

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 2023

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

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

FOR THE YEAR ENDED 31 DECEMBER 2023

President Mr Maurice Collins, (Non-Director) (appointed 20 June 2023)
Mr. T.C. Smyth (Non-Director) (resigned 20 June 2023)

Non-Executive Directors Prof Regina Connolly (resigned 1 January 2023)
Ms Eimcar Christian (appointed 1 November 2023)
Ms Patricia Egan
Mr Aidan Gleeson, Chairperson
Ms Pauline Harrison (resigned 20 June 2023)
Ms Einma Horgan
Ms Anne Jackson (appointed 1 November 2023)
Mr Ken Jordan
Ms Celine McGillicuddy (appointed 28 February 2023)
Ms Sinead Murray
Mr Anthony O'Connor, Deputy Chair
Mr Ian O'Keeffe (resigned 31 March 2023)
Dr Mairead Phillips (appointed 30 May 2023)
Ms Geraldine Regan
Ms Ailish Sherlin
Mr Desmond Stark
Mr William Whitford (appointed 1 November 2023)

Company registered number 2346

Charity revenue number / Registered charity number 1370
20002077

Registered office Blackheath Park
Clontarf
Dublin 3

Principal operating office Blackheath Park
Clontarf
Dublin 3

Company secretary Ms Michelle Fanning

Chief executive officer Ms Michelle Fanning

Independent auditors Azets Audit Services Ireland Limited
3rd Floor, 40 Mespil Road, Dublin 4. D04 C2N4

Bankers Bank of Ireland
College Green
Dublin 2

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

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Directors Report 31 December 2023

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 2023. 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 principle 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 2023 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 Interest registered in 2023. The Conflict of Interest registered in 2022 remains on the register as a "Connected Person" which continued to be managed under the Board's Conflict of Interest Policy and had no effect on the Board's business throughout the year.

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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 and 4 new appointments during 2023. The President of the Association retired in June 2023 just short of the 6-year term of office. A new President was elected following the resignation. The Board provide their time on a voluntary basis and receive no remuneration for their work on behalf of the hospital. The Board Expense Policy for any vouched out-of-pocket expenses, having been paused for several years, was reintroduced in October 2023. There were no vouched out-of-pocket expenses paid out in 2023.

Clontarf Hospital has a suite of Board policies and procedures for the recruitment, induction and training for directors. The nomination and selection of new directors is the prerogative of Board members through an election process at the Annual General Meeting. The Board takes 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 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. Board members attended the annual governance seminar as well as conferences in their areas of interest. The Board received presentations from the hospital's project teams on service developments during the year.

The Board ensure that the activities of the hospital are consistent with its objectives. 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 procedures the Board completed an internal self-appraisal of their 2023 performance and were satisfied that the Board, supported by its committees, is exercising its governance role effectively at Clontarf Hospital. An external Board Appraisal is due in 2024.

The Hospital has robust 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 Safety and Risk Management Committee (iv) Governance Remuneration and Nominations Committee and (v) an Ethics Committee. The Committees are chaired by Directors with expertise in these areas. 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 2023. The CEO and members of 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.

The Hospital's mission is to deliver an excellent interdisciplinary rehabilitation service for patients to enable them to achieve their optimum level of independence, health and wellbeing.

Our values include; Integrity – believe in high standards of care for all our patients -Trust – Rely upon and be confident and secure in the care provided at the hospital- Respect – mutual regard and esteem between staff and patients and all who visit the hospital.

Our vision is to operate as a centre of excellence for rehabilitation while maintaining our voluntary hospital status.

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Strategy

The Hospital's Strategic Plan 2019-2024 is aimed at maintaining our voluntary independent status, building on current strengths, extending and developing services, achieving healthcare accreditation and to developing ancillary healthcare services such as health education and health and social research. As we reach towards the end of our 2019-2024 strategic plan we evaluated our achievements and began to consider a new strategy. Despite the challenges of the pandemic years the hospital is pleased to report that the achievement of our strategic objectives continued successfully. We expanded services to include more specialised rehabilitation and returned to 144 bed funded capacity during the year. As we write the 2023 Director's report the hospital is operating at full capacity (160) to assist with the HSE 2023-2024 Urgent and Emergency Care Plan to improve access to rehabilitation services and relieve pressure on our frontline acute hospitals.

The Directors are also aware of the HSE's plans for 2024 to reorganise the delivery of healthcare services into six new regions, to be known as Health Regions (HRs). The aim of the new HRs is to provide more integrated services that will make it easier for service users and their families to navigate health services and to deliver care closer to their homes and communities. It is unclear, as yet, the impact this will have on Clontarf Hospital but the Directors and the EMT continue to liaise with our HSE colleagues as well as with our fellow voluntary agencies in the roll out of the new structure.

Funding remains key to implementing our strategic objectives. The cost of care is increasing year on year driven by many factors. We are seeing patients requiring more complex rehabilitation and medical treatment as well as with higher dependency care needs. Pay costs, inflation and regulation also increase costs. 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. Ongoing investment in rehabilitation services is vital to enable rehabilitation service providers meet the increasing medical and rehabilitation care needs of the Irish population.

Activities

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.

The Hospital is the largest rehabilitation hospital in Ireland and referrals are accepted from across three hospital groups in the greater Dublin Area. The hospital currently lies within Community Healthcare Organisation 9, Dublin North City and County. The majority of patients are referred from the Dublin Academic Teaching Hospitals i.e. the Mater Misericordiae University Hospital (MMUH), Beaumont Hospital and Connolly Hospital. Referrals and the transfer of patients not only provide much needed post-acute rehabilitation but also relieve pressure on frontline hospital services through active movement of patients into the post-acute rehabilitation phase at the earliest opportunity.

In early 2023 the hospital, in line with public health guidelines, moved to a more relaxed hospital environment as infection prevention and control measures were eased allowing for an improved hospital atmosphere for patients, visitors and staff. Importantly it allowed management to safely increase bed capacity in February to pre Covid-19 numbers of 144 beds. With the increase in operational beds the Directors were pleased to see improved activity during the year across all inpatient areas. Overall there was a 33.7% increase in admission on 2022 with 1,433 admissions and 1,387 discharges versus 1,100 in 2022. The average length of stay decreased from 36.4 days in 2022 to 32.2 days in 2023. The x ray department provided services to a total of 816 patients and completed a total of 913 x ray procedures, slightly lower than 2022 due to a restricted service in the latter part of the year when new state of the art equipment was being installed. The outpatient x ray service provided 932 outpatients with 1,259 x ray procedures, an increase on 2023.

ACHIEVEMENTS AND PERFORMANCE

Clontarf Hospital is working towards developing services to meet the increasing complexity and dependency levels of patients requiring access to post-acute rehabilitation treatment while maintaining safe quality patient centred care. 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 centred is being implemented at the Mater Misericordiae University Hospital.

The hospital continued to build on our service developments with the Integrated Care Programme for Older People and with the more specialised rehabilitation service for patients with acquired brain injury and limb absence services to a level where the hospital can provide safe care and meet each individual patient's care needs. The orthopaedic rehabilitation service had a busy year with 759 patients admitted from our acute hospital system and Cappagh Hospital, again this not only enhances patients care but also relieves pressure on acute hospital beds and orthopaedic waiting lists for joint replacement surgery.

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Quality Safe Care

The most important elements of providing healthcare services is patient safety and the quality of services delivered. In 2023 the hospital had two HIQA inspections, one on ionising radiation safety and the second a hospital wide inspection against the National Standards for Safer Better Healthcare (2012). These are external independent inspections on the safety and the quality of the hospital's healthcare delivery. The directors are pleased with the reports of these inspections with no non-compliances reported. Three substantially compliant areas identified are all areas the directors are aware of and are being addressed by the EMT and with our funders in the HSE.

It is a top priority for directors, management and staff at the hospital to keep patients at the centre of all that we do. To this end quality improvement initiatives throughout the year focused on patient safety and quality of care supported by quality improvement initiatives and clinical audit to ensure that our rehabilitation services meet each individual patient's needs that will maximise functioning and reduce disability.

Challenges remain for healthcare providers in minimising the effects of Covid-19 and other transmissible diseases. Notwithstanding the relaxation of Covid-19 precautions nationally staff and management remained vigilant in minimising outbreaks. 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 as it looks towards the implementation of ESG reporting in 2025 when the hospital comes under the scope of the EU Corporate Sustainability Reporting Directive (CSRD). The hospital will have new reporting obligations along with meeting the requirements of the Public Sector Climate Action Plan 2023 – 2025 which calls for a 51% reduction in energy related greenhouse gas emissions, a 50% improvement in energy efficiency and space heating to be 50% renewable energy.

The 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 CO2 emissions since baseline and that we are on target to meet the 2030 targets. However, 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 completed in the administration building in 2022 included all LED and Passive Infrared Sensors to reduce energy consumption as well as costs. A plan to replace all lights with LEDs is in progress. Installing a heat recovery ventilation system and space heating zones that have the potential to help the hospital achieve our sustainability targets are also under consideration.

Information Communication Technology (ICT)

The Board approved the new ICT Strategy during the year aimed to improve the hospital's ICT security, infrastructure and connectivity into the future. On completion, the strategy was submitted and approved by the HSE and funding allowed the work to commence on the first project in the strategy. The hospital's ICT Department were again ably supported by Mr Ken Jordan, Board member, throughout its development

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 -€424,675 in the year to 31st December 2023 compared to a surplus of €58,968 in the previous year. The surplus in the previous year was largely attributable to Department of Health income of €593,390. This was a once-off payment in recognition of inflationary cost increases incurred over the course of 2022.

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 underfunded the Hospital by €223,000 in 2023. The level of funding determines the level of rehabilitation activity that the hospital can provide. The Directors are concerned that 2023 rehabilitation levels will have to be reviewed given the projected underfunding for 2024 based on the notified allocation from HSE. The Hospital continues to proactively engage with the HSE in respect of the revenue allocation for 2024 with continuing high demand for its services.

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

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include any adjustments nor disclosures that would result if the Company was unable to continue as a going concern.

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 clear and continued 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 current demand to increase bed capacity at the hospital, the high level of older people in Dublin North City and County, the need for post-acute specialist rehabilitation and the HSE's urgent and emergency plans for winter planning 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 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 works to achieving the standards of care in 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 ERS 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 went to tender during the year for a new three year internal audit programme to audit corporate areas of risk over the next three years.

The Board of directors are committed to maintaining the highest standards of corporate governance and welcome the Charities Regulator's introduction of the Charities Governance Code. In advance of inspections from the Charities Regulatory Authority in 2021 the Board reviewed the requirements 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.

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.

PLANS FOR FUTURE PERIODS

Future Developments

The Board launched their five-year strategic plan in June 2019 setting out six key objectives. The first objective set is an important part of the hospital's governance and organisational structure and sets out to ensure that the hospital's voluntary

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independent status and autonomy is maintained. This is important as it allows the Board to direct and control hospital services and the Company's direction in achieving its objectives.

The importance of voluntary organisations, such as the hospital, 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's strategic objective to continue as a voluntary independent organisation into the future.

The CEO and the EMT have set out an Action Plan for the implementation of the strategic objectives and work continues to this effect. In support of the implementation of the strategic objectives two of the three Project Teams, convened in 2022, presented to the Board in 2023 including (i) post-acute specialist rehabilitation to support the Mater Hospital in their roll out of the National Trauma Centre and (ii) ongoing engagement with the NRH in specialist limb absence rehabilitation and with Beaumont Hospital for neurological rehabilitation. Work continued in 2023 engaging with our external stakeholders in developing these services. It is hoped that new service developments will emerge from this engagement in 2024. Consideration for a new Strategic Plan is also scheduled for 2024.

The development of the hospital's post-acute rehabilitation services is very much aligned to national healthcare policy including Sláintecare, Integrated Care, 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".

Towards the end of 2023 HSE Community Healthcare Organisation 9 (CHO9) began initiating their Winter Action Plan to relieve the unsustainable demands on acute hospital services. This required assistance and collaboration from post-acute rehabilitation services. As we write this report in early 2024 the hospital received funding to open the remaining 16 beds that have, to date, been unfunded. A report on the utilisation of these beds has been submitted to CHO9 to determine if these beds can be funded on a permanent basis while also highlighting the high demand on the hospital's rehabilitation services.

It is the director's belief that the implementation of government healthcare policy under Sláintecare which emphasises a move care away from the current acute-hospital centric care to post-acute and community hospital services will place further demands on post-acute hospital services such as Clontarf Hospital. It is recognised that the current demand on acute hospital beds is not sustainable. The hospital is confident that demands for post-acute rehabilitation services will continue and that management at the hospital will engage collaboratively and proactively with our external stakeholders in providing rehabilitation services to meet raising demand and increasing complexity in 2024.

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 2023 and this is expected to continue in 2024. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

The national healthcare sector recognise that the Covid-19 virus and other 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. Although the ongoing effects cannot be fully determined the directors believe that the main risks associated with Covid-19 and infectious conditions remain as follows:

- loss of income from private health insurance income;
- increased cost of trading due to management of infectious conditions;
- increased staff absenteeism due to high transmission rates and management of staff wellbeing.

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Post Balance Events

In early 2023 we saw an easing of Covid-19 restriction in hospitals. Public Health guidance advised the management of the virus in the broader context of infection prevention and control precautions to support flexibility at hospital level and the delivery of care in a more amenable hospital environment. Covid-19 risk assessment, good infection prevention and control procedures as well as a robust vaccination programmes remain central to preventing transmission and outbreaks at the hospital. With these new measures in place the hospital is beginning to return to pre Covid-19 activity. It is expected that, should conditions remain the same, the hospital can continue to build on the 2023 activity levels.

In December 2023 the impact of managing the upsurge in respiratory illnesses caused alarm for the HSE management team. The HSE's Urgent and Emergency Care Plan 2023-2024 (Winter Action Plan) was invoked and the hospital was asked to support our local acute hospitals in maximising bed capacity. Funding was made available and the hospital and staff prepared to open an additional 16 beds in January 2024 to support the acute hospitals.

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

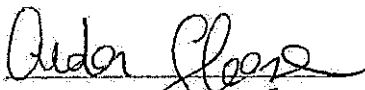
The auditors, Azets Audit Services Ireland Limited were appointed by the Directors for the current year and will remain in office in accordance with section 383 of the Companies Act 2014.

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: 28/5/2024

Signed: 

Date: 28.5.2024

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**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 2023 and of the net movement in funds for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting 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 23 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.

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

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

We have nothing to report in this regard.

Responsibilities of directors

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

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

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.

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

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

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.
- 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:

Keith Doyle

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Keith Doyle
For and on behalf of
Azéts Audit Services Ireland Limited
Statutory Audit Firm
3rd Floor
40 Mespil Road
Dublin 4
D04 C2N4

Date: 28 May 2024

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 2023

	Note	Restricted funds 2023 €	Unrestricted funds 2023 €	Total funds 2023 €	Total funds 2022 €
INCOME FROM:					
Charitable activities	4	24,440,317	3,378	24,443,695	22,069,988
TOTAL INCOME		<u>24,440,317</u>	<u>3,378</u>	<u>24,443,695</u>	<u>22,069,988</u>
EXPENDITURE ON:					
Charitable activities	5,6	24,867,814	556	24,868,370	22,011,020
TOTAL EXPENDITURE		<u>24,867,814</u>	<u>556</u>	<u>24,868,370</u>	<u>22,011,020</u>
NET INCOME/(EXPENDITURE)	15	(427,497)	2,822	(424,675)	58,968
Transfers		24,855	(24,855)	0	0
NET MOVEMENT IN FUNDS		<u>(402,642)</u>	<u>(22,033)</u>	<u>(424,675)</u>	<u>58,968</u>
RECONCILIATION OF FUNDS:					
Total funds brought forward	15	630,594	17,580,322	18,210,916	18,151,948
Net movement in funds		(402,642)	(22,033)	(424,675)	58,968
TOTAL FUNDS CARRIED FORWARD		<u>227,952</u>	<u>17,558,289</u>	<u>17,786,241</u>	<u>18,210,916</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 2023

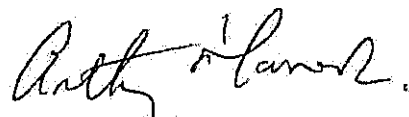
	Note	2023 €	2022 €
FIXED ASSETS			
Tangible assets	10	16,965,467	16,967,534
		<u>16,965,467</u>	<u>16,967,534</u>
CURRENT ASSETS			
Stocks	11	104,215	97,692
Debtors	12	2,115,877	2,184,397
Cash at bank and in hand		494,996	511,684
		<u>2,715,088</u>	<u>2,793,773</u>
Creditors: amounts falling due within one year	13	(1,894,314)	(1,550,391)
NET CURRENT ASSETS		<u>820,774</u>	<u>1,243,382</u>
TOTAL NET ASSETS		<u>17,786,241</u>	<u>18,210,916</u>
CHARITY FUNDS			
Restricted funds	15	227,952	630,594
Unrestricted funds	15	17,558,289	17,580,322
TOTAL FUNDS		<u>17,786,241</u>	<u>18,210,916</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 Anthony O'Connor

Date: 28 May 2024

The notes on pages 15 to 32 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 2023

	Note	2023 €	2022 €
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	18	649,327	293,537
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of tangible fixed assets	10	(514,833)	(264,888)
NET CASH USED IN INVESTING ACTIVITIES		(514,833)	(264,888)
CASH FLOWS FROM FINANCING ACTIVITIES			
NET CASH PROVIDED BY FINANCING ACTIVITIES		-	-
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		134,494	28,649
Cash and cash equivalents at the beginning of the year		360,502	331,853
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		494,996	360,502

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 2023

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 is 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 2023

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 or 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 2023

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 2023

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 are 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 2023

2. ACCOUNTING POLICIES (CONTINUED)

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

e) 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 2023

4. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2023 €	Unrestricted funds 2023 €	Total funds 2023 €	Total funds 2022 €
HSE Capital grants	346,533	0	346,533	0
Patient income	1,339,675	0	1,339,675	934,511
HSE revenue grant	17,064,739	0	17,064,739	14,903,566
RTA receipts	28,307	0	28,307	0
Deduction from payroll / superannuation	568,562	0	568,562	527,827
Canteen receipts and other income	118,727	0	118,727	111,905
HSE other income	3,620,774	0	3,620,774	3,677,805
Restricted charity income	0	3,378	3,378	984
Beaumont Hospital income	1,353,000	0	1,353,000	1,320,000
Department of Health income	0	0	0	593,390
	<u>24,440,317</u>	<u>3,378</u>	<u>24,443,695</u>	<u>22,069,988</u>
TOTAL 2022				
	<u>22,069,004</u>	<u>984</u>	<u>22,069,988</u>	

5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Restricted funds 2023 €	Unrestricted funds 2023 €	Total funds 2023 €	Total funds 2022 €
Charitable activities	<u>24,867,814</u>	<u>556</u>	<u>24,868,370</u>	<u>22,011,020</u>

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

6. EXPENDITURE ON CHARITABLE ACTIVITIES

Activity	Restricted Costs €	Unrestricted Costs €	Total 2023 €	Total 2022 €
Staff costs (see Note 8)	18,942,468	0	18,942,468	17,014,763
Drugs and medicines	329,287	0	329,287	296,483
Medical equipment, gases, supplies	418,338	0	418,338	386,430
X-ray	24,737	0	24,737	14,962
Laboratory supplies and contracts	634,090	0	634,090	575,543
Catering equipment and provisions	527,623	0	527,623	419,958
Heat, power and light	294,889	0	294,889	198,382
Cleaning, laundry, bedding, furniture	608,445	0	608,445	585,576
Maintenance and grounds	190,279	0	190,279	143,184
Transport of patients	40,249	0	40,249	31,771
Courier services	20,484	0	20,484	18,830
Staff Training	82,908	0	82,908	48,346
Miscellaneous	55,383	556	55,939	50,153
Total Direct Costs	22,169,180	556	22,169,736	19,784,381
Support Costs (see below)	2,675,467	0	2,675,467	2,204,499
Governance costs - Audit	23,167	0	23,167	22,140
Total Charitable Expenditure	24,867,814	556	24,868,370	22,011,020

ANALYSIS OF SUPPORT COSTS

	2023 €	2022 €	Basis of allocation
Charitable activities:			
Staff and related costs	1,293,914	1,209,253	<i>Administration Staff</i>
Insurance, legal and professional fees	254,741	235,739	
Computer equipment and contracts	436,641	193,307	
Office supplies and contracts	171,520	133,001	
Bank interest and charges	1,751	2,199	
Provision for bad debts on patient income	0	(47,137)	
Depreciation	516,900	478,137	
Total	2,675,467	2,204,499	

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

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

7. AUDITORS' REMUNERATION

The auditors' remuneration amounts to an auditor fee of €23,167 (2022 - €22,140).

8. STAFF COSTS

	2023 €	2022 €
Payroll and agency costs	16,842,524	15,457,240
Employer's PRSI contribution	1,728,879	1,551,896
Other pension costs	1,664,979	1,214,880
	<u>20,236,382</u>	<u>18,224,016</u>

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

	2023 No.	2022 No.
Employees	<u>329</u>	<u>311</u>

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

	2023 No.	2022 No.
In the band €60,000 - €70,000	39	46
In the band €70,000 - €80,000	27	15
In the band €80,000 - €90,000	8	7
In the band €90,000 - €100,000	4	2
In the band €100,000 - €110,000	0	0
In the band €110,000 - €120,000	0	1
In the band €120,000 to €130,000	1	0
In the band €160,000 to €170,000	1	0

During the year an amount of €604,184 was paid to Key Management personnel (2022 - €563,922).

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

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

9. DIRECTORS' REMUNERATION AND EXPENSES

During the year, no Directors received any remuneration or other benefits (2022 - €NIL-).

In accordance with the Board of Directors Expense Policy, the Directors received reimbursement of expenses in 2023 amounting to €0 (2022 - €0).

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

10. TANGIBLE FIXED ASSETS

	Freehold property €	Plant and machinery €	Fixtures and fittings €	Total €
COST OR VALUATION				
At 1 January 2023	28,233,753	1,555,265	445,039	30,234,057
Additions	25,920	442,300	46,613	514,833
At 31 December 2023	<u>28,259,673</u>	<u>1,997,565</u>	<u>491,652</u>	<u>30,748,890</u>
DEPRECIATION				
At 1 January 2023	11,423,255	1,402,182	441,086	13,266,523
Charge for the year	420,911	90,851	5,138	516,900
At 31 December 2023	<u>11,844,166</u>	<u>1,493,033</u>	<u>446,224</u>	<u>13,783,423</u>
NET BOOK VALUE				
At 31 December 2023	<u>16,415,507</u>	<u>504,532</u>	<u>45,428</u>	<u>16,965,467</u>
At 31 December 2022	<u>16,810,498</u>	<u>153,083</u>	<u>3,953</u>	<u>16,967,534</u>

11. STOCKS

	2023 €	2023 €
Finished goods	<u>104,215</u>	<u>97,692</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 2023

12. DEBTORS

	2023 €	2022 €
Patient debtors	281,290	98,536
HSE debtor	1,739,115	1,398,170
Prepayments and accrued income	95,472	94,301
Department of Health debtor	0	593,390
	<u>2,115,877</u>	<u>2,184,397</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 €	2022 €
Bank overdrafts	0	151,182
Trade creditors	492,077	320,598
HSE creditor	0	152,945
Other taxation and social security	431,017	579,519
Accruals and deferred income	971,220	346,147
	<u>1,894,314</u>	<u>1,550,391</u>

Other taxation and social security

	2023 €	2022 €
PAYE/PRSI control	427,049	579,519
VAT control	3,968	0
	<u>431,017</u>	<u>579,519</u>

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

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

14. FINANCIAL INSTRUMENTS

	2023	2022
	€	€
Financial assets that are debt instruments measured at amortised cost:		
Patient debtors	281,290	98,536
HSE debtor	1,739,115	1,398,170
Department of Health debtor	<u>0</u>	<u>593,390</u>
	<u>2,020,405</u>	<u>2,090,096</u>
	2023	2022
	€	€
Financial liabilities measured at amortised cost:		
Bank overdrafts	0	151,182
Trade creditors	492,077	320,598
HSE creditor	<u>0</u>	<u>152,945</u>
	<u>492,077</u>	<u>624,725</u>

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

15. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2023 €	Income €	Expenditure €	Transfers in/out €	Balance at 31 December 2023 €
RESTRICTED FUNDS					
HSE Restricted Funds	<u>630,594</u>	<u>24,440,317</u>	<u>(24,867,814)</u>	<u>24,855</u>	<u>227,952</u>
UNRESTRICTED FUNDS					
Charity Restricted Fund	<u>17,580,322</u>	<u>3,378</u>	<u>(556)</u>	<u>(24,855)</u>	<u>17,558,289</u>
TOTAL OF FUNDS	<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>

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 1 January 2022 €	Income €	Expenditure €	Transfers in/out €	Balance at 31 December 2022 €
RESTRICTED FUNDS					
HSE Restricted Fund	<u>833,455</u>	<u>22,069,004</u>	<u>(22,006,977)</u>	<u>(264,888)</u>	<u>630,594</u>
UNRESTRICTED FUNDS					
Charity Restricted Fund	<u>17,318,493</u>	<u>984</u>	<u>(4,043)</u>	<u>264,888</u>	<u>17,580,322</u>
TOTAL OF FUNDS	<u><u>18,151,948</u></u>	<u><u>22,069,988</u></u>	<u><u>(22,011,020)</u></u>	<u><u>0</u></u>	<u><u>18,210,916</u></u>

INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

16. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 January 2023 €	Income €	Expenditure €	Transfers in/out €	Balance at 31 December 2023 €
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>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 January 2022 €	Income €	Expenditure €	Transfers in/out €	Balance at 31 December 2022 €
Restricted funds	833,455	22,069,004	(22,006,977)	(264,888)	630,594
General funds	17,318,493	984	(4,043)	264,888	17,580,322
	<u>18,151,948</u>	<u>22,069,988</u>	<u>(22,011,020)</u>	<u>-</u>	<u>18,210,916</u>

INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted funds 2023 €	Unrestricted funds 2023 €	Total funds 2023 €
Tangible fixed assets	0	16,965,467	16,965,467
Current assets	227,952	2,487,136	2,715,088
Creditors due within one year	0	(1,894,314)	(1,894,314)
TOTAL	<u>227,952</u>	<u>17,558,289</u>	<u>17,786,241</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds 2022 €	Unrestricted funds 2022 €	Total funds 2022 €
Tangible fixed assets	0	16,967,534	16,967,534
Current assets	630,594	2,163,179	2,793,773
Creditors due within one year	0	(1,550,391)	(1,550,391)
TOTAL	<u>630,594</u>	<u>17,580,322</u>	<u>18,210,916</u>

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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

	2023	2022
	€	€
Net income for the period (as per Statement of Financial Activities):	<u>(424,675)</u>	<u>58,968</u>
ADJUSTMENTS FOR:		
Depreciation charges	516,900	478,137
Decrease/(increase) in stocks	(6,523)	8,282
Decrease/(increase) in debtors	68,520	(333,484)
Increase/(decrease) in creditors	495,105	81,634
	<hr/>	<hr/>
NET CASH PROVIDED BY/ (USED IN) OPERATING ACTIVITIES	<u><u>649,327</u></u>	<u><u>293,537</u></u>

19. CAPITAL COMMITMENTS

The Board have approved the expenditure of €12,806 on 1 project in 2024.

INCORPORATED ORTHOPAEDIC HOSPITAL OF IRELAND
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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 €1,664,978 (2022: €1,214,880).

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 €505,446 (2022: €426,482) 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.

	2023	2022
	€	€
HSE (Capital Grants)	227,952	275,016
	227,952	275,016

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
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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

23. RELATED PARTY TRANSACTIONS

There were no related party transactions during the financial year (2022: None).

24. APPROVAL OF FINANCIAL STATEMENTS

The board of directors approved these financial statements for issue on 28 May 2024.