

The Royal Hospital Donnybrook
Annual Report and Financial Statements
Year Ended 31 December 2023

THE ROYAL HOSPITAL OF DONNYBROOK

**REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

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THE ROYAL HOSPITAL OF DONNYBROOK

REFERENCE AND ADMINISTRATIVE DETAILS

TRUSTEES/ BOARD OF MANAGEMENT

Conor O'Connor, Chairman
Dorothy MacCann, Vice Chair
Ruth Deasy
David Gunning
Cllr. Dermot Lacey
Prof. Ann O' Doherty
Caroline O'Shea
David Robinson
Josephine Ryan
Alison Fanagan (Appointed 28/03/2024)
Dargan Fitzgerald (Appointed 30/05/2024)
Naomi Holland (Appointed 25/04/2024)
Alan Gough (Resigned 09/05/2024)
Tom Hayes (Resigned 11/01/2023)
Cllr. Paddy McCartan (Resigned 14/06/2024)
Colm Moloney, Hon. Treasurer (Resigned 04/06/2024)
Oisin Quinn (Resigned 27/03/2023)

CHIEF EXECUTIVE OFFICER

Conor Leonard (Resigned 26/04/2024)
Deirdre Hogan (Appointed 07/05/2024)

INDEPENDENT AUDITORS

Azets Audit Services Ireland Limited
3rd Floor
40 Mespil Road
Dublin 4

BANKERS

AIB
7-12 Dame Street,
Dublin, D02 X738

Bank Of Ireland
87/89 Pembroke Road,
Ballsbridge.
Dublin, D04 x738

SOLICITORS

Mangan O'Beirne
31 Morehampton Road,
Ranelagh
Dublin D04 F7H7

A&L Goodbody,
North Wall Quay,
North Wall
Dublin D01 H104

REGISTERED CHARITY NUMBER

20001605

THE ROYAL HOSPITAL OF DONNYBROOK

REPORT OF THE BOARD OF DIRECTORS

The Board of Management ("Board") present their annual report and audited financial statements for the year ended 31 December 2023.

The financial statements have been prepared by The Royal Hospital Donnybrook in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015. The charity has applied the Charities SORP on a voluntary basis as its application is not a requirement of the current regulations for charities registered in the Republic of Ireland, however it is considered best practice.

Structure Governance and Management

The Royal Hospital Donnybrook ("RHD") was founded in 1743 and is one of the oldest charities in Ireland. It received its Royal Charter in 1800 and is consequently a charter corporation. The Bye-laws of RHD can only be changed by decision of the Governors with the consent of the Oireachtas.

The Governors of RHD are drawn from the local community. At AGMs, the Governors receive the annual report and financial statements and elect the Board of Management, on a rotational basis.

The Bye-laws permit the Governors to elect up to twenty-five persons to the Board of Management. However, in line with current best practice, the Board has been reduced in recent years. Today, there are twelve members elected by the Governors and two members nominated by Dublin City Council for election to the Board. The Board meets not less than five times per year, with meetings of its Executive Committee also held, not less than five times annually, in each alternate month. There is a written statement of the Reserved Powers of the Board. All elected members of the Board are volunteers and do not receive any fees or expenses for attending Board meetings or undertaking other work on behalf of RHD. All Board and Committee Members sign an annual Conflict of Interests letter and must declare any conflict of interest or loyalty at the commencement of any meeting.

The Board regularly reviews its membership in the light of the experience and expertise of its current membership. New members are recruited having regard to their suitability in the light of RHD's requirements, approved nominations criteria and succession planning requirements. This process is overseen by the nominations and governance committee.

RHD has a Code of Governance Manual which has the following contents:

1. Statutory Instruments and Bye- Laws for the management of the Hospital
2. Principal duties of Board members
3. Ethical behaviour
 - 3.1 Code of Conduct
 - 3.2 Protected Disclosure
4. Board of Management
 - 4.1 Standing Orders of the Board
 - 4.2 Reserved Powers of the Board
 - 4.3 Terms of Reference of Committees of the Board
 - 4.4 Annual Conflict of Interest & Eligibility Letter
 - 4.5 SIPO Obligations

THE ROYAL HOSPITAL OF DONNYBROOK

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

- 5. Risk Management
 - 5.1 Risk Management Overview
 - 5.1.1 Risk Management Policy
 - 5.1.2 Annual Report on Risk Management
 - 5.2 Clinical Governance
 - 5.2.1 Clinical Governance Overview
 - 5.2.2 Annual Clinical Governance Report
 - 5.3 Financial Procedures
 - 5.3.1 Financial Procedures Overview
 - 5.3.2 Financial Procedures Manual
 - 5.4 Procurement Policy
 - 5.5 Internal Audit
 - 5.5.1 Internal Audit Charter
 - 5.5.2 Internal Audit Programme Overview
 - 5.5.3 Internal Audit Plan
- 6. Nominations and Governance
 - 6.1 Board Nominations Procedures
 - 6.2 Nomination Criteria
 - 6.3 Induction Programme
 - 6.4 Re-election of Board Members
 - 6.5 Procedure for Appointment of Governors
- 7. Health Services Executive
 - 7.1 Service Level Arrangement (SLA) – Introduction
 - 7.2 SA Compliance Procedures
 - 7.3 Annual Compliance Statement
 - 7.4 S.13.1 Code of Practice for the Governance of State Bodies
- 8. Governance Code
 - 8.1 Charities Regulator, Charities Governance Code

A copy of the Code of Governance Manual is given to all new members of the Board and Committees as part of their induction programme. All senior staff and Board Members are required to sign the Code of Conduct on appointment.

There is a comprehensive committee structure with the following Board committees in place.

- Executive Committee
- Nominations & Governance Committee
- Audit Committee
- Clinical Governance Committee
- Remuneration Committee
- Estates Committee

There are written Terms of Reference for each of these committees.

An externally facilitated evaluation of the Board of Management and Board Committees was undertaken during the year. Recommendations arising from this review were accepted by the Board. Risk Management is a standard item on the agenda for every Board meeting. The Board is satisfied it has appropriate risk management and other internal controls in place to ensure the safety of patients and the appropriate control of expenditure.

THE ROYAL HOSPITAL OF DONNYBROOK**REPORT OF THE BOARD OF DIRECTORS (CONTINUED)**

Attendance of Board Members at Board and Sub Committee meetings for the year was as follows:

Board Members' Attendance For period 01/01/23 to 31/12/23		
NAME	BOARD OF MANAGEMENT	EXECUTIVE COMMITTEE
Conor O'Connor	6/6	6/6
Dorothy MacCann	6/6	6/6
Caroline O'Shea	5/6	4/6
Oisín Quinn	1/1	-
Cllr. Paddy Mc Cartan	4/6	-
Ruth Deasy	5/6	-
Cllr. Dermot Lacey	5/6	-
Alan Gough	5/6	-
David Gunning	3/6	4/6
David Robinson	5/6	-
Colm Moloney	6/6	6/6
Josephine Ryan	6/6	-
Prof. Ann O'Doherty	5/6	-

The hospital has been granted charitable tax status under Sections 207 and 208 of the Taxes Consolidation Act 1997, Charity No CHY 982 and is registered with the Charities Regulatory Authority under Registered Charity Number 20001605.

The charity has a total of twelve trustees who comprise the Board of Management.

The hospital is situated at and delivers its services to the local community at The Royal Hospital, Morehampton Road, Dublin D04 HX40.

THE ROYAL HOSPITAL OF DONNYBROOK

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

Principal Activities and Objectives

The hospital is a public healthcare hospital and is principally financed by HSE funding under Section 38 of the Health Act 2004. The hospital provides a number of services, inpatient rehabilitation, residential care, day hospital services and respite care, provided by multidisciplinary healthcare professionals.

The Board of Management and its Executive Committee meet on a regular basis and are responsible for the strategic direction of the charity. The charity is run on a day-to-day basis by the Chief Executive Officer, Deirdre Hogan, who is responsible for ensuring that the charity meets its long and short term aims and that day-to-day operations run smoothly.

The public benefit of the Charity is the promotion of health, including the prevention or relief of sickness and human suffering based on clinical need. Services are provided under the public hospital model.

The Hospital is continually developing best practices and systems to enhance the quality of life for every person in our care. We have developed our quality and governance systems and processes to ensure their safety, wellbeing, and enjoyment while in the Hospital.

We continue to recognise the extraordinary work that Hospital Staff carry out on a daily basis, and we commend in particular, the commitment and exceptional dedication that was shown during the year as staff went to extraordinary lengths to ensure that residents and patients continued to receive the high standard of care for which the hospital is renowned.

Detailed procedures are maintained by the Hospital in relation to hiring, training, development, support, supervision, appraisal, remuneration and dismissal of staff. All procedures are in line with HSE regulations.

On signing the Annual Service Level Agreement, the Hospital undertakes to comply with the HSE's National Financial Regulations, Voluntary Donations, Gifts and Bequests and guidelines which are set out in the Service Level Agreement and its supporting appendices.

The Hospital is a Public Body for the purposes of the Ethics Acts and related regulations and its Board members are made aware of this on induction together with possible disclosure requirements to the Standards in Public Office Commission.

Strategic Plans are reviewed by the Board from time to time. Any changes to operational policy arising from such reviews, are developed by the CEO, and implemented through the Hospital Management Team, which comprises the following key management personnel:

Deirdre Hogan	Chief Executive Officer (Appointed 07/05/2024)
Lisa Cogan	Medical Director
Patricia McAuliffe	Director of Nursing (Appointed 06/06/2023)
Vincent Carden	Head of Finance (Appointed 19/12/2023)
Jo Cannon	Occupational Therapy Manager

THE ROYAL HOSPITAL OF DONNYBROOK

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

Sharon Lawlor	Human Resources Manager
Elaine Ross	Physiotherapy Manager
Aoife O'Neill	Principal Social Worker
Rosanne Staveley	Speech and Language Therapist Manager
Stephen Adamson	Operations Manager
Anne Jordan	Risk Manager (Appointed 26/08/2024)

A Clinical Governance Committee has been established to ensure compliance with Health Regulations and to promote best practice.

An outsourced Internal Audit Function has been established to monitor compliance with approved policies and make recommendations as to their improvement. An Audit Committee has been established to monitor and provide oversight to the external and internal Audit programmes.

The Charity complies with the terms and conditions of its Annual Service Agreement with the Health Service Executive, which includes compliance with legislation and Public Sector Governance regulations.

In addition, certain activities are subject to regulation by the Health Information Quality Authority who carry out compliance visits on an ongoing basis.

The hospital has strict internal controls governing the receipt of bequests and donations. The Hospital's procedures are subject to periodical review and reporting to The Board, by the Hospital's internal auditors. The management of all the Hospital's assets is subject to audit by both the external and internal auditors to the Hospital.

The Hospital management team meets regularly and reviews the Hospital's Corporate Risk Register. All identifiable risks are recorded in the Corporate Risk Register. Risks are scored in terms of severity of impact, likelihood and possible frequency of occurrence. The Hospital Employs a Risk manager who maintains the Risk register.

Good practice standards as proposed by the HSE and other regulatory bodies are always considered and if appropriate, adopted. HPSC guidance has been followed throughout the Covid 19 pandemic.

Operations Review

Covid 19

During the year we experienced major outbreaks in January, April and May. Again, Hospital staff worked with great dedication in difficult circumstances to overcome the challenges that this presented. There were no covid related payments to staff during the year.

Other Operations

Long term care resident capacity increased from 50 to 56 beds during the year. Renovation work in three wards was completed during 2023. The Board wishes to express its thanks to HSE, CHO6 for providing the funding for this work. This increased the capacity further to a total of 64 beds from April 2024 onwards. The Board would also like to thank the Friends of the Royal Hospital Donnybrook for its long-standing support and in particular for its funding of a number of initiatives during the year.

THE ROYAL HOSPITAL OF DONNYBROOK

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

Financial Results

The Statement of Financial Activities and Balance Sheet are set out on pages 16 and 17.

The statement highlights the results between restricted and unrestricted funds. Restricted funds relate to all HSE funded activity while unrestricted relates to funds from other sources e.g., Donations from the public. The Board of management has complete discretion over the allocation of these funds.

Overall income from charitable activities increased by €2,317,822 to €27,875,128 compared to 2022. The principal elements of this were an increase in HSE allocation income by €722,989, Fair deal income by €789,144 and other grant income by €770,453.

As set out in the statement of financial activities, Ward Improvement HSE funding totaling €1,910,470 was received during the year. This was in respect of the capital refurbishment project of rooms which commenced in 2023 and was completed in Q3 2023. The associated costs have been capitalized as fixed asset additions in line with the Hospitals fixed asset policy and have been reflected in the balance sheet as fixed asset additions during 2023. Once off grant amount totaling €652,105 was agreed by HSE to be provided to the Hospital.

Unrestricted donations and legacies income increased by €301,604 to €319,852 compared to 2022.

Charitable expenditure increased by €1,761,185, to €26,279,037. This primarily represents a net increase in staff costs of €1,126,976 along with an increase in pensioner costs of €102,743. The former arose due to health sector pay increases, compared to 2023 levels, while the latter resulted from an increase in the value of lump sum payments to pensioners. Non pay costs increased significantly from €5,387,205 to €5,818,679, an increase largely reflecting the significant cost inflation experienced during the year.

Unrestricted costs amounted to €105,684 compared to €79,165 in 2022.

In summary, the Hospital's results for 2023 show an operating surplus of €1,839,572 (2022: Surplus, €1,007,550), while having net assets of €5,559,645 at 31 December 2023 (2022: €3,720,073). The surplus for 2023 occurs primarily as a result of the HSE Ward Improvement Grant received during the year. The Board would like to highlight that without the receipt of this funding, the Hospital would have reported a significant deficit for the year.

Achievements and Performance

A significant number of tenders were progressed throughout the year. Contracts for cleaning, printing, ICT support and pharmacy services were all updated.

The Hospital staff demonstrated their agility in rapidly adopting an enhanced electronic pharmacy prescribing system, Digicare, in a matter of weeks. Doctors can now review and where appropriate, prescribe patient medication remotely, using their phones.

Technology brings many benefits, but also the worry of cyber-attack and ransomware. A detailed Penetration Testing exercise was carried out during the year. That triggered a number of actions to enhance RHD's security.

THE ROYAL HOSPITAL OF DONNYBROOK

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

During the year, RHD volunteered a HIQA inspection of our rehabilitation services. The HIQA remit is being extended beyond residential care, to the licensing of general hospital activity. They sought volunteers for a trial inspection, and we obliged. A team of inspectors undertook a detailed review of a range of performance areas and overall, the HIQA assessment was very favorable.

Future Developments

We continue to work toward having a Primary Care Centre on our grounds. An appeal relating to the approved location of a proposed pedestrian entrance was taken to An Bord Pleanála at the end of 2021. A protracted process ensued, during which the world changed radically. War started in Ukraine and triggered widespread inflationary pressures. By the time the planning permission was granted in December 2022, increased building costs resulted in a need for negotiations between the developer and the HSE. These are still in progress.

The ward renovation works outlined above will still leave RHD with bedrooms with 3 or 4 residents which, in the longer term, are likely to be deemed unsuitable by HIQA. In line with our strategy, in August 2022, we submitted a proposal for a purpose-built residential unit on the grounds. This would relocate all residential care to a new building, enabling the hospital to focus on rehabilitation services. While the HSE were broadly supportive at our regular meetings, there was no official response by year end.

Principal Risks and Uncertainties

The principal risks and uncertainties faced by RHD are: Financial, Environmental, clinical and Infection control and regulatory compliance.

The hospital is dependent upon the HSE for the funding of its services and the ongoing level of funding is fundamental to RHD's ability to continue its services as a going concern.

Environmental risk arises due to the age and configuration of the hospital buildings against a background of increasing HIQA and other standards, related to facilities provided for residents and patients. Due to the nature of RHD's activities clinical and infection control issues impacting on our residents and patients is ever present.

Because of the nature of its activities, its HSE funded and charitable status, RHD is subject to compliance with many laws and regulations in the conduct of its activities. The steps taken by the board to mitigate these risks are set out below.

Risk Management

In general risk is mitigated by having appropriate management structures, qualified personnel and processes and procedures in place. The status of risks is regularly monitored by the Board of Management and senior management team who review the hospital's current risk register on a regular basis.

The financial risk is mitigated by continuing regular engagement with HSE, at an appropriate level, to promote continued support, alignment of objectives and investment in necessary infrastructure improvement on an ongoing basis. RHD has an audit committee and an outsourced Internal audit function in place. Ongoing financial performance is reviewed by the board and audit committee on a regular basis.

THE ROYAL HOSPITAL OF DONNYBROOK

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

There is a clinical governance committee in place which meets regularly and oversees RHD's response to these risks. In addition, a dedicated infection control professional is in place in conjunction with regular consultation with Public Health on infection control issues.

With regard to regulatory risk, the hospital has appropriate management structures in place to monitor compliance with HSE and other public regulations pertaining to provision of health services. A range of insurance covers has been put in place both with the State Claims Agency and the private insurance market

Events after the Balance Sheet date

There have been no significant or material subsequent events affecting the Hospital since the year end.

Payment of Creditors

The directors acknowledge their responsibility for ensuring compliance with the provisions of the EC (Late Payment in Commercial Transactions) Regulations 2012. It is the company's policy to agree payment terms with all suppliers and to adhere to those payment terms.

Going Concern

The Board of Management have a reasonable expectation that the Hospital has adequate resources to continue in operational existence for the foreseeable future. Therefore, these financial statements have been prepared on a going concern basis. This is set out in more detail in Note 3 to the Financial Statements.

Disclosure of information to Auditors

In the case of each of the members of the Board of management at the time that the Board of Management Report and Financial Statements are approved:

- a) So far as the Board member is aware, there is no relevant audit information of which the company's auditors are unaware; and
- b) Each member has taken all steps that ought to have been taken by the member 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.

Accounting Records

The Board acknowledge their responsibilities to keep adequate accounting records for the Hospital. In order to comply, two full time accountants are employed. The accounting records of the company are kept at The Royal Hospital, Morehampton Road.

THE ROYAL HOSPITAL OF DONNYBROOK

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

Auditors

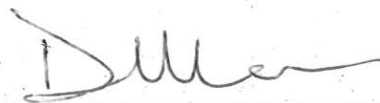
The company has appointed Azets Audit Services Ireland Limited as auditor.

On behalf of the board of management



Conor O'Connor

DATE: 26/9/2024



Dorothy MacCann

DATE: 26/09/24

THE ROYAL HOSPITAL OF DONNYBROOK

REPORT OF THE BOARD OF DIRECTORS (CONTINUED)

Board of Management Statement of Responsibilities

The Board of Management is responsible for keeping proper books of account which enable it to ensure that the financial statements are prepared in accordance with "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015. Previously the company applied FRS 102 but did not apply the Statement of Recommended Practice "Accounting and Reporting by Charities" (FRS 102 Charities SORP).

In carrying out these responsibilities the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with 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 charity has applied the Charities SORP on a voluntary basis as its application is not a requirement of the current regulations for charities registered in the Republic of Ireland however it is considered best practice.

The Board of Management is also responsible for safeguarding the assets of the hospital and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board of management



Conor O'Connor

DATE: 26/9/2024



Dorothy MacCann

DATE:

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF MANAGEMENT OF THE ROYAL HOSPITAL DONNYBROOK

Report on the audit of the non-statutory financial statements

Opinion on the non-statutory financial statements (the 'financial statements') of The Royal Hospital Donnybrook (the 'Hospital').

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Hospital as at 31 December 2023 and of the net movement in funds for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The financial statements we have audited comprise:

- the Statement of Financial Activities (incorporating an Income and Expenditure Account);
- the Balance Sheet; and
- the related notes 1 to 29 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 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 Hospital 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 (IAASA), 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 Board of Management's 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 Hospital's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorized for issue.

Our responsibilities and the responsibilities of the Board of Management's with respect to going concern are described in the relevant sections of this report.

**INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF MANAGEMENT OF THE ROYAL HOSPITAL
DONNYBROOK**

Report on the audit of the non-statutory financial statement (continued)**Other information**

The other information comprises the information included in the Trustee Report and Audited Financial Statements, other than the financial statements and our auditor's report thereon. The Board of Management are responsible for the other information contained within the Annual Report and Audited Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Responsibilities of the Board of Management for the financial statements

As explained more fully in the Board of Management's Responsibilities Statement, the Board of Management are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board of Management 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 Board of Management are responsible for assessing the Hospital'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 Board of Management either intend to liquidate the Hospital or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: <https://www.iaasa.ie/Publications/Auditing-standards>. This description forms part of our Auditors' Report.

INDEPENDENT AUDITOR'S REPORT TO THE BOARD OF MANAGEMENT OF THE ROYAL HOSPITAL DONNYBRROK

Report on the audit of the non-statutory financial statements (continued)

Use of our report

This report, including the opinion, has been prepared for and only for the Board of Management as a body, for management purposes in accordance with our engagement letter and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, including without limitation under any contractual obligations of the Hospital, save where expressly agreed by our prior consent in writing.

DocuSigned by:

Keith Doyle

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Keith Doyle

For and on behalf of Azets Audit Services Ireland Limited

Chartered Accountants and Statutory Audit Firm

3rd Floor,

40 Mespil Road,

Dublin 4,

D04 C2N4

DATE: 26 September 2024

THE ROYAL HOSPITAL OF DONNYBROOK

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	2023 Unrestricted Funds €	2023 Restricted Funds €	2023 Total €	2022 Total €
INCOME FROM:					
Charitable Activities	4/5	-	25,964,658	25,964,658	25,123,306
Ward Improvement Grant HSE	17	-	1,910,470	1,910,470	434,000
Donations and Legacies	6	319,852	-	319,852	18,248
Other Income	7	29,313	-	29,313	29,013
Total		349,165	27,875,128	28,224,293	25,604,567
EXPENDITURE ON:					
Charitable activities	8	119,641	26,159,396	26,279,037	24,517,852
Other Expenditure	12	105,684	-	105,684	79,165
Total		225,325	26,159,396	26,384,721	24,597,017
Net Income	22	123,840	1,715,732	1,839,572	1,007,550
Transfers Between funds	22	1,910,470	(1,910,470)	-	-
Other recognised Gains/(Losses)		-	-	-	-
Net movement in funds		2,034,310	(194,738)	1,839,572	1,007,550
RECONCILIATION OF FUNDS					
Total funds brought forward		2,537,773	1,182,300	3,720,073	2,712,523
Total funds carried forward	23	4,572,083	987,562	5,559,645	3,720,073

All the activities related to continuing activities.

There are no recognised gains and losses other than as stated above.

On behalf of the board of management



Conor O'Connor

DATE: 26/9/2024



Dorothy MacCann

DATE: 26/09/2024

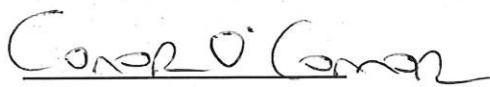
The notes on pages 20-38 form part of these financial statements.

THE ROYAL HOSPITAL OF DONNYBROOK

BALANCE SHEET
AS AT 31 DECEMBER 2023

		2023	2022
	Notes	€	€
Fixed assets			
Tangible assets	17	4,032,093	2,241,264
Current assets			
Funding Due - HSE	18	3,202,576	3,424,680
Receivables and Prepayments	19	240,527	391,888
Cash and cash equivalents - Patient funds	20	388,355	381,171
- Hospital funds	20	1,355,048	1,133,786
		5,186,506	5,331,525
Creditors: Amounts falling due within one-year			
Payables and accrued expenses	21	(3,270,599)	(3,471,545)
Patient funds		(388,355)	(381,171)
		(3,658,954)	(3,852,716)
Net current assets		1,527,552	1,478,809
Total assets less current liabilities		5,559,645	3,720,073
Total net assets		5,559,645	3,720,073
The funds of the charity:			
Unrestricted funds	23	4,572,083	2,537,773
Restricted funds	23	987,562	1,182,300
Total charity funds		5,559,645	3,720,073

On Behalf of the board of Management



Conor O'Connor

DATE: 26/9/2024



Dorothy MacCann

DATE: 26/09/2024

The notes on pages 20-38 form part of these financial statements.

THE ROYAL HOSPITAL OF DONNYBROOK

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Unrestricted Funds	Restricted Funds	Total Funds
	€	€	€
Balance at 1 January 2022	2,238,572	473,951	2,712,523
Net income for the year	(134,799)	1,142,349	1,007,550
Transfer between funds	434,000	(434,000)	-
Balance at 31 December 2022	2,537,773	1,182,300	3,720,073
Balance at 1 January 2023	2,537,773	1,182,300	3,720,073
Net income for the year	123,840	1,715,732	1,839,572
Transfer between funds	1,910,470	(1,910,470)	-
Balance at 31 December 2023	4,572,083	987,562	5,559,645

THE ROYAL HOSPITAL OF DONNYBROOK

STATEMENT OF CASH FLOWS
AS AT 31 DECEMBER 2023

		2023	2022
	Notes	€	€
Net cash flows from operating activities	25	228,446	(408,261)
Cash flows from investing activities			
Payments to acquire tangible fixed assets		(1,910,470)	(434,000)
Net cash flows from investing activities		(1,910,470)	(434,000)
Cash flows from financing activities			
Capital grant received		1,910,470	434,000
Net cash flow from financing activities		1,910,470	434,000
Net increase/(decrease) in cash and cash equivalents		228,446	(408,261)
Cash and cash equivalents at beginning of year		1,514,957	1,923,218
Cash and cash equivalents at end of year	20	1,743,403	1,514,957

THE ROYAL HOSPITAL OF DONNYBROOK

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

1. Accounting Policies

These financial statements are prepared by The Royal Hospital Donnybrook in accordance with accounting standards issued by the Financial Reporting Council, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015. The charity has applied the Charities SORP on a voluntary basis as its application is not a requirement of the current regulations for charities registered in the Republic of Ireland. However, it is considered best practice. As noted below, the board of management consider the adoption of the SORP requirements as the most appropriate accounting practice and presentation to properly reflect and disclose the activities of the organization.

The significant accounting policies used in the preparation of the entity financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the measurement of certain financial assets and liabilities at fair value through profit or loss, and the measurement of freehold land and buildings at their deemed cost on transition to FRS 102.

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the financial year. It also requires the directors to exercise judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in note 2.

Income

Income is the amount of revenue derived from the provision of services falling within the hospital's ordinary activities after deduction of value-added tax, where applicable. Turnover primarily comprises income arising from the Health Service Executive (HSE) funding under Section 38 of the Health Act 2004, and invoiced value of patient and other services provided by the hospital.

Income is measured at the fair value of the consideration received or receivable and represents the amount receivable for services rendered, net of discounts, rebates allowed by the hospital and value added taxes. The Hospital recognises turnover when the specific criteria relating to each of the Hospital's services have been met, as described below.

Patient services

The hospital provides services to patients. Income is recognised in the financial year in which the services are rendered.

THE ROYAL HOSPITAL OF DONNYBROOK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

1. Accounting Policies (Continued)

Health Service Executive (HSE) funding

The HSE funding is the excess of expenditure over the hospital's annual income and is receivable from the HSE (provided that the hospital operates within or exceeds the agreed Service Level Agreements) and is treated as income in the financial statements.

Interest income

Interest income is recognised using the effective interest rate method.

Tangible fixed assets

Tangible fixed assets, excluding land, 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.

Major fixed assets, funded by Capital grants, are carried at cost less accumulated depreciation. Depreciation commences when the related asset is completed / commissioned and is capable of operating in the manner intended by management.

Fire Safety Infrastructure is depreciated on a straight-line basis, at the rate of 4% in respect of the passive elements of the system and at the rate of 10% in respect of the active electronic element.

Ward Improvements are depreciated at the rate of 5% on a straight-line basis from date of first use.

Certain fixed assets for which capital grants have been received or which have been funded from the special fund account, are not reflected in the hospital's balance sheet. These fixed assets include the hospital premises, which were acquired in 1850 and have been developed over subsequent years from the special fund account and capital grants.

Repairs, maintenance and minor inspection costs and items funded by HSE Revenue grants are expensed as incurred.

Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the Profit and Loss account.

Should the Hospital's activities be reorganised, resulting in assets not being used for the purpose intended, a refund of certain capital grants, subject to depreciation, may be requested by the HSE. The Board do not envisage any change to the Hospital's activities and all assets will be used for their intended purpose.

THE ROYAL HOSPITAL OF DONNYBROOK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

1. Accounting Policies (Continued)

Leased assets

(i) *Finance leases*

Finance leases transfer substantially all the risks and rewards incidental to ownership to the lessor.

At the commencement of the finance lease term the hospital recognises its right of use and obligation under a finance lease as an asset and a liability at the amount equal to the fair value of the leased asset, or if lower, at the present value of the minimum lease payments calculated using the interest rate implicit in the lease.

Where the implicit rate cannot be determined the company's incremental borrowing rate is used. Incremental and directly attributable costs incurred in negotiating and arranging a finance lease are included in the cost of the asset.

Assets under finance leases are depreciated over the shorter of the lease term and the estimated useful life of the asset. Assets are assessed for impairment at the end of each financial year.

The minimum lease payments are apportioned between the outstanding liability and finance charges, using the effective interest method, to produce a constant periodic rate of interest on the remaining balance of the liability.

(ii) *Operating leases*

Operating leases do not transfer substantially all the risks and rewards of ownership to the lessor. Payments under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease.

Provisions and contingencies

(i) *Provisions*

Provisions are liabilities of uncertain timing or amount.

Provisions are recognised when the hospital has a present legal or constructive obligation as a result of past events where it is probable that a transfer of economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the best estimate of the amount required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are reviewed at the end of each financial year and adjusted to reflect the current best estimate of the amount required to settle the obligation. The unwinding of the discount is recognised as a finance cost in profit or loss, presented as part of interest payable and similar expenses in the financial year in which it arises.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

THE ROYAL HOSPITAL OF DONNYBROOK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

1. Accounting Policies (Continued)

(ii) *Contingencies*

Contingent liabilities, arising as a result of past events, are not recognised as a liability because it is not probable that the Hospital will be required to transfer economic benefits in settlement of the obligation, or the amount cannot be reliably measured at the end of the financial year. Possible but uncertain obligations are not recognised as liabilities but are contingent liabilities.

Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote. Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

Taxation

The Hospital has charitable status for taxation and therefore no provision is required for Corporation Tax or Deferred Tax.

Employee benefits

The Hospital provides a range of benefits to employees, including short term employee benefits and post-employment benefits (in the form of).

(i) *Short term employee benefits*

Short term employee benefits, including wages and salaries, paid holiday arrangements and other similar non-monetary benefits, are recognised as an expense in the financial year in which employees render the related service.

(ii) *Superannuation benefits*

The majority of the staff employed by the hospital, are members of either one of two State-funded Public Pension Schemes: The Voluntary Hospitals Superannuation Scheme ('VHSS') or the Single Public Service Pension Scheme ('the Single Scheme'). The liabilities of both of these schemes are liabilities of the State.

The VHSS was established by the Minister for Health in 1969 and the Hospital has administered the scheme, on behalf of the state, in relation to VHSS members who are current or retired staff of the Hospital since this date.

The Hospital has been directed by the Department of Health/HSE to retain the VHSS contributions paid by current Hospital staff, and this has been treated as income in line with this direction. On receipt of written authorization and direction from the HSE, pension entitlements are paid to retired Hospital staff who are members of the VHSS. These pension payments are funded by the deductions retained from current staff and additional HSE revenue grant funding which is periodically adjusted by the HSE to reflect changes in the pension liabilities to be paid and the terms of the scheme.

On 1 January 2013, the VHSS was effectively closed to new members and was superseded by the Single Scheme in line with its introduction across the entire public service. Under the terms of this Scheme, the hospital is required to remit the pension deductions from current staff to the Exchequer and all future pension benefits paid under the scheme will be funded by the Exchequer.

THE ROYAL HOSPITAL OF DONNYBROOK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

1. Accounting Policies (Continued)

These financial statements do not include pension liabilities and assets of those staff who are members of the VHSS or the Single Scheme as the liabilities of the scheme are liabilities of the State and not liabilities of the hospital.

Contributions from employees who are members of the Single Public Service pension scheme are remitted to the Exchequer in accordance with the terms of the scheme.

Contributions from employees who are members of the Voluntary Hospital Superannuation Scheme are credited to the Income and Expenditure account when received. Pension payments under the scheme are charged to the Income and Expenditure account when paid.

Foreign currency

(i) *Functional and presentation currency*

The hospital functional and presentation currency is the euro, denominated by the symbol "€".

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At the end of each financial year foreign currency monetary items are translated to Euro using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at exchange rates at the end of the financial year of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'interest receivable and similar income' or 'interest payable and similar expenses' as appropriate. All other foreign exchange gains and losses are presented in the profit and loss account within 'other expenditure'.

Financial instruments

The hospital has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade receivables, amounts owing from HSE, cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortized cost using the effective interest method.

THE ROYAL HOSPITAL OF DONNYBROOK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

1. Accounting Policies (Continued)

At the end of each reporting period financial assets measured at amortized cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. If the reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised, the impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and financing liabilities are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortized cost, using the effective interest rate method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortized cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Cash and Cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities. Cash and cash equivalents are initially measured at transaction price and subsequently measured at amortized cost.

THE ROYAL HOSPITAL OF DONNYBROOK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. Critical accounting judgements and estimation uncertainty

Estimates and judgements made in the process of preparing the entity financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a. *Critical judgement in applying the entity's accounting policies*

There were no judgements, apart from those involving estimates and the consideration of applying the going concern basis of preparation as set out in Note 3, made by the Board of Management which had significant effect on the amounts recognised in the entity financial statements;

b. *Critical accounting estimates and assumptions*

The Board of Management make estimates and assumptions concerning the future in the process of preparing the entity 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 amounts of assets and liabilities within the next financial year are addressed below.

c. *Impairment of debtors*

The Board of Management make an assessment at the end of each financial year of whether there is objective evidence that a trade or other debtor is impaired. When assessing impairment of trade and other debtors, the Board of Management consider factors including the current credit rating of the debtor, the age profile of outstanding invoices, recent correspondence and trading activity, and historical experience of cash collections from the debtor.

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income, and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. 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 amounts of assets and liabilities within the next financial year are discussed below:

a. *Establishing useful economic lives for depreciation purposes of property, plant and equipment*

Long-lived assets, consisting primarily of property, plant and equipment, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual values. The directors regularly review these asset useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilization and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation and amortization charges for the period. Detail of the useful economic lives is included in the accounting policies.

THE ROYAL HOSPITAL OF DONNYBROOK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

2. Critical accounting judgements and estimation uncertainty (Continued)

b. *Providing for doubtful debts*

The company makes an estimate of the recoverable value of trade and other debtors. The company uses estimates based on historical experience in determining the level of debts, which the company believes, will not be collected. These estimates include such factors as the current credit rating of the debtor, the ageing profile of debtors and historical experience. Any significant reduction in the level of customers that default on payments or other significant improvements that resulted in a reduction in the level of bad debt provision would have a positive impact on the operating results. The level of provision required is reviewed on an on-going basis.

3. Going Concern

The Hospital is dependent on the Health Service Executive ("HSE") to provide funding for its activities and ongoing development of RHD's services. The Hospital continues to operate in an environment with significant funding constraints. Results for 2023 show an operating deficit.

Residential occupancy increased during the year with the addition of six new beds which were brought back into service in September 2023. Post year end saw occupancy increase with a further eight new residential beds added in April 2024. Hospital forecasts reflect both the impact on revenue of the above change and the impact on expenditure of planned cost containment actions. The hospital is confident that the HSE will provide enough funding in 2024 and 2025.

Continuing inflationary cost pressures may have negative financial impacts for the foreseeable future. Having reviewed the Hospital's revised forecasts and planned actions, the Board of Management have a reasonable expectation that the Hospital has adequate resources to continue in operational existence for the foreseeable future. Therefore, these financial statements have been prepared on a going concern basis.

It is considered that the above note sets out the principal uncertainties and conclusions regarding the question of Going Concern.

THE ROYAL HOSPITAL OF DONNYBROOK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

4. Income from charitable activities

	2023 €	2022 €
HSE allocation to net expenditure	17,997,776	17,274,787
HSE Fair Deal	4,371,820	3,582,676
Patient maintenance	872,168	919,410
Superannuation deductions	921,260	853,263
Staff restaurant income	74,361	59,900
Other grant income (note 5)	1,726,980	2,432,997
Sundry income	293	273
	25,964,658	25,123,306

All income from charitable activities relate to restricted income in the current and prior year.

5. Other Grant Income

	2023 €	2022 €
HSE Payroll grant - HSE / CHO 6	170,000	169,000
Fire safety infrastructure Minor Capital grant - HSE	-	30,000
Action Van grant – HSE	199,332	199,329
Friends of the Royal Hospital Donnybrook	145,543	56,628
	514,875	454,957
<u>Once off funding</u>		
Supplemental Grant-HSE Long Term Bed Income/ CHO6	560,000	1,210,000
Once off Ministerial Grant	652,105	768,040
	1,212,105	1,978,040
Total Other Grant Income	1,726,980	2,432,997

All income from other grant income relate to restricted income in the current and prior year.

6. Donations and Bequests

	2023 €	2022 €
Voluntary gifts and donations	172,352	11,955
Bequests	147,500	6,293
	319,852	18,248

All income from Donations and Bequests relate to unrestricted income in the current and prior year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

7. Other Income

	2023	2022
	€	€
Deposit Interest	310	56
Rent receivable	29,003	28,957
	29,313	29,013

All other income relates to unrestricted income in the current and prior year.

8. Expenditure on Charitable Activities

The table below analysis's direct and support costs. Direct costs are the delivery cost of an activity. Support costs and governance costs are analyzed in note 10.

	Direct Costs	Support Costs	Total 2023
	€	€	€
Long term care	8,805,266	2,107,203	10,912,469
Rehabilitation services	12,223,399	3,143,169	15,366,568
	21,028,665	5,250,372	26,279,037

	Direct Costs	Support Costs	Total 2022
	€	€	€
Long term care	7,738,049	1,832,739	9,570,788
Rehabilitation services	12,088,133	2,858,931	14,947,064
	19,826,182	4,691,670	24,517,852

All expenditure on charitable activities relate to restricted expenditure in the current and prior year, except for depreciation charges of €119,641 (2022: €102,995).

Direct pay costs are apportioned based on allocated proportions for the relevant staff category.

Indirect pay costs are apportioned in line with total proportion of Direct staff. Non pay costs where not directly allocated are apportioned based on beds available for occupancy for the relevant period.

Due to Covid impacts on operational capacity during 2023 and 2022, the above analysis may vary in future years.

THE ROYAL HOSPITAL OF DONNYBROOK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

9. Direct cost

	Long Term Care	Rehabilitation Services	Total	Long Term Care	Rehabilitation Services	Total
	2023	2023	2023	2022	2022	2022
	€	€	€	€	€	€
Direct staff costs	6,981,622	9,523,395	16,505,017	6,175,485	9,369,805	15,545,290
Drugs and medicines	102,026	192,847	294,873	98,935	201,261	300,196
Medical Gases	7,313	11,343	18,656	11,798	20,420	32,218
Medical and surgical supplies	201,064	160,562	361,626	177,788	152,201	329,989
Medical equipment	238,143	182,288	420,431	160,239	135,581	295,820
Food and catering	343,175	735,993	1,079,168	255,963	625,016	880,979
Furniture, crockery and hardware	17,863	22,011	39,874	13,064	18,528	31,592
Heat, light and power	203,205	315,175	518,380	301,427	521,700	823,127
Cleaning and washing	356,754	509,153	865,907	261,823	439,762	701,585
Bedding and clothing	3,962	5,002	8,964	6,649	9,615	16,264
Education and training	21,455	33,387	54,842	13,052	22,591	35,643
Transport of patients	14,559	22,582	37,141	11,560	19,853	31,413
Bank Charges	1,939	3,007	4,946	1,724	2,983	4,707
Insurances	31,407	48,714	80,121	27,291	47,234	74,525
Other professional Services	45,077	11,269	56,346	29,888	7,472	37,360
Office expenses	20,487	31,776	52,263	16,786	29,980	46,766
Computer services and equipment	2,134	3,200	5,334	530	795	1,325
Security costs	78,793	120,683	199,476	73,840	127,800	201,640
Bad debts	4,182	-	4,182	21	-	21
Grants to outside agencies	-	109,628	109,628	-	162,137	162,137
Sundries	75,680	116,169	191,849	62,506	108,184	170,690
Depreciation	54,426	65,215	119,641	37,680	65,215	102,895
	8,805,266	12,223,399	21,028,665	7,738,049	12,088,133	19,826,182

THE ROYAL HOSPITAL OF DONNYBROOK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

10. Support Costs

	Long term Care	Rehabilitation Services	Total	Long term Care	Rehabilitation Services	Total
	2023	2023	2023	2022	2022	2022
	€	€	€	€	€	€
Staff Costs	873,023	1,133,927	2,006,950	788,546	1,052,203	1,840,749
Pensioner Costs	724,803	1,223,592	1,948,395	675,490	1,169,118	1,844,608
Medical and surgical Supplies	8,314	12,733	21,047	5,966	10,325	16,291
Food and Catering	68,817	105,404	174,221	56,646	98,042	154,688
Cleaning and washing	9,853	15,091	24,944	10,338	17,893	28,231
Maintenance and renovations	146,213	229,475	375,688	106,801	184,848	291,649
Transport and travelling	1,995	3,055	5,050	967	1,674	2,641
Governance Cost (Note 11)	25,505	45,323	70,828	16,079	27,829	43,908
Legal Costs	6,413	9,823	16,236	5,270	9,121	14,391
Other professional Services	97,404	142,929	240,333	64,268	111,232	175,500
Office expenses	55,304	84,644	139,948	41,835	72,407	114,242
Computer Services and equipment	78,928	120,889	199,817	49,867	85,779	135,646
Sundries	10,631	16,284	26,915	10,666	18,460	29,126
	2,107,203	3,143,169	5,250,372	1,832,739	2,858,931	4,691,670

THE ROYAL HOSPITAL OF DONNYBROOK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

11. Governance Costs - Restricted Funds

	2023	2022
	€	€
External audit	32,827	25,055
Internal audit	19,920	18,853
Governance Review	18,081	-
	<u>70,828</u>	<u>43,908</u>

12. Other Expenditure - Unrestricted Funds

	2023	2022
	€	€
Primary Care Centre development	37,228	67,177
Renovation work gate lodge	59,556	10,097
Staff Appreciation Party	4,027	-
Staff Barbeque & Lunch	4,357	-
Sundry	516	1,891
	<u>105,684</u>	<u>79,165</u>

13. Net Movement in Funds is stated after charging (crediting):

	2023	2022
	€	€
Depreciation	119,641	102,895
	<u>119,641</u>	<u>102,895</u>

THE ROYAL HOSPITAL OF DONNYBROOK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

14. Staff numbers and costs

The Royal Hospital Donnybrook employed an average of 287 people in 2023 (292 in 2022). Most staff work directly in frontline services. As an organization funded under Section 38 of the Health Act 2004, salaries are paid in line with public sector pay scales and are subject to public sector pay agreements.

(a) Number of employees	2023 Monthly Average Number	2023 Whole Time Equivalents	2022 Monthly Average Number	2022 Whole Time Equivalents
Management administration	23	21	24	19
Medical	2	2	2	2
Nursing	173	169	174	168
Health & social care professionals	52	48	54	43
Support services	33	30	34	30
Maintenance	4	4	4	4
Totals	<u>287</u>	<u>274</u>	<u>292</u>	<u>266</u>

	2023 €	2022 €
(b) Total staff costs		
Wages and salaries	16,818,738	15,457,192
Social welfare costs	1,693,230	1,591,329
Retired personnel – pensioner costs	1,948,395	1,844,608
Other compensation payments - Covid	-	337,518
	<u>20,460,363</u>	<u>19,230,647</u>

The above wages and salaries cost include €479,979 in respect of agency and locum staff (€281,460 in 2022).

(c) Senior staff remuneration

The number of fulltime staff earning salaries over €60,000 was:

	2023 Number	2022 Number
Band €60,000 - €69,999	36	44
Band €70,000 - €79,999	32	27
Band €80,000 - €89,999	12	15
Band €90,000 - €99,999	7	3
Band €100,000 - €109,999	-	-
Band €160,000 - €169,999	-	-
Band €170,000 - €179,999	-	-
Band €180,000 - €189,999	1	1
	<u>88</u>	<u>90</u>

THE ROYAL HOSPITAL OF DONNYBROOK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Staff numbers and costs (continued)

The following employees also work part-time (50%):

	2023	2022
	€	€
Band €60,000 - €69,999	-	6
Band €70,000 - €79,999	-	3
Band €80,000 - €89,999	-	-
Band €90,000 - €99,999	-	-
Band €100,000 - €109,999	-	1
	<u>-</u>	<u>10</u>

The above bands are before deduction of the pension levy.

(d) Key management remuneration

	2023	2022
	€	€
Wages and salaries	936,186	891,624
Social welfare costs	98,768	93,756
Other compensation payments (Covid Bonus)	-	9,000
	<u>1,034,954</u>	<u>994,380</u>

The Chief Executive Officer received remuneration of € 99,489 in 2023 (€94,378 in 2022). The above salary is before deduction of the pension levy.

15. Board of Management Remuneration and transactions

No members of the board of management received any remuneration or other benefits as they work entirely on a voluntary basis.

No expenses were incurred by the members of the board of management.

16. Tax on surplus on ordinary activities

No charge to current or deferred taxation arises as the charity has been granted charitable status under Sections 207 and 208 of the Taxes Consolidation Act 1997.

THE ROYAL HOSPITAL OF DONNYBROOK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

17. Tangible Assets

	Fire Safety Infrastructure €	Ward Improvements €	Total €
Costs			
At beginning of year	1,978,756	434,000	2,412,756
Additions in year	-	1,910,470	1,910,470
At end of year	1,978,756	2,344,470	4,323,226
Depreciation			
At beginning of year	171,492	-	171,492
Charge for Year	102,895	16,746	119,641
At end of year	274,387	16,746	291,133
Net book value			
At 31 December 2022	1,807,264	434,000	2,241,264
At 31 December 2023	1,704,369	2,327,724	4,032,093

18. Funding Due from HSE

	2023 €	2022 €
Ministerial Grant – once off	652,105	768,040
Block allocation and Fair Deal funding	2,550,471	2,656,640
	3,202,576	3,424,680

19. Receivables and prepayments

	2023 €	2022 €
Patient receivables	160,319	122,699
Prepayments and Accrued income	56,934	238,482
Other receivables	23,274	30,707
	240,527	391,888

THE ROYAL HOSPITAL OF DONNYBROOK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

20. Cash and cash equivalents

	2023 €	2022 €
Short term deposits – restricted patient funds	388,355	381,171
Short term deposits – unrestricted funds	377	376
Bank balances – restricted funds	407,856	483,658
Bank balances – unrestricted funds	943,303	647,502
Petty cash – restricted funds	3,512	2,250
Petty cash – unrestricted funds	-	-
	<u>1,743,403</u>	<u>1,514,957</u>
Restricted funds total	799,723	867,455
Unrestricted funds total	943,680	647,502
	<u>1,743,403</u>	<u>1,514,957</u>

21. Creditors: Payables and accruals due within one year

	2023 €	2022 €
Payables and accruals	2,659,466	2,878,641
Payroll taxes	519,638	539,025
Other taxes	64,314	53,879
Deferred Income	27,181	-
	<u>3,270,599</u>	<u>3,471,545</u>

THE ROYAL HOSPITAL OF DONNYBROOK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

22. Funds of the Hospital

	Balance 01/01/2023	Income	Expenditure	Funds Transfer	Balance 31/12/2023
	€	€	€	€	€
Restricted Funds	1,182,300	27,875,128	(26,159,396)	(1,910,470)	987,562
Unrestricted Funds	2,537,773	349,165	(225,325)	1,910,470	4,572,083
Total Funds	3,720,073	28,224,293	(26,384,721)	-	5,559,645

The Hospital recognised Capital Grants in the Statement of Financial Activity in the years that they were received. The cost of depreciation has been allocated against these reserves over the useful life of the relevant assets. In the current year the Board re-allocated unrestricted reserves to align the accumulated restricted reserve with the current net book value of the reserves.

23. Analysis Of Net Assets Between Funds

	Unrestricted Funds	Restricted Funds	At 31 December 2023
	€	€	€
Tangible fixed Assets	3,798,321	233,772	4,032,093
Current Assets	783,338	4,403,168	5,186,506
Current Liabilities	(9,576)	(3,649,378)	(3,658,954)
	4,572,083	987,562	5,559,645

	Unrestricted Funds	Restricted Funds	At 31 December 2022
	€	€	€
Tangible fixed Assets	2,007,142	234,122	2,241,264
Current Assets	553,858	4,777,667	5,331,525
Current Liabilities	(23,227)	(3,829,489)	(3,852,716)
	2,537,773	1,182,300	3,720,073

THE ROYAL HOSPITAL OF DONNYBROOK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

24. Restricted Funds Capital Grants

Restricted reserves balance as per the balance sheet is the accumulated reserves from Capital Grant Income. The Company recognised Capital Grants in the Statement of Financial Activity in the years that they were received. The cost of depreciation has been allocated against these reserves over the useful life of the relevant assets.

	2023	2022
	€	€
HSE	987,562	1,182,300
	987,562	1,182,300

25. Net cash inflow from operating activities

	2023	2022
	€	€
Net movement in funds for the year	1,839,572	1,007,550
Depreciation	119,641	102,895
Capital grant received	(1,910,470)	(434,000)
Decrease (increase) in HSE allocation due	222,104	(1,080,598)
Decrease (increase) in other receivables and prepayments	151,343	(128,880)
(Decrease) increase in payables and accrued expenses	(200,928)	123,231
Increase (decrease) in patient funds	7,184	1,541
Net cash generated from operating activities	228,446	(408,261)

25. RHD retirement benefits

The majority of the staff employed by The Royal Hospital Donnybrook are members of either the Voluntary Hospitals Superannuation Scheme (VHSS) or the Single Public Service Pension Scheme ("the Single Scheme").

The VHSS was established by the Minister for Health in 1969 and the Hospital has administered the scheme, on behalf of the State, in relation to VHSS members, who are current or retired staff of the Hospital since this date.

The Hospital has been directed by the Department of Health/HSE to retain the VHSS contributions paid by current Hospital staff, and this has been treated as income in line with this direction. On receipt of written authorization and direction from the HSE, pension entitlements are paid to retired Hospital staff who are members of the VHSS. These pension payments are funded by the deductions retained from current staff and additional HSE revenue grant funding which is periodically adjusted by the HSE to reflect changes in the pension liabilities to be paid and the terms of the scheme.

These financial statements do not include pension liabilities and assets of those staff who are members of the VHSS as, in line with the accounting policies, the funds required to pay current pension liabilities under both schemes, as they arise in the future, will continue to be provided by the State/Department of Health. The Board has arrived at this position having taken into account a range of factors including the precedent set on the closure of certain other healthcare facilities. This issue is similar to that applying in the majority of other publicly funded hospitals.

THE ROYAL HOSPITAL OF DONNYBROOK**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

From 1 January 2013, the VHSS was effectively closed to new members and was superseded by the Single Scheme in line with its introduction across the entire public service. The single scheme is a multiemployer scheme as defined by FRS 102.

26. Related parties

Grants totaling €145,543 (2022 - €56,628) were received from Friends of the Royal Hospital Donnybrook CLG, a company related through common directorship.

The Hospital is also related through common directorships with the Royal Hospital Donnybrook Voluntary Housing Association CLG. The hospital contributed €109,628 to the costs of the Association during 2023 (2022: €162,137).

There were no other related party transactions.

27. Events since the end of the financial year

There have been no other significant or material subsequent events affecting the Hospital since the year-end.

28. Comparative Information

Certain comparative figures have been regrouped where necessary to conform with current period presentation.

29. Approval of financial statements

The Board of Management approved the financial statements on 26th September 2024.