

Our Lady's Hospice & Care Services

Reports and Financial Statements  
for the financial year ended  
31 December 2022

**OUR LADY'S HOSPICE & CARE SERVICES**  
**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

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## OUR LADY'S HOSPICE & CARE SERVICES

### DIRECTORS AND OTHER INFORMATION

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<b>DIRECTORS</b>	Lorcan Birthistle (Chairperson) Pat Costello – resigned September 2022 Kay Connolly – resigned May 2022 Sean Dorgan – resigned September 2022 Helen Nolan Dr. Terry McWade Eugene Murray Carole Pollard Dr. Philip Wiehe Catherine Maguire Vincent Barton Hilary Coates Dermot Ryan
<b>CHIEF EXECUTIVE OFFICER</b>	Audrey Houlihan
<b>CHARITY REGISTRATION NUMBER</b>	20001827
<b>CHARITY TAX NUMBER</b>	CHY1144
<b>COMPANY REGISTRATION NUMBER</b>	352404
<b>COMPANY SECRETARY</b>	Helen Nolan
<b>REGISTERED OFFICE</b>	Our Lady's Hospice Harold's Cross Dublin 6W
<b>AUDITORS</b>	Deloitte Ireland LLP Chartered Accountants and Statutory Audit Firm Deloitte & Touche House, Earlsfort Terrace Dublin 2
<b>BANKERS</b>	Bank of Ireland 1 Rathfarnham Road Terenure, Dublin 6
<b>SOLICITORS</b>	Woodcock Solicitors Pembroke Hall 38-39 Fitzwilliam Square Dublin 2  Beauchamps Riverside Two Sir John Rogerson's Quay Dublin 2

## **OUR LADY'S HOSPICE & CARE SERVICES**

### **DIRECTORS' REPORT**

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The directors present their annual report and the audited financial statements for the financial year ended 31 December 2022.

#### **PRINCIPAL ACTIVITIES**

Our Lady's Hospice & Care Services, founded by the Sisters of Charity in 1879, continues its mission by providing, with loving care, high quality, person-centred health and social care services in the Hospice and community.

Our Lady's Hospice & Care Services (OLH&CS) has three facilities, Harold's Cross, Blackrock and Wicklow, 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, to enhance patient services and to repay bank debt relating to the capital building costs of Wicklow Hospice. The effects of the COVID-19 virus pandemic continues to be seen throughout the 2022 financial year and continue into 2023. 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 illness, end of life care and symptom management in inpatient, outpatient and community settings.

#### **Community Rehabilitation Unit, CRU**

The Community Rehabilitation Unit (CRU) provides a unique intermediate care programme, specially designed to help those 65 years of age or over to live independently in the local community.

#### **Care of Older Persons in Anna Gaynor House**

Care of Older Persons and Extended Care Services are provided at Anna Gaynor House which is a purpose-built residential unit for those with supportive palliative care needs or high dependent long-term care.

#### **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. In addition, significant research activity takes place onsite which directly links to the provision of evidence-based care.

## OUR LADY'S HOSPICE & CARE SERVICES

### DIRECTORS' REPORT (CONTINUED)

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#### 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 through a number of campaigns and events every year. Thanks to their compassion, commitment, and generosity, along with the funding allocation received from the HSE, the organisation is able to continue to develop the infrastructure and facilities and provide high quality care on a consistent basis. Our Communications programme continues to raise our profile, 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 €1,462,211 in the year to 31<sup>st</sup> December 2022, compared to a surplus of €938,695 in the previous year. There is a sizeable decrease in the reported surplus in 2022, due mainly to the increased costs in the year. There was an increase of over €5m in Income from charitable activities but there was also a corresponding €5m increase in expenses from charitable activities. This is primarily due to COVID costs and national pay agreements.

Covid continued to have a significant impact in 2022 and whilst there was a slight increase in both RMDU and Palliative Care private health insurance income from the previous year, we are still down on pre pandemic levels of Income. As we move into 2023, we are in discussions with the HSE for an acute service level agreement that will address the funding shortfall in our Rheumatic & Musculoskeletal Disease Unit. This will enable us to improve and enhance our model of care and will greatly enhance and develop our ability to meet the needs of our patients in the years to come. We have also developed the Wicklow unit which has enabled us to continue to support the needs of the community which we serve in both our in patient and community palliative care teams in the region.

The Statement of Financial Activities highlights the results between restricted and unrestricted activities. Restricted activities relate to all HSE funded healthcare activities along with restricted income and expenditure arising from donated funds from the public which were donated for a specific activity or purpose.

Fundraising activities generated income of €4.3m (down from €6.9m in 2021, which was an exceptional year as we received immigration investment scheme funding.) of which €1.6m was used to supplement 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 cash inflow from operating activities for the financial year was €1.4m.

The company had €8.9m of cash at bank excluding €124,487 of 3<sup>rd</sup> party funds (see note 21 for breakdown) at the financial year end of which none related to investment cash. This cash is available for the future development of the healthcare facilities in line with our master development plan and also for maintaining the level of services at the current levels for the foreseeable future. As per the master development plan, we invested in the refurbishment of Blackrock which has greatly enhanced our clinical infrastructure to the benefit of our patients. The remaining reserves are committed to future capital developments as well as ongoing working capital requirements associated with Healthcare/ Education and Research and Fundraising activities.

## OUR LADY'S HOSPICE & CARE SERVICES

### DIRECTORS' REPORT (CONTINUED)

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#### RESULTS FOR THE FINANCIAL YEAR (CONTINUED)

Funds held by the company at year-end are represented as follows:

	<b>Total 2022</b>	<b>Total 2021</b>
	€	€
Share capital and premium	38,638,788	38,638,788
Restricted capital funds – HSE related	18,670,334	19,665,992
Restricted capital funds - Donor related	6,420,436	6,088,177
Restricted funds – HSE related	( 125,223 )	1,067,299
Restricted funds – Donor related	-	176,288
Unrestricted funds – OLH&CS	32,869,757	32,299,759
<b>Total funds at end of financial year</b>	<b>96,474,092</b>	<b>97,936,303</b>

#### 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

Our five-year strategic plan to enhance our care 2017 – 2022 demonstrates the progressive 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 is focused on building on our previous strategy and reputation, through strong clinical and corporate governance and working in collaboration with our partners. It includes incremental growth and change, including the provision of nursing clinical governance to St. Brigid's Hospice Kildare. We passionately believe that everyone living in our community should be able to access high quality, excellent and person-centred care when they need it. Based on our values, we believe that our services should be delivered in the most appropriate and effective way to respond to the needs of the individual and their family. Changes to the model of care within our specialisms supported delivery of care to increased numbers of outpatients with a focus on meeting current and future demand.

We acknowledge that there will be challenges and risks as we adapt and align existing funding models and strive to ensure that we have capacity both in workforce and facilities, to meet service needs and support areas of growth. This strategy also places a huge emphasis on strong healthcare governance and compliance ensuring efficiency and accountability so that those depending upon and supporting Our Lady's Hospice & Care Services can be assured of the highest quality standards and transparency in all that we do. This process to develop the new strategy will commence in 2023.

## **OUR LADY'S HOSPICE & CARE SERVICES**

### **DIRECTORS' REPORT (CONTINUED)**

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

##### **Master Development Plan**

Our Lady's Hospice & Care Services is developing an ambitious Master Development Plan. Liaising with and receiving the support of key funders and donors to raise sufficient funds to complete the plan is of critical importance to the improvement of the quality-of-care provided by Our Lady's Hospice & Care Services.

During 2022 the refurbishment and upgrade of the 12 bedrooms and ancillary services in Blackrock Hospice commenced with the inpatient unit relocating to Harold's Cross and community team to a temporary site in Merrion. Building works have concluded in February 2023 at a cost of just under €7m.

The scoping out of the development of a new Community focused out-patients Rheumatology model of care concluded in 2022, thus enabling us to see more patients in the most effective, efficient and appropriate setting for their needs. Scoping for the redesign of Anna Gaynor House to comply with HIQA single room requirements has also commenced, including seeking support within the HSE capital plan.

Initial scoping commenced to update our capital master development plan and to review our model of care to address future demand and to provide increased outpatient services across all our specialisms. We concluded a consultative process facilitated by external expertise and a feasibility study.

##### **Care Services**

The directors have committed to continue to allocate fundraising income 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 & Care Services.

The directors acknowledge with gratitude 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 a very high standard of Corporate Governance and they believe that this is a key element in ensuring the proper operation of the company's activities.

## OUR LADY'S HOSPICE & CARE SERVICES

### DIRECTORS' REPORT (CONTINUED)

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#### STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Our Lady's Hospice & Care Services must maintain various standards of compliance including with the HSE's Service Level Arrangement, the Companies Acts, Director's Compliance Statement and the Charities Regulatory Authority Governance Code. Furthermore, there is a significant emphasis placed on robust healthcare, clinical, corporate and financial governance, compliance, legislation, regulation, inspection, and internal and external audit functions to ensure accountability and transparency.

The Board is responsible for providing leadership, setting strategy and ensuring control and overseeing performance management, talent management and succession planning strategies. There are currently 10 non-executive directors who 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, the Education & Research Committee, the Audit & Finance Committee, the Clinical Governance Committee, the Fundraising Committee, the Capital Committee, the Nominations Committee and the Remuneration Committee. The primary purposes and functions of each Committee is set out below:

- Education and Research Committee
  - To develop policy and strategy in relation to Education, Research and Training
  - To oversee the implementation of programmes
  - To develop and manage sub committees of the E&R Committee for the purpose of approval and funding of research initiatives and/or other specific purposes
- Audit & Finance Committee
  - To provide independent, objective and timely advice to the Board on the financial reporting process and the judgements associated therewith to ensure the balance, transparency and integrity of the business
  - To oversee and advise on Corporate Risks across the company
  - To review the scope and effectiveness of internal financial controls and risk management systems, and the internal and external audit functions



## OUR LADY'S HOSPICE & CARE SERVICES

### DIRECTORS' REPORT (CONTINUED)

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#### STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

- Clinical Governance Committee
  - To ensure an effective system of integrated governance, high quality improvement initiatives, and clinical risk management across all the activities that support the company's objectives.
  - To ensure that appropriate clinical and non-clinical risk management arrangements are in place for the company.
  - To ensure compliance with laws and regulations and to ensure effective implementation of the hospital risk management policy
- Fundraising Committee
  - To provide strategic direction and lead on the implementation of the company's ambitious plans to transform specialist community based services for another generation of patients and deliver upon our vision.
  - To drive OLH&CS's evolving vision for the future of service delivery
  - To raise awareness of OLH&CS's needs and goals, to develop relationships and opportunities and to establish capacity within OLH&CS for fulfilment of same
- Nominations Committee
  - To give full consideration to succession planning for non-executive directors and in particular for the key role of chief executive
  - To identify and nominate suitable candidates for the role of Board Sub-Committee members
  - To re-appoint any non-executive director at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required
- Capital Committee
  - To coordinate efforts to oversee the planning of capital developments and to assist the Board of Directors in prioritising and identifying resources for future capital development
  - To identify, discuss and act on emerging issues, initiatives, and projects related to capital
  - To develop and recommend a capital plan to support the successful delivery of healthcare in a high quality environment
- Remuneration Committee
  - To review remuneration and benefits policy generally
  - To have oversight of any senior level salary above €65k and ensure compliance with Department of Health consolidated payscales
  - To review annual expenses of the Senior Management Team

#### MANAGEMENT

The senior management team is made up of our CEO - Audrey Houlihan; Director of Finance – Deirdre Saul; Director of Nursing, Quality and Clinical Services - Mary Flanagan; Medical Director – Dr. Lucy Balding; Director of Non Clinical Services – Tommy Beatty; Director of HR – Carol Barr and Director of Fundraising and Communications - Eleanor Flew.

## OUR LADY'S HOSPICE & CARE SERVICES

### DIRECTORS' REPORT (CONTINUED)

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#### 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 commitment 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 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. We have adequate cover in place for public and clinician liability under State Claims agency and Clinical Indemnity schemes.
- **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. It is company policy to mitigate this risk by developing ongoing relationships with the HSE and agreeing annually our Service Level Arrangement.
- **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. Liaising with the HSE is ongoing in relation to funding of these developments, along with continued increases in fundraising reserves for capital use.
- **Fundraising Risk:** The above development funding risk is linked to a general fundraising risk of potential lower donations or bequests which would impact on our ability to both carry out these developments and also to maintain the same levels of quality and service.
- **General Data Protection Regulation:** Our Lady's Hospice & Care Services continue to implement GDPR regulations in an effort to achieve compliance. Risk assessments and risk minimization actions are put in place to minimize areas of non-compliance and the Board are advised regularly on implementation progress and gap analysis. OLH&CS currently has a contract with a third party (Ambit Compliance) who review existing OLHCS policies and reports quarterly to Audit and Finance committee. Security and privacy policies and procedures in place including ICT policies to mitigate any risks

## OUR LADY'S HOSPICE & CARE SERVICES

### DIRECTORS' REPORT (CONTINUED)

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- **Insufficient funds to meet pension payments:** 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. There have been no retirements to date from the Single Public Service Pension Scheme (SPSPS).
- **COVID-19:** The directors have considered the negative impacts of the global COVID-19 virus pandemic on the company. There is a strong possibility that the company's main sources of income will continue to be affected. This is covered in detail under Going Concern below.
- **Inflationary pressures:** The company is aware of continued inflationary cost pressures within the company and as such are monitoring cash flow closely and in continued discussion with the HSE regarding same.

### 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 27 to the financial statements.

### RESERVES POLICY

The key principle is that our reserves on non-HSE funded activities should be sufficient to manage a severe situation in which our cash inflows significantly fail to meet our cash outflows. In such a "worst case" scenario, the reserves can be drawn upon in order to meet operating cash shortfalls, specifically the payroll costs associated with non-HSE funded staff members. In general, working capital reserves of €0.8m are held along with payroll reserves of €1.25m. In addition to this, any additional cash available is primarily held in order to meet future capital expenditure requirements or other needs as may arise from time to time. Detailed cash forecasting analysis is undertaken in order to effectively manage reserves and spending of same.

### RESEARCH AND DEVELOPMENT

The company carries out on-going research to support evidence based practice and 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 cash flow constraints.

## OUR LADY'S HOSPICE & CARE SERVICES

### DIRECTORS' REPORT (CONTINUED)

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#### 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 2023. The HSE has indicated that funding will be available during 2023 at a level similar to that of 2022.

During 2022 Ireland continued to be impacted by the COVID pandemic. The directors have again considered the COVID impact on the company, and they recognise that there is still a risk that fundraising activities may continue to be disrupted or curtailed by the ongoing impact of the pandemic.

While our organisation has shown great resilience in terms of our fundraising ability over the last three years, since the first closures arising from Covid 19, we continue to operate in a challenging fundraising environment. Our fundraising income decreased during 2022, and while we continue to be conservative in our estimates of fundraising income for 2023 and 2024 we are optimistic that the return to in-person events will assist with improving income streams in 2023 and 2024 than the preceding two years. We are also conscious that other world events and fundraising campaigns may impact on our donor pool.

Funding pressures and breaking even on HSE funded activities remain a concern, especially in relation to reduced private health insurance income which improved marginally on 2022 but is still almost €1.6m below pre pandemic levels. This is coupled with an increased demand for the organisation's services. Management have reviewed the level of activity and costs of the organisation and have drawn up plans to deal with the issues associated with the ongoing 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).

While the strong reserves position at year-end means that there is no immediate threat to the going concern status of OLH&CS, provision of services remains reliant on funding from the HSE continuing at the same or enhanced levels in the future.

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. 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.

## **OUR LADY'S HOSPICE & CARE SERVICES**

### **DIRECTORS' REPORT (CONTINUED)**

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#### **POST BALANCE SHEET EVENTS**

The Blackrock Hospice reopened in February 2023 after a period of closure for refurbishment in 2022. There are no other post balance sheet events that we need to report in the financial statements.

#### **DIRECTORS AND SECRETARY**

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

##### **Directors:**

Lorcan Birthistle (Chairperson)

Helen Nolan

Dr. Terry McWade

Eugene Murray

Carole Pollard

Dr. Philip Wiehe

Catherine Maguire

Vincent Barton

Hilary Coates

Dermot Ryan

Pat Costello – resigned September 2022

Kay Connolly – resigned May 2022

Sean Dorgan – resigned September 2022

##### **Secretary:**

Helen Nolan

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.

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 2022, had no interests in the shares of the company.

## **OUR LADY'S HOSPICE & CARE SERVICES**

### **DIRECTORS' REPORT (CONTINUED)**

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#### **DIRECTORS' INTERESTS IN CONTRACTS**

There were no contracts or arrangements 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 (2021: €Nil).

#### **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.

OUR LADY'S HOSPICE & CARE SERVICES

DIRECTORS' REPORT (CONTINUED)

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**AUDITORS**

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

Approved by the Board and signed on its behalf by:



Lorcan Birthistle  
Director



Helen Nolan  
Director

Date: 1/6/23

## OUR LADY'S HOSPICE & CARE SERVICES

### DIRECTORS' RESPONSIBILITIES STATEMENT

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

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

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

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

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

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



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OUR LADY'S HOSPICE & CARE SERVICES

### Report on the audit of the financial statements

#### Opinion on the financial statements of Our Lady's Hospice & Care Services ("the company")

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2022 and of the net 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.

The financial statements we have audited comprise:

- the Statement of Financial Activities;
- the Balance Sheet;
- the Statement of Cash Flows; and
- the related notes 1 to 32, including a summary of significant accounting policies as set out in note 1.

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

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the Reports and Financial Statements for the financial year ended 31 December 2022, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Reports and Financial Statements for the financial year ended 31 December 2022. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OUR LADY'S HOSPICE & CARE SERVICES

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at: <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements>. This description forms part of our auditor's report.

### Report on other legal and regulatory requirements

#### Opinion on other matters prescribed by the Companies Act 2014

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

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

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

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

#### Use of our report

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



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

06 June 2023

OUR LADY'S HOSPICE & CARE SERVICES

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted € 2022	Restricted € 2022	Total € 2022	Unrestricted € 2021	Restricted € 2021	Total € 2021
<b><u>INCOME FROM</u></b>							
Donations and legacies	4	3,466,777	785,535	4,252,312	4,174,058	2,688,794	6,862,852
Charitable activities	5	207,072	50,020,036	50,227,108	180,083	44,751,813	44,931,896
Investment income	6	-	-	-	16,222	-	16,222
Other trading activities	7	438,156	-	438,156	292,734	-	292,734
<b>TOTAL INCOME</b>		<b>4,122,005</b>	<b>50,805,571</b>	<b>54,917,576</b>	<b>4,663,097</b>	<b>47,440,607</b>	<b>52,103,704</b>
<b><u>EXPENDITURE ON</u></b>							
Raising funds	8	2,018,308	282,437	2,300,745	1,554,626	391,091	1,945,717
Charitable activities	9	3,722,751	50,364,121	54,086,872	3,679,253	45,549,313	49,228,566
<b>TOTAL EXPENDITURE</b>		<b>5,741,059</b>	<b>50,646,558</b>	<b>56,387,617</b>	<b>5,233,879</b>	<b>45,940,404</b>	<b>51,174,283</b>
<b>Net (expenditure)/ income before other recognised gain/(loss)</b>		<b>(1,629,054)</b>	<b>159,013</b>	<b>(1,470,041)</b>	<b>(570,782)</b>	<b>1,500,203</b>	<b>929,421</b>
Gain/(loss) on financial assets at fair value	11	7,830	-	7,830	9,274	-	9,274
<b>Net (expenditure)/ income before taxation</b>	11	<b>(1,621,224)</b>	<b>159,013</b>	<b>(1,462,211)</b>	<b>(561,508)</b>	<b>1,500,203</b>	<b>938,695</b>
Taxation	13	-	-	-	-	-	-
<b>NET (EXPENDITURE)/ INCOME</b>		<b>(1,621,224)</b>	<b>159,013</b>	<b>(1,462,211)</b>	<b>(561,508)</b>	<b>1,500,203</b>	<b>938,695</b>
Transfer between funds	14	2,191,222	(2,191,222)	-	-	-	-
Total funds at beginning of financial year		<b>32,299,759</b>	<b>26,997,756</b>	<b>59,297,515</b>	<b>32,861,267</b>	<b>25,497,553</b>	<b>58,358,820</b>
Total funds at end of financial year		<b>32,869,757</b>	<b>24,965,547</b>	<b>57,835,304</b>	<b>32,299,759</b>	<b>26,997,756</b>	<b>59,297,515</b>

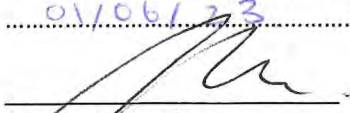
There were no recognised gains or losses other than those listed above and the net movement in funds for the financial year. All income and expenditure derives from continuing activities.

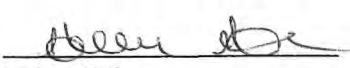
OUR LADY'S HOSPICE & CARE SERVICES

BALANCE SHEET  
AS AT 31 DECEMBER 2022

	Notes	2022 €	2021 €
<b>Fixed assets</b>			
Tangible assets	16	88,369,430	85,784,184
Financial assets	17	167,972	170,985
		<u>88,537,402</u>	<u>85,955,169</u>
<b>Current assets</b>			
Stocks	18	515,947	524,135
Debtors: amounts falling due within one year	19	6,138,264	7,088,128
Investment	20	-	26,220
Cash at bank and on hand	21	9,080,955	14,731,264
		<u>15,735,166</u>	<u>22,369,747</u>
<b>Creditors: (amounts falling due within one year)</b>	22	<b>(7,313,768)</b>	<b>(8,024,735)</b>
<b>Net current assets</b>		<u>8,421,398</u>	<u>14,345,012</u>
<b>Total assets less current liabilities</b>		<u>96,958,800</u>	<u>100,300,181</u>
<b>Creditors: (amounts falling due after more than one year)</b>	23	<b>(484,708)</b>	<b>(2,363,878)</b>
<b>NET ASSETS</b>		<u>96,474,092</u>	<u>97,936,303</u>
<b>Capital and charity funds</b>			
Called up share capital	24	2	2
Share premium	24	38,638,786	38,638,786
Restricted capital funds	29	25,090,770	25,754,169
Restricted funds	29	(125,223)	1,243,587
Unrestricted funds	29	32,869,757	32,299,759
<b>CHARITY FUNDS</b>		<u>96,474,092</u>	<u>97,936,303</u>

The financial statements were approved and authorised for issue by the Board of directors on 01/06/23 and signed on its behalf by:

  
Lorcan BIRTHISTLE  
Director

  
Helen Nolan  
Director

**OUR LADY'S HOSPICE & CARE SERVICES**  
**STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	<i>Notes</i>	<b>2022</b> €	2021 €
<b>Net cash inflow from operating activities</b>	25	<b>1,403,934</b>	5,413,717
<b>Cash flows from investing activities</b>			
Interest paid		<b>(35,272)</b>	(134,364)
Payments to acquire tangible fixed assets		<b>(5,200,967)</b>	(1,000,384)
Proceeds from sale of fixed assets		-	137,599
Proceeds on disposal of financial assets		-	24,737
Disposal of investment		<b>37,063</b>	206,853
<b>Net cash flows from investing activities</b>		<b>(5,199,176)</b>	(765,559)
<b>Cash flows from financing activities</b>			
Bank loan repaid		<b>(1,855,067)</b>	(252,252)
<b>Net cash flows from financing activities</b>		<b>(1,855,067)</b>	(252,252)
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(5,650,309)</b>	4,395,906
<b>Cash and cash equivalents at beginning of financial year</b>		<b>14,731,264</b>	10,335,358
<b>Cash and cash equivalents at end of financial year</b>		<b>9,080,955</b>	14,731,264
<b>Reconciliation to cash and cash equivalents</b>			
Cash at bank and in hand		<b>9,080,955</b>	14,731,264
<b>Analysis of changes in net debt</b>			
	At 1/1/2022	Cashflows	At 31/12/2022
	€	€	€
<b>Cash and Cash Equivalents</b>			
Cash (company funds)	14,542,862	<b>(5,586,394)</b>	<b>8,956,468</b>
Funds held on behalf of 3 <sup>rd</sup> party funds	188,402	<b>(63,915)</b>	<b>124,487</b>
	14,731,264	<b>(5,650,309)</b>	<b>9,080,955</b>
<b>Borrowings</b>			
Debt due within one year	(251,955)	<b>(83,133)</b>	<b>(335,068)</b>
Debt due after one year	(2,363,878)	<b>1,879,170</b>	<b>(484,708)</b>
	(2,615,833)	<b>1,796,057</b>	<b>(819,776)</b>
<b>Total</b>	<b>12,115,431</b>	<b>(3,854,252)</b>	<b>8,261,179</b>

## OUR LADY'S HOSPICE & CARE SERVICES

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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#### 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 Financial Statements Presentation**

Our Lady's Hospice & Care Services is a company incorporated in Ireland under the Companies Act 2014. The company number is 352404 and 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 14.

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.

The company has adopted and reported its performance in accordance with the format provided for in the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" as published by the Charity Commission for England and Wales.

The Charity Commission for England and Wales, is recognised by the UK accounting Standards Board (ASB) as the appropriate body to issue SORP's 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 financial statements have been prepared in accordance with the Companies Act 2014 and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

##### **Basis of Accounting**

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and 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. The financial statements are presented in euro.

The financial statements are prepared on a going concern basis of accounting in preparing these financial statements, as detailed further in note 2.

##### **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 €7,000 are expensed, and less than €2,000 for computer equipment.

## OUR LADY'S HOSPICE & CARE SERVICES

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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#### 1. ACCOUNTING POLICIES (CONTINUED)

##### Tangible Fixed Assets and Depreciation (Continued)

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.

Donated assets are recognised as tangible fixed assets when their fair value exceeds the above mentioned thresholds. Donated assets held as tangible fixed assets are subject to depreciation except in cases where they are held for resale and not used in the period in which case they are not depreciated.

Land is not depreciated. Assets under construction are not depreciated until they are available for use. 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
Computer equipment	33%	straight line

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.

##### 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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1. ACCOUNTING POLICIES (CONTINUED)

**Pensions**

The company operates a defined benefits pension scheme in respect of employees eligible for inclusion under the Voluntary Hospitals Superannuation Scheme. The scheme is administered, funded and underwritten by the Department of Health. The company acts as agents in the operation of the scheme and does not make any contributions to the scheme.

Contributions are received from eligible employees only. In accordance with the service plan agreed with the HSE and the Department of Health, pension contributions received may be offset against pension payments made and the surplus or deficit each financial year forms part of the funding for the company. The directors consider that the company has no responsibility for any liability that falls due as a result of any ultimate under funding of the scheme.

Contributions received are credited to the Statement of Income and Retained Earnings as they are received. Payments made under the scheme are charged to the Statement of Income and Retained Earnings as they fall due. Refunds of Contributions are charged to the Statement of Income and Retained Earnings when notification is received from the Department of Health to make a payment to an employee who is leaving the scheme.

A new Single Public Service Pension Scheme (Single Scheme) commenced with effect from 1<sup>st</sup> January 2013. The Scheme applies to all pensionable first time entrants to the Public Service, as well as former public servants returning to the Public Service after a break of more than 26 weeks. Benefits are calculated by reference to "referable amounts" for each year's service that are uprated by the CPI as notified by the Minister. All contributions deducted from members wages/salaries are remitted to the nominated bank account of the Department of Public Expenditure and Reform and not credited to the Profit and Loss Account. As per 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.

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.

**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.



**1. ACCOUNTING POLICIES (CONTINUED)**

**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.

**Income – Donations and 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 company is entitled to the legacy, the amount can be measured and it is probable that the company will receive.
- (v) Donations in kind may take the form of property provided to the company free of charge. Where title has transferred and valuation can be measured with reasonable certainty, donations in kind are recognised in full as income in the year of receipt. Donations in kind are valued based on a professional valuation. If such a valuation is not available, reasonable prevailing market values are used.
- (vi) Investment income is recognised on a receivable basis.
- (vii) Patient income comprises income from patients directly and from Private Health Insurers (PHIs) and is recognised on a receivable basis.
- (viii) Other trading activities income comprises income from canteen, shop, coffee shop, rental and educational income is recognised on a receivable basis.

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 10.

**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.

**1. ACCOUNTING POLICIES (CONTINUED)**

**Financial instruments (Continued)**

*(i) Financial assets and liabilities (Continued)*

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.

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.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

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**2. 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 2023. The HSE has indicated that funding will be increased in 2023 compared to 2022, taking into account national pay agreements and inflationary pressures.

During 2022 Ireland continued to be impacted by the COVID pandemic. The directors have again considered the COVID impact on the company, and they recognise that there is still a risk that fundraising activities may continue to be disrupted or curtailed by the ongoing impact of the pandemic.

While our organisation has shown great resilience in terms of our fundraising ability over the last 26 months or so since the first closures arising from Covid 19, we continue to operate in a challenging fundraising environment. Our fundraising income held up very well during 2022, and while we continue to be conservative in our estimates of fundraising income for 2023 and 2024, the return of in-person events and activities, will assist in securing increased income. We are also conscious that other world events and fundraising campaigns around for example the Ukraine crises may impact on our donor pool.

Funding pressures and breaking even on HSE funded activities remain a concern, especially in relation to reduced private health insurance income which improved marginally on 2022 but is still almost €1.8m below pre pandemic levels. This is coupled with an 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 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).

While the strong reserves position at year-end means that there is no immediate threat to the going concern status of OLH&CS, provision of services remains reliant on funding from the HSE continuing at the same or enhanced levels in the future.

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. 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.

**3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors, 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:

***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 28 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 and residual value***

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 amortisation rate for capital grants is also reviewed in conjunction with the asset lives

review and these are adjusted if appropriate.

## OUR LADY'S HOSPICE & CARE SERVICES

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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#### 3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

##### (b) Critical accounting estimates and assumptions (continued)

###### (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.

#### 4. DONATIONS AND LEGACIES

	2022 Unrestricted €	2022 Restricted €	Total €	2021 Unrestricted €	2021 Restricted €	Total €
Legacy and Bequest Income	898,448	257,317	1,155,765	1,253,037	283,458	1,536,495
Donations	2,568,329	528,218	3,096,547	2,921,021	2,405,336	5,326,357
	<u>3,466,777</u>	<u>785,535</u>	<u>4,252,312</u>	<u>4,174,058</u>	<u>2,688,794</u>	<u>6,862,852</u>

## OUR LADY'S HOSPICE & CARE SERVICES

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

#### 5. CHARITABLE ACTIVITIES

	2022	2022		2021	2021	
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	€	€	€	€	€	€
HSE Respite Bed Income	-	168,101	168,101	-	56,100	56,100
VAT Compensation Scheme	39,233	-	39,233	42,014	-	42,014
HSE Capital Grants (Wickow Hospice, / & Energy grant)		1,575,684	1,575,684	-	-	-
Local Authority Grants		39,434	39,434	-	-	-
HSE Grants for patient Care	-	39,086,222	39,086,222	-	36,334,172	36,334,172
HSE Fair Deal Income	-	3,345,975	3,345,975	-	3,354,131	3,354,131
Patient Income	-	3,947,810	3,947,810	-	3,307,316	3,307,316
Conferences, seminars, research income	167,839	-	167,839	138,069	-	138,069
Superannuation Income	-	986,310	986,310	-	958,510	958,510
Pension Levy Income	-	870,500	870,500	-	741,584	741,584
	<u>207,072</u>	<u>50,020,036</u>	<u>50,227,108</u>	<u>180,083</u>	<u>44,751,813</u>	<u>44,931,896</u>

#### 6. INVESTMENT INCOME – UNRESTRICTED

	2022	2022		2021	2021	
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	€	€	€	€	€	€
Income from financial assets	-	-	-	-	-	-
Interest received	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Profit on sale of investments	-	-	-	16,222	-	16,222
Total Investment Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,222</u>	<u>-</u>	<u>16,222</u>

OUR LADY'S HOSPICE & CARE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

7. OTHER TRADING ACTIVITIES

	2022 Unrestricted €	2022 Restricted €	Total €	2021 Unrestricted €	2021 Restricted €	Total €
Other Trading Income	438,156	-	438,156	292,734	-	292,734
	<u>438,156</u>	<u>-</u>	<u>438,156</u>	<u>292,734</u>	<u>-</u>	<u>292,734</u>

8. EXPENDITURE ON RAISING FUNDS

	2022 Direct Costs €	Support Costs €	2022 Total €	2021 Direct Costs €	Support Costs €	2021 Total €
Salaries and other fundraising costs	1,496,259	925	1,497,184	1,133,567	909	1,133,567
Bank interest and charges	82,968	-	82,968	125,825	-	125,825
Expenses from trading activity	720,593	-	720,593	683,824	-	683,824
Investment management fees	-	-	-	1,592	-	1,592
<b>Total Cost of Raising Funds</b>	<u>2,299,820</u>	<u>925</u>	<u>2,300,745</u>	<u>1,944,808</u>	<u>909</u>	<u>1,945,717</u>

Funded from:	2022 Unrestricted €	2022 Restricted €	2022 Total €	2021 Unrestricted €	2021 Restricted €	2021 Total €
Fundraising costs	1,580,152	-	1,580,152	1,260,300	-	1,260,300
Expenses from other trading activities	438,156	282,437	720,593	292,734	391,091	683,825
Investment management fees	-	-	-	1,592	-	1,592
<b>Total Cost of Raising Funds</b>	<u>2,018,308</u>	<u>282,437</u>	<u>2,300,745</u>	<u>1,544,626</u>	<u>405,512</u>	<u>1,945,717</u>



OUR LADY'S HOSPICE & CARE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

9. EXPENDITURE ON CHARITABLE ACTIVITIES

	2022 Direct Costs €	Support Costs €	2022 Total €	2021 Direct Costs €	Support Costs €	2021 Total €
Palliative Care	27,196,568	1,028,578	28,225,146	22,991,047	809,891	23,800,938
Community Reablement Unit, CRU	3,281,530	124,108	3,405,638	3,365,360	120,961	3,486,321
Care of Older People in Anna Gaynor House	15,970,301	603,999	16,574,300	15,780,348	714,512	16,494,860
Rheumatic & Musculoskeletal Disease Unit, RMDU	4,512,731	170,672	4,683,403	4,658,322	232,273	4,890,595
	<u>50,961,130</u>	<u>1,927,357</u>	<u>52,888,487</u>	<u>46,795,077</u>	<u>1,877,637</u>	<u>48,672,714</u>
Bank Interest and Charges	11,314	-	11,314	8,539	-	8,539
Patient Care and Services	50,972,444	1,927,357	52,899,801	46,803,616	1,877,637	48,681,253
Education & Training	1,187,071	-	1,187,071	547,313	-	547,313
Total Charitable Expenditure	<u>52,159,515</u>	<u>1,927,357</u>	<u>54,086,872</u>	<u>47,350,929</u>	<u>1,877,637</u>	<u>49,228,566</u>

Funded from:	2022 Unrestricted €	Restricted €	2022 Total €	2021 Unrestricted €	Restricted €	2021 Total €
Patient Care & Services	3,028,550	49,871,251	52,899,801	3,131,940	45,549,313	48,681,253
Education & Training	694,201	492,870	1,187,071	547,313	-	547,313
Total Charitable Expenditure	<u>3,722,751</u>	<u>50,364,121</u>	<u>54,086,872</u>	<u>3,679,253</u>	<u>45,549,313</u>	<u>49,228,566</u>

OUR LADY'S HOSPICE & CARE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

10. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

	Charitable Activities			Raising Funds			Basis of Apportionment of Charitable Activities
	General Support	Governance Function	Total	General Support	Governance Function	Total	
2022	€	€	€	€	€	€	
Payroll costs	1,310,111	-	1,310,111	-	-	-	Direct labour costs
General support costs	585,814	-	585,814	-	-	-	Direct labour costs & beds
Audit, legal compliance and regulatory costs	-	31,425	31,425	-	909	909	Beds
<b>Total Support Costs</b>	<b>1,895,925</b>	<b>31,425</b>	<b>1,927,350</b>	<b>-</b>	<b>909</b>	<b>909</b>	
2021							
Payroll costs	1,561,489	-	1,561,489	-	-	-	Direct labour costs
General support costs	284,928	-	284,928	-	-	-	Direct labour costs & beds
Audit, legal compliance and regulatory costs	-	31,221	31,221	-	909	909	Beds
<b>Total Support Costs</b>	<b>1,846,417</b>	<b>31,221</b>	<b>1,877,638</b>	<b>-</b>	<b>909</b>	<b>909</b>	

OUR LADY'S HOSPICE & CARE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

<b>11.</b>	<b>NET (EXPENDITURE)/INCOME BEFORE TAXATION</b>	<b>2022</b>	<b>2021</b>
		€	€
	The net (expenditure)/income before taxation for the financial year has been arrived at after charging / (crediting):		
	Depreciation	2,615,721	2,847,395
	Directors' remuneration	-	-
	Auditors' remuneration	47,500	31,350
	Cost of stock recognised as expense	703,241	723,858
	Gain on sale of investments	-	(16,222)
	(Gain)/loss on fair value movement of financial assets (Note 17)	(7,830)	(9,274)
		<u>                    </u>	<u>                    </u>
	(a) Auditors' remuneration disclosures (net of Vat and outlays):		
	Audit	47,500	31,350
	Other non-audit	-	-
		<u>                    </u>	<u>                    </u>
		<u>47,500</u>	<u>31,350</u>

(b) Medical Worker Directors

No salaries or fees are payable to the directors of the company for their services as directors.

**12. INTEREST PAYABLE AND SIMILAR CHARGES**

	Healthcare	Development	Total	Healthcare	Development	Total
	€	€	2022 €	€	€	2021 €
On bank loans, overdrafts and other loans wholly repayable within five years	(11,314)	(82,968)	(94,282)	(8,539)	(125,825)	(134,364)
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

**13. TAXATION**

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

OUR LADY'S HOSPICE & CARE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

14. TRANSFER BETWEEN FUNDS

The transfer from restricted funds to unrestricted funds of €2.2m is due to the pay down of the bank loan used to fund the Wicklow Hospice built in 2020.

In the prior year there was a transfer of funds of €61,447 from capital restricted fund balances to restricted funds in relation to small expenditure items.

15. STAFF NUMBERS AND COSTS

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

	2022 No.	2021 No.
Management and staff (whole time equivalents)	<b>597</b>	553

The aggregate payroll costs of these persons were as follows:

	Healthcare		Total 2022	Healthcare		Total 2021
	Development	Development	€	Development	Development	€
	€	€	€	€	€	€
Wages and salaries	34,629,961	2,277,959	36,907,920	31,107,084	2,174,428	33,281,512
Social welfare costs	3,577,041	64,734	3,641,775	3,273,578	68,290	3,341,868
Superannuation	3,087,124	-	3,087,124	3,143,903	-	3,143,908
Pension costs	-	123,985	123,985	-	137,278	137,278
	<b>41,294,126</b>	<b>2,466,678</b>	<b>43,760,804</b>	<b>37,524,565</b>	<b>2,379,996</b>	<b>39,904,561</b>

## OUR LADY'S HOSPICE & CARE SERVICES

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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#### 15. STAFF NUMBERS AND COSTS (CONTINUED)

##### Key management compensation

The total remuneration for key management personnel for the financial year amounted to €651,558 (2021: €648,300), and this includes gross salary, ER PRSI, and pension contribution. This reflects both healthcare and fundraising activities.

The gross pay of the CEO for the year was €130,873 (2021: €124,433).

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

	2022 No.	2021 No.
€60,000 - €69,999	80	97
€70,000 - €79,999	71	30
€80,000 - €89,999	57	8
€90,000 - €99,999	13	3
€100,000 - €109,999	5	0
€110,000 - €119,999	3	1
€120,000 - €129,999	0	1
€130,000 - €139,999	1	0
€140,000 - €149,999	1	0
€150,000 - €159,999	1	2
€160,000 - €169,999	0	0
€170,000 - €179,999	0	1
€180,000 - €189,999	0	1
€190,000 - €199,999	1	0
€200,000 - €209,999	1	0
€210,000 - €219,999	0	1
€220,000 - €229,999	0	0
€230,000 - €239,999	1	1
€240,000 - €249,999	1	0
€250,000 - €259,999	0	0
€260,000 - €269,999	0	1
€270,000 - €279,999	1	0
€280,000 - €289,999	1	0

All pay is aligned with the Department of Health Consolidated Pay Scales. During 2022 there were further pay increases in line with national pay agreements. All increases are reflected above except the pay increase on the 1<sup>st</sup> October 2022 which is yet to be implemented.

OUR LADY'S HOSPICE & CARE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

16. TANGIBLE FIXED ASSETS	Land	Properties held for resale	Donated Buildings	Buildings under construction	Equipment & Computer Equipment	Motor Vehicles	Total
	€	€	€	€	€	€	€
<b>Cost or Valuation:</b>							
At 1 January 2022	11,036,500	360,000	100,880,997	383,654	14,104,619	226,079	126,991,849
Additions	-	-	-	5,162,246	101,783	12,413	5,276,442
Adjustment	-	-	(95,028)	-	19,553	-	(75,475)
<b>At 31 December 2022</b>	<b>11,036,500</b>	<b>360,000</b>	<b>100,785,969</b>	<b>5,545,900</b>	<b>14,225,955</b>	<b>238,492</b>	<b>132,192,816</b>
<b>Depreciation:</b>							
At 1 January 2022	-	-	28,851,167	-	12,191,681	164,817	41,207,665
Charge for financial year	-	-	2,063,370	-	543,770	12,207	2,619,347
Adjustment	-	-	(3,626)	-	-	-	(3,626)
<b>At 31 December 2022</b>	<b>-</b>	<b>-</b>	<b>30,910,911</b>	<b>-</b>	<b>12,735,451</b>	<b>177,024</b>	<b>43,823,386</b>
<b>Net Book Value:</b>							
<b>At 31 December 2022</b>	<b>11,036,500</b>	<b>360,000</b>	<b>69,875,058</b>	<b>5,545,900</b>	<b>1,490,504</b>	<b>61,468</b>	<b>88,369,430</b>
At 31 December 2021	<u>11,036,500</u>	<u>360,000</u>	<u>72,029,830</u>	<u>383,654</u>	<u>1,912,938</u>	<u>61,262</u>	<u>85,784,184</u>

Donated properties held for resale comprise of one property that was estimated by Our Lady's Hospice & Care Services at €360,000 based on prevailing market values.

OUR LADY'S HOSPICE & CARE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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<b>17. FINANCIAL ASSETS</b>	<b>2022</b>	<b>2021</b>
	<b>€</b>	<b>€</b>
Listed investments:		
Carrying amount at 1 January	170,985	170,226
Additions	-	-
Disposals	(10,843)	(8,515)
	<hr/>	<hr/>
At 31 December	<b>160,142</b>	161,711
	<hr/>	<hr/>
Movement in the fair value of listed investments	<b>7,830</b>	9,274
	<hr/>	<hr/>
Investment Portfolio	<b>167,972</b>	170,985
	<hr/> <hr/>	<hr/> <hr/>

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 €109,175 (2021: €111,298).

**OUR LADY'S HOSPICE & CARE SERVICES**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

<b>18. STOCKS</b>	<b>2022</b>	<b>2021</b>
	€	€
Pharmacy	<b>118,451</b>	119,058
Stores	<b>397,496</b>	405,077
	<u><b>515,947</b></u>	<u>524,135</u>

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

<b>19. DEBTORS: Amounts falling due within one year</b>	<b>2022</b>	<b>2021</b>
	€	€
HSE	<b>3,662,442</b>	4,051,778
Patient income	<b>1,217,315</b>	1,990,527
Other debtors	<b>955,415</b>	773,588
Prepayment	<b>303,092</b>	272,235
	<u><b>6,138,264</b></u>	<u>7,088,128</u>

Included in Other debtors is a balance of €377,000 (2020: €827,000) relating to legacy income due.

<b>20. INVESTMENT</b>	<b>2022</b>	<b>2021</b>
	€	€
Short-term deposits held as part of trading portfolio	-	26,220
	<u>-</u>	<u>26,220</u>

<b>21. CASH AT BANK AND ON HAND</b>	<b>2022</b>	<b>2021</b>
	€	€
Funds held on behalf of patients (patient private property account) (Note 22)	<b>113,951</b>	120,884
Funds held on behalf of Together for Hospice (Note 22)	<b>10,536</b>	67,518
Company funds	<b>8,956,468</b>	14,542,862
	<u><b>9,080,955</b></u>	<u>14,731,264</u>



OUR LADY'S HOSPICE & CARE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

22. CREDITORS: Amounts falling due within one year	2022	2021
	€	€
Trade creditors	1,448,303	1,865,335
Accruals	3,816,927	3,394,854
Other creditors	269,908	484,233
PAYE/PRSI	1,319,075	1,839,956
Funds held on behalf of third parties (Note 21)	124,487	188,402
Bank loan (Note 23)	335,068	251,955
	<u>7,313,768</u>	<u>8,024,735</u>

**Securities**

The company's borrowings have been secured by a first mortgage/fixed charge over the company's Wicklow Hospice property at Magheramore, County Wicklow, along with a floating charge on all other property. This charge is held in favour of Bank of Ireland principal moneys and interest.

There is a supplemental charge held in favour of the Health Service Executive over the company's Wicklow Hospice property at Magheramore, County Wicklow. This is in relation to a capital grant of €1,250,000 made previously by the Health Service Executive to the Wicklow Hospice Foundation.

23. CREDITORS: Amounts falling due after more than one year	2022	2021
	€	€
Bank loan	484,708	2,363,878
<b>Bank loan repayment analysis (Note 31):</b>		
Less than one year	335,068	251,955
Between one and five years	484,708	1,090,531
Over five years	-	1,273,347
	<u>819,776</u>	<u>2,615,833</u>

24. CALLED-UP SHARE CAPITAL PRESENTED AS EQUITY	2022	2021
	€	€
<b>Authorised:</b>		
100,000 Ordinary shares of €1 each	100,000	100,000
<b>Allotted, called-up and fully paid equity shares:</b>		
2 Ordinary shares of €1 each	2	2
<b>Presented as follows:</b>		
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 of €38,638,786 contains the premium arising on issue of equity shares on incorporation.

OUR LADY'S HOSPICE & CARE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

25. RECONCILIATION OF NET (EXPENDITURE) /INCOME  
TO NET CASH GENERATED BY OPERATIONS

	2022	2021
	€	€
Net (expenditure)/income before taxation	(1,462,211)	938,695
Investment income	-	(16,222)
Interest payable and similar charges	94,282	134,364
(Gain)/loss on financial assets at fair value	(7,830)	(9,274)
Depreciation	2,615,721	2,847,395
Donated assets held for resale income	-	2,401
	<u>1,239,962</u>	<u>3,897,359</u>
Operating cash flow before movement in working capital		
Increase /(decrease) in stock	8,188	(114,319)
Decrease /(increase) in debtors	949,864	(926,663)
(Decrease)/increase in creditors	(794,080)	2,557,340
	<u>1,403,934</u>	<u>5,413,717</u>
<b>CASH GENERATED BY OPERATING ACTIVITIES</b>	<u><u>1,403,934</u></u>	<u><u>5,413,717</u></u>

26. FINANCIAL INSTRUMENTS

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

	2022	2021
	€	€
<b>Financial assets</b>		
Measured at fair value through profit or loss		
• Financial asset listed investments (Note 17)	167,972	170,985
Measured at undiscounted amount receivable		
• Trade and other debtors (Note 19)	5,835,172	6,815,893
• Investment (Note 20)	-	26,220
	<u>6,003,144</u>	<u>7,013,108</u>
<b>Financial liabilities</b>		
Measured at undiscounted amount payable		
• Trade and other creditors (Note 22)	1,718,211	2,349,568
• Funds held on behalf of third parties (Note 22)	124,487	188,402
	<u>1,842,698</u>	<u>2,537,970</u>
Measured at amortised cost		
• Bank loan (Note 23)	819,776	2,615,833
	<u>819,776</u>	<u>2,615,833</u>

## OUR LADY'S HOSPICE & CARE SERVICES

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

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#### 26. FINANCIAL INSTRUMENTS (CONTINUED)

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

	2022	2021
	€	€
<b>Fair value gains and losses</b>		
Gain/(loss) on financial assets (including listed investments) measured as fair value through Statement of Financial Activities	7,830	9,274

There were no derivative financial instruments outstanding at 31 December 2022 or 31 December 2021.

#### 27. 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 and a bank loan for long-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.

**27. CREDIT, MARKET AND LIQUIDITY RISKS (CONTINUED)**

*(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.

*(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.

**28. PENSION COMMITMENTS**

The company administers a defined benefits pension scheme in respect of employees eligible for inclusion under the Voluntary Hospitals Superannuation Scheme (VHSS). 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 VHSS closed to new members with effect from 31 December 2012. In the financial year ending 31 December 2022, €3,087,124 (2021: €3,143,903) was paid to pensioners of the VHSS scheme, of which €561,886 related to lump sum payments (2021: €913,917).

**28. PENSION COMMITMENTS (CONTINUED)**

Whilst the VHSS scheme is a defined benefit scheme, the company has availed of the multi-employer scheme exemption from the disclosure requirements relating to defined benefit schemes in FRS 102, on the grounds that the company's deemed contributions, as determined by the Department for Health, are set in relation to the current service period only (i.e. are not affected by a surplus or deficit relating to the past service of its own employees or any other members of the scheme). On this basis the scheme is considered for disclosure purposes as a defined contribution scheme and no further disclosures are required.

A new Single Public Service Pension Scheme (Single Scheme) commenced with effect from 1st January 2013. The Scheme applies to all pensionable first time entrants to the Public Service, as well as former public servants returning to the Public Service after a break of more than 26 weeks. Benefits are calculated by reference to "referable amounts" for each year's service that are uprated by the CPI as notified by the Minister. All contributions deducted from members wages/salaries are remitted to the nominated bank account of the Department of Public Expenditure and Reform and not credited to the Profit and Loss Account. As per 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.

The amount deducted from employees in 2021 and paid over to DPER amounted to €583,590 (2021: €499,858). The amount payable to DPER at the financial year end was €65,075 (2021: €40,852).

The company operates an externally operated defined contribution scheme. The pension cost is charged to the statement of financial activities in the financial year in which it arises €138,743 (2021: €137,278). There was an amount payable at the financial year end of €6,293 (2021: €10,104).

OUR LADY'S HOSPICE & CARE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

29. FUNDS	Unrestricted Funds €	Restricted Funds €	Restricted Capital Funds €	Total Funds €	
<b>(a) Reconciliation of funds:</b>					
Fund balances at 1 January 2022	32,299,759	*1,243,587	25,754,169	59,297,515	
Net income resources	(1,621,224)	822,412	(663,399)	(1,462,211)	
Transfer of funds	2,191,222	(2,191,222)	-	-	
Fund balances at 31 December 2022	32,869,757	(125,223)	25,090,770	57,835,304	
Share capital and premium	38,638,788	-	-	38,638,788	
<b>Total Charity Fund balances at 31 December 2022</b>	<b>71,508,545</b>	<b>* (125,223)</b>	<b>25,090,770</b>	<b>96,474,092</b>	
<b>(b) Analysis of net assets between funds:</b>					
Tangible fixed assets	63,606,562	-	24,762,868	88,369,430	
Financial assets	167,972	-	-	167,972	
Current assets	8,842,668	6,564,596	327,902	15,735,166	
Current liabilities	(623,949)	(6,689,819)	-	(7,313,768)	
Long-term liabilities	(484,708)	-	-	(484,708)	
<b>Total Charity Fund balances at 31 December 2022</b>	<b>71,508,545</b>	<b>(125,223)</b>	<b>25,090,770</b>	<b>96,474,092</b>	
<b>(c) Movements in funds:</b>					
	Balance as at 01/01/2022 €	Income €	Expenditure €	Transfers €	Balance as at 31/12/2022 €
Share capital and premium	38,638,788	-	-	-	38,638,788
Unrestricted funds	32,299,759	4,112,005	(5,733,229)	2,191,222	32,869,757
Restricted funds	1,243,587	50,020,035	(49,197,623)	(2,191,222)	(125,223)
Restricted capital funds	25,754,169	785,536	(1,448,935)	-	25,090,770
<b>Total Charity fund balances</b>	<b>97,936,303</b>	<b>54,917,576</b>	<b>56,379,787)</b>	<b>-</b>	<b>96,474,092</b>

\* Of this restricted fund balance of € - 125,223 (2021: €1,243,587), the HSE restricted balance is €-125,223 (2021: €1,067,300) while the donor related restricted balance is € nil (2021: €176,287).

OUR LADY'S HOSPICE & CARE SERVICES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

29. FUNDS (CONTINUED)

In respect of prior financial year:

	Unrestricted Funds €	Restricted Funds €	Restricted Capital Funds €	Total Funds €
Fund balances at 1 January 2021	32,861,267	*1,242,491	24,255,062	58,358,820
Net income resources	(561,508)	(60,351)	1,560,554	938,695
Transfer of funds	-	61,447	(61,447)	-
Fund balances at 31 December 2021	32,299,759	1,243,587	25,754,169	59,297,515
Share capital and premium	38,638,788	-	-	38,638,788
Total Charity Fund balances at 31 December 2021	70,938,547	*1,243,587	25,754,169	97,936,303

	Unrestricted Funds €	Restricted Funds €	Restricted Capital Funds €	Total Funds €
(b) Analysis of net assets between funds:				
Tangible fixed assets	64,431,230	-	21,352,954	85,784,184
Financial assets	170,985	-	-	170,985
Current assets	9,351,689	8,616,843	4,401,215	22,369,747
Current liabilities	(651,479)	(7,373,256)	-	(8,024,735)
Long-term liabilities	(2,363,878)	-	-	(2,363,878)
Total Charity Fund balances at 31 December 2021	70,938,547	1,243,587	25,754,169	97,936,303

(c) Movements in funds:

	Balance as at 01/01/2021 €	Income €	Expenditure €	Transfers €	Balance as at 31/12/2021 €
Share capital and premium	38,638,788	-	-	-	38,638,788
Unrestricted funds	32,861,267	4,663,097	(5,224,605)	-	32,299,759
Restricted funds	1,242,491	44,816,561	(44,876,912)	61,447	1,243,587
Restricted capital funds	24,255,062	2,624,046	(1,063,492)	(61,447)	25,754,169
Total Charity fund balances	96,997,608	52,103,704	(51,165,009)	-	97,936,303

**30. COLLABORATIVE ARRANGEMENTS**

***All Ireland Institute of Hospice and Palliative Care***

Our Lady's Hospice & Care Services is part of a Collaboration Agreement governing the All Ireland Institute of Hospice and Palliative Care (AIHPC), along with 26 other parties.

The AIHPC is a leading organisation with national and international influence driving excellence in palliative care. AIHPC is a collaborative of hospices, health and social care organisations and universities on the island of Ireland. AIHPC advances education, research and practice to improve the palliative care experience of people with life limiting conditions and their families.

As the palliative care sector's institute, AIHPC involves service users, carers and communities in palliative care delivery and development; works to integrate palliative care across the health system so people are supported as early as possible; and supports the development of specialist palliative care services for everyone who needs them.

Our Lady's Hospice & Care Services holds the position of Host Institution for AIHPC. On behalf of all parties, the Host Institution will provide administrative support to the AIHPC on an agreed basis in consultation with the other parties. AIHPC have separate governance structures, policies and financial management.

Separate to this collaboration agreement, Our Lady's Hospice & Care Services has a commercial rental agreement with AIHPC to the value of €25,000 (2021: €25,000).

***Together for Hospice – The National Hospice Movement***

Our Lady's Hospice & Care Services acts as host site and administrator for Together for Hospice – The National Hospice Movement (TFH). TFH was previously known as Support your Local Hospice (SYLH). TFH coordinates two national fundraising campaigns: 'Hospice Sunflower Days' and 'Ireland's Biggest Morning for Hospice Together with Bewleys.' All monies raised locally through these campaigns by individual hospices and specialist palliative homecare providers remain locally within the individual groups.

As per notes 21 and 22, monies are held by Our Lady's Hospice & Care Services on behalf of TFH with a corresponding creditor. In its position as host site, Our Lady's Hospice & Care Services employs the TFH National Projects Manager but this is funded through TFH and all monies are reimbursed to Our Lady's Hospice & Care Services. Local hospices or specialist palliative homecare providers around Ireland pay a membership contribution to TFH which is then used to run and promote the above national events and to cover salary and other costs. Any remaining funds are for the future use of TFH. There is oversight of TFH through a Governance Committee whose members are two Voluntary Health Group (VHG) CEO's, of which Our Lady's Hospice & Care Services is one member, and two national representatives from local groups.



## OUR LADY'S HOSPICE & CARE SERVICES

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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#### 31. CAPITAL COMMITMENTS

At the Balance Sheet date the company had capital expenditure amounting to:

	2022	2021
	€	€
Committed not contracted:	590,028	6,968,899
Contracted:	-	-
	<u>590,028</u>	<u>6,968,899</u>
	<u><u>590,028</u></u>	<u><u>6,968,899</u></u>

#### 32. POST BALANCE SHEET EVENTS

The Blackrock Hospice reopened in February 2023 after a period of closure for refurbishment in 2022. There are no other post balance sheet events that we need to report in the financial statements.