

The Rotunda Hospital, Dublin

Financial Statements
Prepared under DOH Accounting
Standards for Voluntary Hospitals
for the year ended
31 December 2022



THE ROTUNDA HOSPITAL, DUBLIN

**REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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THE ROTUNDA HOSPITAL, DUBLIN**BOARD OF GOVERNORS**

PRESIDENT	His Excellency, The President of Ireland
VICE-PRESIDENTS	Prof. T. Matthews (Chairperson of the Board of Governors) Dr. M. Webb – RIP Aug 22 Ms. H. Prentice – Retired Jul 22 Dr. M. Keenan – Resigned Jan 22 Mr. I. Roberts Dr. Maria Wilson Browne
HONORARY TREASURER	Mr. D. Reardon
HONORARY SECRETARY	(Vacant)
MEMBERS OF THE BOARD OF GOVERNORS	* The Lord Mayor * His Grace the Archbishop of Armagh * His Grace the Archbishop of Dublin * The Dean of St Patrick’s * The Archdeacon of Dublin Prof. T. Matthews Ms. H. Prentice – Retired Jul 22 Dr. C. Buckley – Retired Oct 22 Mr. C. R. S. Christie Dr. M. Keenan – Resigned Jan 22 Dr. M. Wilson Browne Mr. J. Diviney Ms. N Gallagher Ms. L Woods Dr. M. Webb – RIP Aug 22 Dr. D. M. Abrahamson Mr. R. L. Nesbitt Dr. F. Falkiner Prof. S. Coulter Smith Mr. I. Roberts Dr. J. J. Gardiner Mr D. Reardon Prof. M. Geary Mr. S. Switzer Ms. Margaret Philbin Mr. Barry Holmes Mr. David Browne Prof. F Malone *Cllr. Darcy Lonergan * Ex-Officio Governors

THE ROTUNDA HOSPITAL, DUBLIN

OTHER INFORMATION

MASTER

Prof. S. Daly MD FRCOG FRCPI

SECRETARY

J. Hussey FCMA MSc.

HEAD OF FINANCE AND PROCUREMENT

P. Foran FCCA MSc.

DIRECTOR OF MIDWIFERY/NURSING

F. Hanrahan RN RM MSc.

SOLICITORS

Byrne Wallace
88 Harcourt Street
St Kevins
Dublin 2

BANKERS

Bank of Ireland
2 College Green
Dublin 2

AUDITOR

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

THE ROTUNDA HOSPITAL, DUBLIN

STATEMENT OF RESPONSIBILITIES OF THE BOARD OF GOVERNORS

The Board of Governors is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of The Rotunda Hospital, Dublin ("the Hospital") and of its income and expenditure for that period in respect of HSE funded activities and in the context of the Accounting Standards for Voluntary Hospitals issued by the Department of Health.

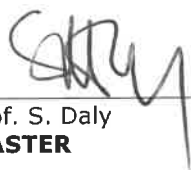
In preparing those statements, the Board is required to:

- Select suitable accounting policies for the Hospital financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- disclose and explain any material departures from applicable accounting standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Hospital will continue in existence.

The Board of Governors is responsible for the maintenance and integrity of the corporate and financial information included on the Hospital's website, for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of The Rotunda Hospital, Dublin and to enable the Board to ensure that these financial statements comply with the accounting standards laid down by the Minister for Health. The Board is also responsible for safeguarding the assets of The Rotunda Hospital, Dublin and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board of Governors


Prof. T. Matthews
CHAIRPERSON


Prof. S. Daly
MASTER

Date: _____ xxxx 04/05/2023



THE ROTUNDA HOSPITAL, DUBLIN

**CERTIFICATION OF CHAIRPERSON AND MASTER
FOR THE YEAR ENDED 31 DECEMBER 2022**

We certify that the financial statements for the year ended 31 December 2022 as set out herein are in agreement with the books of account and have been drawn up in accordance with the accounting policies of the Hospital and with the accounting standards as laid down by the Minister for Health.

The financial statements set out on pages 9 to 28, which have been prepared under the accounting policies set out on pages 9 to 11 give a true and fair view of the state of affairs of the Hospital at 31 December 2022 and of its income and expenditure and cash flow for the year then ended in respect of HSE funded activities and in the context of the Accounting Standards for Voluntary Hospitals issued by the Department of Health.

Prof. T. Matthews
CHAIRPERSON

Prof. S. Daly
MASTER

Date: xxxxxx 04/06/2023

INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE ROTUNDA HOSPITAL, DUBLIN

Report on the audit of the financial statements

Opinion on the financial statements of The Rotunda Hospital, Dublin (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 2022 and of the deficit for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework.

The financial statements we have audited comprise:

- the Non-Capital Income and Expenditure Account;
- the Capital Income and Expenditure Account;
- the Balance Sheet;
- the Cash Flow Statement; and
- the related notes 1 to 25.

The relevant financial reporting framework that has been applied their preparation is the Accounting Standards for Voluntary Hospitals issued by the Department of Health and Children in Ireland ("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, 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.

Other information

The governors are responsible for the other information. The other information comprises the information included in the financial statements prepared under Accounting Standards for Voluntary Hospitals issued by the Department of Health in Ireland other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 expected 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 expected to report that fact.

We have nothing to report in this regard.

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INDEPENDENT AUDITOR'S REPORT TO THE GOVERNORS OF THE ROTUNDA HOSPITAL, DUBLIN

Responsibilities of governors

As explained more fully in the Statement of Responsibilities of the Board of Governors, the governors are responsible for the preparation of the financial statements that give a true and fair view, and for such internal control as the governors 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 governors 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 governors 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 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.

Use of our report

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

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

Date:

THE ROTUNDA HOSPITAL, DUBLIN

STATEMENT OF ACCOUNTING POLICIES

SCOPE

The financial statements reflect the activities of the Hospital in the provision of services to patients under its funding arrangements with the HSE.

The results of certain Special Ancillary Funds and the Private Clinic, activities operated by the Governors, are excluded from these financial statements as they are not part of the activities funded by the HSE.

BASIS OF ACCOUNTING

These accounts were prepared on an accruals basis under the historical cost convention, as modified for the valuation of fixed assets, in accordance with the Accounting Standards for Voluntary Hospitals laid down by the Minister for Health. Those standards also provide that the following should be treated on a receipts and payments basis: EU Funds; Road Traffic Accidents Income; Outpatients Charges and minor Miscellaneous Incomes.

Grants from the Department of Health (DoH) are the amounts for the year allocated by the Health Service Executive (HSE).

FIXED ASSETS

All fixed asset acquisitions are capitalised in accordance with the accounting standards laid down by the DoH, regardless of the source of funds (except if it is less than €3,809 (non-IT equipment) or €1,270 (IT equipment) per item out of non-capital funds).

The basis of valuation of the hospital's fixed assets is as follows:

Buildings: Valuation or cost, less accumulated depreciation.
Equipment: Cost less accumulated depreciation.

As described in note 10, buildings are valued at Fair Value as at 31st December 2022. This is a departure from the Accounting Standards for Voluntary Hospitals which state that a Depreciated Replacement Cost valuation basis should be used for buildings. The Depreciated Replacement Cost of the buildings is not known.

DEPRECIATION

Fixed assets are depreciated in compliance with DoH accounting standards. Depreciation is not charged against the income and expenditure account. It is reflected in the capitalisation account each year and matched by an equivalent amortisation of the Capitalisation Account.

Depreciation is calculated at the following rates:

Buildings: 2.5% reducing balance
Equipment: 14.3% (7 years)
IT equipment: 33.33% (3 years)

A full year's depreciation will be charged in the year of acquisition or revaluation and no charge made in the year of disposal.

THE ROTUNDA HOSPITAL, DUBLIN**STATEMENT OF ACCOUNTING POLICIES (CONTINUED)**

CAPITALISATION ACCOUNT

The capitalisation account represents the unamortised value of funds for fixed assets.

STOCKS OF CONSUMABLE STORES

Stocks have been valued on the basis of cost with appropriate write-offs for stock which is damaged or obsolete.

Cost is based on normal levels of cost and activity and comprises cost of purchase which includes charges such as freight where appropriate. Net realisable value of stock comprises, where appropriate, the actual or estimated selling price less all selling costs.

The cost of ward stocks is charged in the income and expenditure account in the period in which it is incurred and consequently no amount is included in the balance sheet for these stocks.

SUPERANNUATION

- (a) The superannuation amounts shown are in respect of entitlements under the superannuation code and reflect charges for the year ended 31 December 2022.
- (b) VHSS Superannuation deductions from staff are treated as income of the hospital. SPSPS deductions from staff are remitted to DPER.

PATIENTS' PROPERTY

The Hospital does not hold any amounts for safekeeping on behalf of long stay patients.

INCOME AND EXPENDITURE

Income from patients (except billings to Economic Rate Debtors (ERDs)) is recognised in the financial statements when the patients are discharged. Other income and expenditure is recognised when earned or incurred and is dealt with in the income and expenditure account of the period to which it relates. Income from ERDs is recognised on a cash receipts basis because experience has shown that it is not prudent to anticipate receipt in advance.

HEALTH SERVICE EXECUTIVE (HSE) APPROVED REVENUE ALLOCATION

Grants are received from the HSE towards the net annual running costs of the Hospital. The grants, which are described in the financial statements as the "determination", are accounted for on the accruals basis to the extent that they have been approved by the HSE; otherwise they are accounted for as received.

PENSIONS**(i) Voluntary Hospitals Superannuation Scheme 1969**

The Voluntary Hospitals Superannuation Scheme applies to all employees who joined the public sector prior to January 2013. The liability in respect of pensions payable to employees who are members of this scheme has been underwritten by the Minister for Health. Contributions from employees who are members of the scheme are treated as income in accordance with the Department of Health guidelines. Pension payments under the scheme are charged to the income and expenditure account when paid.

THE ROTUNDA HOSPITAL, DUBLIN**STATEMENT OF ACCOUNTING POLICIES (CONTINUED)**

PENSIONS (CONTINUED)**(ii) Single Public Service Pension Scheme**

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

BAD DEBT PROVISION

A specific provision is held for all debtors greater than 1 year.

DESIGNATED FUNDS

Income received for specific projects and expenditure from external bodies is recognised to the extent of the expenditure being incurred, with income received in excess of this level being treated as deferred income in the balance sheet.

FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the balance sheet date.

Profits and losses arising from foreign currency translations and on settlement are dealt with through the income and expenditure account.

THE ROTUNDA HOSPITAL, DUBLIN

**NON CAPITAL INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022**

FORM 1

	Notes	2022 €'000	2021 €'000
CUMULATIVE NON-CAPITAL DEFICIT BROUGHT FORWARD FROM PREVIOUS YEAR		(245)	(83)
PAY			
Salaries	1	74,712	68,286
Superannuation and gratuities	1	7,798	6,758
		82,510	75,044
NON-PAY			
Direct patient care	1	7,908	8,582
Support Services	1	7,466	6,971
Financial and administrative	1	3,833	4,316
		19,207	19,869
GROSS EXPENDITURE FOR THE YEAR (including prior year deficit)		101,472	94,830
Income	1	(15,508)	(16,400)
DEFICIT FOR THE YEAR (including prior year deficit)		85,964	78,430
Determination - HSE notified for the year		(86,021)	(78,675)
CUMULATIVE DEFICIT / SURPLUS CARRIED FORWARD TO FOLLOWING YEAR		(57)	(245)

With the exception of fixed asset depreciation, which is dealt with through the Capitalisation Account, all recognised gains and losses FOR THE YEAR ENDED 31 DECEMBER 2022 have been included in the Non Capital Income and Expenditure account.

The surplus in both years arises from continuing operations.

The financial statements, which include the accounting policies and notes, were drawn up in compliance with the accounting policies of the Hospital and Accounting Standards for Voluntary Hospitals, other than as noted on pages 9 to 11, issued by the Department of Health and were approved by the Board of Governors on ~~xxx~~ 04/05/2023

On behalf of the Board of Governors



Prof. T. Matthews
CHAIRPERSON



Prof. S. Daly
MASTER

THE ROTUNDA HOSPITAL, DUBLIN

**CAPITAL INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022**

FORM 2

	Note	2022	2021
		€'000	€'000
CAPITAL INCOME SOURCES			
HSE – Capital grant	8	(2,744)	(1,848)
HSE – Charge on non-capital income and expenditure account	9	(1,101)	(1,107)
Transfer from Rotunda Foundation		(149)	-
Transfer from Rotunda Ancillary		(45)	(3,648)
TOTAL CAPITAL INCOME		(4,039)	(6,603)
CAPITAL EXPENDITURE: CAPITALISED			
Buildings	10	1,235	3,763
Equipment - Capital	10	832	1,217
CAPITAL EXPENDITURE: CAPITALISED		2,067	4,980
Increase in deferred capital expenditure		1,972	1,623
TOTAL CAPITAL EXPENDITURE		4,039	6,603
Opening (surplus) / deficit from previous year		-	-
CLOSING (SURPLUS)/DEFICIT CARRIED FORWARD TO FOLLOWING YEAR		-	-

The financial statements, which include the accounting policies and notes, were drawn up in compliance with the accounting policies of the Hospital and Accounting Standards for Voluntary Hospitals, other than as noted on pages 9 to 11, issued by the Department of Health, and were approved by the Board of Governors on ~~xxxx~~ 04/05/2023

On behalf of the Board of Governors



Prof. T. Matthews
CHAIRPERSON



Prof.. S. Daly
MASTER

THE ROTUNDA HOSPITAL, DUBLIN

**BALANCE SHEET
AS AT 31 December 2022**


FORM 3

	<i>Note</i>	2022 €'000	2021 €'000
FIXED ASSETS			
Tangible assets	10	76,070	75,825
		76,070	75,825
CURRENT ASSETS			
Debtors	11	17,632	14,749
Stocks	12	1,273	993
Bank and cash		36	847
		18,941	16,589
CREDITORS: (Amounts falling due within one year)			
Creditors	13	14,968	15,209
Bank overdraft	14	2,281	936
		17,249	16,145
NET CURRENT ASSETS			
		1,692	444
TOTAL ASSETS LESS CURRENT LIABILITIES			
		77,762	76,269
CREDITORS: (Amounts falling due after more than one year)			
	13	1,635	199
NET ASSETS			
		76,127	76,070
CAPITAL AND RESERVES			
Non-capital income and expenditure account		57	245
Capitalisation account	15	76,070	75,825
		76,127	76,070

The financial statements, which include the accounting policies and notes, were drawn up in compliance with the accounting policies of the Hospital and Accounting Standards for Voluntary Hospitals, other than as noted on pages 9 to 11, issued by the Department of Health, and were approved by the Board of Governors on ~~xxx~~ 04/05/2023

On behalf of the Board of Governors


Prof. T. Matthews
CHAIRPERSON


Prof. S. Daly
MASTER

THE ROTUNDA HOSPITAL, DUBLIN

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

FORM 4	<i>Notes</i>	2022 €'000	2021 €'000
Net cash (outflow)/inflow from operating activities	16	(2,288)	1,323
Returns on investments and servicing of finance			
Interest paid		(26)	(36)
Net cash outflow from returns on investments and servicing of finance		(26)	(36)
Capital expenditure			
Expenditure from HSE capital		(1,152)	(1,465)
Expenditure from HSE capital – Feasibility Study		(338)	-
Payments, from non-capital, re acquisition of fixed assets		(1,108)	(3,514)
Net cash outflow from capital expenditure		(2,598)	(4,979)
Net cash outflow before financing		(4,912)	(3,692)
Financing			
HSE capital grant received		2,744	1,848
Other grants received / receivable		13	3,647
Net cash (outflow) / inflow from financing		(2,155)	1,803
Net cash (outflow) / inflow		(2,155)	1,803
(Decrease) / Increase in cash in hand and bank balances	18	(2,155)	1,803
Changes in net (debt) / funds		(2,155)	1,803

THE ROTUNDA HOSPITAL, DUBLIN

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

1 NON-CAPITAL INCOME AND EXPENDITURE – DETAILS

	2022	2021
	€'000	€'000
Pay		
Management / administration	9,393	8,459
Medical / dental	20,376	18,576
Nursing	31,870	29,448
Paramedical	6,693	5,833
Catering and housekeeping / support services / porters	5,926	5,617
Maintenance and technical	454	353
	74,712	68,286
Pension and refunds	6,242	5,273
Gratuities / lump sums	1,556	1,485
	7,798	6,758
Total pay	82,510	75,044
Employee remuneration exceeding €73,941	2022	2021
	Number	Number
Number of whole time equivalents	117	112
Non-pay		
Direct patient care		
Drugs and medicine	2,076	1,929
Blood / blood products	579	597
Medical gases	187	190
Medical and surgical supplies & CSSD	3,839	4,256
Other medical equipment	1,227	1,610
	7,908	8,582
Support services		
X-Ray / imaging supplies / contracts on	344	235
Laboratory equipment	2,983	3,175
Catering equipment	605	521
Heat, power and light	571	545
Laundry, cleaning and washing – supplies contracts	1,304	1,176
Furniture, crockery and hardware	175	191
Bedding and clothing	95	80
Maintenance materials supplies – contracts on	907	582
Travel and subsistence	482	466
	7,466	6,971

THE ROTUNDA HOSPITAL, DUBLIN
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

1. NON-CAPITAL INCOME AND EXPENDITURE – DETAILS (CONTINUED)

	<i>Notes</i>	2022 €'000	2021 €'000
Financial and administrative			
Bank interest			
Bank interest and charges		26	36
		26	36
Other			
Insurance	2	127	143
Audit		66	98
Legal		80	26
Office expenses (rent, rates etc.)		790	790
Office supplies – contracts on		123	130
Computer equipment		587	789
Professional services		266	322
Bad debts (recovered)/written off		(140)	147
Miscellaneous expenses	3	1,907	1,836
		3,806	4,280
Total financial and administrative		3,832	4,316
Total non-pay		19,206	19,865
Total gross expenditure		101,716	94,910
Income			
Patient income			
In-patient	4	10,301	11,237
Day case	4	489	413
		10,790	11,650
Superannuation		3,798	3,595
Canteen receipts		363	353
Other income (non-capital)	5	557	802
		4,718	4,750
Total income		15,508	16,400
Net expenditure		86,208	78,510

THE ROTUNDA HOSPITAL, DUBLIN

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

2. INSURANCE	2022	2021
	€'000	€'000
Public liability	5	5
Employers' liability	18	17
Property	64	59
Other	40	62
	127	143
3. MISCELLANEOUS EXPENSES	2022	2021
	€'000	€'000
Security	491	527
Membership / subscription etc.	152	77
Education / training	228	129
Marketing and advertising	53	38
HARI cryopreservation	260	260
Library costs	104	158
Language translations	138	95
Health & Safety	170	110
Other	311	442
	1,907	1,836
4. ANALYSIS OF PATIENT INCOME	2022	2021
	€'000	€'000
In-Patient		
Statutory in-patient charges	108	60
Private / semi-private	10,193	11,177
	10,301	11,238
Other		
Day case	489	413
Total patient income	10,790	11,650

THE ROTUNDA HOSPITAL, DUBLIN
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	€'000	€'000
5. OTHER INCOME (NON-CAPITAL)		
Laboratory fees	148	182
Private clinic SLA	150	150
RCSI SLA	60	60
Sundries	199	410
	557	802
6. SUMMARY PAY ANALYSIS		
	2022	2021
	€'000	€'000
Basic pay	63,646	57,517
Overtime	2,828	2,840
Weekend and other pay	6,669	5,192
Night duty	1,416	1,428
Oncall / standby	1,004	1,006
PRSI employer	6,740	6,944
Agency	207	117
	82,510	75,044
7. RECONCILIATION OF EXPENDITURE TO COST OF SERVICES (MEMO ONLY)		
	2022	2021
	€'000	€'000
Net expenditure – current year	86,208	78,510
Deduct:		
Purchase of equipment from non-capital (Note 10)	(1,101)	(1,107)
Total deductions	(1,101)	(1,107)
Sub-total	85,107	77,403
Add back:		
Depreciation charge for the year (Note 15)	3,118	3,045
Running cost of services	88,225	80,448

THE ROTUNDA HOSPITAL, DUBLIN

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

**8. STATEMENT OF ADVANCES AND BALANCES DUE
FROM HSE NON-CAPITAL AND CAP
SERVICES (MEMO ONLY)**

	2022 €'000	2021 €'000
Non-capital		
Total approved non-capital determination for the year	86,021	78,675
Balance due from HSE re previous year as at 1 January excluding capital	10,566	8,820
Less: remittances from HSE non-capital	(84,880)	(76,929)
Total balance of approved non-capital determinations due from HSE	11,707	10,566
Capital		
Total capital grants notified by HSE	2,744	1,848
Less: remittances from HSE capital	(2,744)	(1,848)
Total balance of capital grants due from HSE	0	0
Gross total due from HSE capital and non-capital	11,707	10,566

**9. PURCHASE OF EQUIPMENT FROM NON-CAPITAL
ACCOUNT (CAPITALISED)**

	2022 €'000	2021 €'000
Other medical equipment	950	236
Laboratory equipment	54	92
Catering equipment	32	7
Computer equipment	35	620
Other equipment	30	152
	1,101	1,107

THE ROTUNDA HOSPITAL, DUBLIN
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**
10. SCHEDULE OF FIXED ASSETS AND DEPRECIATION

		Buildings €'000	Equipment €'000	Total €'000
Cost @ 01/01/22		126,974	13,411	140,385
Additions	Capital	321	831	1,152
	Non capital	914	1,296	2,210
Disposals		-	(1,347)	(1,347)
Cost @ 31/12/22		128,209	14,191	142,400
Accumulated depreciation @ 01/01/22		55,524	9,035	64,559
Charge for year		1,817	1,301	3,118
Disposals		-	(1,347)	(1,347)
Accumulated depreciation @ 31/12/22		57,341	8,989	66,330
Net book value @ 31/12/22		70,868	5,202	76,070
Net book value @ 31/12/21		71,450	4,376	75,825

Included in the cost or valuation of buildings are assets totalling €71,450,000, which represents the value to the hospital of buildings as determined by Lisney, external valuers at 31st December 2021. These assets were valued at fair value at 31st December 2022.

As described on page 8, the valuation basis used for buildings is a departure from the Accounting Standards for Voluntary Hospitals.

Fixed assets which have been funded by the Minister for Health which are reflected above may not be disposed of or applied to any other purpose without the Minister's prior consent.

With effect from 20th August 2012 the Health Service Executive is entitled to request security on assets acquired through capital grant funding in excess of €100,000. A Deed of Charge of €1.8m for assets in use at 31st December 2022 is in place for whichever is the earlier of:

- a period of 30 years, or
- until the asset is fully depreciated, or
- until the asset is sold.

THE ROTUNDA HOSPITAL, DUBLIN
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

11. DEBTORS	2022	2021
	€'000	€'000
HSE – revenue grants due	11,707	10,566
HSE – capital grants due	-	-
HSE debtors (Note 8)	11,707	10,566
Patient (closing ledger balance)	2,191	3,184
Less: provision for bad and doubtful debts	(246)	(386)
	1,945	2,798
Prepayments	1,558	830
Ancillary inter company (Note 21)	711	556
Lump Sums – Chargeable Excess Tax	1,711	-
Non-HSE debtors	5,925	4,184
Total debtors	17,632	14,749

Included in prepayments is an amount of €550,000 due from the Rotunda Ancillary Fund which was subsequently settled and paid in full post year end.

12. STOCKS	2022	2021
	€'000	€'000
Drugs and medicines	438	143
Blood and blood products		
Medical and surgical supplies	426	393
Sterile supplies	7	21
-Pathology	364	362
Laundry / cleaning	28	23
Bedding / clothing	6	4
Office supplies and equipment	2	44
Computer supplies	2	3
	1,273	993

THE ROTUNDA HOSPITAL, DUBLIN
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. CREDITORS	2022	2021
	€'000	€'000
<i>Amounts falling due within one year</i>		
Creditors – capital	2,477	1,223
Creditors – non-capital	5,406	6,686
PAYE and PRSI	4,000	4,067
Wages and salaries	2,991	3,234
Ancillary inter company (Note 25)		
Lump Sums – Chargeable Excess Tax	94	-
	14,968	15,209
<i>Amounts falling due after more than one year</i>		
Wages and salaries	18	198
Lump Sums – Chargeable Excess Tax	1,617	-
	1,635	198
14. BANK LOANS AND OVERDRAFTS		
	2022	2021
	€'000	€'000
<i>Amounts falling due within one year</i>		
Bank overdraft	2,281	936
15. CAPITALISATION ACCOUNT		
	2022	2021
	€'000	€'000
Balance at beginning of year	75,825	87,017
Additions		
Capital expenditure	1,152	1,465
Non-capital expenditure	2,210	4,621
Disposals	(1,347)	(4,446)
Sub-total additions	77,840	88,657
Less:		
Depreciation for the year	3,117	3,045
Disposals	(1,347)	9,787
Sub-total deductions	1,770	12,832
Balance at year end	76,070	75,825

THE ROTUNDA HOSPITAL, DUBLIN

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

16. NOTE TO THE CASH FLOW STATEMENT

	2022	2021
	€'000	€'000
Deficit (non-capital)	57	245
Add back deficit brought forward	(245)	(83)
(Deficit) /surplus for the current year	(188)	162
Add back net interest expense	26	36
Add back fixed-asset additions from non-capital	1,101	1,107
Increase in stock	(281)	(92)
Increase in HSE debtors (non-capital)	(1,140)	(1,746)
Increase in non-HSE debtors	(1,743)	(1,770)
(Decrease)/ in non-capital creditors	(63)	3,626
Net cash (outflow)/inflow from operating activities	(2,288)	1,323

17. ANALYSIS OF CHANGES IN NET DEBT

	At 01-Jan 2022 €'000	Cashflow €'000	At 31-Dec 2022 €'000
Cash at bank and in hand	847	(811)	36
Bank Overdraft	(936)	(1,344)	(2,280)
Net funds	(89)	(2,155)	(2,244)

**18. RECONCILIATION OF NET CASH INFLOW
TO MOVEMENT IN NET DEBT**

	2022	2021
	€'000	€'000
(Decrease) / Increase in cash in the year	(2,155)	1,803
Changes in net (debt)/funds	(2,155)	1,803
Net debt at beginning of year	(89)	(1,892)
Net debt at end of the year	(2,244)	(89)

THE ROTUNDA HOSPITAL, DUBLIN**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

19. SCOPE OF THE FINANCIAL STATEMENTS

The financial statements reflect the activities of the Hospital in the provision of services to patients under its funding arrangements with the HSE with over 50% funding coming from Exchequer Funding.

The results of certain Special Ancillary Funds and the Private Clinic, activities operated by the Governors, are excluded from these financial statements as they are not part of the activities funded by the HSE.

20. RETIREMENT BENEFITS

The Voluntary Hospitals Superannuation Scheme applies to all employees who joined the public sector prior to January 2013. The liability in respect of pensions payable to employees who are members of this scheme has been underwritten by the Minister for Health. Contributions from employees who are members of the scheme are treated as income in accordance with the Department of Health guidelines. Pension payments under the scheme are charged to the income and expenditure account when paid.

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

A minority of staff are members of the Rotunda Hospital Pension Scheme, a defined benefit scheme. At the date of the last full actuarial funding certificate, 1 February 2020, the scheme had 3 active members and assets of €2,514,000 and an accrued deficit of €275,000. The scheme satisfies the funding standard provided for in Section 44(1) of the Pensions Act, 1990 and also the Funding Standard Reserve as specified in Section 44 of The Pensions Act, 1990.

No provision has been reflected in the event of any shortfall that might arise on this scheme.

THE ROTUNDA HOSPITAL, DUBLIN
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

21. RELATED PARTY TRANSACTIONS

These financial statements do not reflect the results of certain Special Ancillary Funds and the Private Clinic.

During 2021 an amount of €154,406 (2021: €151,266) was charged by the Hospital to the Ancillary Funds and the Private Clinic in respect of services provided. A further net amount totalling €244,054 was charged by the Hospital to the Ancillary Funds (2021: €352,534) was charged by the Hospital to the Ancillary Funds in respect of funding of strategic services paid for by the Ancillary Funds. During the year, €244,000 (2021: €3,500,000) was transferred from the Ancillary Funds to the Hospital. At 31 December 2021 €710,665 was due to the Hospital from the Ancillary Funds (2021: €556,205) was due to the Hospital from the Ancillary Funds).

The Hospital also receives support from The Rotunda Foundation, previously known as Friends of the Rotunda, a company limited by guarantee which has its own separate board. Its purpose is to fundraise on behalf of the Hospital, in order to fund and gift additional equipment and support services for the Hospital and also improved amenities for patients, their families and staff. The Rotunda Foundation provided general funding to the Hospital of €237,216 (2021: general funding €33,649).

THE ROTUNDA HOSPITAL, DUBLIN

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

22. GOING CONCERN

The financial statements have been prepared on the going concern basis. The Hospital is funded by means of an annual revenue allocation from the Health Service Executive ("HSE") via the RCSI Hospital Group ("Royal College of Surgeons in Ireland Hospital Group"). The 2022 deficit of €188,000 (2021: surplus of €161,000) has resulted in the accumulated surplus now being €57,000 (2021: surplus €245,000) and The Hospital has a net current assets position of €1.692m (2021: net current asset position of €444,000) at 31 December 2022.

The Hospital's current revenue allocation for 2023 is €84.085m. This compares to our full year total funding of €86.021m in 2022. This presents a challenge to management to maintain service at current level of funding and to achieve a breakeven position. Cost containment measures have been put in place by management and discussions are on-going with the RCSI Hospital Group in relation to the funding issues.

The Hospital is dependent on the Health Service Executive (HSE) to fund its activities and the on-going support of the HSE at an appropriate level is fundamental to the Hospital's ability to continue as a going concern. The HSE has not given any indication that it will withdraw its financial support from the hospital in the foreseeable future. Management have reviewed the level of activity and costs of the Hospital and have drawn up plans to deal with the issues associated with current cost and funding pressures. The Hospital is liaising closely with the RCSI Hospital Group and the HSE in order to ensure the hospital is appropriately resourced to ensure the health and safety of our staff, patients and visitors to the hospital.

The board members, having reviewed forecasts, funding and cash flow projections, have prepared the financial statements of the Hospital on a going concern basis on the assumption that each year the HSE will continue to provide adequate financial support in the foreseeable future to fulfil the Service Level Arrangement.

THE ROTUNDA HOSPITAL, DUBLIN
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

23. CAPITAL COMMITMENTS

At 31 December 2022 the Hospital had capital commitments of €149,650 (2021: €1.426 million).

24. BOARD MEMBERS' FEES AND CHIEF EXECUTIVE OFFICER'S SALARY

	2022 €	2021 €
Board Members' fees		
Reimbursement of expenses paid to Board Members	-	-
Fees paid to Board members (Note 24(a))	-	-
Chief Executive Officer's salary (Master)		
Basic and allowances- as per DOH salary scales (Note 24(b)) –	433,839	403,471
Travel and subsistence	1,294	1,922
	<u>435,133</u>	<u>405,393</u>

Note 24 (a)

Board Members do not receive remuneration in respect of their position on the Hospital's Board but can be reimbursed for vouched expenses where approved and appropriate

Note 24 (b)

The Chief Executive Officer's superannuation arrangements conform to the standard entitlements in the model public sector superannuation scheme.

25. POST BALANCE SHEET EVENT

Further to Note 20 (Retirement Benefits) a notice of cessation of premiums has been issued to the trustees and the scheme will be wound up in 2023. In an actuarial update from Invesco (the scheme actuaries) in January 2023 the scheme had a surplus of €70,000.

No provision has been reflected in the event of any shortfall that might arise on this scheme.