassion, commitment and generosity, along with the funding supplements received from the HSE, enables the organisation to continue to develop the infrastructure and facilities and to maintain an appropriate level of reserves to allow the company to provide high quality care on a consistent basis. Over the last five years, over €25 million of publically fundraised income has been used to support the organisation at a time of funding cuts. Our Communications programme continues to raise our profile nationally, strategically supports our fundraising activities and celebrates the stories of the patients, residents and families with whom we work.

RESULTS FOR THE FINANCIAL YEAR

The directors are satisfied with the results for the financial year. Our Lady's Hospice & Care Services recorded an overall deficit of €455,801 in the year to 31st December 2016, compared to a deficit of €822,609 in the previous year. This is made up of a restricted deficit of €349,321 (2015: deficit of €733,330) and an unrestricted deficit of €106,480 (2015: deficit of €89,279). Restricted activities relate to all HSE funded healthcare activities along with restricted donations from the public and expenditure relating to same.

**OUR LADY'S HOSPICE & CARE SERVICES
(FORMERLY OUR LADY'S HOSPICE LIMITED)**

DIRECTORS' REPORT (CONTINUED)

RESULTS FOR THE FINANCIAL YEAR (CONTINUED)

Fundraising activities generated income of €5.7m of which €1.8m was paid in respect of pay and non-pay expenditure for healthcare activities in order to maintain the same level of care and services to patients as previous years. The remainder of monies raised are being used to fund the New Palliative Care Unit. During the year €7.7m was paid in relation to the construction of the New Palliative Care Unit. The cash inflow from operating activities for the financial year was €301k.

The company had €4.9m of cash on deposit at the financial year end of which €1.1m related to investment cash. These cash balances together with the investment portfolio of €0.7m are 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 company had an overdraft on its HSE funded healthcare activities at 31 December 2016 of €3.7m.

	Unrestricted Activities 2016 €	Restricted Activities 2016 €	Total 2016 €
Net expenditure for the financial year	(106,480)	(349,321)	(455,801)
Total funds at beginning of financial year	29,984,356	17,863,335	47,847,691
Total funds at end of financial year	29,877,876	17,514,014	47,391,890

DIVIDENDS

The company is precluded by its Memorandum of Association from paying dividends either as part of normal operations or on a distribution of its assets in the event of a winding-up.

FUTURE DEVELOPMENTS

Strategic Plan

The strategic plan sets 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. The plan focuses on: Quality; Governance; Finances; Cultural Context; Technical Context; and, Knowledge and Skills. During 2016 the directors, management and staff continued to work towards achievement of the objectives set out in the plan. The Strategic Plan for the years 2017 to 2020 is currently being developed. A planning workshop attended by Senior Management and the Directors was held in January 2017. Workshops with staff groups are being held to obtain their input and consultation with HSE and Clinical Care Programme leads has commenced.

**OUR LADY'S HOSPICE & CARE SERVICES
(FORMERLY OUR LADY'S HOSPICE LIMITED)**

DIRECTORS' REPORT (CONTINUED)

FUTURE DEVELOPMENTS (CONTINUED)

Master Development Plan

Our Lady's Hospice & Care Services carried out a whole-campus review in 2012, taking into account the suitability of existing buildings and the re-design of vacated areas following the move of residents into Anna Gaynor House from the original 1879 building. Arising from this review it was agreed to prioritise the development of a new Palliative Care Unit and associated outpatient and community services.

During the year, significant progress was made on construction work of the new Palliative Care Unit. In November 2016, 24 rooms were completed and the first patients were transferred to the new facility which provides single room accommodation for all patients. The remaining 12 rooms are planned for completion in November 2017.

This is Phase One of the Master Development Plan which is designed to maximize the use of space at the campus and enhance the quality and efficiency of care provided to patients. Payments to date have been made from the company's reserves. The development to date has been funded from fundraised reserves.

The company has an ambitious Master Development Plan. Working with, and receiving the support of key funders and donors to raise sufficient funds to complete the Master Development Plan is of critical importance to the improvement of the quality of care services provided by the company.

Care Services

The directors have committed to continue to provide funding in order to maintain service levels at our care facilities and to develop our care facilities and are eternally grateful to all our supporters and donors for their on-going support. It is the directors' 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 on-going 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.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The directors are responsible for the management of the business of the company and for exercising their powers in pursuit of the charitable objects of the company. The directors are committed to maintaining the highest standard of Corporate Governance and they believe that this is a key element in ensuring the proper operation of the company's activities.

The Board is responsible for providing leadership, setting strategy and ensuring control. There are 10 non-executive directors and one executive director. The Board's non-executive directors are drawn from diverse backgrounds and bring their expertise and decision-making skills to the Board deliberations.

The company has a comprehensive process for reporting management information to the Board. The Board is provided with regular information for all aspects of the organisation.

To support their governance activities the Board has established a number of Committees, who report directly to the Board. Each Committee has its own terms of reference. The Committees of the Board are:

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

**OUR LADY'S HOSPICE & CARE SERVICES
(FORMERLY OUR LADY'S HOSPICE LIMITED)**

DIRECTORS' REPORT (CONTINUED)

MANAGEMENT

The senior management team is made up of our CEO - Audrey Houlihan, Acting Finance Director - Simon Costello (previous Finance Director - Denis Maguire) and Director of Nursing and Quality - Mary Flanagan (previous Acting Director of Nursing and Quality - Linda Kearns), Medical Director - Dr. Joan Cunningham (previously Dr. Stephen Higgins), Head of Non Clinical Services - Tommy Beatty (previously Barbara Conalty), Director of Education & Research - Patricia Hallahan, Head of HR - Mary Kirwan and Director of Fundraising and Communications - Eleanor Flew.

STAFF AND VOLUNTEERS

Our Lady's Hospice and Care Services could not function and provide the level of care and support to patients and relatives without the help of the Staff and the Volunteers. The directors wish to express their huge gratitude to all Staff and Volunteers for the excellent care that they provide.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors, in conjunction with the senior management team, follow a process to manage the risks to which the company is exposed. They particularly concern themselves with operational and financial risks. They are satisfied that appropriate systems are in place to mitigate against these risks, and limit exposure. Risks are identified and ranked in terms of potential impact, as well as the company's risk control measures. Major risks are those which may have an impact on operational performance, financial sustainability, achievement of aims and objectives and meeting expectations of our patients, funders and supporters. The principal risks and uncertainties that the company faces are:

- **Clinical risks to patients under our care, either as inpatients or in their usual home environment:** These risks are mitigated by the use of appropriately qualified and trained clinical staff, working within safe systems of care, having appropriate equipment which reduces risk, such as automated equipment to prevent human error, having appropriate policies and procedures in place and our incident reporting system which includes reporting near misses so that future incidents can be prevented.
- **Failure to comply with Statutory/ Regulatory Requirements:** 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 legislation and regulations impacting on its operations.
- **Financial dependency on the HSE:** 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. This risk is mitigated by developing ongoing relationships with the HSE and agreeing annually our Service Level Agreement.
- **Lack of funding for future development of the campus:** The company has ambitious plans to better utilise the space available on the campus and enhance patient care. There is a risk that insufficient funding will be available to complete the construction as set out in the Master Development Plan.
- **Insufficient funds to meet payments under the VHSS:** The company is dependent on the Department of Health to continue to provide the funds required to pay current pension liabilities, under the VHSS, as they arise into the future

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. These are disclosed in Note 24 to the financial statements.

**OUR LADY'S HOSPICE & CARE SERVICES
(FORMERLY OUR LADY'S HOSPICE LIMITED)**

DIRECTORS' REPORT (CONTINUED)

RESEARCH AND DEVELOPMENT

The company carries out 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 financial year end.

DIRECTORS AND SECRETARY

The directors and secretary, who served at any time during the financial year except as noted, were as follows:

Directors:

Sean Benton (Chairman)
Dr. Brendan Clune
Mary Rose Gearty
Teresa Harrington
Dr. Stephen Higgins (resigned 01/04/2016)
Sr. Angela Kelly
Michael Lyons
Geraldine McSweeney
Brian Murray
David Strahan
Stephen Walsh
Dr. Joan Cunningham (appointed 21/09/2016)

Secretary:

Denis Maguire (resigned 15/08/2016)
Teresa Harrington (appointed 15/08/2016)

The present membership of the Board is set out on page 2.

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.

In 2013, an amendment was made to the Memorandum and Articles of Association, which stipulates a term of six years for board members, unless they are requested to serve an additional term. Each director's term of office was deemed to commence from 2013 in order to have an ordered change in directors over a period of time so as not to lose continuity and expertise. Since that time, the composition of the board has continued to be refreshed and renewed.

It has been agreed that on appointment, Directors will receive briefing and comprehensive documents designed to familiarise them with the Company's operations, management and governance.

DIRECTORS' AND SECRETARY'S INTERESTS IN SHARES

The directors and secretary of the company who held office at 31 December 2016, had no interests in the shares of the company.

**OUR LADY'S HOSPICE & CARE SERVICES
(FORMERLY OUR LADY'S HOSPICE LIMITED)**

DIRECTORS' REPORT (CONTINUED)

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.

POLITICAL CONTRIBUTIONS

There were no political donations made during the financial year.

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 adequate 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 Harold's Cross, Dublin 6W.

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each of the persons who are directors at the time the directors' report and financial statements are approved:

- a) So far as the director is aware, there is no relevant audit information of which the company's statutory auditors are unaware; and
- b) Each director has taken all steps that ought to have been taken by the director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

DIRECTORS' COMPLIANCE POLICY STATEMENT

The directors acknowledge that they are responsible for securing compliance by the company with its relevant obligations as outlined in the Companies Act 2014 (the 2014 Act).

The directors confirm:

- (a) that a compliance policy statement, setting out the company's policies that, in the directors' opinion, are appropriate to the company regarding compliance by the company with its relevant obligations (within the meaning of the 2014 Act) has been drawn up;
- (b) appropriate arrangements or structures that are, in the directors' opinion, designed to secure material compliance with the company's relevant obligations have been put in place; and
- (c) a review of those arrangements and structures has been conducted during the financial year.

The arrangements and structures include reliance on the assistance and advice of persons employed by the company and by external legal, compliance and tax advisors that the directors consider to have the requisite knowledge and experience to advise on the company's compliance with its relevant obligations.

AUDITORS

The auditors, Deloitte, 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:



Sean Benton
Director



Teresa Harrington
Director

22 May 2017

Date

**OUR LADY'S HOSPICE & CARE SERVICES
(FORMERLY OUR LADY'S HOSPICE LIMITED)**

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Irish Company Law requires the directors to prepare financial statements for each financial year. Under that law, the directors have prepared the financial statements in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* and promulgated by the Institute of Chartered Accountants in Ireland and the Companies Act 2014).

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 and 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. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OUR LADY'S HOSPICE & CARE SERVICES (FORMERLY OUR LADY'S HOSPICE LIMITED)

We have audited the financial statements of Our Lady's Hospice & Care Services (formerly Our Lady's Hospice Limited) for the financial year ended 31 December 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes 1 to 29. 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 ("relevant financial reporting framework").

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 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 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with the Companies Act 2014 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 financial year ended 31 December 2016 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 of the assets, liabilities and financial position of the company as at 31 December 2016 and of its outgoing resources and application of resources, including its income and expenditure 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.

Matters on which we are required to report by the Companies Act 2014

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

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
OUR LADY'S HOSPICE & CARE SERVICES
(FORMERLY 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 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.

Marguerita Martin

Marguarita Martin
For and on behalf of Deloitte
Chartered Accountants and Statutory Audit Firm
Dublin

Date: *30 May 2017*

**OUR LADY'S HOSPICE & CARE SERVICES
(FORMERLY OUR LADY'S HOSPICE LIMITED)**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

	Notes	Unrestricted € 2016	Restricted € 2016	Total € 2016	Unrestricted € 2015	Restricted € 2015	Total € 2015
INCOME FROM							
Donations & legacies	3	4,886,621	335,474	5,222,095	4,108,022	201,064	4,309,086
Charitable activities	4	433,456	36,780,827	37,214,283	428,798	36,087,359	36,516,157
Investment income	5	531,920	-	531,920	150,902	-	150,902
Other trading activities	6	603,841	-	603,841	585,380	-	585,380
TOTAL INCOME		6,455,838	37,116,301	43,572,139	5,273,102	36,288,423	41,561,525
EXPENDITURE ON							
Raising funds	7	1,909,469	538,795	2,448,264	1,549,242	433,296	1,982,538
Charitable activities	8	4,264,103	36,926,827	41,190,930	4,101,446	36,588,457	40,689,903
TOTAL EXPENDITURE		6,173,572	37,465,622	43,639,194	5,650,688	37,021,753	42,672,441
Net income/ (expenditure) before other recognised (loss)/gain		282,266	(349,321)	(67,055)	(377,586)	(733,330)	(1,110,916)
(Loss)/gain on financial assets at fair value	15	(388,746)	-	(388,746)	288,307	-	288,307
Net Expenditure before taxation	10	(106,480)	(349,321)	(455,801)	(89,279)	(733,330)	(822,609)
Taxation	12	-	-	-	-	-	-
Net Expenditure		(106,480)	(349,321)	(455,801)	(89,279)	(733,330)	(822,609)
Total funds at beginning of financial year		29,984,356	17,863,335	47,847,691	30,073,635	18,596,665	48,670,300
Total funds at end of financial year		29,877,876	17,514,014	47,391,890	29,984,356	17,863,335	47,847,691


There were no recognised gains or losses other than those listed above and the net movement in funds for the financial year. All income and expenditure derives from continuing activities.

**OUR LADY'S HOSPICE & CARE SERVICES
(FORMERLY OUR LADY'S HOSPICE LIMITED)**

**BALANCE SHEET
AS AT 31 DECEMBER 2016**

	Notes	2016 €	2015 €
Fixed Assets			
Tangible Assets	14	81,629,543	75,931,668
Financial Assets	15	729,479	4,230,188
		82,359,022	80,161,856
Current Assets			
Stocks	16	346,822	276,452
Debtors: Amounts falling due within one year	17	6,027,671	4,325,366
Investment	18	1,113,356	4,397,648
Cash at bank and on hand		3,804,041	4,207,079
		11,291,890	13,206,545
Creditors: Amounts falling due within one year	19	(7,620,234)	(6,881,922)
Net Current Assets		3,671,656	6,324,623
NET ASSETS		86,030,678	86,486,479
Capital and Charity Funds			
Called up share capital	20	2	2
Share premium	20	38,638,786	38,638,786
Restricted capital funds	28	19,175,817	19,709,821
Restricted funds	28	(1,661,803)	(1,846,486)
Unrestricted funds	28	29,877,876	29,984,356
CHARITY FUNDS		86,030,678	86,486,479

The financial statements were approved and authorised for issue by the Board of directors on 22 May 2017 and signed on its behalf by:


Sean Benton
Director


Teresa Harrington
Director

**OUR LADY'S HOSPICE & CARE SERVICES
(FORMERLY OUR LADY'S HOSPICE LIMITED)**

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

	Notes	2016 €	2015 €
Net cash flows from operating activities	22	300,891	117,677
Cash flows from investing activities			
Interest and similar income received		37,128	165,751
Interest paid		(36,894)	(62,987)
Payments to acquire tangible fixed assets		(8,073,948)	(2,397,733)
Payments to acquire financial assets		(584,255)	(553,930)
Payments to acquire investment		-	(1,082,685)
Proceeds on disposal of financial assets		4,191,010	821,233
Receipts from investment		3,284,292	-
Net cash flows from investing activities		(1,182,667)	(3,110,351)
Net cash flows from financing activities		-	-
Net decrease in cash and cash equivalents		(881,776)	(2,992,674)
Cash and cash equivalents at beginning of financial year		1,004,551	3,997,225
Cash and cash equivalents at end of financial year		122,775	1,004,551
Reconciliation to cash and cash equivalents			
Cash at bank and in hand		3,804,041	4,207,079
Bank overdraft		(3,681,266)	(3,202,528)
		122,775	1,004,551

**OUR LADY'S HOSPICE & CARE SERVICES
(FORMERLY OUR LADY'S HOSPICE LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

1. ACCOUNTING POLICIES

The significant accounting policies adopted by the company are set out below. These policies have been consistently applied to all financial years presented unless otherwise stated.

General Information and Basis of Accounting

Our Lady's Hospice & Care Services (formerly Our Lady's Hospice Limited) is a company incorporated in Ireland under the Companies Act 2014. The address of the registered office is Harold's Cross, Dublin 6W.

The objectives of the company are charitable in nature and it has been granted charitable tax exemption by the Revenue Commissioners (Charity number CHY1144) and is registered with the Charities Regulatory Authority (CRA number 20001827). The company's operations and its principal activities are set out in the directors' report on pages 3 to 9.

- (i) In accordance with Section 1180(8) of the Companies Act, 2014, the company is exempt from including the word "Limited" in its name. The company is a designated activity company limited by shares (DAC) under Part 16 of the Companies Act 2014.
- (ii) In prior financial years, companies not trading for gain for the members were not within the scope of company law requirements with regard to formats and content of financial statements which applied to not-for-profit companies, thus permitting the adoption of a format appropriate to a charity.

The Charity Commission for England and Wales, is recognised by the UK Accounting Standards Board (ASB) as the appropriate body to issue SORPs for the charity sector in the UK, and the SORP has heretofore been recognised as best practice for financial reporting by charities in Ireland.

The Companies Act 2014 became effective in law on 1 June 2015 and from that date applies the format and content of financial statements requirements appropriate for a company trading for the profit of its members to a company that is a not-for-profit organisation such as Our Lady's Hospice & Care Services. This would require Our Lady's Hospice & Care Services for example, to present a profit and loss account and report on items such as turnover, cost of sales, profit or loss on ordinary activities before taxation, along with related notes. In the view of the directors this is neither an appropriate presentation nor terminology for a not-for-profit organisation.

In order to provide information relevant to understanding the stewardship of the directors and the performance and financial position of the charity, Our Lady's Hospice & Care Services has prepared its financial statements in accordance with the formats provided for in the Statement of Recommended Practice (SORP 2015) "Accounting and Reporting by Charities" (the Charities SORP (FRS102)).

The financial statements have been prepared under the historical cost convention, and in accordance with the Charities SORP (FRS102), in accordance with 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. See note 30 for details of the impact on reserves previously reported under FRS102 on transition to the Charities SORP (FRS102).

**OUR LADY'S HOSPICE & CARE SERVICES
(FORMERLY OUR LADY'S HOSPICE LIMITED)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

1. ACCOUNTING POLICIES (CONTINUED)

Going Concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the directors' report.

The financial statements have been prepared on the going concern basis. The company 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 company's ability to continue as a going concern. The HSE has not given any indication that it will withdraw its financial support from the company for the foreseeable future and has continued to provide funding for 2017. The HSE has indicated that funding will be available during 2017 at a level similar to that of 2016.

Cost and funding pressures remain as a result of the significant and continuing reductions in HSE baseline funding during the years 2008 to 2015 and the increased demand for the company's services. Management have reviewed the level of activity and costs of the company and have drawn up plans to deal with the issues associated with the ongoing cost and funding pressures. The company's current operating budget and forecast (assuming no reduction in HSE Funding) show that the company should be able to operate within its available funding for the foreseeable future (at least twelve months from the date of approval of these financial statements).

The directors have reviewed the company's capital project budget and forecast in respect of the New Palliative Care Unit and are satisfied that sufficient funding will be available to complete this development. A letter of offer, to part fund and fit-out the New Palliative Care Unit has been signed with Bank of Ireland and appropriate authorisations in relation to the Company raising loan finance have been obtained.

After making due enquiries, the directors have a reasonable expectation that the operating and capital budgets and plans will be achieved and that the company will have adequate resources and sufficient liquidity to continue to operate for the foreseeable future and with the support of the HSE, the loan facility that is in place and the generosity of the public, to complete the redevelopment of the Palliative Care facility during 2017. 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.

Tangible Fixed Assets and Depreciation

Tangible fixed assets are carried at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to the location and condition necessary for its intended use, applicable dismantling, removal and restoration costs. Tangible fixed assets where the cost is less than €5,000 are expensed.

Land and buildings include freehold properties. Land and buildings are carried at cost. Fixtures and fittings and motor vehicles are carried at cost less accumulated depreciation and accumulated impairment losses.

Subsequent additions are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the economic benefits associated with the asset will flow to the company and the cost can be reliably measured. Assets in the course of construction are carried at cost. Major components are treated as separate assets where they have significantly different patterns of consumption of economic benefits and are depreciated separately over their useful lives.

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1. ACCOUNTING POLICIES (CONTINUED)

Tangible Fixed Assets and Depreciation (continued)

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 until they are available for use.

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Repairs and maintenance costs are expensed as incurred.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost is determined by reference to invoice price including charges such as freight and duty as appropriate. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slow-moving or defective items where appropriate.

Foreign Currencies

The functional and presentational currency of the company is considered to be Euro because that is the currency of the primary economic environment in which the company operates.

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 Statement of Financial Activities.

Impairment of Assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the Statement of Financial Activities as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced to below its carrying amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

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1. ACCOUNTING POLICIES (CONTINUED)

Income – Donations & legacies, charitable activities (HSE and other grants), investment and other trading activities

Income is the amount derived from the provision of services. Turnover comprises income from patients (directly and from Private Health Insurers), income from fundraising activities and events, income from the hire of facilities and other income.

- (i) Income from voluntary donations is recognised when received. As with many similar charitable organisations, independent groups from time to time organise fundraising activities and may operate bank accounts in the name of Our Lady's Hospice & Care Services. However, as amounts collected in this way are outside the control of the company, they are not included in the financial statements until received by Our Lady's Hospice & Care Services.
- (ii) Proceeds from the sale of donated goods are recognised in the financial statements in the period in which they are realised. Volunteer time is not included in the financial statements.
- (iii) Grants from the HSE, government and other agencies have been included as income from activities in furtherance of the charity's objects and accounted for on a receivable basis. Revenue grants received and receivable from the HSE are accounted for on the basis of the allocated amount notified by the HSE for that financial year. Capital grants received are recognised as income in the financial year and the depreciation on the related capital asset is charged against the restricted capital fund.
- (iv) Legacies are included when the amount to be received is probable and can be measured with certainty.
- (v) Investment income is recognised on a receivable basis.
- (vi) Patient income comprises income from patients directly and from Private Health Insurers (PHIs) and is recognised on a receivable basis.
- (vii) Other trading activities income comprises income from canteen, shop, coffee shop and rental and is recognised on a receivable basis.

Pensions

Eligible employees are entitled to join the Voluntary Hospitals Superannuation Scheme (VHSS) operated by the 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 Statement of Financial Activities when received.

No provision has been made in respect of the accrued benefits payable to current or former employees (See note 27).

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 ("DPER") and not credited to the statement of financial activities. As per Public Service Pensions (Single Scheme and Other Provisions) Act 2012, the DPER is responsible for this Single Scheme, and payments arising under this scheme to retiring employees are payable by the State.

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 Statement of Financial Activities.

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**NOTES TO THE FINANCIAL STATEMENTS
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1. ACCOUNTING POLICIES (CONTINUED)

Expenditure

Charitable activities comprise expenditure incurred by the activities in the Harold's Cross and Blackrock Hospices as well as support costs incurred at headquarters that are directly related to the implementation of charities activities. Expenditure is recognised in the period to which it relates. Expenditure incurred but unpaid at the balance sheet date is included in accruals and other creditors. Expenditure on raising funds comprise all expenditure incurred by Our Lady's Hospice & Care Services on raising funds for the company's charitable activities.

Support costs are those functions that assist the work of the company but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the company's healthcare activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 9.

Funds Accounting

Funds held by the charity are classified as unrestricted and restricted. Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the Directors. Restricted funds are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Financial instruments

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

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

(i) Financial assets and liabilities

Basic financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. These financial assets are subsequently measured at fair value and the changes in fair value are recognised in the Statement of Comprehensive Income, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are subsequently measured at cost less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

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1. ACCOUNTING POLICIES (CONTINUED)

Financial instruments (Continued)

Financial assets and liabilities are only offset in the balance sheet when and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the assets and settle the liability simultaneously.

Balances are classified as payable or receivable within one year if payment or receipt is due within one year or less. If not, they are presented as falling due after more than one year. 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.

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.

Comparative figures

Comparative figures have been reclassified on the same basis as the current financial year.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

2. 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, including expectations of future events that are believed to be reasonable under the circumstances. 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.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the accounting policies and the notes to the financial statements.

(a) Critical judgement in applying the company's accounting policies

The following judgement, apart from those involving estimates, made by the directors has had significant effect on the amounts recognized in the company's financial statements:

(i) Pensions

Certain employees participate in the VHSS operated by the HSE. The VHSS is an unfunded 'pay as you go' scheme underwritten by the Minister for Health and Children. In the judgement of the directors the funds required to pay current pension liabilities, under the VHSS, as they arise will continue to be provided by the Department of Health and Children. Therefore, they believe that it is not necessary for the financial statements to make provision for the net assets/liabilities at the balance sheet date in respect of pension entitlements accrued to that date by the employees of the company, nor the disclosure requirements of the Charities SORP (FRS102). See note 27 for further details.

(b) Critical accounting estimates and assumptions

The directors make estimates and assumptions concerning the future in the process of preparing the company's financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are addressed below.

(i) Useful economic lives of tangible fixed assets

The annual depreciation on tangible fixed assets is sensitive to changes in the estimated useful lives and residual values of the assets. The useful economic lives and residual values are reviewed annually. They are amended when necessary to reflect current estimates, based on economic utilisation, technological advancements and the physical condition of the assets. The amortization rate for capital grants is also reviewed in conjunction with the asset lives review and these are adjusted if appropriate.

(ii) Impairment of debtors

The directors make an assessment at the end of each financial year of whether there is objective evidence that a debtor is impaired. When assessing impairment of debtors and other amounts receivable, the directors consider factors including the age profile of outstanding amounts receivable, recent correspondence and historical experience in cash collectors from debtors.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

3. DONATIONS AND LEGACIES

	Unrestricted €	Restricted €	2016 Total €	2015 Total €
Legacy/Bequest Income	2,165,236	-	2,165,236	1,122,426
Donations	2,721,385	335,474	3,056,859	3,186,660
	4,886,621	335,474	5,222,095	4,309,086

4. CHARITABLE ACTIVITIES

	Unrestricted €	Restricted €	2016 Total €	2015 Total €
HSE Grants for patient care	-	25,265,346	25,265,346	23,853,640
HSE Fair Deal Income	-	3,156,777	3,156,777	3,072,832
Patient income	-	6,397,072	6,397,072	6,687,879
Conferences, seminars, research income	433,456	17,000	450,456	428,798
Superannuation Income	-	932,309	932,309	1,074,840
Pension Levy Income	-	1,012,323	1,012,323	1,398,168
	433,456	36,780,827	37,214,283	36,516,157

5. INVESTMENT INCOME – UNRESTRICTED

	2016 €	2015 €
Income from financial assets	28,597	112,793
Interest received	8,531	52,958
	37,128	165,751
Profit/(loss) on sale of investments	494,792	(14,849)
Total investment income	531,920	150,902

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

6. OTHER TRADING ACTIVITIES

	Unrestricted €	Restricted €	2016 Total €	2015 Total €
Other Trading Income	603,841	-	603,841	585,380
	603,841	-	603,841	585,380

7. EXPENDITURE ON RAISING FUNDS

	Direct Costs €	Support Costs €	2016 Total €	2015 Total €
Salaries and other fundraising Costs	1,560,499	18,696	1,579,195	1,093,799
Bank interest and charges	19,688	-	19,688	18,269
Fundraising Costs	1,580,188	18,696	1,598,844	1,112,068
Expenses from Other Trading Activities	821,908	-	821,908	819,769
Investment Management Fees	27,473	-	27,473	50,701
	2,429,568	18,696	2,448,264	1,982,538
	Unrestricted Costs €	Restricted Costs €	2016 Total €	2015 Total €
Fundraising Costs	1,278,155	320,728	1,598,883	1,112,068
Expenses from Other Trading Activities	603,841	218,067	821,908	819,769
Investment Management Fees	27,473	-	27,473	50,701
	1,909,469	538,795	2,448,264	1,982,538

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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8. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Costs €	Support Costs €	2016 Total €	2015 Total €
Palliative Care	14,723,626	680,525	15,404,151	15,470,577
Community Reablement Unit, CRU	2,413,145	116,946	2,530,091	2,488,782
Care of Older People in Anna Gaynor House	15,740,050	848,061	16,588,111	16,012,353
Rheumatic & Musculoskeletal Disease Unit, RMDU	5,526,530	307,810	5,834,340	5,896,864
	38,403,558	1,953,342	40,356,693	39,868,576
Bank Interest and Charges	17,207	-	17,207	44,718
Patient Care and Services	38,420,558	1,953,342	40,373,900	39,913,294
Education and Training	817,030	-	817,030	776,609
	39,237,588	1,953,342	41,190,930	40,689,903
	Unrestricted Costs €	Restricted Costs €	2016 Total €	2015 Total €
Patient Care and Services	3,464,073	36,909,827	40,373,900	39,913,294
Education and Training	800,030	17,000	817,030	776,609
	4,264,103	36,926,827	41,190,930	40,689,903

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

9. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

	Charitable General Support €	Activities Governance Function €	Charitable Activities Total €	Raising Funds Governance Function €	Basis of Apportionment
2016					
Payroll costs	1,586,384	-	1,586,384	-	Direct labour costs
General support costs	156,946	-	156,946	-	Direct labour costs & beds
Audit, legal compliance and regulatory costs	-	210,013	210,013	18,696	Beds
	1,743,330	210,013	1,953,343	18,696	
2015					
Payroll costs	1,407,539	-	1,407,539	-	Direct labour costs
General support costs	186,773	-	186,773	-	Direct labour costs & beds
Audit, legal compliance and regulatory costs	-	43,747	43,747	3,381	Beds
	1,594,312	43,747	1,638,059	3,381	

10. NET INCOME/(EXPENDITURE)

	2016 €	2015 €
The net income/(expenditure) for the financial year has been arrived at after charging/(crediting):		
Depreciation	2,376,073	2,112,740
Directors' remuneration	-	-
Auditors' remuneration	14,000	13,500
Cost of stock recognised as expense	671,264	668,247
(Gain)/loss on sale of investments	(494,792)	14,849
Loss/(gain) on fair value movement of financial assets	388,746	(288,307)

(a) Auditors' remuneration disclosures (net of VAT and outlays):

Audit	14,000	13,500
Other non-audit	3,500	5,000

(b) Medical worker directors

No salaries or fees are payable to the directors of the company for their services as directors. The company's constitution requires the chairperson of the Medical Committee to be elected as one of the directors. No allowance, increased salary or other remuneration is payable to the staff member holding this position. This person is paid a salary for their normal work within the company.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

11. INTEREST PAYABLE AND SIMILAR CHARGES	2016 €	2015 €
On bank overdrafts	36,894	62,987

12. TAXATION

As a result of the company's charitable status, no charge to corporation tax arises.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

13. STAFF NUMBERS AND COSTS

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

	2016 No.	2015 No.
Management and staff (whole time equivalents)	533	528

The aggregate payroll costs of these persons were as follows:

	2016 €	2015 €
Wages and salaries	27,791,662	27,595,166
Social welfare costs	2,618,297	2,502,182
Superannuation	2,135,586	1,920,202
Pension costs	43,142	32,635
	32,588,687	32,050,185

Key management compensation

The total remuneration for key management personnel for the financial year amounted to €525,237 (2015: €533,022), and this includes gross salary, ER PRSI and pension contribution.

The number of employees whose emoluments, excluding pension contributions, were in excess of €60,000:

	2016 No.
€60,000 - €69,999	44
€70,000 - €79,999	8
€80,000 - €89,999	3
€90,000 - €99,999	-
€100,000 - €109,999	-
€110,000 - €119,999	2
€120,000 - €129,999	-
€130,000 - €139,999	1
€140,000 - €149,999	-
€160,000 - €169,999	1
€170,000 - €179,999	1
€180,000 - €189,999	2

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

14. TANGIBLE FIXED ASSETS

	Land €	Buildings €	Assets under Construction €	Fixtures & Equipment €	Motor Vehicles €	Total €
Cost or Valuation:						
At 1 January 2016	10,786,500	79,354,822	1,550,606	10,055,961	87,200	101,835,089
Additions	-	-	7,728,244	308,426	37,278	8,073,948
At 31 December 2016	10,786,500	79,354,822	9,278,850	10,364,387	124,478	109,909,037
Depreciation:						
At 1 January 2016	-	18,095,307	-	7,734,160	73,954	25,903,421
Charge for financial year	-	1,587,097	-	774,897	14,079	2,376,073
At 31 December 2016	-	19,682,404	-	8,509,057	88,033	28,279,494
Net Book Value:						
At 31 December 2016	10,786,500	59,672,418	9,278,850	1,855,330	36,445	81,629,543

In respect of prior financial year:

	Land €	Buildings €	Assets under Construction €	Fixtures & Equipment €	Motor Vehicles €	Total €
Cost or Valuation:						
At 1 January 2015	10,786,500	79,354,822	-	9,208,834	87,200	99,437,356
Additions	-	-	1,550,606	847,127	-	2,397,733
At 31 December 2015	10,786,500	79,354,822	1,550,606	10,055,961	87,200	101,835,089
Depreciation:						
At 1 January 2015	-	16,556,157	-	7,178,010	56,514	23,790,681
Charge for financial year	-	1,539,150	-	556,150	17,440	2,112,740
At 31 December 2015	-	18,095,307	-	7,734,160	73,954	25,903,421
Net Book Value:						
At 31 December 2015	10,786,500	61,259,515	1,550,606	2,321,801	13,246	75,931,668

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

15. FINANCIAL ASSETS	2016 €	2015 €
Listed investments:		
Carrying amount		
At 1 January	4,230,188	4,224,033
Additions	584,255	553,930
Disposals	(3,696,218)	(836,082)
At 31 December	1,118,225	3,941,881
Movement in the fair value of listed investments	(388,746)	288,307
	729,479	4,230,188

The fair value of listed investments was determined with reference to the quoted market price at the reporting date. The cost of the investments on acquisition was €595,396 (2015: €3,700,903).

16. STOCKS	2016 €	2015 €
Pharmacy	79,219	103,675
Stores	267,603	172,777
	346,822	276,452

There are no material differences between the replacement cost of stock and the balance sheet amounts.

17. DEBTORS: Amounts falling due within one year	2016 €	2015 €
HSE	2,768,090	2,576,294
Patient income	1,825,055	1,293,190
Other debtors and prepayments	1,434,526	455,882
	6,027,671	4,325,366

Included in Other debtors is a balance of €988,691 (2015: Nil) relating to legacy income due.

18. INVESTMENT	2016 €	2015 €
Short-term deposits held as part of trading portfolio	1,113,356	4,397,648

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016**

19. CREDITORS: Amounts falling due within one year	2016	2015
	€	€
Bank overdraft	3,681,266	3,202,528
Trade creditors	684,334	756,375
Accruals and other creditors	2,329,395	1,958,528
PAYE/PRSI	925,239	964,491
	7,620,234	6,881,992

Bank security

There is a lien in favour of Bank of Ireland on the overdraft to the value of €2m.

20. CALLED-UP SHARE CAPITAL PRESENTED AS EQUITY	2016	2015
	€	€
Authorised:		
100,000 Ordinary shares of €1 each	100,000	100,000
Allotted, called-up and fully paid equity shares:		
2 Ordinary shares of €1 each	2	2
Presented as follows:		
Called up share capital presented as equity	2	2

The company has one class of ordinary shares which carry no right to fixed income.

The share premium reserve contains the premium arising on issue of equity shares.

21. CAPITAL COMMITMENTS

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

	2016	2015
	€	€
Committed not contracted	1,300,530	-
Contracted	4,080,025	12,858,349
	5,380,555	12,858,349

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22. RECONCILIATION OF NET EXPENDITURE TO NET CASH GENERATED BY OPERATIONS	2016 €	2015 €
Net income expenditure before taxation	(455,801)	(822,609)
Adjustment for:		
Investment income	(531,920)	(150,902)
Interest payable and similar charges	36,894	62,987
Loss/(gain) on financial assets at fair value	388,746	(288,307)
Depreciation	2,376,073	2,112,740
Operating cash flow before movement in working capital	1,813,992	913,909
Increase in stock	(70,370)	(48,676)
(Increase)/decrease in debtors	(1,702,305)	486,168
Increase/(decrease) in creditors	259,574	(1,233,724)
CASH GENERATED BY OPERATING ACTIVITIES	300,891	117,677

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23. FINANCIAL INSTRUMENTS

The carrying values of the company's financial assets and liabilities are summarised by category below:

	2016 €	2015 €
Financial assets		
Measured at fair value through profit or loss		
• Financial asset listed investments (Note 15)	729,479	4,230,188
Measured at undiscounted amount receivable		
• Trade and other debtors (Note 17)	5,873,025	4,279,291
• Investment (Note 18)	1,113,356	4,397,648
	7,715,860	12,907,127
Financial liabilities		
Measured at undiscounted amount payable		
• Bank overdraft (Note 19)	3,681,266	3,202,528
• Trade and other creditors (Note 19)	3,013,729	2,714,903
	6,694,995	5,917,431

The company's income, gains and losses in respect of financial instruments are summarised as follows:

	2016 €	2015 €
Fair value gains and losses		
(Loss)/gain on financial assets (including listed investments) measured as fair value through Statement of Financial Activities	(388,746)	288,307

There were no derivative financial instruments outstanding at 31 December 2016 or 31 December 2015.

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24. CREDIT, MARKET AND LIQUIDITY RISKS

Credit risk

The company manages its financial assets and liabilities to ensure it will continue as a going concern. The principal financial assets of the company are bank and cash balances, investments, and trade and other receivables, which represent the maximum exposure to credit risk in relation to financial assets. The principal financial liabilities of the company are bank overdraft and trade and other payables.

The credit risk within the company is primarily attributable to its trade receivables, cash at bank and investments. The amounts presented in the statement of financial position are net of provisions for impaired receivables, estimated by management, based on prior experience and their assessment of the current economic environment.

The credit risk on liquid funds is mitigated by the spreading of deposits over a number of financial institutions.

The credit risk on investments arising is managed by a reputable external investment manager whose investment policy is to invest over a broad range of equity securities of high quality. The risk is monitored by regular reporting by the investment manager to the company.

The exposure from trade and other receivables arises primarily from amounts due from health insurance companies.

Market risk

(i) Interest rate risk

The company uses the bank overdraft for short-term borrowings.

As part of its risk management process, the company identified the risk of exposure on the bank overdraft to interest becoming unaffordable due to rate increases during the term of the bank overdraft facility.

(ii) Foreign currency exchange rate risk

Some portion of the company's investments is denominated in pounds sterling or US dollars. The company's functional currency is euro. The company has no material exposure to foreign currencies. The policy is to maintain no significant foreign currency exposure by the investment manager.

(iii) Price risk

The company is exposed to equity securities price risk. To manage its price risk arising from investments in equity securities, the company diversifies its portfolio.

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25. CREDIT, MARKET AND LIQUIDITY RISKS (CONTINUED)

Market risk (Continued)

(iv) Cash flow and Liquidity risk

The bank overdraft liquidity risk is managed by regular reviews of cash flow forecasts and regular monitoring of cash balances and short-term liquidity trends.

26. 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 102 "Employee Benefits" (FRS102). The majority of staff are members of the VHSS, which the directors believe is a scheme underwritten by the Minister for Health.

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. 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. 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 102.

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 has been sought and is awaited from the Minister.

The VHSS closed to new members with effect from 31 December 2012. The Single Public Service Pension Scheme (SPSPS) applies to all employees who are joining the public sector as new entrants after 1 January 2013. In line with the guidance of this scheme, all employee contributions are paid over to the state pension account and not included in the statement of financial activities. The Department of Public Expenditure and Reform ('DPER') is responsible for the SPSPS and under the Public Service Pensions (Single Scheme and Other Provisions) Act 2012, Section 44(1) (b), payments arising under this Single Scheme to retiring employees shall be paid from funds provided by the Oireachtas for that purpose.

Contributions remitted in 2016 in respect of the SPSPS amounted to €184,444 (2015: €102,300).

27. RELATED PARTY TRANSACTIONS

There have been no related party transactions in the reporting financial year that require disclosure.

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28. FUNDS

	Unrestricted Funds €	Restricted Funds €	Restricted Capital Funds €	Total Funds €
(a) Reconciliation of funds:				
Fund balances at 1 January 2016	29,984,356	(1,846,486)	19,709,821	47,847,691
Net (expenditure)/income	(106,480)	184,683	(534,004)	(455,801)
Fund balances at 31 December 2016	29,877,876	(1,661,803)	19,175,817	47,391,890
	Unrestricted Funds €	Restricted Funds €	Restricted Capital Funds €	Total Funds €
(b) Analysis of net assets between funds:				
Tangible fixed assets	62,453,726	-	19,175,817	81,629,543
Financial assets	729,479	-	-	729,479
Current assets	5,747,661	5,544,229	-	11,291,890
Current liabilities	(414,202)	(7,206,032)	-	(7,620,234)
Called up share capital	(2)	-	-	(2)
Share premium	(38,638,786)	-	-	(38,638,786)
Fund balances at 31 December 2016	29,877,876	(1,661,803)	19,175,817	47,391,890
(c) Movements in funds:				
	Balance as at 01/01/2016 €	Income €	Expenditure €	Balance as at 31/12/2016 €
Unrestricted funds	29,984,356	6,455,838	(6,562,318)	29,877,876
Restricted funds	(1,846,486)	37,116,301	(36,931,618)	(1,661,803)
Restricted capital funds	19,709,821	-	(534,004)	19,175,817
Total funds	47,847,691	43,572,139	(44,027,940)	47,391,890

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29. TRANSITION TO CHARITIES STATEMENT OF RECOMMENDED PRACTICE (CHARITIES SORP FRS102)

This is the first financial year the company has presented its financial statements under "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)" known as the Charities SORP (FRS102).

In previous years the activities of the company were presented in the financial statements as healthcare activities and development activities and the analysis of restricted and unrestricted funds was not presented. On transition to the Charities SORP (FRS102) funds are presented as restricted and unrestricted funds and the 2015 balance sheet and notes have been restated to comply with the Charities SORP (FRS102).

Reconciliation of Charity Funds	At 01/01/2015 €	At 31/12/2015 €
Charity funds reported under previous FRS 102	28,322,956	28,137,870
Adjustments to charity funds on transition to FRS 102:		
Reclassification of capital grant to restricted funds	20,347,344	20,347,344
Reclassification of amortisation to restricted funds	-	(637,523)
Adjusted Charity funds under Charities SORP (FRS 102)	48,670,300	47,847,691

Analysed as follows:	€
Restricted capital funds	19,709,821
Restricted funds	(1,846,486)
Unrestricted funds	29,984,356
	47,847,691

Reconciliation of surplus of income over expenditure for 2015	€
Deficit of income over expenditure for the financial year under previous FRS 102	(185,086)
Reclassification of amortisation to restricted funds	(637,523)
Net expenditure for the financial year under Charities SORP (FRS 102)	(822,609)

