

**Registered Charity Number: 20002077**

**INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**  
**(A COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

**INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**  
**(A COMPANY LIMITED BY GUARANTEE)**

**CONTENTS**

|   | Page    |
|---|---------|
| Reference and administrative details of the Company, its Non-Executive Directors and advisers | 1       |
| Directors' report   | 2 - 8   |
| Independent auditors' report on the financial statements                                      | 9 - 11  |
| Statement of financial activities   | 12      |
| Balance sheet   | 13      |
| Statement of cash flows   | 14      |
| Notes to the financial statements   | 15 - 32 |

**INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**  
**(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS  
NON-EXECUTIVE DIRECTORS AND ADVISERS**

*FOR THE YEAR ENDED 31 DECEMBER 2024*

|   |  |
|---|--|
| <b>President</b>  | Mr Maurice Collins, (Non-Director)   |
| <b>Non-Executive Directors</b>                            | Mr John Byrne (appointed 27 March 2024)<br>Ms Eimear Christian<br>Ms Johanna Doyle (appointed 25 March 2025)<br>Ms Patricia Egan (resigned 5 December 2024)<br>Mr Aidan Gleeson, Chairperson<br>Ms Emma Horgan<br>Ms Anne Jackson<br>Mr Ken Jordan<br>Tommy MacDonnell (appointed 15 March 2025)<br>Ms Celine McGillicuddy<br>Thomas McGrath (appointed 25 February 2025)<br>Nicola McGuinness (appointed 18 January 2025)<br>Ms Sinead Murray (resigned 27 February 2025)<br>Mr Anthony O'Connor (resigned 5 July 2024)<br>Dr Mairead Phillips<br>Ms Geraldine Regan, Deputy Chair<br>Ms Ailish Sherlin (resigned 26 March 2024)<br>Mr Desmond Stark (resigned 1 January 2025)<br>Mr William Whitford |
| <b>Company registered number</b>                          | 2346   |
| <b>Charity revenue number / Registered charity number</b> | 1370<br>20002077   |
| <b>Registered office</b>                                  | Blackheath Park<br>Clontarf<br>Dublin 3  |
| <b>Principal operating office</b>                         | Blackheath Park<br>Clontarf<br>Dublin 3  |
| <b>Company secretary</b>                                  | Ms Michelle Fanning  |
| <b>Chief executive officer</b>                            | Ms Michelle Fanning  |
| <b>Independent auditors</b>                               | Azets Audit Services Ireland Limited<br>3 <sup>rd</sup> Floor, 40 Mespil Road, Dublin 4. D04 C2N4  |
| <b>Bankers</b>  | Bank of Ireland<br>College Green<br>Dublin 2   |

# INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND

## (A COMPANY LIMITED BY GUARANTEE)

Solicitors

Fieldfisher, The Capel Building, Mary's Abbey, Dublin 7

### Directors Report 31 December 2024

The Directors present their annual report together with the audited financial statements of the Incorporated Orthopaedic Hospital of Ireland operating as Clontarf Hospital (the Company) for the year ended 31 December 2024. The Directors confirm that the Annual Report and financial statements of the Company comply with the current statutory requirements, the requirements of the Company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

### DIRECTORS RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the directors' report and the financial statements in accordance with applicable laws and regulations. Under law the Directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and the Financial Reporting Standard 102 'the Financial Reporting Standard applicable in the UK and Republic of Ireland.'

Company law and the Charities Act 2009 require the Directors to prepare financial statements for each financial year. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable Irish Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company that enables them to ensure that the financial statements comply with the Companies Act 2014. They are also responsible for safeguarding the assets of the charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

### STRUCTURES, GOVERNANCE and MANAGEMENT

#### Structure

Clontarf Hospital is an Irish Company incorporated under the Companies Acts 2014 on the 21 April 1899 and registered as a Charity on 11 August 1925. It is a Company limited by guarantee and does not have a share capital. The principal objective of the Company is the provision of healthcare rehabilitation services and operates under Section 38 of the Health Act 2004.

#### Governance and Management

Clontarf Hospital is governed by a voluntary Board of Directors who are elected under the terms of the hospital's Constitution. The Directors met 8 times during 2024 where there were set agendas to address all aspects of the hospital's business. The Agendas and Minutes are filed on all Board meetings. Conflict of interest is a standing agenda item at each Board meeting. There was no new Conflict of Interests registered in 2024. The Conflict of Interest registered in 2022 was removed from the register upon resignation of the Member in July 2024.

The Board of Directors are elected by the Members of the Incorporated Orthopaedic Hospital of Ireland at Annual General Meetings. In the interim the Board have the power to appoint directors until the next Annual General Meeting. There were three resignations in 2024 and recruitment for new members commenced following a review of the Board's skill mix and expertise at the time of the resignations. There was one new director elected to the Board in 2024 and co-opted at the June

# **INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**

## **(A COMPANY LIMITED BY GUARANTEE)**

2024 AGM. The Board have a suite of policies and procedures for the recruitment of new directors. The nomination and selection of new directors is the prerogative of Board members through an election process at the Annual General Meeting. The Directors take responsibility for having an appropriate mix of expertise and experience to meet the interests of patients and the safe delivery of services as well as the business needs of the hospital.

Following appointment all new directors complete an induction and training programme to familiarise themselves with the company and so as to be able to participate and contribute fully. Ongoing education and training were available to directors throughout the year on various topics which included such themes as governance seminar and ICT cybersecurity. A half day Board seminar was held on site in October and the themes included the new HSE Regional Healthcare Areas, the Sláintecare Principles and Fundraising.

The Directors ensure that the activities of the hospital are consistent with its objectives and the organisation's Mission Statement is placed on the top of the Board agendas. The Board maintained their compliance with robust corporate and clinical governance procedures across the hospital throughout the year supported by the Chief Executive Officer (CEO) and the Executive Management Team (EMT). The roles of the Board of Directors and the CEO are well defined and the Board delegated day-to-day operations to the CEO, who with the support of the EMT, worked together throughout the year to achieve the hospital's strategic objectives and the day-to-day delivery of a safe quality driven rehabilitation healthcare service. In line with good governance the Board of Directors completed a self-appraisal of their 2024 performance and are satisfied that the Board, supported by its committees, is exercising its governance role effectively at Clontarf Hospital. An external Board Appraisal is due in 2025.

The Hospital has financial policies and procedures in place relevant to organisational needs and risk levels. Financial policies and procedures are drafted in line with the requirements in the Health Service Executive (HSE) National Financial Regulations. These are being reviewed in line with the HSE's NFRs issued in January 2023. To address and support the internal control systems the Board have set out five Board subcommittees (i) Audit Committee (ii) Finance Committee (iii) Quality and Safety Committee (iv) Governance Remuneration and Nominations Committee and (v) an Ethics Committee. The Committees are chaired by Directors with expertise in these areas and supported by members of the Executive Management Team. The Committees report to the Board on a quarterly basis or more often if required on their activities.

As a publicly funded body the Hospital is required to comply with Public Pay Policy. Board members did not receive any remuneration in respect of their services to Clontarf Hospital in 2024. The CEO, the EMT and all employees are remunerated in compliance with the Department of Health Consolidated Pay Scales.

## **OBJECTIVES, STRATEGY AND ACTIVITY**

### **Objectives**

The hospital's Constitution states that the main objective is:

To own, manage, and operate a hospital providing health services, particularly orthopaedic and rehabilitation treatment and care and other services and care as may be determined by the Board of Governors, based on principles of good corporate governance, risk assessment, and the prudent application of available financial and other resources.

### **Strategy**

The Directors are aware that the World Health Organisation estimate that 2.4 billion people are currently living with a health condition that may benefit from rehabilitation and that this is predicted to increase due to changes in health and characteristics of the population with people living longer but with more chronic disease and disability. The Directors are aware that the census predicts a significant increase in the aging population, particularly in Dublin North City and County where the hospital is located, and that this will place ongoing demands on the hospital's rehabilitation services into the future. Ongoing investment in rehabilitation services is vital to enable rehabilitation service providers meet the increasing medical and rehabilitation care needs of the Irish population.

The Directors were satisfied that the current Strategic Plan 2019 - 2024 had been implemented as far as reasonably possible and within funding resources. As the lifespan of the strategic plan was coming to an end the Board were cognisant that a new strategic plan was necessary to guide and direct the hospital's services over the next four years. To this end the Board, management and staff worked during the latter part of 2024 to draft a new Strategic Plan.

To ensure that the strategic plan was reflective of the community in which the hospital operates a strategic consultancy service was engaged to assist on behalf of the Board and management team. Collaborating together the hospital engaged extensively with all its stakeholders through interviews and workshops and assessed both the internal and external hospital

# INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND

## (A COMPANY LIMITED BY GUARANTEE)

environments in which the hospital operates using SWOT and PESTLE methodology to understand factors influencing Clontarf Hospital and its services. The feedback from stakeholders and a review of past successes informed the development of the strategic plan and set out five clear objectives for the next 4 years. They are: (i) to enhanced the delivery of high-quality, person-centred rehabilitation services underpinned by a robust clinical governance structure (ii) to improve patient access to rehabilitation services aligned with a population-based needs approach (iii) to continue to build and enhance the Hospital's workforce resources to meet current and future service demands (iv) to instigate a programme to develop the Hospital as a clinical research partner in rehabilitation medicine and (v) to strengthen the Hospital's reputation as a centre of excellence in rehabilitation services through a rebranding and promotional campaign. In December 2024 the new Strategic Plan 2025-2029 was presented and approved by the Board of Directors.

Having set out a new strategic plan the Board and Executive Management Team also reviewed the organisation's Mission Statement, Vision and Values and made some minor changes to reflect the changing environment in which the hospital now operates in. Our Mission now states; - "to provide patients with timely access to personalised, innovative and effective rehabilitation care allowing them to achieve their optimum level of independence, health and wellbeing in their communities". As the largest rehabilitation hospital in Ireland our Vision is to be a centre of excellence in rehabilitation patient care supported by skilled and caring staff. This is very much in line with national healthcare policy to provide care closer to patient's homes and communities and away from acute hospital care (i.e., Sláintecare Principles). Staff reflected on Values and after much deliberation the following Values were adopted:

### Person Centred

At Clontarf Hospital we care for our patients, their families and staff in ways that are meaningful and valuable to the individual patient, ensuring that they are well informed, involved and supported on their rehabilitation journey.

### Integrity

We work in an honest, transparent and professional manner.

### Trust

We strive to build trust with our patients, their families, our staff and our partner hospitals through open, honest and collaborative relationships.

### Mutual Respect

We are committed to mutual respect between patients, staff and all who visit the Hospital, as well as respect for our environment and for sustainability.

### Compassion

We understand and empathise with the unique experiences that have brought each individual patient and their family into our care, without making judgements or assumptions.

The HSE's reorganisation of health services commenced in 2024 with the recognition of 6 new Regional Healthcare Areas bringing hospital and community services together to provide a more person-centred approach to healthcare delivery. It is also expected to move care closer to people's homes and communities. Clontarf Hospital is now located in Healthcare Region Dublin and North East and, being community based, will be very much a part of ensuring rehabilitation services meet the needs of the population we serve in line with our strategic objectives. The Dublin and North East Region has four Integrated Healthcare Areas (IHA) and the hospital will sit within IHA Dublin North City and West.

As always, funding remains key to implementing our strategic objectives. We are seeing patients requiring more complex and intense rehabilitation and medical treatment as well as having higher dependency care needs that we need to be able to meet. However, costs are driven up annually due to pay increases, inflation, regulation and increase in activity and our annual HSE allocation needs to meet these increases.

## ACHIEVEMENTS AND PERFORMANCE

The primary aim of our activity is to provide rehabilitation treatment so that people can overcome the obstacles of trauma, disability, frailty, illness and chronic disease and return to living as healthy and as independently as possible so that they can participate in everyday activities. While providing much needed rehabilitation for people following illness or trauma it also has the additional benefit of relieving pressure on acute hospital beds and frontline services as well as reducing demand on long term care/residential facilities.

# **INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**

## **(A COMPANY LIMITED BY GUARANTEE)**

As the largest rehabilitation hospital in Ireland the Directors have approved the 6 rehabilitation pathways to meet patient care needs. There are two rehabilitation pathways for older persons one for the Mater Hospital and one for Beaumont Hospital; an orthopaedic rehabilitation pathway for all the acute hospitals in the Greater Dublin Area as well as Cappagh Hospital; a specialist rehabilitation pathway for Beaumont Hospital; and an integrated care pathway from the Mater Hospital and our local community. A pilot programme for Trauma Rehabilitation Care with the Mater Hospital was introduced in September 2024 to see if the hospital can provide effective post trauma rehabilitation. The early review of data indicates that the pathway is working successfully and will be kept under review during 2025. The Directors also approved the management team's response to the HSE in January 2024 to provide additional bed capacity to facilitate their Winter Urgent and Emergency Care Plan and the hospital was happy to provide the extra capacity with the additional funding provided by the HSE. These beds remained operational for most of 2024.

The data from the census indicated that this demand will continue to increase over the next 35 years. We know that the Dublin and North East (DNE) Health Region serves the largest population in Ireland with just under 1.2 million people. To this end the hospital worked proactively and collaboratively with external stakeholders to develop services to meet increasing demands, especially in the Dublin North City and County region where a high level of the population are over 80 years of age and where the regional major trauma centre is being implemented at the Mater Hospital.

### **Activities**

The Directors are pleased at the year-on-year increase in activity levels since the ease of infection prevention and control measures in 2022. During 2024 there was an 11% increase in activity with 1,586 admissions, length of stay continues to reduce with an average length of stay in 2024 at 31.1 days down from 32.2 days in 2023 and down from 36.4 days in 2022. Activity in the x ray department rose significantly in 2024 with 1,021 inpatients and 1,721 outpatients x rayed with a total of 3,537 x rays completed. This relieved pressure on the x ray department in Beaumont Hospital and facilitates local GPs with outpatient x ray facilities. It is hoped that with the new strategy additional capacity will be available in the department in coming years. Importantly, activity in the health and social care departments rose in line with the increase hospital activity and the number of rehabilitation treatments available to patients rose, especially those in the hospital's smaller dietetics and speech and language departments where additional resources were available through the additional HSE funding.

### **Quality Safe Care**

The most important elements of providing healthcare services are patient safety. This is the top priority for the Directors as they are aware of the frail elderly vulnerable adult population admitted to the hospital. To this end the Directors receive quality and safety reports at each Board meeting throughout the year as well as quarterly reports from the Board Subcommittee on Quality and Safety. The hospital's risk management procedures are clearly set out and are aligned to the HSE Enterprise Risk Management Policy introduced in 2023. The Quality Improvement (QI) manager completed the annual QI programme and supported Line Managers in their QI initiatives. Clinical audit and patient satisfaction surveys also drove QI projects during the year to continuously improve on service delivery. External inspections assist the hospital in determining the quality of services being provided. To this end the HIQA 2023 Inspection (published March 2024) indicated a high degree of compliance against the National Standards for Safer better Healthcare (HIQA 2012). The outstanding recommendations to be implemented await funding and approval from the HSE.

In December 2024 the hospital had an unannounced HIQA inspection and as we write the Directors Report for the 2024 Financial Statements the inspection report is awaited. The Directors are aware that at the close out meeting between the inspectors and the hospital's management team no serious concerns were noted. It will be the intention of the Directors to ensure that any recommendations made will be implemented by the management team for the benefit of patients.

Challenges remained throughout 2024 in minimising and safely managing the effects of respiratory viruses and other transmissible diseases. Notwithstanding the relaxation of Covid-19 precautions nationally, staff and management remained vigilant in minimising outbreaks by actively screening for specific infections prevalent in hospitals and in our communities. There are daily processes in place to monitor and manage infections so as to keep patients safe as possible. There were no hospital wide outbreaks during the year. However, there were seven ward contained Covid-19 outbreaks. The containment of these outbreaks is mainly due to the high quality of the care delivered by staff. Overcoming these challenges is a true reflection of the commitment of all staff, both clinical and support staff in delivering a high-quality safe healthcare service.

### **Environmental Social Governance (ESG)**

The Board placed sustainability on its agenda in 2023 and continued during 2024 to address its ESG obligations under the Public Sector Climate Action Plan 2023 – 2025. This calls for a 51% reduction in energy related greenhouse gas emissions,

# INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND

## (A COMPANY LIMITED BY GUARANTEE)

a 50% improvement in energy efficiency and space heating to be 50% renewable energy. The latest Sustainability and Energy Authority of Ireland (SEAI) 2023 Annual Report on Public Sector Energy Performance reports that the hospital has achieved an overall 43% reduction in energy consumption and a 21% reduction in CO<sub>2</sub> emissions since baseline and that we are on target to meet the 2030 targets. The 2024 report is awaited. The Directors are aware that there is a need for the hospital to move away from fossil fuels and towards more renewable energy sources and plans are being put in place to achieve this. A feasibility study has been undertaken, in collaboration with HSE Estates, for the installation of PV Panels and it is hoped to go to tender in 2025 for the procurement and installation of the panels. The hospital project on LED lighting made significant steps to having the whole hospital LED lighted. All external areas, hospital corridors, the administration building and the nurse's residence all have LED lighting installed. This is expected to reduce energy consumption as well as costs. Work on water stewardship and waste management is being considered for 2025 as well as re-energising the hospital's Green Committee.

### Information Communication Technology (ICT)

The Board continue to monitor the implementation of the hospital's ICT strategy aimed at improving the hospital's ICT security, infrastructure and connectivity into the future. To this end funding was received from the HSE and the implementation of the strategy continued during 2024. The work completed in 2024 and scheduled for 2025 should enable the organisation to meet their obligations under the Network Information Security 2 (NIS2) Directive aimed at harmonising national cybersecurity capabilities, cross-border collaboration and supervision of critical sectors across the EU, including healthcare. NIS2 builds on NIS1 with more stringent measures to ensure that directors keep cybersecurity high on the organisation's agenda. The Board and the hospital's ICT Department were again ably supported by Director Mr Ken Jordan throughout the year.

### FINANCIAL REVIEW

#### Results for the Financial Year

The directors are satisfied with the results for the financial year. Incorporated Orthopaedic Hospital of Ireland recorded a deficit of -€481,985 in the year to 31<sup>st</sup> December 2024 compared to a deficit of -€424,675 in the previous year.

#### Going Concern

The Hospital is a voluntary Company operating under Section 38 of the Health Act 2004 and is primarily funded by means of an annual revenue allocation from the HSE. As such it is dependent on the HSE providing adequate funding to ensure that it can meet its liabilities as they fall due. The HSE has not given any indication that it will withdraw its financial support from the Hospital. The HSE has asked the hospital to increase its bed capacity during 2024 and provided additional funding. However, the HSE underfunded the Hospital by €127,872 in 2024. The level of funding determines the level of rehabilitation activity that the hospital can provide and it is at the Board's discretion to reduce services to meet the notified HSE annual allocation and to come in at the end of the year within the allocation.

As demands for services are increasing due to the increase in the aging population and the development of trauma care services in the Mater Hospital the hospital have been asked by the HSE and the Mater Hospital to increase services to meet the healthcare demands to meet the emerging needs of these healthcare services. To this end the hospital responded to an urgent request to open additional beds in January 2024 to meet the HSE Winter Action Plan for Urgent and Emergency care for older people. The Directors agreed to the HSE's request and management made the necessary arrangements to open the additional beds safely with additional HSE funding. The demands on services were so high throughout the year that these beds remained operational for most of 2024. As we write the 2024 report in Quarter 1 2025 these beds remain open and fully operational with high levels of activity.

It is not expected that the high demand for the hospital's healthcare services will decrease over coming years and to this end the hospital are working, in collaboration with the HSE, to develop the site with the building of an additional 50 beds for older people. The hospital's services are provided in line with the Government's Programme for Healthcare to provide healthcare services away from the acute hospitals and closer to patients' homes and communities. The directors are satisfied that the hospital's services will remain a key element of healthcare service delivery in the area for many years to come. If services are left underfunded, the Directors will have to review the level of service provision given the projected underfunding for 2025 based on the notified draft allocation from HSE. The Hospital Management Team continues to proactively engage with the HSE in respect of the revenue allocation for 2025.

Having considered the above, the Directors continue to prepare financial statements on the going concern basis and there is a reasonable expectation that the Company will continue to trade for the foreseeable future. The financial statements do not include any adjustments nor disclosures that would result if the Company was unable to continue as a going concern.



# **INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**

## **(A COMPANY LIMITED BY GUARANTEE)**

### **PRINCIPLE RISKS AND UNCERTAINTIES**

The Directors are vigilant in monitoring sources of funding to ensure that the Hospital will have adequate resources to fund its activities and its commitments. As outlined above, there is a clear and increasing need for the provision of rehabilitation care in Dublin North City and County and any future significant reductions in HSE funding would require detailed consideration on how the funding would be replaced or the activities changed. However, in light of the predicted increase in the older people's population in the hospital's surrounding communities, current and ongoing high demands for services and the HSE's interest in increasing capacity, it is reasonable to expect funding and service demand on an ongoing basis.

### **Reserve Policy**

**Restricted funds:** Restricted funds include capital grants received from the HSE that can only be used for specified capital expenditure in the Hospital and funds which are to be used in accordance with specific restrictions.

**Unrestricted funds:** General unrestricted funds are for use at the discretion of the Hospital in furtherance of the Hospital's objectives.

Net assets attributable to restricted and unrestricted funds are shown in note 17 on page 29.

### **RISK MANAGEMENT**

The Board have a responsibility for the identification and evaluation of significant risks together with the design and operation of suitable internal controls and the directors are assured that there are appropriate procedures in place for the assessment of clinical and corporate risk. The provision of clinical rehabilitation for older people's healthcare services is by nature a high-risk activity. The Hospital seeks to minimise this through strong risk management policies / procedures, audit and through training and education of staff.

Having external inspections by statutory authorities is one element of assurance on how healthcare facilities manage risk. The hospital had two HIQA inspections in 2023 which included inspection of the hospital's risk management procedures. The inspection reported that the hospital was compliant with protecting service users from the risk of harm and for the effectiveness of its service to systematically monitor and evaluate and continuously improve service delivery. The hospital had an unannounced HIQA hospital wide inspection in December 2024 and the report is awaited. However, the close out meeting between the inspectors and the hospital's management team did not disclose any major non-compliances with meeting HIQA's National Standards for Safer Better Healthcare (June 2012).

For the hospital's corporate risks, the directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enables them to ensure that the financial statements comply with the Companies Act 2014 and FRS 102. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Board Audit Subcommittee approved a three-year internal audit programme in 2023, following a tender procedure, to audit corporate areas of risk over three years. In 2024 strategic planning, the HR department, timekeeping and payroll were audited. There were no high-risk areas identified. Where recommendations were made actions plans to implement the recommendations were completed and the progress on implementation was provided to the board throughout the year.

The Board of Directors are also Trustees of the organisation's charity and are committed to maintaining the highest standards of corporate governance in regard to the organisation's charitable status. The Directors welcome the Charities Regulator's introduction of the Charities Governance Code and have established a Charities Governance Code Compliance Folder that is available for inspection should the Charities Regulatory Authority visit the hospital. The Directors are aware of the Charities (Amendment) Act 2024 and plans are being made to review the changes to see if any changes are necessary to meet the new (Charities Amendment) Act 2024.

### **ACCOUNTING RECORDS**

The measures taken by the directors to ensure compliance with the requirements of Section 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The Company's accounting records are maintained at the Company's registered office at Blackheath Park, Clontarf, Dublin 3.

# INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND

## (A COMPANY LIMITED BY GUARANTEE)

### PLANS FOR FUTURE PERIODS

#### Future Developments

In December 2024 the Directors approved a new four-year Strategic Plan for the hospital following engagement with both internal and external stakeholders. The new strategy sets out five new measurable strategic objectives to ensure the hospital's services meet the current and emerging healthcare needs of the populations it serves in its surrounding communities. The strategy is very much in line with the Government's Sláintecare plans to move care away from the current acute hospital centric focus by increasing the availability of community-based care provided at the hospital i.e., providing the right care in the right place at the right time at the least complex level.

The new strategic objectives are based soundly on the evidence that there will be continued and increasing need for rehabilitation services, especially for older people, in Dublin North City and East, where the hospital is located. The ongoing development of the hospital's post-acute rehabilitation services is very much aligned to national programmes of care including the Integrated Care Programme, the National Clinical Programme for Older People, Rehabilitation Medicine and orthopaedic and trauma care. The Board of Directors will continue to direct services aligned to these programmes. This is important for citizens in Dublin North City and County as it enables older people to remain living in their own homes and communities for as long as possible. It also provides earlier rehabilitation access for younger people enabling them to overcome the obstacles of trauma and disability. As the National Clinical Programme for Rehabilitation Medicine states "Rehabilitation is a dynamic and critical component of any modern health care system".

Following collaboration and planning with the Mater Hospital, in late 2024, the hospital commenced a pilot Trauma Rehabilitation Pathway of Care. Early data shows that the pathway is beneficial to patients in getting early access to consultant led rehabilitation treatment. The pathway will continue in 2025 and be monitored for effectiveness and to decide on the permanent implementation of the pathway.

Throughout 2024 the hospital responded to the HSE management team in Integrated Healthcare Area Dublin North City and West for increased post-acute rehabilitation services and for most of the year the hospital operated at full capacity, which was funded by the HSE. The directors are confident that demands for post-acute rehabilitation services will continue and that management at the hospital will continue to engage collaboratively and proactively with our external stakeholders in providing rehabilitation services to meet rising demand and increasing complexity in 2025.

The Board will continue to support the independence of voluntary hospitals through its membership of the Irish Voluntary Hospital Association. The importance of voluntary organisations has been recognised in the Independent Review Group Report (established in 2017 by Government to examine the role of voluntary organisations in the operation of health and social services in Ireland into the future) which clearly recognises the substantial and important role that voluntary healthcare organisations play in Irish society and this will support the Board to continue to direct the hospital's activities and strategic direction as a voluntary independent organisation into the future.

The directors, while recognising the changes in the reorganising of the national health service into Health Regions under the HSE in 2024, have made reasonable assumptions, that the Company has adequate resources to continue in operational existence for the foreseeable future. For these reasons they continue to adopt the going concern basis in preparing the financial statements. Inflationary and pay cost pressures were a key factor in 2024 and this is expected to continue in 2025. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

The national healthcare sector recognise that current and emerging infectious conditions will continue to effect healthcare services for many years to come. The hospital has shown that it can respond successfully to the changes required to prevent harm to patients and staff while providing uninterrupted service delivery which it has achieved successfully to date. Challenges continue to exist for healthcare service providers and the Directors believe that they can meet these challenges in to the future. The main challenges are;

- loss of income from private health insurance income;
- increased cost of trading due to medical complexity, regulation and inflation.

# **INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**

## **(A COMPANY LIMITED BY GUARANTEE)**

### **Post Balance Events**

In early 2024 we saw an increasing demand on hospital services and management responded to a HSE request to open the additional 16 beds on a temporary basis to help them manage the high level of healthcare service demands in the area over the winter months. However, the Directors saw no easing of these demands throughout 2024 and for most of the year the beds remained operational with HSE funding. The directors believe that these beds are a key element in managing the high level of healthcare demands in the area and that the management team will be successful in engaging with the HSE to increase funding to keep the hospital operating at full capacity. Importantly, the directors believe that these beds are needed to care for the communities it serves. It is expected that the hospital can again continue to maximise safely the rehabilitation healthcare services it provides into 2025.

The management team, under the guidance of the directors, are engaging positively with the HSE to develop the hospital site to provide an additional 50 single rooms to meet the increasing demands and medical complexity that will be required in to the future.

Despite the challenges to our healthcare services the Board of Directors remain committed to their work in directing hospital services to meet the healthcare needs to those we serve.

### **Auditors**

The auditors, Azets Audit Services Ireland Limited continue in office in accordance with section 383(2) of the Companies Act 2014.

### **DISCLOSURE OF INFORMATION TO AUDITORS**

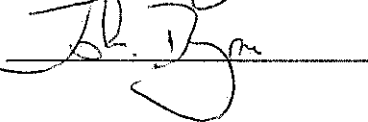
Each of the persons who are Directors at the time when this Directors report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.

This report was approved by the Directors on and signed on their behalf by:

Signed: 

Date: 27/05/2025

Signed: 

Date: May 27<sup>th</sup> 2025

# **INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**

## **(A COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**

#### **Report on the audit of the financial statements**

#### **Opinion on the financial statements of Incorporated Orthopaedic Hospital of Ireland ("the company")**

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2024 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 framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- the Statement of Financial Activities (incorporating an Income and Expenditure Account);
- the Balance Sheet;
- the Statement of Cash Flows; and
- the related notes 1 to 24 including a summary of significant accounting policies as set out in note 2.

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

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "*Auditor's responsibilities for the audit of the financial statements*" section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

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

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

#### **Other information**

The other information comprises the information included in the Annual Report and Audited Financial Statements, other than the financial statements and our auditor's report thereon. The directors 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.

# **INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**

## **(A COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**

#### **Responsibilities of directors**

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

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

#### **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.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity (or where relevant, the group) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

#### **Report on other legal and regulatory requirements**

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

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

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

# **INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**

## **(A COMPANY LIMITED BY GUARANTEE)**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**

- In our opinion the information given in the directors' report is consistent with the financial statements and the directors' report has been prepared in accordance with the Companies Act 2014.

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

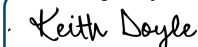
Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

#### **Use of our report**

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

DocuSigned by:



A6DA001FDA5428...

Keith Doyle

For and on behalf of

**Azets Audit Services Ireland Limited**

Statutory Audit Firm

3rd Floor

40 Mespil Road

Dublin 4

D04 C2N4

**Date:** 28 May 2025 | 09:57 BST

# INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND

## (A COMPANY LIMITED BY GUARANTEE)

### STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 DECEMBER 2024

|                                    | Note | Restricted<br>funds<br>2024<br>€ | Unrestricted<br>funds<br>2024<br>€ | Total<br>funds<br>2024<br>€ | Total<br>funds<br>2023<br>€ |
|------------------------------------|------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| <b>INCOME FROM:</b>                |      |                                  |                                    |                             |                             |
| Charitable activities              | 4    | 26,313,932                       | 50,684                             | 26,364,616                  | 24,443,695                  |
| <b>TOTAL INCOME</b>                |      | <u>26,313,932</u>                | <u>50,684</u>                      | <u>26,364,616</u>           | <u>24,443,695</u>           |
| <b>EXPENDITURE ON:</b>             |      |                                  |                                    |                             |                             |
| Charitable activities              | 5,6  | 26,839,711                       | 6,890                              | 26,846,601                  | 24,868,370                  |
| <b>TOTAL EXPENDITURE</b>           |      | <u>26,839,711</u>                | <u>6,890</u>                       | <u>26,846,601</u>           | <u>24,868,370</u>           |
| <b>NET INCOME/(EXPENDITURE)</b>    | 15   | (525,779)                        | 43,794                             | (481,985)                   | (424,675)                   |
| Transfers                          |      | 478,330                          | (478,330)                          | 0                           | 0                           |
| <b>NET MOVEMENT IN FUNDS</b>       |      | <u>(47,449)</u>                  | <u>(434,536)</u>                   | <u>(481,985)</u>            | <u>(424,675)</u>            |
| <b>RECONCILIATION OF FUNDS:</b>    |      |                                  |                                    |                             |                             |
| Total funds brought forward        | 15   | 227,952                          | 17,558,289                         | 17,786,241                  | 18,210,916                  |
| Net movement in funds              |      | (47,449)                         | (434,536)                          | (481,985)                   | (424,675)                   |
| <b>TOTAL FUNDS CARRIED FORWARD</b> |      | <u>180,503</u>                   | <u>17,123,753</u>                  | <u>17,304,256</u>           | <u>17,786,241</u>           |

The Statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 15 to 32 form part of these financial statements.

**INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND****(A COMPANY LIMITED BY GUARANTEE)****REGISTERED NUMBER: 2346****BALANCE SHEET****AS AT 31 DECEMBER 2024**

|  | Note | 2024<br>€                | 2023<br>€                |
|--|------|--------------------------|--------------------------|
| <b>FIXED ASSETS</b>                            |      |                          |                          |
| Tangible assets                                | 10   | 16,559,614               | 16,965,467               |
|  |      | <u>16,559,614</u>        | <u>16,965,467</u>        |
| <b>CURRENT ASSETS</b>                          |      |                          |                          |
| Stocks   | 11   | 104,947                  | 104,215                  |
| Debtors  | 12   | 2,431,127                | 2,115,877                |
| Cash at bank and in hand                       |      | 410,370                  | 494,996                  |
|  |      | <u>2,946,444</u>         | <u>2,715,088</u>         |
| Creditors: amounts falling due within one year | 13   | (2,201,802)              | (1,894,314)              |
| <b>NET CURRENT ASSETS</b>                      |      | <u>744,642</u>           | <u>820,774</u>           |
| <b>TOTAL NET ASSETS</b>                        |      | <u><u>17,304,256</u></u> | <u><u>17,786,241</u></u> |
| <b>CHARITY FUNDS</b>                           |      |                          |                          |
| Restricted funds                               | 15   | 180,503                  | 227,952                  |
| Unrestricted funds                             | 15   | 17,123,753               | 17,558,289               |
| <b>TOTAL FUNDS</b>                             |      | <u><u>17,304,256</u></u> | <u><u>17,786,241</u></u> |

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Directors and signed on their behalf by:


**Mr Aidan Gleeson**

**Mr John Byrne**

Date: 27 May 2025

The notes on pages 15 to 33 form part of these financial statements.



**INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

|   | Note | 2024<br>€      | 2023<br>€      |
|---|------|----------------|----------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>             |      |                |                |
| Net cash used in operating activities                   | 18   | 27,068         | 649,327        |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>             |      |                |                |
| Purchase of tangible fixed assets                       | 10   | (111,694)      | (514,833)      |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>            |      | (111,693)      | (514,833)      |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>             |      |                |                |
| <b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>        |      | -              | -              |
| <b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>  |      | (84,626)       | 134,494        |
| Cash and cash equivalents at the beginning of the year  |      | 494,996        | 360,502        |
| <b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b> |      | <u>410,370</u> | <u>494,996</u> |

The notes on pages 15 to 32 form part of these financial statements

# **INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**

## **(A COMPANY LIMITED BY GUARANTEE)**

### **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

#### **1. GENERAL INFORMATION**

Incorporated Orthopaedic Hospital of Ireland is a company limited by guarantee and is incorporated in the Republic of Ireland. The registered office of the Company is Castle Avenue, Clontarf, Dublin 3. The principal objective is the provision of rehabilitation healthcare services.

#### **2. ACCOUNTING POLICIES**

##### **2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2014.

The functional and presentational currency of the financial statements is Euro.

The financial statements have been prepared in full compliance with Financial Reporting Standard 102 and the Charities Statement of Recommended Practice.

Incorporated Orthopaedic Hospital of Ireland meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### **2.2 COMPANY STATUS**

The Company is a company limited by guarantee. The members of the Company are the Directors named on page 1. In the event of the Company being wound up, the liability in respect of the guarantee is limited to €1.27 per member of the Company.

##### **2.3 FUND ACCOUNTING**

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund are set out in the notes to the financial statements.

##### **2.4 GOING CONCERN**

The Company is primarily funded by means of an annual revenue allocation from the HSE. As such it is dependent on the HSE providing adequate funding to ensure that it can meet its liabilities as they fall due. The HSE has not given any indication that it will withdraw its financial support from the Hospital.

Having considered the above, the Directors continue to prepare financial statements on the going concern basis and there is a reasonable expectation that the Company will continue to trade for the foreseeable future. The financial statements do not include any adjustments nor disclosures that would result if the Company was unable to continue as a going concern.

# **INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**

## **(A COMPANY LIMITED BY GUARANTEE)**

### **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

#### **2. ACCOUNTING POLICIES (CONTINUED)**

##### **2.5 INCOME**

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

##### **2.6 EXPENDITURE**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Governance costs are those incurred in connection with administration of the Company and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the Company's operations, including support costs and costs relating to the governance of the Company apportioned to charitable activities.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

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

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

A review for impairment of a fixed asset is carried out if events of changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

|                       |                          |
|-----------------------|--------------------------|
| Freehold property     | - 2.5% reducing balance  |
| Equipment             | - 10 - 25% straight line |
| Fixtures and fittings | - 10% straight line      |

##### **2.8 STOCKS**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

# INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND

## (A COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 31 DECEMBER 2024*

#### 2. ACCOUNTING POLICIES (CONTINUED)

##### 2.9 DEBTORS

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

##### 2.10 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### 2.11 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

##### 2.12 FINANCIAL INSTRUMENTS

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

##### 2.13 PENSIONS

###### Voluntary Hospitals Superannuation Scheme (1969)

The liability in respect of pensions payable to employees who are members of the Voluntary Hospitals Superannuation Scheme (1969) has been underwritten by the Minister for Health. Accordingly, no provision is required in the financial statements to cover the liability in respect of pensions payable to employees in future years.

Contributions from employees who are members of the scheme are credited to the Statement of Financial Activities when received. Pension payments under the scheme are charged to the Statement of Financial Activities when paid.

###### Single Public Service Pension Scheme effect from 1 January 2013

The Single Scheme applies to all first-time new entrants to the public service, as well as to former public servants returning to the public service after a break of more than 26 weeks. It is the responsibility of the hospital to collect and remit Single Scheme members contributions for the benefit of the Exchequer. A public bank account has been established to receive Single Scheme member contribution receipts from bodies that are not part of central Government. As per Public Service Pensions (Single Scheme and Other Provisions) Act 2012, Section 44(1)(b), payments arising under this Single Scheme to retiring employees shall be paid from funds provided by the Oireachtas for that purpose.

# **INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**

## **(A COMPANY LIMITED BY GUARANTEE)**

### **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

#### **2. ACCOUNTING POLICIES (CONTINUED)**

##### **2.14 HEALTH SERVICE EXECUTIVE GRANTS**

###### Capital

The Health Service Executive grants received in respect of capital expenditure are shown as restricted income in the Statement of Financial Activities. They are taken to the restricted fund and maintained in a separate bank account.

###### Operational

The Health Service Executive allocation in respect of the Hospital's operating expenditure is taken to the Statement of Financial Activities on an accruals basis.

##### **2.15 IMPAIRMENT OF ASSETS, OTHER THAN FINANCIAL INSTRUMENTS**

Where there is objective evidence that recoverable amounts of an asset are less than its carrying value the carrying amount of the asset is reduced to its recoverable amount resulting in an impairment loss. Impairment losses are recognised immediately in the profit and loss account, with the exception of losses on previously revalued tangible fixed assets, which are recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity, in respect of that asset.

Where the circumstances causing an impairment of an asset no longer apply, then the impairment is reversed through the profit and loss account, except for impairments on previously revalued tangible assets, which are treated as revaluation increases to the extent that the revaluation was recognised in equity.

The recoverable amount of tangible fixed assets, goodwill and other intangible fixed assets is the higher of the fair value less cost to sell of the asset and its value in use. The value in use of these assets is the present value of the cash flows expected to be derived from those assets. This is determined by reference to the present value of the future cash flows of the company which is considered by the directors to be a single cash generating unit.

#### **3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT**

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 and assumptions 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) Recoverability of debtors**

Estimates are made in respect of the recoverable value of patient and other debtors. When assessing the level of provisions required, factors including current experience, historical experience and the ageing profile of debtors are considered.

##### **b) Carrying value of stock**

Stock represents finished goods and is measured at the lower of cost and net realisable value. Net realisable value is the estimated selling prices in the ordinary course of business, less the estimated costs necessary to make the sale.

# **INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**

## **(A COMPANY LIMITED BY GUARANTEE)**

### **NOTES TO THE FINANCIAL STATEMENTS**

***FOR THE YEAR ENDED 31 DECEMBER 2024***

#### **2. ACCOUNTING POLICIES (CONTINUED)**

Provision is made for obsolete and slow-moving stock based on historical experience.

##### **c) Useful economic life of tangible assets**

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on future investments, economic utilisation and the physical condition of the assets.

# **INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND** **(A COMPANY LIMITED BY GUARANTEE)**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

### **4. INCOME FROM CHARITABLE ACTIVITIES**

|   | Restricted<br>funds<br>2024<br>€ | Unrestricted<br>funds<br>2024<br>€ | Total<br>funds<br>2024<br>€ | Total<br>funds<br>2023<br>€ |
|---|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| HSE Capital grants                      | 96,856                           | 0                                  | 96,856                      | 346,533                     |
| Patient income                          | 794,558                          | 0                                  | 794,558                     | 1,339,675                   |
| HSE revenue grant                       | 18,807,578                       | 0                                  | 18,807,578                  | 17,064,739                  |
| RTA receipts                            | 109,196                          | 0                                  | 109,196                     | 28,307                      |
| Deduction from payroll / superannuation | 600,746                          | 0                                  | 600,746                     | 568,562                     |
| Canteen receipts and other income       | 119,669                          | 0                                  | 119,669                     | 118,727                     |
| HSE other income                        | 4,465,329                        | 0                                  | 4,465,329                   | 3,620,774                   |
| Unrestricted charity income             | 0                                | 50,684                             | 50,684                      | 3,378                       |
| Beaumont Hospital income                | 1,320,000                        | 0                                  | 1,320,000                   | 1,353,000                   |
|   | <u>26,313,932</u>                | <u>50,684</u>                      | <u>26,364,616</u>           | <u>24,443,695</u>           |
| TOTAL 2023                              | <u>24,440,317</u>                | <u>3,378</u>                       | <u>24,443,695</u>           |                             |

### **5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

**Summary by fund type**

|                       | Restricted<br>funds<br>2024<br>€ | Unrestricted<br>funds<br>2024<br>€ | Total<br>funds<br>2024<br>€ | Total<br>funds<br>2023<br>€ |
|-----------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Charitable activities | <u>26,839,711</u>                | <u>6,890</u>                       | <u>26,846,601</u>           | <u>24,868,370</u>           |

### **6. EXPENDITURE ON CHARITABLE ACTIVITIES**

# INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND

## (A COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

| Activity                              | Restricted<br>Costs<br>€ | Unrestricted<br>Costs<br>€ | Total<br>2024<br>€ | Total<br>2023<br>€ |
|---------------------------------------|--------------------------|----------------------------|--------------------|--------------------|
| Staff costs (see Note 8)              | 20,372,532               | 0                          | 20,372,532         | 18,942,468         |
| Drugs and medicines                   | 436,329                  | 0                          | 436,329            | 329,287            |
| Medical equipment, gases, supplies    | 429,746                  | 0                          | 429,746            | 418,338            |
| X-ray                                 | 8,125                    | 0                          | 8,125              | 24,737             |
| Laboratory supplies and contracts     | 693,981                  | 0                          | 693,981            | 634,090            |
| Catering equipment and provisions     | 608,228                  | 0                          | 608,228            | 527,623            |
| Heat, power and light                 | 369,732                  | 0                          | 369,732            | 294,889            |
| Cleaning, laundry, bedding, furniture | 697,716                  | 0                          | 697,716            | 608,445            |
| Maintenance and grounds               | 176,117                  | 0                          | 176,117            | 190,279            |
| Transport of patients                 | 55,845                   | 0                          | 55,845             | 40,249             |
| Courier services                      | 22,062                   | 0                          | 22,062             | 20,484             |
| Staff Training                        | 59,713                   | 0                          | 59,713             | 82,908             |
| Miscellaneous                         | 65,642                   | 6,890                      | 72,532             | 55,939             |
| <b>Total Direct Costs</b>             | <b>23,995,768</b>        | <b>6,890</b>               | <b>24,002,658</b>  | <b>22,169,736</b>  |
| <b>Support Costs (see below))</b>     | <b>2,822,943</b>         | <b>0</b>                   | <b>2,822,943</b>   | <b>2,675,467</b>   |
| <b>Governance costs - Audit</b>       | <b>21,000</b>            | <b>0</b>                   | <b>21,000</b>      | <b>23,167</b>      |
| <b>Total Charitable Expenditure</b>   | <b>26,839,711</b>        | <b>6,890</b>               | <b>26,846,601</b>  | <b>24,868,370</b>  |

### ANALYSIS OF SUPPORT COSTS

|   | 2024<br>€        | 2023<br>€        | Basis of allocation         |
|---|------------------|------------------|-----------------------------|
| <b>Charitable activities:</b>             |                  |                  |                             |
| Staff and related costs                   | 1,375,005        | 1,293,914        | <i>Administration Staff</i> |
| Insurance, legal and professional fees    | 284,277          | 254,741          |                             |
| Computer equipment and contracts          | 382,049          | 436,641          |                             |
| Office supplies and contracts             | 243,762          | 171,520          |                             |
| Bank interest and charges                 | 1,663            | 1,751            |                             |
| Provision for bad debts on patient income | 18,640           | 0                |                             |
| Depreciation                              | 517,547          | 516,900          |                             |
| <b>Total</b>                              | <b>2,822,943</b> | <b>2,675,467</b> |                             |



# INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND

## (A COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 31 DECEMBER 2024*

#### 7. AUDITORS' REMUNERATION

The auditors' remuneration amounts to an auditor fee of €21,000 (2023 - €23,167).

#### 8. STAFF COSTS

|                              | 2024<br>€         | 2023<br>€         |
|------------------------------|-------------------|-------------------|
| Payroll and agency costs     | 18,208,583        | 16,842,524        |
| Employer's PRSI contribution | 1,885,317         | 1,728,879         |
| Other pension costs          | 1,653,637         | 1,664,979         |
|                              | <u>21,747,537</u> | <u>20,236,382</u> |

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

|           | 2024<br>No. | 2023<br>No. |
|-----------|-------------|-------------|
| Employees | <u>346</u>  | <u>329</u>  |

The number of employees whose employee benefits (excluding employer pension costs) exceeded €60,000 was:

|                                  | 2024<br>No. | 2023<br>No. |
|----------------------------------|-------------|-------------|
| In the band €60,000 - €70,000    | 47          | 39          |
| In the band €70,000 - €80,000    | 36          | 27          |
| In the band €80,000 - €90,000    | 15          | 8           |
| In the band €90,000 - €100,000   | 8           | 4           |
| In the band €100,000 - €110,000  | 0           | 0           |
| In the band €110,000 - €120,000  | 1           | 0           |
| In the band €120,000 to €130,000 | 1           | 1           |
| In the band €160,000 to €170,000 | 0           | 1           |

During the year an amount of €535,918 was paid to Key Management personnel (2023 - €604,184).

**INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**

***FOR THE YEAR ENDED 31 DECEMBER 2024***

**9. DIRECTORS' REMUNERATION AND EXPENSES**

During the year, no Directors received any remuneration or other benefits (2023 - €NIL-).

In accordance with the Board of Directors Expense Policy, the Directors received reimbursement of expenses in 2024 amounting to €1,101 (2023 - €0).

# INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND

## (A COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 31 DECEMBER 2024*

#### 10. TANGIBLE FIXED ASSETS

|                          | Freehold<br>property<br>€ | Plant and<br>machinery<br>€ | Fixtures and<br>fittings<br>€ | Total<br>€        |
|--------------------------|---------------------------|-----------------------------|-------------------------------|-------------------|
| <b>COST OR VALUATION</b> |                           |                             |                               |                   |
| At 1 January 2024        | 28,259,673                | 1,997,565                   | 491,652                       | 30,748,890        |
| Additions                | 0                         | 47,814                      | 63,880                        | 111,694           |
| At 31 December 2024      | <u>28,259,673</u>         | <u>2,045,379</u>            | <u>555,532</u>                | <u>30,860,584</u> |

#### DEPRECIATION

|                     |                   |                  |                |                   |
|---------------------|-------------------|------------------|----------------|-------------------|
| At 1 January 2024   | 11,844,166        | 1,493,033        | 446,224        | 13,783,423        |
| Charge for the year | 410,388           | 95,633           | 11,526         | 517,547           |
| At 31 December 2024 | <u>12,254,554</u> | <u>1,588,666</u> | <u>457,750</u> | <u>14,300,970</u> |

#### NET BOOK VALUE

|                     |                   |                |               |                   |
|---------------------|-------------------|----------------|---------------|-------------------|
| At 31 December 2024 | <u>16,005,119</u> | <u>456,713</u> | <u>97,782</u> | <u>16,559,614</u> |
| At 31 December 2023 | <u>16,415,507</u> | <u>504,532</u> | <u>45,428</u> | <u>16,965,467</u> |

#### 11. STOCKS

|                | 2024<br>€      | 2023<br>€      |
|----------------|----------------|----------------|
| Finished goods | <u>104,947</u> | <u>104,215</u> |

The difference between purchase price and their replacement cost is not material.

**INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2024**

**12. DEBTORS**

|                                | 2024<br>€        | 2023<br>€        |
|--------------------------------|------------------|------------------|
| Patient debtors                | 144,732          | 281,290          |
| HSE debtor                     | 2,194,180        | 1,739,115        |
| Prepayments and accrued income | 92,215           | 95,472           |
| Department of Health debtor    | 0                | 0                |
|                                | <u>2,431,127</u> | <u>2,115,877</u> |

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                    | 2024<br>€        | 2023<br>€        |
|------------------------------------|------------------|------------------|
| Bank overdrafts                    | 422,929          | 0                |
| Trade creditors                    | 492,112          | 492,077          |
| HSE creditor                       | 0                | 0                |
| Other taxation and social security | 494,067          | 431,017          |
| Accruals and deferred income       | 792,694          | 971,220          |
|                                    | <u>2,201,802</u> | <u>1,894,314</u> |

**Other taxation and social security**

|                   | 2024<br>€      | 2023<br>€      |
|-------------------|----------------|----------------|
| PAYE/PRSI control | 492,598        | 427,049        |
| VAT control       | 1,469          | 3,968          |
|                   | <u>494,067</u> | <u>431,017</u> |

**INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**14. FINANCIAL INSTRUMENTS**

|   | 2024<br>€        | 2023<br>€        |
|---|------------------|------------------|
| <b>Financial assets that are debt instruments measured at amortised cost:</b> |                  |                  |
| Patient debtors   | 144,732          | 281,290          |
| HSE debtor  | 2,194,180        | 1,739,115        |
|   | <u>2,338,912</u> | <u>2,020,405</u> |
|   | 2024<br>€        | 2023<br>€        |
| <b>Financial liabilities measured at amortised cost:</b>                      |                  |                  |
| Bank overdrafts   | 422,929          | 0                |
| Trade creditors   | 492,112          | 492,077          |
|   | <u>915,041</u>   | <u>492,077</u>   |

# INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND

## (A COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 31 DECEMBER 2024*

#### 15. STATEMENT OF FUNDS

##### STATEMENT OF FUNDS - CURRENT YEAR

|                           | Balance at 1<br>January 2024<br>€ | Income<br>€              | Expenditure<br>€           | Transfers<br>in/out<br>€ | Balance at 31<br>December<br>2024<br>€ |
|---------------------------|-----------------------------------|--------------------------|----------------------------|--------------------------|--|
| <b>RESTRICTED FUNDS</b>   |                                   |                          |                            |                          |  |
| HSE Restricted Funds      | <u>227,952</u>                    | <u>26,313,932</u>        | <u>(26,839,711)</u>        | <u>478,330</u>           | <u>180,503</u>                         |
| <b>UNRESTRICTED FUNDS</b> |                                   |                          |                            |                          |  |
| Charity Restricted Fund   | <u>17,558,289</u>                 | <u>50,684</u>            | <u>(6,890)</u>             | <u>(478,330)</u>         | <u>17,123,753</u>                      |
| <b>TOTAL OF FUNDS</b>     | <u><u>17,786,241</u></u>          | <u><u>26,364,616</u></u> | <u><u>(26,846,601)</u></u> | <u><u>0</u></u>          | <u><u>17,304,256</u></u>               |

The Charity Unrestricted Fund was created to fund activities of the hospital. The movements between funds for the year consists of fixed asset additions of €393,597 and a further transfer of €418,452 to address the funding deficit in the restricted reserves.

##### STATEMENT OF FUNDS - PRIOR YEAR

|                           | Balance at<br>1 January 2023<br>€ | Income<br>€              | Expenditure<br>€           | Transfers<br>in/out<br>€ | Balance at<br>31 December<br>2023<br>€ |
|---------------------------|-----------------------------------|--------------------------|----------------------------|--------------------------|--|
| <b>RESTRICTED FUNDS</b>   |                                   |                          |                            |                          |  |
| HSE Restricted Fund       | <u>630,594</u>                    | <u>24,440,317</u>        | <u>(24,867,814)</u>        | <u>24,855</u>            | <u>227,952</u>                         |
| <b>UNRESTRICTED FUNDS</b> |                                   |                          |                            |                          |  |
| Charity Restricted Fund   | <u>17,580,322</u>                 | <u>3,378</u>             | <u>(556)</u>               | <u>(24,855)</u>          | <u>17,558,289</u>                      |
| <b>TOTAL OF FUNDS</b>     | <u><u>18,210,916</u></u>          | <u><u>24,443,695</u></u> | <u><u>(24,868,370)</u></u> | <u><u>0</u></u>          | <u><u>17,786,241</u></u>               |

# INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND

## (A COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 31 DECEMBER 2024*

#### 16. SUMMARY OF FUNDS

##### SUMMARY OF FUNDS - CURRENT YEAR

|                  | Balance at 1<br>January 2024<br>€ | Income<br>€       | Expenditure<br>€    | Transfers<br>in/out<br>€ | Balance at 31<br>December<br>2024<br>€ |
|------------------|-----------------------------------|-------------------|---------------------|--------------------------|--|
| Restricted funds | 227,952                           | 26,313,932        | (26,839,711)        | 478,330                  | 180,503                                |
| General funds    | 17,558,289                        | 50,684            | (6,890)             | (478,330)                | 17,123,753                             |
|                  | <u>17,786,241</u>                 | <u>26,364,616</u> | <u>(26,846,601)</u> | <u>-</u>                 | <u>17,304,256</u>                      |

##### SUMMARY OF FUNDS - PRIOR YEAR

|                  | Balance at<br>1 January<br>2023<br>€ | Income<br>€       | Expenditure<br>€    | Transfers<br>in/out<br>€ | Balance at<br>31 December<br>2023<br>€ |
|------------------|--------------------------------------|-------------------|---------------------|--------------------------|--|
| Restricted funds | 630,594                              | 24,440,317        | (24,867,814)        | 24,855                   | 227,952                                |
| General funds    | 17,580,322                           | 3,378             | (556)               | (24,855)                 | 17,558,289                             |
|                  | <u>18,210,916</u>                    | <u>24,443,695</u> | <u>(24,868,370)</u> | <u>-</u>                 | <u>17,786,241</u>                      |

**INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**17. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

|                               | Restricted<br>funds<br>2024<br>€ | Unrestricted<br>funds<br>2024<br>€ | Total<br>funds<br>2024<br>€ |
|-------------------------------|----------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets         | 0                                | 16,559,614                         | 16,559,614                  |
| Current assets                | 180,503                          | 2,765,941                          | 2,946,444                   |
| Creditors due within one year | 0                                | (2,201,802)                        | (2,201.802)                 |
| <b>TOTAL</b>                  |                                  |                                    |                             |
|                               | <u>180,503</u>                   | <u>17,123,753</u>                  | <u>17,304,256</u>           |

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

|                               | Restricted<br>funds<br>2023<br>€ | Unrestricted<br>funds<br>2023<br>€ | Total<br>funds<br>2023<br>€ |
|-------------------------------|----------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets         | 0                                | 16,965,467                         | 16,965,467                  |
| Current assets                | 227,952                          | 2,487,136                          | 2,715,08                    |
| Creditors due within one year | 0                                | (1,894,314)                        | (1,894,314)                 |
| <b>TOTAL</b>                  |                                  |                                    |                             |
|                               | <u>227,952</u>                   | <u>17,558,289</u>                  | <u>17,786,241</u>           |



# INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND

## (A COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2024**

#### 18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

|   | 2024                 | 2023                  |
|---|----------------------|-----------------------|
|   | €                    | €                     |
| Net income for the period (as per Statement of Financial Activities); | <u>(481,985)</u>     | <u>(424,675)</u>      |
| <b>ADJUSTMENTS FOR:</b>   |                      |                       |
| Depreciation charges  | 517,547              | 516,900               |
| Decrease/(increase) in stocks   | (732)                | (6,523)               |
| Decrease/(increase) in debtors  | (315,250)            | 68,520                |
| Increase/(decrease) in creditors                                      | <u>307,488</u>       | <u>495,105</u>        |
| <b>NET CASH PROVIDED BY/ (USED IN) OPERATING ACTIVITIES</b>           | <u><u>27,068</u></u> | <u><u>649,327</u></u> |

#### 19. CAPITAL COMMITMENTS

The Board have not approved any capital expenditures to date in 2025.

**INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

**19. PENSION COMMITMENTS**

The Company operates a defined benefits pension scheme in respect of employees eligible for inclusion under the Voluntary Hospital Superannuation Scheme, as described in Note 2.

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

The VHSS pension costs amount to €1,584,410 (2023: €1,664,978).

The Single Public Service Pension Scheme (Single Scheme) commenced with effect from 1 January 2013, as described in Note 2.

The Single Scheme applies to all pensionable first-time new entrants to the public service, as well as to former public servants returning to the public service after a break of more than 26 weeks. Benefits are calculated by reference to 'referable amounts' for each year's service that are uprated by the CPI as notified by the Minister. All contributions deducted from members wages/salaries are remitted to the nominated bank account of the Department of Public Expenditure and Reform (DPER) and not credited to the Statement of Financial Activities. As per Public Service Pensions (Single Scheme and Other Provisions) Act 2012, Section 44(1)(b), payments arising under this Single Scheme to retiring employees shall be paid from funds provided by the Oireachtas for that purpose.

The Single Scheme pension deductions from employees of €591,091 (2023: €505,446) were payable to DPER.

**20. 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.

|                      | 2024           | 2023           |
|----------------------|----------------|----------------|
|                      | €              | €              |
| HSE (Capital Grants) | 180,473        | 227,952        |
|                      | <u>180,473</u> | <u>227,952</u> |

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.

**22. POST BALANCE SHEET EVENTS**

There have been no significant events since the balance sheet date.

**INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**

***FOR THE YEAR ENDED 31 DECEMBER 2024***

**23. RELATED PARTY TRANSACTIONS**

There were no related party transactions during the financial year (2023: None).

**24. APPROVAL OF FINANCIAL STATEMENTS**

The board of directors approved these financial statements for issue on 27 May 2025.

