

St. Vincent's Hospital, Fairview

Reports and Financial Statements
for the financial year ended
31 December 2017

ST. VINCENT'S HOSPITAL, FAIRVIEW
REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

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ST. VINCENT'S HOSPITAL, FAIRVIEW

GOVERNORS' REPORT

The Governors present the financial statements of St. Vincent's Hospital Fairview (the "Hospital") for the year ended 31 December 2017.

PRINCIPAL ACTIVITIES

The principal activity of the Hospital is to provide comprehensive psychiatric services to patients from the North Inner City, Glasnevin/Drumcondra, Clontarf/Eastwall and Ballymun areas. In this regard it is funded by grant payments from the Health Service Executive ('HSE').

REVIEW OF PERFORMANCE

The Hospital continues to rely on HSE funding to maintain its level of service to patients. The Hospital operates within its budget from the HSE each year, resulting in an operating performance close to break - even for the year.

Government funding is critical to the Hospital in order for it to continue to provide psychiatric services to its patients. The Hospital strives to offer a flexible working environment to retain staff in its operations. The Hospital is aware of and manages risk by setting Key Performance Indicators across its activities, and these were satisfactorily achieved in 2017.

Key Performance Indicators		31 December 2017	31 December 2016
Acute Services - Adult	Bed Numbers	30	30
	Occupancy %	82%	94%
	Admissions	430	414
	Discharges	433	409
	Assessments	1,330	1,398
Acute Services - Old Age	Bed Numbers	6	6
	Occupancy %	74%	65%
	Admissions Discharges	37 37	36 36
Adolescent In-Patient Unit	Bed Numbers	8	12
	Occupancy %	92%	66%
	Admissions Discharges	44 44	67 68
Long Stay/Continuing Care	Bed Numbers	9	9
	Occupancy %	98%	98%
	Admissions Discharges	0 1	1 3

ST. VINCENT'S HOSPITAL, FAIRVIEW

GOVERNORS' REPORT (CONTINUED)

ACCOUNTING RECORDS

The measures that the Governors have taken with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The Hospital's accounting records are maintained at the Hospital's registered office at St. Vincent's Hospital, Fairview, Dublin 3.

DISCLOSURE OF INFORMATION TO AUDITORS

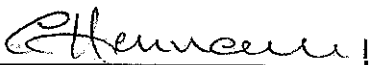
In the case of each of the persons who are Governors at the time the governors' report and financial statements are approved:

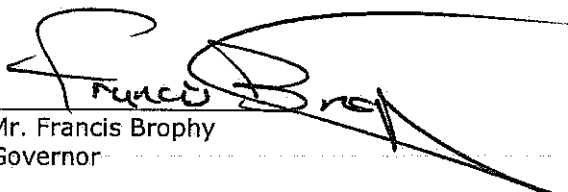
- a) So far as the Governor is aware, there is no relevant audit information of which the Hospital's auditors are unaware; and
- b) Each Governor has taken all steps that ought to have been taken by the Governor in order to make himself aware of any relevant audit information and to establish that the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

AUDITORS

The auditors, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, who were appointed during the year, continue in office.

Approved by the Board and signed on its behalf by:


Mr. Conor Hannaway
Governor


Mr. Francis Brophy
Governor

29/6/18
Date

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND GOVERNORS OF ST. VINCENT'S HOSPITAL, FAIRVIEW

Report on the audit of the financial statements

Opinion on the financial statements of St. Vincent's Hospital, Fairview (the 'entity')

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the entity as at 31 December 2017 and of the deficit for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework.

The financial statements we have audited comprise:

- the Statement of Comprehensive Income;
- the Balance Sheet;
- the Statement of Changes in Reserves;
- the Statement of Cash Flows; and
- the related notes 1 to 2.1, 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 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 entity 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

We have nothing to report in respect of the following matters in relation to which ISAs (Ireland) require us to report to you where:

- the Governors use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the entity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Governors are responsible for the other information. The other information comprises the information included in the reports and financial statements for the financial year ended 31 December 2017, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND GOVERNORS OF ST. VINCENT'S HOSPITAL, FAIRVIEW

Other information (continued)

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

We have nothing to report in this regard.

Responsibilities of governors

As explained more fully in the Governors Responsibilities Statement, the Governors are responsible for the preparation of the financial statements that give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the entity 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 judgment 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Governors.
- Conclude on the appropriateness of the Governors' 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 entity'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.

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND GOVERNORS OF ST. VINCENT'S HOSPITAL, FAIRVIEW

Auditor's responsibilities for the audit of the financial statements (continued)

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.

This report is made solely to the entity's Governors, as a body, in accordance with our engagement letter. Our audit work has been undertaken so that we might state to the entity's Governors those matters we are expected 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 entity and the entity's Governors as a body, for our audit work, for this report, or for the opinions we have formed.

Deloitte Ireland LLP

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

Date: *25 July 2018*

ST. VINCENT'S HOSPITAL, FAIRVIEW**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

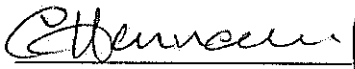
	<i>Notes</i>	2017 €'000	2016 €'000 (Restated)
INCOME			
Grant income - Health Service Executive	4	14,294,919	14,290,257
Other income	5	2,016,936	2,131,122
		16,311,855	16,421,379
EXPENDITURE			
Staff costs	6	(12,837,852)	(12,807,545)
Supplies and services		(3,446,069)	(3,561,320)
OPERATING SURPLUS BEFORE DEPRECIATION AND INTEREST			
		27,934	52,514
Depreciation	7	(622,139)	(679,878)
Interest payable and similar charges		(1,378)	(1,802)
DEFICIT FOR THE FINANCIAL YEAR			
		(595,583)	(629,166)

ST. VINCENT'S HOSPITAL, FAIRVIEW

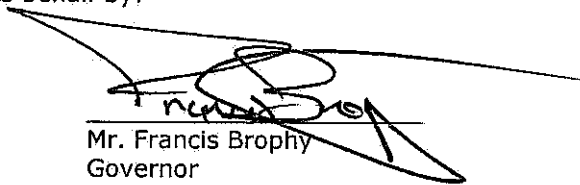
**BALANCE SHEET
AS AT 31 DECEMBER 2017**

	Notes	2017 €'000	2016 €'000
Fixed Assets			
Tangible Fixed Assets	7	23,359,865	23,973,561
Current Assets			
Investments	8	784	784
Stocks	9	27,708	47,574
Debtors	10	2,275,624	2,473,547
Cash at bank and in hand	11	485,513	41,276
		2,789,629	2,563,181
Creditors: Amounts falling due within one year	12	(2,809,795)	(2,609,903)
Net Current Liabilities		(20,166)	(46,722)
NET ASSETS		23,339,699	23,926,839
FINANCED BY			
Capital grants		23,359,865	23,973,561
Retained deficit		(20,166)	(46,722)
		23,339,699	23,926,839

The financial statements were approved and authorised for issue by the Board of Governors on 29 June 2018 and signed on its behalf by:



Mr. Conor Hannaway
Governor



Mr. Francis Brophy
Governor

ST. VINCENT'S HOSPITAL, FAIRVIEW**STATEMENT OF CASH FLOWS
AS AT 31 DECEMBER 2017**

	<i>Notes</i>	2017 €'000	2016 €'000
Net cash inflow from operating activities	<i>14</i>	683,066	308,785
Cash outflows from investing activities			
Purchase of tangible fixed assets		(8,443)	(8,246)
Net cash outflows from investing activities		(8,443)	(8,246)
Cash outflows from financing activities			
Interest paid on loans and overdraft		(1,378)	(1,802)
Net cash outflows from financing activities		(1,378)	(1,802)
Net increase in cash and cash equivalents		673,245	298,737
Cash and cash equivalents at the beginning of financial year		(344,876)	(643,613)
Cash and cash equivalents at end of financial year		328,369	(344,876)
Reconciliation to cash at bank and in hand:			
Cash at bank and in hand		375,380	5,842
Bank overdraft		(47,011)	(350,718)
Cash and cash equivalents at end of financial year		328,369	(344,876)

ST. VINCENT'S HOSPITAL, FAIRVIEW

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

1. GOING CONCERN

The Hospital is primarily funded by means of an annual revenue allocation from the Health Service Executive ("HSE"). As such, it is dependent on the HSE providing adequate funding to ensure that it can meet its liabilities as and when they fall due. During the year, the allocated funding from the HSE increase by 2% (€322k). The Hospital continues to operate at close to a breakeven position through cost cutting measures. The Hospital has been notified that its allocated funding for 2018 will be at similar level as in 2017. This represents a significant challenge to management to continue to maintain activity levels and achieve financial breakeven.

The financial statements have been prepared on a going concern basis as the Governors are of the view that the overall level of funding from the HSE together with further cost cutting measures, steps being taken to recover arrears of funds due to the Hospital (including capital grants - see Note 18) and the availability of appropriate bank overdraft facilities will ensure that the Hospital continues as a going concern for a period of not less than 12 months from the date of approval of the financial statements.

2. STATEMENT OF ACCOUNTING POLICIES

Basis of preparation

The Hospital is established under a trust deed. The financial statements have been prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council.

(a) Revenue recognition

(i) Grants

Revenue grants are credited to the Statement of Comprehensive Income in the financial year in which they are receivable, on the basis of the allocated amount notified by the Health Service Executive ("HSE") to the Hospital at the end of the financial year. Capital grants are treated as a deferred credit and amortised on the same basis as the related fixed assets are depreciated.

(ii) Health agency income

This refers to income derived from the use of facilities and staff by various other health agencies, including the HSE. It includes the recharge of direct costs arising for the occupancy of units in the Fairview Community Unit to those agencies, and charges for staff utilised by the HSE, and is accounted for in to the period to which the income relates.

(iii) Other patient income

Income from long stay patients and statutory in-patient charges are accounted for in the period in which the Hospital has earned the income.

(iv) Rental income

Rental income from the rent of premises owned by the Hospital is accounted for in the period to which the rental income relates.

(v) Restaurant and pharmacy sales

Restaurant and pharmacy sales are accounted for net of value added tax and are recorded in the period in which the sales are made.

(b) Fixed Assets

Tangible fixed assets are stated at cost. Depreciation is calculated at the following rates:

Buildings	2.5% reducing balance basis
Vehicles	20% - 33.3% straight line basis
Fixtures and fittings	10% - 25% straight line basis
Freehold Land	not depreciated

2. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

(c) Investments

Investments purchased are stated at cost.

- Investments bequeathed are initially included at current market value. A provision is made for any expected permanent diminution in value.
- Income from investments is accounted for on a cash receipts basis. Gains/losses from investment sales and income from investments are credited to the Statement of Comprehensive Income.

(d) Stocks

Stocks have been valued at cost with appropriate write-offs for stock which is damaged or obsolete.

(e) Patients' property

Monies received by the Hospital from or on behalf of long-stay patients for safekeeping are kept in special accounts separate and apart from the Hospital's accounts. Such accounts are collectively called the Patients' Private Property accounts. Such monies are not the property of the Hospital and are administered by the Hospital on behalf of the patients. No charges are made to patients for administering these funds.

(f) Pensions

The Hospital acts as an agent in the operation of the defined benefit pension schemes operated in respect of the employees eligible for inclusion under VHSS and the Single Public Service Pension Scheme ("SPSPS") established for persons employed since 2013. Both of these schemes are administered, funded and underwritten by the State.

The Hospital does not contribute financially to the schemes. Contributions are received from eligible employees only. The Governors consider that the Hospital has no responsibility for any liability that falls due as a result of any ultimate under-funding of the schemes.

(i) VHSS

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

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

The surplus or deficit of contributions each year forms part of the funding of the Hospital, and is reflected by adjustments being made to the HSE revenue allocation. Public sector pension levies are treated in a similar manner.

(ii) SPSPS

Contributions from eligible employees are transferred to a bank account notified to the Hospital by the Department of Public Expenditure and Reform.

(g) Financial instruments

Financial assets and financial liabilities are recognised when the Hospital becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

2. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified at fair value through the Statement of Comprehensive Income, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar instrument.

Financial assets are derecognised when and only when (a) the contractual rights to the cash flows from the financial asset expire or are settled, (b) the Hospital transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the Hospital, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

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

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

Balances are classified as payable or receivable within one year if payment or receipt is due within one year or less. If not, they are presented as falling due after more than one year. Balances that are classified as payable or receivable within one year on initial recognition are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

(h) Provisions for liabilities

A provision is recognised when the Hospital has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

(i) Comparative figures

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

(j) Taxation

The Hospital is a registered charity and is exempt from taxation on its income (CHY No.13863).

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Hospital's accounting policies, which are described in note 2, the Governors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

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

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Critical judgment in applying the Hospital's accounting policies

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

Going Concern

The Governors believe that it is appropriate to continue to adopt the going concern basis in preparing the financial statements. See note 1 for further details.

Pensions

Most employees participate in the VHSS operated by the HSE. The VHSS is an unfunded 'pay as you go' scheme underwritten by the Minister for Health. In the judgment of the Governors the funds required to pay current pension liabilities, under the VHSS, as they arise will continue to be provided by the Department of Health. See note 18 for further details.

In the opinion of the Governors, the Department of Public Expenditure and Reform ("DPER") is responsible for the Single Scheme and payments arising under this scheme to retiring employees are payable by the State. See note 18 for further details.

Critical accounting estimates and assumptions

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

Useful economic lives of tangible fixed assets

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

Impairment of debtors

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

4. HEALTH SERVICE EXECUTIVE GRANTS

The Hospital receives an annual allocation from the HSE to fund its operations. The grant is solely applied to fund both pay and non-pay costs arising in the delivery of psychiatric services to patients in Dublin North Inner City.

Details of the grant are as follows:

	2017 €	2016 €
Cash received in the year	14,445,769	14,053,144
Receivable at the start of the year (note 11)	(1,627,026)	(1,389,913)
Receivable at the end of the year (note 11)	1,476,176	1,627,026
Grant allocated for the year	<u>14,294,919</u>	<u>14,290,257</u>

ST. VINCENT'S HOSPITAL, FAIRVIEW

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

5. OTHER INCOME		2017	2016
		€	€
	<i>An analysis of other income is as follows:</i>		
	Superannuation	413,522	451,697
	Pension levy	341,675	372,940
	Patient income		
	- Long stay	96,547	111,665
	- Statutory In-patient charges	2,600	-
	- Restaurant sales	64,661	69,967
	- Telephones	1,735	-
	- Pharmacy sales	176,362	180,132
	- Health agency income (see (b) below)	842,076	810,676
	- Sundries	77,758	93,545
	- Rent from premises	-	40,500
		2,016,936	2,131,122

(b) Health agency income

Health agency income is received by the Hospital in respect of the occupancy of the Fairview Community Unit ("FCU") and for utilisation of nursing staff, by other healthcare agencies, including the HSE. At 31 December 2017, the FCU continued to be occupied by St. Ita's Hospital, Portrane who have the use of 25 Beds, the Mater Misericordiae University Hospital who have used of 50 Beds (2016 - 50 Beds), and the HSE which operates a Day Hospital from the FCU. Costs incurred by the Hospital in respect of the FCU are recouped from the various health agencies occupying the unit and this is included in Other Income in the Statement of Comprehensive Income.

6. STAFF COSTS

The average monthly number of persons employed by the Hospital was 298 (2016: 264).

Staff costs are as follows:	2017	2016
	€	€
Gross pay	10,780,841	10,454,312
Employers' PRSI	903,653	878,943
Pension costs	1,143,598	1,394,510
Holiday accrual	9,760	79,780
	12,837,852	12,807,545

Details of employees (excluding Pensioners) whose total employee benefits excluding employers PRSI for the reporting period which fell within the following bands are as follows:

Band		No. of staff	No. of staff
From	To	2017	2016
€ 60,000	€69,999	22	21
€ 70,000	€79,999	6	6
€ 80,000	€89,999	2	2
€ 90,000	€99,999	-	1
€100,000	€109,999	1	-
€220,000	€229,999	1	1
		32	31

No remuneration has been paid to Governors in the year (2016: €Nil).

ST. VINCENT'S HOSPITAL, FAIRVIEW

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

7. TANGIBLE FIXED ASSETS

	Freehold land €	Buildings €	Fixtures and fittings €	Vehicles €	Total €
Cost:					
At 1 January 2017	101,499	29,865,263	2,434,104	108,184	32,509,050
Additions	-	-	8,443	-	8,443
At 31 December 2017	101,499	29,865,263	2,442,547	108,184	32,517,493
Depreciation:					
At 1 January 2017	-	6,185,161	2,242,144	108,184	8,535,489
Charge for the financial year	-	591,991	30,148	-	622,139
At 31 December 2017	-	6,777,152	2,272,292	108,184	9,157,628
Carrying amount:					
At 31 December 2017	101,499	23,088,111	170,255	-	23,359,865
At 31 December 2016	101,499	23,680,102	191,960	-	23,973,561

Interests in assets

In 2008 the Daughters of Charity of St. Vincent de Paul gifted 21 Convent Avenue, Dublin 3 to the Hospital on the condition that, if the property ceases to be used for the provision of psychiatric services by the Hospital, the Trustees shall pay, out of the assets of the Hospital, the higher of €635,000 or the open market value at the time of cessation. Buildings include €16m in respect of the Fairview Community Unit, which have been funded by the HSE.

ST. VINCENT'S HOSPITAL, FAIRVIEW

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

8. INVESTMENTS	2017	2016
	€	€
<i>Prize bonds</i>		
At beginning and end of year	784	784
	<hr/>	<hr/>
9. STOCKS	2017	2016
	€	€
Pharmacy	27,708	47,574
	<hr/>	<hr/>
In the opinion of the governors, the replacement cost of stock does not significantly differ from the amounts shown above.		
10. DEBTORS	2017	2016
	€	€
Heath Service Executive (Dublin North City/ Dublin North & related Hospitals)	148,922	231,132
Patient debtors	17,645	11,428
Sundry debtors and prepayments	170,225	141,305
Health Service Executive revenue grant (Note 4)	1,476,176	1,627,026
Health Service Executive capital grant (Note 18)	462,656	462,656
	<hr/>	<hr/>
	2,275,624	2,473,547
	<hr/>	<hr/>
11. CASH AT BANK AND IN HAND	2017	2016
	€	€
Cash on hand	1,897	1,365
Staff savings account	555	550
Deposit account	372,928	3,927
Patients' private property – bank account	110,133	35,434
	<hr/>	<hr/>
	485,513	41,276
	<hr/>	<hr/>
12. CREDITORS	2017	2016
	€	€
Trade creditors	331,206	376,848
PAYE/PRSI/VAT	343,372	286,835
Wages and salaries	5,443	6,196
Holiday accrual	184,440	174,680
Pension and lump sum payments	122,413	280,612
Other payroll and agency staff costs	932,337	682,430
Deferred income	283,426	-
Others	450,014	416,150
Patients' private property – liability	110,133	35,434
Bank overdraft (Note 14)	47,011	350,718
	<hr/>	<hr/>
	2,809,795	2,609,903
	<hr/>	<hr/>

ST. VINCENT'S HOSPITAL, FAIRVIEW

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

13. BANK OVERDRAFT

The Hospital has an ongoing bank overdraft facility for its working capital needs. The balance outstanding at 31 December 2017 was €47,011. (2016: €350,718). The overdraft facility is on an unsecured basis.

14. RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2017 €	2016 €
Deficit for the financial year	(595,583)	(629,166)
Add-back interest charged	1,378	1,802
Add-back depreciation	622,139	679,878
Decrease/(increase) in stocks	19,866	(8,945)
Decrease/(increase) in debtors	197,923	(104,886)
Decrease in creditors	437,283	370,102
Net cash inflow from operating activities	683,066	308,785

15. PENSION COMMITMENTS

The Hospital operates a defined benefit pension scheme in respect of employees eligible for inclusion under the VHSS.

In the financial year ended 31 December 2017 €413,522 (2016: €451,697) was retained as income, €941,450 (2016: €878,723) was paid to pensioners and refunded to employees leaving the scheme, €202,147 (2016: €515,620) was paid in respect of lump sums, and €Nil (2016: €Nil) was charged in respect of tax on lump sums.

Whilst the VHSS scheme is a defined benefits scheme, the Hospital 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 Hospital's deemed contributions, as determined by the Department of 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.

This scheme is in operation for the majority of the employees and is administered, funded and underwritten by the Department of Health. The Governors consider that the Hospital has no liability arising from any potential under funding of the schemes.

A new Single Public Service Pension Scheme (Single Scheme) commenced with effect from 1st January 2013. The Scheme applies to all pensionable first time entrants to the Public Service, as well as former public servants returning to the Public Service after a break of more than 26 weeks. Benefits are calculated by reference to "referable amounts" for each year's service that are uprated by the CPI as notified by the Minister. All contributions deducted from members wages/salaries are remitted to the nominated bank account of the Department of Public Expenditure and Reform and not credited to the Profit and Loss Account. As per Public Service Pensions (Single Scheme and Other Provisions) Act 2012, Section 44(1) (b), payments arising under this Single Scheme to retiring employees shall be paid from funds provided by the Oireachtas for that purpose.

In the financial year ended 31 December 2017, €77,404 (2016: €52,825) was paid to DPER.

ST. VINCENT'S HOSPITAL, FAIRVIEW

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

16. CAPITAL GRANTS RECEIVABLE

In 2011, the Hospital received approval from the HSE to extend the then existing 6 Bed Adolescent Inpatient Unit to a new 12 Bed Unit at a total cost (including equipment) of €2.7m, to be funded by way of a capital grant from the HSE. The work was completed in 2012 and the Unit has been occupied since then. However, since late 2012 the HSE has not paid any capital assistance due to the Hospital (including monies outstanding under the agreement relating to the Adolescent Unit) pending agreement by the Hospital to retrospectively provide security against the Fairview Community Unit constructed by the HSE on hospital property in 2010.

The requirement to retrospectively grant such security, and the legal nature of the security sought, is not acceptable to the Board of the Hospital. Legal advice to the Board is that the grant due in respect of the Adolescent Unit is legally payable to the Hospital regardless of the request made by the HSE in relation to the Fairview Community Unit. However, the Board are agreeable to recognise the HSE's interest in the Fairview Community Unit and to protect that interest in the event that that property was to be sold or otherwise ceased to be used by the Hospital for healthcare purposes. The Board has submitted a draft agreement which they feel will be mutually acceptable. The HSE has acknowledged the amount due at the balance sheet date and this has been placed in a solicitor account by the HSE pending completion of the above matters.

The Board are therefore of the view that the balance payable to the Hospital on foot of the grant agreement in the sum of €462,656 (2016: €462,656) will be paid in full following resolution of the legal issues arising as a result of the amendment sought by the HSE. The total capital grants outstanding as at 31 December 2017 due to this matter amount to €462,656 (2016: €462,656).

17. TRANSACTIONS WITH GOVERNORS AND CONNECTED PERSONS

There have been no transactions with Governors or other related parties.

Key management personnel

All Governors have authority and responsibility for planning, directing and controlling the activities of the Hospital and are therefore considered to be key management personnel. No remuneration has been paid to governors. Remuneration costs (including employer PRSI) in respect of key management personnel amounted to €329,590 (2016: €324,373).

18. FINANCIAL INSTRUMENTS

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

	2017	2016
	€	€
<i>Measured at discounted amount receivable</i>		
Health Service Executive (Dublin North City/ Dublin North & related Hospitals)	148,922	231,132
Patient debtors	17,645	11,428
Health Service Executive revenue grant	1,476,176	1,627,026
Health Service Executive capital grant	462,656	462,656
	<hr/>	<hr/>
<i>Measured at discounted amount payable</i>		
Trade creditors	331,206	376,848
Patients' private property – liability	110,133	35,434
Bank overdraft (Note 14)	47,011	350,718
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

19. SUBSEQUENT EVENTS

No material events have occurred between the balance sheet date and the date these financial statements were issued.

20. PRIOR YEAR ADJUSTMENT

The board reviewed the accounting policies and the format of the financial statements during the financial year under review. Historically, depreciation has been charged and amortisation has been credited to the Statement of Comprehensive Income.

However, as these capital grants are classified as reserves there should be no amortisation credit in the Statement of Comprehensive Income. In order to more accurately reflect the transaction, the Board have included a Statement of Changes in Reserves which discloses the transfer of the annual depreciation charge to the capital grant reserve.

This reclassification has been processed as a prior year adjustment and the comparative figures have been restated.

A summary of the impact this change has had on the income statement is presented below:

	(As restated)
	2016
	€
Surplus for the financial year as previously reported	50,712
Prior year adjustment – reversal of amortisation	(679,878)
Deficit for the financial year as restated	<u>(629,166)</u>

21. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Governors on the
29 June 2018

SUPPLEMENTARY INFORMATION

(NOT COVERED BY THE INDEPENDENT AUDITORS' REPORT)

ST. VINCENT'S HOSPITAL, FAIRVIEW

**NON CAPITAL INCOME & EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2017**

(Excerpt from Financial Statements presented under the Accounting Standards for Voluntary Hospitals effective 1.1.1999)

(NOT COVERED BY THE INDEPENDENT AUDITORS' REPORT)

		2017 €	2016 €
CUMULATIVE NON-CAPITAL DEFICIT BROUGHT FORWARD FROM THE PREVIOUS YEAR			
		46,722	97,434
PAY			
	Schedule		
Salaries	1	11,694,255	11,413,202
Superannuation and Gratuities	1	1,143,597	1,394,343
		12,837,852	12,807,545
NON PAY			
Direct Patient Care	2	420,399	411,179
Support Services	2	1,829,023	1,821,684
Financial and Administrative	2	1,198,025	1,330,259
		3,447,447	3,563,122
GROSS EXPENDITURE FOR THE YEAR			
Includes deficit brought forward from previous year		16,332,021	16,468,101
INCOME			
	3	(2,016,936)	(2,131,122)
Net expenditure for year		14,315,085	14,336,979
Allocation – Notified for the year from HSE		(14,294,919)	(14,290,257)
DEFICIT FOR THE YEAR CARRIED FORWARD TO FOLLOWING YEAR			
		20,166	46,722

With the exception of fixed asset depreciation which is dealt with through the Capitalisation Account, all recognised gains and losses for the year ended 31 December 2017 have been included in the Income and Expenditure Account noted above. The net deficit in both years arises from continuing operations.

RECONCILIATION BETWEEN NON CAPITAL INCOME & EXPENDITURE ACCOUNT AND STATEMENT OF COMPREHENSIVE INCOME

Deficit for Year - Non Capital Income & Expenditure Account	(20,166)	(46,722)
Add Back Interest payable and similar charges	1,378	1,802
Add Back Deficit brought forward	(46,722)	(97,434)
Surplus for year	27,934	52,514
Depreciation	(622,139)	(679,878)
Interest payable and similar charges	(1,373)	(1,802)
Deficit for the Financial Year – Statement of Comprehensive Income	(595,583)	(629,166)

ST. VINCENT'S HOSPITAL, FAIRVIEW

BALANCE SHEET

AS AT 31 DECEMBER 2017

(Excerpt from Financial Statements presented under the Accounting Standards for Voluntary Hospitals effective 1.1.1999)

(NOT COVERED BY THE INDEPENDENT AUDITORS' REPORT)

	2017 €'000	2016 €'000
Fixed Assets		
Tangible Fixed Assets	23,359,865	23,973,561
	<hr/>	<hr/>
Current Assets		
Investments	784	784
Stocks	27,708	47,574
Debtors	2,275,624	2,473,547
Cash at bank and in hand	485,513	41,276
	<hr/>	<hr/>
	2,789,629	2,563,181
Creditors: Amounts falling due within one year	(2,809,795)	(2,609,903)
	<hr/>	<hr/>
Net Current Liabilities	(20,166)	(46,722)
	<hr/>	<hr/>
NET ASSETS	23,339,699	23,926,839
	<hr/> <hr/>	<hr/> <hr/>
CAPITAL AND RESERVES		
Capitalisation Account	23,359,865	23,973,561
Retained deficit	(20,166)	(46,722)
	<hr/>	<hr/>
	23,339,699	23,926,839
	<hr/> <hr/>	<hr/> <hr/>

ST. VINCENT'S HOSPITAL, FAIRVIEW

**SCHEDULES TO THE DETAILED REVENUE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2017
(NOT COVERED BY THE INDEPENDENT AUDITORS' REPORT)**

SCHEDULE 1 - REMUNERATION

	2017	2016
	€	€
Administrative	1,125,592	1,085,348
Medical:		
Non-Consultant Hospital Doctors (NCHD)	587,098	636,328
Common contract	430,278	503,212
Nursing	7,437,721	7,147,996
Para-medical	578,015	491,396
Catering	622,465	598,509
Housekeeping	725,596	705,844
Maintenance	177,730	164,789
Pensions and superannuation refunds	941,450	878,723
Lump sum	202,147	515,620
Holiday accrual	9,760	79,780
	12,837,852	12,807,545

Pay costs are further analysed as follows:

	€	€
Basic pay	8,352,445	8,133,042
Overtime	1,324,847	1,021,803
Premium pay	1,003,229	1,198,380
Holiday/public holiday premiums	60,476	55,200
Holiday accrual	9,760	79,780
On call/standby	24,584	31,104
PRSI employer	903,653	878,943
Travel allowance	15,261	14,950
Pensions and refunds	941,450	878,723
Gratuities/lump sums	202,147	515,620
Total pay costs	12,837,852	12,807,545

ST. VINCENT'S HOSPITAL, FAIRVIEW**SCHEDULES TO THE DETAILED REVENUE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2017
(NOT COVERED BY THE INDEPENDENT AUDITORS' REPORT)****SCHEDULE 2 - SUPPLIES AND SERVICES**

	2017	2016
	€	€
Medicines	349,727	318,232
Blood/blood products	3,718	571
Medical gases	2,449	2,119
Medical/surgical supplies	32,745	35,337
Other medical equipment	31,854	54,625
X-Ray/imaging	(95)	295
Catering expenses	377,234	388,790
Heat, power and light	370,424	387,974
Cleaning and washing	286,842	270,868
Furniture, crockery and hardware	62,644	71,791
Bedding and clothing	5,988	5,273
Maintenance	434,371	508,555
Farm and grounds	69,930	54,186
Education and training	176,932	96,914
Travel and subsistence	19,464	18,733
Transport (patient)	13,891	10,574
Vehicles running costs	11,303	8,025
Insurance	72,437	137,109
Legal	72,906	62,947
Audit	36,900	43,050
Computer	43,942	67,567
Office expenses	261,054	261,938
Professional services	68,563	123,541
Bad/doubtful debts	25,925	25,835
Security	364,711	362,248
Publications	42,101	37,680
Membership/subscriptions	20,590	17,693
Miscellaneous	187,518	188,850
Bank interest, charges	1,379	1,802
	3,447,447	3,563,122

ST. VINCENT'S HOSPITAL, FAIRVIEW

**SCHEDULES TO THE DETAILED REVENUE ACCOUNT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017
(NOT COVERED BY THE INDEPENDENT AUDITORS' REPORT)**

SCHEDULE 3 - MINOR INCOME	2017	2016
	€	€
Superannuation	413,522	451,697
Pension levy	341,675	372,940
<i>Patient</i>		
Long stay	96,547	111,665
Statutory In-patient charges	2,600	-
Restaurant sales	64,661	69,967
Telephones	1,735	-
Pharmacy sales	176,362	180,132
Health Agency income	842,076	810,675
Sundries	77,758	93,545
Rent from premises	-	40,500
	2,016,936	2,131,121

ST. VINCENT'S HOSPITAL, FAIRVIEW

CAPITAL INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2017
(Excerpt from Financial Statements presented under the Accounting Standards for Voluntary Hospitals effective 1.1.1999)
(NOT COVERED BY THE INDEPENDENT AUDITORS' REPORT)

	2017	2016
	€	€
CAPITAL INCOME SOURCES		
Other	-	4
	<u>-</u>	<u>4</u>
	<u>-</u>	<u>4</u>
CAPITAL EXPENDITURE		
Equipment	-	8,246
Capital Expenditure - Non Capitalised	-	(8,250)
TOTAL CAPITAL EXPENDITURE	<u>-</u>	<u>(4)</u>
	<u>-</u>	<u>(4)</u>
OPENING SURPLUS FROM PREVIOUS YEAR	-	-
OTHER FUNDS	-	-
CLOSING SURPLUS TO FOLLOWING YEAR	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

With the exception of fixed asset depreciation which is dealt with through the Capitalisation Account, all recognised gains and losses for the year ended 31 December 2017 have been included in the Income & Expenditure Account. The net result in both years arises from continuing operations.