

**The Adelaide & Meath Hospital, Dublin  
Incorporating The National Children's Hospital  
(Tallaght University Hospital)**

**Annual Financial Statements prepared under the DOH  
accounting standards for Voluntary Hospitals**

**Year Ended 31 December 2023**

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## **GENERAL INFORMATION**

### **Address**

Adelaide & Meath Hospital, Dublin, Incorporating The National Children's Hospital (Tallaght University Hospital)  
Tallaght  
Dublin 24

### **Telephone Number**

01 414 2000

### **Charity Number**

20037161

### **CHY Number**

12587

## **Tallaght University Hospital Board**

### **Board Members**

Mr L Dowdall (Chairperson retired November 2023)  
Mr M Varian (Vice-Chairperson appointed November 2023)  
Prof AM Brady (Chairperson appointed November 2023)  
Dr V Byers  
Mr E Fleming  
Mr J Hennessy  
Dr D Ó Ciardha  
Archdeacon D Pierpoint (retired December 2023)  
Mr M Beary  
Dr M Lyes (appointed January 2023)  
Ms D Barrett (appointed January 2023)

### **Executives in attendance**

Ms L Nugent (CEO)  
Mr D Carter  
Prof T Coughlan  
Ms B Egan  
Mr J Kelly (DCEO)  
Ms S Larkin  
Prof P Lavin  
Ms Á Lynch (appointed November 2023)  
Mr S Russell (appointed November 2023)  
Prof C Wall  
Ms A Clayton-Lea (resigned September 2023)  
Ms S McCarthy (resigned November 2023)

### **Solicitors**

A & L Goodbody  
International Financial Services Centre  
North Wall Quay  
Dublin 1

### **Bankers**

Bank of Ireland  
Tallaght  
Dublin 24

Allied Irish Banks plc  
Tallaght  
Dublin 24

### **Auditors**

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

**BOARD MEMBERS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**OBJECTIVES AND ACTIVITIES**

Tallaght University Hospital is a Voluntary Hospital underpinned by the legal status of a Chartered Corporation established under Statutory Instrument. It provides services to a catchment population of approximately 650,000 people (80% of which are located in South Dublin and parts of Kildare), and serves approximately 200 General Practitioners. The Hospital is part of the Dublin Midlands Hospital Group which serves a population of over 1.2 million across seven counties and has long-standing strategic and operational alliances with Naas General Hospital and Peamount Healthcare, among other healthcare providers within the region. In line with the Sláintecare strategy, the Hospital works closely with the community services to provide better services and enhanced integration between the Hospital and the community.

Tallaght University Hospital is one of two main teaching hospitals of Trinity College Dublin - specialising in the training and professional development of staff in areas such as nursing, health and social care professionals, emergency medicine and surgery, amongst many others.

Tallaght University Hospital is one of Ireland's largest acute teaching hospitals, providing adult, psychiatric and age-related healthcare on one site. With 624 adult beds, 16 theatres and 26 Critical Care beds in operation, the Hospital employs in excess of 3,600 staff. The Hospital provides access for patients to over 20 medical and surgical specialties, with comprehensive on-site Laboratory and Radiology support services. The Hospital is a provider of local, regional and national specialties. It is also a national urology centre, the second largest provider of dialysis services in the country and a designated orthopaedic trauma centre.

The Hospital also has 55 paediatric beds under the governance of Children's Health Ireland and 53 mental health beds under HSE governance.

The new satellite centre at TUH which is part of the National Children's Hospital project, is a key element of an integrated clinical network for paediatric services nationally and opened in November 2021.

With effect from 1 January 2019 the paediatric services provided by the Hospital associated with the National Children's Hospital, including certain employees, property, rights and liabilities of the Hospital were transferred to Children's Health Ireland (CHI) which was established by the Children's Health Act 2018. Tallaght University Hospital operates a Service Level Agreement with CHI for indirect pay, non-pay expenditure and non-exchequer income. The Hospital Charter has been updated and revised to reflect the demerger of Paediatric Services. Under these changes to the Hospital Charter the official name of the Hospital will change to The Adelaide & Meath Hospital, Dublin. A Ministerial Order to legislate for the changes is being drafted by the Office of the Parliamentary Counsel in conjunction with Officials from the Department of Health.

The Tallaght University Hospital Foundation (TUHF) was incorporated on 6 December 2017 and commenced operation in 2018 as an independent Foundation whose primary objective is to support, promote and enhance the services provided by Tallaght University Hospital. The TUHF is an autonomous charitable legal entity, entirely separate from the Hospital. In recognition that the TUHF will be more efficient and effective than the Hospital in raising funds for the benefit of the Hospital, both parties have signed a Relationship Agreement. Subject to consultation on business plans and budgets which prioritise capital projects in support of the Hospital's strategic goals, the Hospital may provide conditional donations, from non-exchequer funds, to be agreed in advance between the Hospital and TUHF. During 2023 €0.4m was provided by the Hospital to the TUHF under this arrangement. Successful fundraising by TUHF has resulted in funding of €1.5m (2022: €0.09m) being received by the Hospital towards non-pay costs.

**ACHIEVEMENTS AND PERFORMANCE**

Tallaght University Hospital is a model 4 academic teaching hospital based in South West Dublin. Its focus is on providing both emergency and elective care to its community and to the wider population.

The number of Adult Emergency Department (ED) attendances increased by 6% in 2023, bringing the total to 55,305. The strong growth in activity during 2023 continues into 2024. The number of patients over 75 years of age presenting to ED increased in 2023, up 14% on 2022 presentations, while the number of patients in that age category being admitted was stable with the admission rate for that patient category being 58%. The Gerontological Emergency department intervention (GEDI) team continues to work in the Emergency Department focusing on the needs of their patients.

The new ICU extension opened in Q4 2022, with the final 12 ICU beds opening in 2023. This development has significantly improved access to critical care beds, bringing the total number to 26 beds.

## **BOARD MEMBERS' REPORT - continued**

The Hospital continues to work on reducing out-patient and in-patient waiting lists. This clearance work remained very active during 2023. As a result there were 287,740 adult outpatient attendances in 2023, up 10% from 2022. The Hospital worked closely with the National Treatment Purchase Fund (NTPF) and the Access to Care (ATC) programme to identify waiting lists initiatives. Across the Outpatient Department (OPD), Inpatient day-case (IPDC) and Endoscopy waiting lists, all wait times improved. OPD waiting lists over 15 months reduced by 5,533 patients, Endoscopy waiting lists over 13 weeks reduced by 468 patients and Inpatient waiting lists over 9 months reduced by 10%. The Reeves Day Surgery Centre exceeded national waiting list yearly targets.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

In accordance with by-laws made in November 2014 under the Adelaide and Meath Hospital Dublin, Incorporating the National Children's Hospital (Tallaght University Hospital) Charter, the Board comprises 11 members appointed as follows:

- one member appointed by the Adelaide Health Foundation (Mr M Varian);
- one member appointed by the Meath Foundation (Mr. M Lyes, appointed January 2023);
- one member appointed by the National Children's Hospital (Mr E Fleming);
- four members appointed by the Minister for Health on the nomination of the Church of Ireland Archbishop of Dublin/President of the Hospital (Mr L Dowdall retired November 2023, Archdeacon D Pierpoint retired December 2023, Dr V Byers and Ms. D Barrett – appointed January 2023 );
- one member appointed by the Minister for Health on the nomination of Trinity College Dublin (Prof AM Brady);
- one member appointed by the Minister for Health on the nomination of the HSE (Mr J Hennessy); and
- two members appointed by the Minister for Health on the nomination of the Hospital Board (Mr M Beary and Dr D Ó Ciardha).

The Chairperson is elected from the Board from among the members appointed by the Minister. The Vice Chairperson is appointed by the Board from among its members. Prof. Anne-Marie Brady was appointed Chair by the Hospital Board in November 2023 and Mr. Mark Varian was appointed Vice-Chair in November 2023.

Amendments to the composition of the Board have been agreed under a revision to the Tallaght University Hospital Charter which will come into effect after a Ministerial Order which is awaited to legislate for changes to the Charter.

The Hospital Board approved the Hospital Strategy 2019-2024 at its meeting on 23rd October 2019. A key aim is to improve access to our services. The strategy includes a combination of care pathway redesign, digital enablement and capacity investment actions aimed specifically to improve wait times. This strategic approach will consolidate the Hospital's position as a leader in integrated care. Given our unique position within a vibrant community and the growing Tallaght health quarter we will strive to fulfil the potential truly to be a hospital without walls.

As an academic teaching hospital of Trinity College Dublin, the Hospital Board values the important role we play in educating and training future healthcare leaders. The Hospital Board wishes to foster a culture of innovation and research as a means of ensuring that we provide the best care options possible in an environment that is fit for purpose and uses enablers such as developments in digital health technology.

The Hospital Board recognises the need to demonstrate value for money and a continuous quality improvement focus in everything we plan and do.

No remuneration is paid in respect of Board Membership. Board Members may be reimbursed for reasonable expenses incurred in accordance with the standard public service travel and subsistence rates. There was no such payment made in 2023.

In accordance with the HIQA report of 8 May 2012, no employee of the Hospital can be a member of the Board. However, the Chief Executive and appropriate members of the senior management team generally attend and participate in Board meetings. This is designed to ensure, on the one hand, that Board Members are fully aware of the practical impact on the Hospital of their decisions, and on the other hand, that the senior management team is fully aware of the governance and other requirements of the Board. The aim is to achieve a corporate approach by all concerned. Decisions are taken by consensus involving both the Board

## **BOARD MEMBERS' REPORT - continued**

Members and the management team but, should a vote be required, voting is confined to Board Members

The Executives in the various directorates in the Hospital are responsible for developing and implementing internal controls, the purpose of which is to mitigate the effects of any risks or threats to the achievement of the objectives of those directorates. The Executives of these directorates have given reassurances to the Hospital Board as to the adequacy of these internal controls. Oversight of the internal financial controls is affected through the internal audit function, the Audit Committee and external audit review. The Audit Committee liaises very closely with the external auditor and also gains additional assurances on the adequacy of internal controls through them. Pre- and post-audit meetings are held every year during which relevant aspects of the audit are discussed.

The Internal Auditor produces an annual audit plan through examining the objectives of the Hospital, assessing the key risks which may prevent those objectives from being achieved and the relevant controls put in place to mitigate those risks. This effectively constitutes an independent review of the key controls in the Hospital. Consultations with the Executive Management Team of the Hospital are used by the Audit Committee to prioritise audits in particular areas. This plan is approved by the Audit Committee on an annual basis.

The Hospital Board has established the following committees: Audit Committee; Finance Committee; Staff & Organisation Development Committee; Quality, Safety & Risk Management Committee (QSRM), Research & Innovation Committee and Governance and Nominating Committee. Each committee has specific functions in assisting the Hospital Board to fulfil its oversight responsibilities and submits an annual work plan to the board for noting and approval.

The **Audit Committee** (AC) for the year ended 31 December 2023 comprised Ven David Pierpoint (Appointed Chairperson and Board member, retired December 2023) Mr Peter Dennehy, External Committee Member Ms. Laura Ryan External Committee Member and Ms Darina Barrett Board Member and Mr. Edward Fleming (until May 2023) and in attendance was Mr Dermot Carter, Director of Finance and Ms Anne McKenna, Board Secretary. The Chairperson of the Hospital Board and the CEO attend meetings as required and at least once per year. The Vice-Chair was invited to attend two meetings of the Committee in 2023.

While all members of the Board have a duty to act in the interests of the Hospital, the AC has a particular role, acting independently from the Executive Management Team (EMT) to ensure that the interests of the stakeholders are properly protected in relation to the financial reporting oversight, internal financial control, external audit, financial risk management, significant financial reporting issues and judgements made in connection with the Hospitals financial statements and reports, and to review the scope and effectiveness of the Hospitals internal controls as they pertain to the financial statements. The oversight of other matters of risk (i.e. all non-financial risks) is exercised by the Board's Quality, Safety and Risk Management Committee (QSRM).

The AC is governed by its terms of reference which was last amended and approved in March 2024. The Committee held six meetings during 2023, one of which was held jointly with the QSRM Board Committee and one of which was held jointly with the Finance Committee.

The meetings of the Committee are designed to facilitate and encourage communication among the Committee, the Hospital, the Hospital's internal audit function and the external auditor. The Committee discussed with the internal auditor and external auditor the overall scope and plans for their respective audits. The Committee meets with the internal auditor and the external auditor, with and without management present to discuss the results of their examinations.

Various members of the EMT met with the AC during the course of the year to inform the AC on their respective contributions to the Hospital's control and risk systems. They included the Chief Information Officer and the Principal Procurement Sourcing Contracts Manager. All meetings of the Committee in 2023 took place virtually.

The **Finance Committee** comprised of Mr Edward Fleming (Chairperson and member of the Board), Mr. John Hennessy (Board Member, appointed March 2023 to the Finance Committee), Mr Raymond Ryder External Committee Member, Mr Robert Henderson External Committee Member, Ms Aoife Duggan External Committee Member and Ms. Siobhan Donlevy (appointed March 2023) External Committee Member and in attendance was Mr Dermot Carter, Director of Finance and Ms Anne McKenna, Board Secretary. The Chairperson of the Hospital Board and the CEO attend meetings as required and at least once per year. The

## BOARD MEMBERS' REPORT - continued

Vice-Chair of the Board attended 2 meetings of the Committee in 2023. The main function of Finance Committee is to oversee the processes for securing and applying Hospital revenue and capital funding including issues relating to budgetary management, value for money, immediate, medium and longer term financial planning, capital expenditure and income collection, as well as strategic issues affecting the Hospital's funding (such as activity based funding) or income. The Committee also deals with such other specific issues in relation to financial management that are referred to it by the Board and with any other related issues that it considers appropriate. During 2023 the Finance Committee met on six occasions, one of which was a joint meeting with the Audit Committee, and completed its annual work programme with one item carried forward to 2024. The key issues addressed included the current year revenue financial allocation, the financial performance and projection and the capital planning process.

The **Staff and Organisation Development Committee (SODC)** comprised of Mark Varian, Chair Board Member, Brendan Mulligan (Tenure ended in June 2023), Martin Leavy External Committee Member, Claire Cusack External Committee Member, Karen Maher (Joined September 2023) External Committee Member with Sharon Larkin, HR Director and Ms Anne McKenna, Board Secretary in attendance. The Chairperson of the Hospital Board and the CEO attend meetings as required and at least once per year.

The main function of the Staff & Organisation Development Committee is to:

- To oversee the development and implementation of the HR Strategy and hospital policies, procedures and systems to recruit, retain, develop, motivate and equip hospital staff to continuously improve the services they provide to patients.
- To oversee the remuneration and terms of service of members of the Executive Management Team (i.e. those reporting directly to the CEO). In ensuring oversight of these matters on behalf of the Board, the SODC will have due regard to the interests of the hospital and taxpayers in general.
- To undertake such other matters as are ancillary to the functions specified above or as are delegated by the Board to the Committee from time to time.

The Committee met on four occasions in 2023 wherein they were updated on the HR Strategy 2020-2024 which was developed to support the implementation of the TUH Corporate Strategy and included key objectives under the following themes:

- Collective Leadership: Leadership & Cultures, Service Design & Integration, Performance Accountability
- Exceptional Talent: Employee Experience, Capability & Talent, Workforce Planning and Intelligence
- Excellent Capability: Network & Partner, HR Digital Transformation, Professional HR Services

Senior members of the HR Team presented on HR Initiatives and Staff Engagement, Staff Learning and Development, TUH Healthy Ireland initiatives and Staff Health & Wellbeing.

The Committee were also provided with updates on compliance, Internal Audit recommendations, Absence Management and the HSE Recruitment Moratorium.

The **Quality, Safety and Risk Management Committee (QSRM)** comprises of Prof. Anne Marie Brady (Chairperson and member of Board), Dr Darach Ó Ciardha (Board Member), Dr Gerard O'Connor, (External Committee Member), Dr Declan Daly (External Committee Member), Dr Mary Davin-Power (External Committee Member), Ms. Helen Strapp (External Committee Member appointed September 2023) and in attendance is Prof. Catherine Wall, Director of Quality, Safety & Risk Management and Sandra McCarthy, Interim Director of Nursing & Integrated Care (resigned November 2023), Ms. Aine Lynch, Director of Nursing & Integrated Care (appointed November 2023) and Ms Anne McKenna, Board Secretary. The Chairperson of the Hospital Board and the CEO attend meetings as required and at least once per year. The QSRM Committee provides oversight on behalf of the Hospital Board of non-financial risks and the risk management process. The QSRM Committee is responsible for overall policies, systems and structures for risk management across the Hospital.

The main functions of the QSRM Board Committee are to oversee the development by the Executive of a QSRM programme for the Hospital and any subsequent amendments deemed necessary; recommend to the Board a QSRM programme and organisation structure that clearly articulates roles and responsibility, reporting lines, authority and accountability for quality, safety and risk management across the organisation; ensure that the Executive is implementing the QSRM programme and that its outcomes are monitored and assessed through regular reporting; with a focus on the key performance indicators; review annually the risk information reported to the Committee and to the Board to ensure it is fit for purpose, seek documentary evidence and assurance

## **BOARD MEMBERS' REPORT - continued**

from the Executive that the Hospital is conforming with all regulatory and legal requirements to assure quality, safety and risk management; act as advocates at Hospital Board level for QSRM issues which cannot be resolved by the Executive Management Team and provide oversight on behalf of the Hospital Board of non-financial risks and the risk management process.

The Committee met on six occasions in 2023, one of which was a joint meeting with the Audit Committee and completed its annual work plan based around the following core standing items: Risk Management / Risk Register, Serious Incident Update, HIQA/ National Standards for Safer Better Health Care, Patient and Community Advisory Council Update, Patient Advocacy Update, Internal Audit Report and Hospital Briefings.

The **Governance and Nominating Committee** for the year ended 31 December 2023 comprised Mr Liam Dowdall (Chairperson and Chairperson of the Hospital Board), Mr John Hennessy (Board Member), Mr Sean McGlynn (External member), Ms Caitriona Ryan (External member since Sept 2023) and Ms Gabrielle Ryan (External member) and The Vice-Chair attended all meetings of the Committee in 2023.

The main function of the Governance and Nominating Committee is to ensure that the Hospital has the appropriate governance structures and supporting processes and a fit for purpose board to support the future direction of the Hospital. The Nominating Duties of the Committee include reviewing annually the size, roles, responsibilities, composition, diversity and structure of the Board and its committees with regard to competencies and skills of its members as related to the current and future needs of TUH and making recommendations to the Board as appropriate with regard to any changes.

The Committee shall:

- give full consideration to succession planning for Board and Committee members, the CEO and other senior executives in the course of its work, taking into account the challenges and opportunities facing TUH, and the skills and expertise needed on the Board to support its future direction.
- keep under review the leadership needs of the organisation, at Board, committee and executive level with a view to ensuring the continued sustainability of the organisation.
- keep up to date and fully informed about strategic issues and commercial changes affecting TUH and the environment in which it operates
- be responsible for identifying and nominating for the approval of the Board, candidates to fill Board and Committee vacancies (including Externs to Board Committees) as and when they arise
- before any appointment is made by the Board, evaluate the balance of skills, knowledge, experience and diversity on the Board and its Committees, the results of the previous Board performance evaluation process that relates to the composition of the Board and, in the light of this evaluation, prepare a description of the role, capabilities and profile required for a particular appointment.

The Committee shall also make recommendations to the Board concerning:

- formulating succession plans for members of the Board and in particular for the key roles of the Board Chair, Committee Chairs and CEO.
- suitable candidates for the role of Vice Chair.
- membership of all Committees in consultation with the Chairs of those committees.
- the re-appointment of any Board member at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Board in the light of knowledge, skills and experience required
- any matters relating to the continuation in office of any Board member at any time including the suspension or termination of service of a Senior Executive of TUH subject to the provisions of the law and their service contract.
- the appointment of any Board member.

The Governance and Nominating Committee met four times during the year 2023.

The **TUH Research and Innovation Board Committee** comprises of Dr Vivienne Byers (Chairperson and member of Board), Mr Michael Beary (Board Member), Mr Martin Lyes, (Board Member), Prof Richard Reilly (External Committee Member), Ms Lorna Ross (External Committee Member), Mr. Gavin O'Duffy (External Committee Member) and in attendance is Mr John Kelly, Deputy CEO/ Executive Director with responsibility for Research and Innovation, Dr Sadhbh O'Neill, Head of Research, Dr Natalie Cole, Head of Innovation and Ms Anne McKenna, Board Secretary. The Chairperson of the Hospital Board and the CEO attend meetings as required and at least once per year. The Research and Innovation Board Committee is responsible for the overall policies, systems and structures for research and innovation management across the hospital.



## **BOARD MEMBERS' REPORT - continued**

The Main functions of the Research and Innovation Board Committee are to oversee the development of a research and innovation programme for the Hospital; recommend to the Board a research and innovation programme and organisation structure that clearly articulates roles and responsibilities, reporting lines, authority and accountability for research and innovation management across the organisation; to advise the Board on issues relating to research and innovation in support of the Hospitals strategic priorities, with a focus on research and innovation excellence and integrity in line with the Hospital Strategy; to promote a vibrant research and innovation culture across all departments and ensure the Hospital delivers good practice in research that meets the standards and governance requirements of funders and regulators; to oversee the development of the Hospitals policy and strategy regarding impact and commercialisation; to ensure that the Hospital has a clear understanding of research horizons, needs and strategy, and to oversee the deployment of strategic funding made available by the Hospital to realise its vision for growth in research and innovation and its commercial applications; to identify strategic and organisational issues resulting from interdisciplinary and multidisciplinary research; to promote synergies and funding opportunities at the institutional level, and to recommend appropriate organisational structures to capitalise on these opportunities; to recommend to the Board the establishment of the Hospitals Research and Innovation Centre, and to recommend appropriate structures through which the performance of the centre can be assessed; to receive reports and minutes from the Research and Innovation Governance Committees, and to consider strategic and policy issues relating to research and innovation and where appropriate to make recommendations to the Board arising from the operations of these committees; to ensure that the Research and Innovation Committees are implementing the research and innovation programme and that the outcomes are monitored and assessed through regular reporting; with a focus on the key performance indicators; review annually the research and innovation activity that is being reported to the Committee and to the Board and to ensure it is fit for purpose and as advocates at Hospital Board level for research and innovation issues which cannot be resolved by the Research or Innovation Governance Committees; to ensure that policies and procedures introduced by the Hospitals central structures contribute to the research and innovation agenda.

The Committee met on 6 occasions in 2023, two of these meetings were specifically to discuss and develop a Research and Innovation Strategy. There were 4 full Committee meetings. The standing agenda items included: 2024 work plan, Innovation update, Research update and Research Strategy Implementation Plan Review.

The requirement for the HSE Annual Compliance Statement (ACS) came into effect on 1 January 2014 and applies to the Hospital's 2023 financial statements. The purpose of the HSE compliance statement is to strengthen the overall governance arrangements in place within funded agencies. The ACS requires the Chairperson and a member of the Board to sign the ACS which sets out requirements for compliance in eight key areas including Government pay policy.

Following a review by the Audit Committee at which no areas of non-compliance were identified, Tallaght University Hospital signed and submitted the HSE ACS in May 2023 (re 2022). The Hospital will submit the ACS in May 2024 (re 2023).

## BOARD MEMBERS' REPORT - continued

### FINANCIAL REVIEW

The below table summarises the financial outturn for 2023.

Total	2023	2022	Movement	
	Total €'000	Total €'000	€'000	%
HSE Allocation notified	<u>366,727</u>	<u>300,264</u>	<u>66,463</u>	22.1%
Net expenditure in year	375,079	301,163	73,916	24.5%
HSE Allocation	<u>(366,727)</u>	<u>(300,264)</u>	<u>(66,463)</u>	22.1%
<b>Net deficit/(surplus) in year</b>	<u><b>8,352</b></u>	<u><b>899</b></u>		
<b>Cumulative deficit</b>	<u><b>25,412</b></u>	<u><b>17,060</b></u>		

The financial performance of the Hospital in 2023 showed a deficit of €8.4m against the comparable HSE allocation, leading to an accumulated deficit of €25.4m at 31 December 2023.

In 2023, the Hospital received an allocation of €366.7m which was an increase of €66.5m (22.1%) on the final allocation for 2022 (€300.3m).

In 2023 the Hospital saw the net expenditure increase by €73.9m (24.5%) when compared with 2022.

Expenditure	2023	2022	Movement	
	€'000	€'000	€'000	%
Pay	290,922	255,016	35,906	14.1%
Non-pay	<u>146,320</u>	<u>108,469</u>	<u>37,851</u>	34.9%
Gross expenditure	437,242	363,485	73,757	20.3%
Income	<u>(62,163)</u>	<u>(62,322)</u>	<u>159</u>	-0.3%
<b>Net expenditure</b>	<u><b>375,079</b></u>	<u><b>301,163</b></u>	<u><b>73,916</b></u>	24.5%

Total pay costs in 2023 increased by €35.9m (14.1%) compared to 2022. An increase in whole time equivalents (WTE) of 388 staff for HSE approved service developments contributed to an increase in Pay cost of €33.6m relating to a number of new funded initiatives coupled with a 5.5% pay increases implemented throughout the year. Lump sum payments paid in 2023 increased by €2.3m year on year.

Non-pay expenditure increased by €37.9m (35%) in 2023. This increase can be attributed to Medical Surgical costs of €10m driven by the Access to Care (ATC) Initiative. ATC is an outsourced initiative funded by the HSE to reduce waiting lists. Drug spend increased by €5.2m coupled with an increase in Laboratory consumables/external testing of €3m due to increased hospital activity. Inflation has had a significant impact across all Non-Pay areas in 2023 which is the primary driver of the expenditure increase year on year.

Income remains flat year on year at €62.2m in 2023. In-Patient income decreased by €4.8m year on year as statutory charges were abolished in April 2023 coupled with a reduction in people using private health insurance. This was offset by a €4.3m increase in income attributable to Primary Care Reimbursement Service (€3.3m) and Pension Levy (€1m).

Income	2023	2022	Movement	
	€'000	€'000	€'000	%
Patient income	25,699	30,509	(4,810)	-15.8%
Superannuation and Pension Levy	11,863	10,482	1,381	13.2%
Income from external agencies	9,675	9,692	(17)	-0.2%
Miscellaneous Income	<u>14,926</u>	<u>11,639</u>	<u>3,287</u>	28.2%
	<u><b>62,163</b></u>	<u><b>62,322</b></u>	<u><b>(159)</b></u>	-0.3%

## **BOARD MEMBERS' REPORT - continued**

Private Income in 2023 decreased by (€4.8m) due to the following, abolishment of inpatient statutory charges in April 2023, increase in the number of patients not utilising their private health insurance and due to the number consultants moving to the public only consultant contract (POCC). This decrease of (€4.8m) is offset by PCRS, pension levy and other income increases.

Capital projects in 2023 reflect campus developments including the Pharmacy Aseptic Unit. We also expanded the Endoscopy Suite that opened in 2023. During the year the Hospital continued to acquire additional equipment through medical equipment replacement (€3.4m in 2023).

Throughout 2023, the Hospital continued the extension of our 'Scan4Safety' project. At the end of the year TUH had complete traceability of items used during surgical procedures in the final 2 Theatres (Theatres 5&6) which went live in October 2023. Scan for safety is a quality and safety led project with the added focus of value improvement in the areas of supply chain which has improved patient safety and operational efficiency and reduced costs.

The Hospital continues to work with St. James's Hospital in relation to the shared development and enhancement of the SAP financial management system.

## **GOING CONCERN**

The Hospital is funded by means of an annual revenue allocation from the Health Service Executive ("HSE"). The Hospital recorded a deficit of €8.4m for 2023, and had net current liabilities of €14.0m and an accumulated deficit on the Hospital's non-capital income and expenditure account of €25.4m at 31 December 2023.

The Hospital's current revenue allocation excluding pensions from the HSE for 2024 is €332m (the opening allocation was €326m excluding pensions), which represents a reduction of €36 million (10%) when compared to the outturn of €368m for 2023 and a shortfall of €68m when compared to the projection of €400m (excluding pensions) for 2024. The Hospital continues to incur significant costs in relation to increased activity, increased pay costs year on year of €36m (15%) associated with national wage agreements and growth in whole time equivalents (WTE) of 388. The growth in WTE pertains to approved HSE funded service developments in 2023. TUH also incurred growth in non-pay costs in 2023 amounting to €38m (35%) associated with increased activity, full year impact of inflation and access to care costs of €10m. In addition to increased costs, we incurred an overall reduction in patient income of €5m (16%) due to the abolition of the Statutory Inpatient charge and reduced usage of private health insurance.

The Hospital remains dependent on the ongoing support of the HSE to provide adequate funding to enable it to continue to provide services. The Hospital continues to proactively engage with the HSE in respect of the revenue allocation for 2024 and dealing with the accumulated deficit. As of 27 May 2024 no agreement has been reached with the HSE in relation to a revised allocation for 2024.

During 2023, Hospital costs have grown as a result of HSE approved funded service developments. This has resulted in increased activity, increased costs and increased headcount. The Hospital will only enhance services on the back of HSE funding letters. For those reasons we are operating on a going concern basis.

The following points would also indicate that the Hospital is operating as a going concern:

- The Hospital did receive sufficient cash to meet its liabilities at year end.
- The HSE continue to provide sufficient cash during the first quarter of 2024.
- The Hospital has not been formally asked to reduce or close services.
- The HSE have asked the Hospital not to grow non pay costs for 2024 and to stay within the threshold of where we finished in 2023
- The allocation for 2024 has been uplifted from €326m (excluding pensions) to €332m.

The bank-overdraft facility is authorised by the HSE.

These conditions indicate the existence of a material uncertainty relating to the events or conditions that may cast significant doubt upon the Hospital's ability to continue as a going concern. The Board have considered

## **BOARD MEMBERS' REPORT - continued**

the history of how HSE funds have been allocated to the Hospital and the fact the HSE has not given any indication that it will withdraw its financial support from the Hospital. The Board are confident that the HSE will continue to provide funding to the Hospital.

The Board has also identified and considered risks and the mitigations associated with removal of the statutory inpatient charge, reduction in private health insurance income as a result of the public only Consultant contract, COVID-19, cyber-attack and war which might impact on the going concern of the Hospital. The Board concludes that, in spite of the risks and uncertainties identified in the Hospital's normally tight operating position, the accumulated deficit, the uncertainty surrounding the provision of future funding, and the additional threats to going concern arising from loss of income, COVID-19, cyber-attack and war, the Hospital is likely to have adequate resources to continue in operational existence for at least twelve months from the date of approval of the financial statements.

Hence, the Board is of the opinion that it remains appropriate to present the financial statements on a going concern basis and that there is a reasonable expectation that the Hospital will continue to operate for a period of at least 12 months from the date of approval of these financial statements. The financial statements do not include any adjustments that would result if the Hospital was unable to continue as a going concern.

On this basis, these financial statements have been prepared on the going concern basis.

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

Each of the persons who is a Board Member at the date of approval of this report confirms that:

- (i) So far as the Board Member is aware, there is no relevant audit information of which the Hospital's Auditors are unaware; and
- (ii) The Board Member has taken all the steps that he/she ought to have taken as a Board Member in order to make himself/herself aware of any relevant audit information and to establish that the Hospital's auditors are aware of that information.

## **INDEPENDENT AUDITORS**

The auditors, Deloitte Ireland LLP, who are currently under contract to the Hospital, have indicated their willingness to continue in office. A proposal concerning their reappointment will be proposed at the Annual General Meeting.

### **On behalf of the Board**

**Signed: Prof. Anne-Marie Brady, Chairperson**

**Date: 27.05.2024**

**Signed: Edward Fleming, Board Member**

**Date: 27.05.2024**

**STATEMENT OF BOARD MEMBERS' RESPONSIBILITIES  
YEAR ENDED 31 DECEMBER 2023**

The Members of the Board are to prepare financial statements for each financial year which properly show the state of affairs of The Adelaide & Meath Hospital, Dublin, Incorporating The National Children's Hospital (Tallaght University Hospital) and its income and expenditure for that period in the accordance with the accounting standards for the voluntary hospitals issued by the Department of Health.

In preparing those statements, the Members of the Board are required to:

- select suitable accounting policies for the Hospital financial statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- disclose and explain any material departures from applicable accounting standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that The Adelaide & Meath Hospital, Dublin, Incorporating The National Children's Hospital (Tallaght University Hospital) will not continue in existence for a period of at least 12 months from the date of signing of the financial statements.

The Members of the Board are responsible for the maintenance and integrity of the corporate and financial information included on the Hospital's website, for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of The Adelaide & Meath Hospital, Dublin, Incorporating The National Children's Hospital (Tallaght University Hospital) and to enable the Board to ensure that the financial statements comply with the Accounting Standards for Voluntary Hospitals issued by the Department of Health and Children. The Board is also responsible for safeguarding the assets of The Adelaide & Meath Hospital, Dublin, Incorporating The National Children's Hospital (Tallaght University Hospital) and hence for taking reasonable steps for the prevention and the detection of fraud and other irregularities.

**On behalf of the Board**

**Signed: Prof. Anne-Marie Brady, Chairperson Date: 27.05.2024**

**Signed: Edward Fleming, Board Member Date: 27.05.2024**



Deloitte Ireland LLP  
Chartered Accountants &  
Statutory Audit Firm

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ADELAIDE & MEATH HOSPITAL, DUBLIN  
INCORPORATING THE NATIONAL CHILDREN'S HOSPITAL (TALLAGHT UNIVERSITY HOSPITAL)**

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

**Opinion on the financial statements of The Adelaide & Meath Hospital, Dublin Incorporating The National Children's Hospital (Tallaght University Hospital) (the 'hospital')**

In our opinion the financial statements:

- give a true and fair view of the state of affairs of the hospital as at 31 December 2023 and of its income and expenditure and cash flow for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework.

The financial statements we have audited comprise:

- the Non-Capital Income and Expenditure Account;
- the Capital Income and Expenditure Account;
- the Balance Sheet;
- the Cash Flow Statement; and
- the related notes 1 to 27, and a summary of significant accounting policies set out in the Statement of Accounting Policies.

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

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the "*Auditor's responsibilities for the audit of the financial statements*" section of our report.

We are independent of the hospital in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Material uncertainty related to going concern**

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

We draw attention to note 24 in the financial statements, which indicates that as at 31 December 2023 the hospital had net current liabilities of €13,958,888 and the accumulated deficit on the hospital's non-capital income and expenditure account is €25,411,614. As stated in note 24, these events or conditions, along with other matters as set forth in note 24, indicate that a material uncertainty exists that may cast significant doubt on the hospital's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ADELAIDE & MEATH HOSPITAL, DUBLIN  
INCORPORATING THE NATIONAL CHILDREN'S HOSPITAL (TALLAGHT UNIVERSITY HOSPITAL)**

**Other information**

The other information comprises the information included in the financial statements, other than the financial statements and our auditor's report thereon. The board members are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are 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 the board members**

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

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

**Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on IAASA's website at: <https://iaasa.ie/publications/description-of-the-auditors-responsibilities-for-the-audit-of-the-financial-statements>.

This description forms part of our auditor's report.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ADELAIDE & MEATH HOSPITAL, DUBLIN  
INCORPORATING THE NATIONAL CHILDREN'S HOSPITAL (TALLAGHT UNIVERSITY HOSPITAL)**

**Use of our report**

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

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

29 May 2024



**CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHAIRPERSON  
FOR THE YEAR ENDED 31 DECEMBER 2023**

We certify that the financial statements of The Adelaide & Meath Hospital, Dublin, Incorporating The National Children's Hospital (Tallaght University Hospital) for the year ended 31 December 2023 as set out herein are in agreement with the books of account and have been drawn up in accordance with the Accounting Standards for Voluntary Hospitals issued by the Department of Health and Children.

The financial statements on pages 17 to 38, which have been prepared under the statement of accounting policies set out on pages 17 and 18 properly show the state of affairs of the Hospital at 31 December 2023 and its income and expenditure and cash flow for the year then ended.

**Signed: Prof. Ann-Marie Brady, Chairperson Date: 27.05.2024**

**Signed: Lucy Nugent, Chief Executive Officer Date: 27.05.2024**

## STATEMENT OF ACCOUNTING POLICIES

The financial statements which include the accounting policies and notes, were drawn up in compliance with the Accounting Standards for Voluntary Hospitals and GAAP, issued by the Department of Health and Children in August 2000 and effective from 1<sup>st</sup> January 1999. The standards have not been updated to reflect any accounting standards issued after that date.

The significant accounting policies adopted by the Hospital are as follows:

### Historical cost convention and presentation of Form 1

The financial statements are prepared under the historical cost convention. The Board amended the format of Form 1 to show a specific current year out-turn and moved the 'Cumulative non-capital deficit brought forward from previous year', normally at the beginning of the report, to now follow the 'Surplus/Deficit in year'. The Board are of the opinion this more clearly reflects the financial position for the year.

### Basis of consolidation

The Hospital was established under a Charter as amended by an Order passed by both Houses of the Oireachtas in July 1996 and came into being on 1 August 1996.

These financial statements do not include the accounts of The Adelaide Health Foundation CLG, The Meath Foundation CLG, The National Children's Hospital CLG or the Tallaght University Hospital Foundation CLG, all of which are separate legal entities over which the Hospital has no control. Details of these entities are included in note 22 to the financial statements.

### Health Service Executive funding

The Health Service Executive (HSE) provides funding towards the annual running costs of the Hospital in accordance with the Service Level Agreement. These grants / funding are accounted for on an accruals basis to the extent that they have been approved by the HSE. All exchequer funding received is from the HSE.

### Income from patients

Income is accounted for on a receivables basis except for the following categories of income which are accounted for on a cash receipts basis, due to inherent uncertainty as to their collectability:

- (i) Income arising under the Health (Amendment) Act 1986 which provides for the imposition of charges in respect of hospital in-patient and out-patient services on persons for the treatment of injuries received in certain road traffic accidents.
- (ii) Income receivable in accordance with the provisions of the Health (Out-patient charges) Regulations 1987.

### Stocks

Stocks are stated at the lower of cost and net realisable value. Cost comprises cost of purchase including charges such as freight and duty where appropriate. Net realisable value comprises the actual or estimated disposal price (normally a return price to the supplier).

### Pensions

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

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

#### (ii) Single Public Service Pension Scheme

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

### Fixed assets

- (i) Fixed assets acquisitions including revenue funded maintenance projects, regardless of the source of funds (except if it is less than €3,809 per non-computer item and €1,270 per computer item out of non-capital funds), in accordance with the accounting standards laid down by the Department of Health and Children, are capitalised.

## STATEMENT OF ACCOUNTING POLICIES - continued

### Fixed Assets- continued

(ii) The basis of carrying value of the Hospital's fixed assets is as follows:

<u>Land</u> Cost with no depreciation	<u>Buildings</u> Cost less accumulated depreciation
<u>Fixtures, Fittings and Equipment</u> Cost less accumulated depreciation	<u>Work-in-progress</u> Cost with no depreciation

### Depreciation

Fixed assets are depreciated in compliance with Department of Health and Children accounting standards. The depreciation, which is matched by an equivalent amortisation of the capitalisation account, is not charged against the non-capital or capital income and expenditure account. Depreciation is charged to the capitalisation account (see note 18) and is calculated at the following rates:

<u>Land</u> Depreciation is not charged on land	<u>Buildings</u> 2.5% reducing balance.
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### Fixtures, Fittings and Equipment

Computer Equipment -straight line over expected useful life of 3 years  
All other Equipment – straight line over expected useful life of 7 years.

### Work-in-progress

Depreciation is not charged on work-in-progress assets until they are brought into use.

### Capitalisation account

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

### Capital Income and Expenditure Account

The capital income and expenditure account represents the value of capital grants (HSE and other sources) received not yet spent.

### Capital developments reserve

Surplus income received from the operation of the car park is transferred to capital developments reserve in the capital income and expenditure account, to be utilised for capital purposes.

### Designated funds

Income received for specific projects and expenditure from external bodies is recognised in the non-capital or capital income and expenditure account (dependant on the type of expenditure) to the extent of the expenditure being incurred, with income received in excess of this level being treated as deferred income in the balance sheet.

### Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates ruling at the balance sheet date, and revenues, costs and non-monetary assets at the exchange rates ruling at the dates of the transactions.

Surpluses and deficits arising from foreign currency translations and on settlement of amounts receivable and payable in foreign currency are dealt with through the non-capital income and expenditure account.

Monetary assets are money held and amounts to be received in money; all other assets are non-monetary assets.

### Leases

The Hospital occupies certain leased premises adjacent to the Hospital site.

Assets held under finance leases which confer rights and obligations similar to those attached to owned assets, are capitalised as fixed assets at the fair value of the leased asset and are depreciated at the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, and together with the interest elements are charged to the non-capital income and expenditure account over the period of the leases.

Rentals under operating leases are charged on a straight-line basis over the lease term.

**NON-CAPITAL INCOME AND EXPENDITURE ACCOUNT**  
 Year Ended 31 December 2023  
 Form 1

	Notes	2023 €	2022 €
<b>Pay</b>			
Salaries	1	<b>271,428,560</b>	237,797,703
Superannuation and gratuities	1	<b>19,493,255</b>	17,218,728
		<b><u>290,921,815</u></b>	<u>255,016,431</u>
<b>Non-Pay</b>			
Direct Patient Care	1	<b>75,900,217</b>	53,857,387
Support Services	1	<b>39,280,268</b>	29,978,809
Financial and Administrative	1	<b>31,139,539</b>	24,632,527
		<b><u>146,320,024</u></b>	<u>108,468,723</u>
<b>Gross expenditure for the year</b>		<b>437,241,839</b>	363,485,154
Income	1	<b><u>(62,163,055)</u></b>	<u>(62,321,657)</u>
<b>Net expenditure for the year</b>		<b><u>375,078,784</u></b>	<u>301,163,497</u>
<b>Non-capital funding – HSE notified for the year</b>	11	<b>(366,727,145)</b>	(300,263,886)
Non-capital funding deferred	1(a)	-	-
<b>Non-capital funding for the year</b>		<b><u>(366,727,145)</u></b>	<u>(300,263,886)</u>
<b>Deficit in year</b>	1(a)	<b>8,351,639</b>	899,611
<b>Cumulative non-capital deficit brought forward from previous year</b>		<b><u>17,059,975</u></b>	<u>16,160,364</u>
<b>Cumulative deficit of funding over net expenditure carried forward to following year</b>	1(a)	<b><u>25,411,614</u></b>	<u>17,059,975</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 2023 have been included in the non-capital income and expenditure account.

The net deficit in the current year and in the prior year arise from continuing activities.

The financial statements which include the accounting policies and notes, which were drawn up in compliance with the Accounting Standards for Voluntary Hospitals issued by the Department of Health and Children, were approved by the Board on

**On behalf of the Board**

**Signed: Prof. Ann-Marie Brady, Chairperson**

**Date: 27.05.2024**

**Signed: Lucy Nugent, Chief Executive Officer**

**Date: 27.05.2024**

**CAPITAL INCOME AND EXPENDITURE ACCOUNT**  
Year Ended 31 December 2023  
Form 2

	Notes	2023 €	2022 €
<b>Capital Income Sources</b>			
HSE – Capital Grant	11	(17,090,552)	(17,664,014)
HSE – Non-Capital repayment of finance leases	1	(2,388,801)	(2,388,801)
Capital developments income	17	(1,423,051)	(746,177)
Grant from TUHF	22	(1,200,000)	-
Grants from other sources		(83,964)	(109,967)
<b>Total capital income</b>		<b>(22,186,368)</b>	<b>(20,908,959)</b>
<b>Capital expenditure</b>			
Land and buildings	13	-	11,036,489
Work in progress	13	8,598,675	1,383,176
Non-computer equipment	13	5,254,659	5,373,424
Computer equipment	13	40,386	540,668
<b>Capital Expenditure - Capitalised</b>		<b>13,893,720</b>	<b>18,333,757</b>
<b>Capital Expenditure - Not Capitalised</b>		<b>-</b>	<b>-</b>
<b>Total capital expenditure</b>		<b>13,893,720</b>	<b>18,333,757</b>
<b>Surplus in year</b>		<b>(8,292,648)</b>	<b>(2,575,202)</b>
<b>Deficit brought forward from previous year</b>		<b>2,206,556</b>	<b>4,781,758</b>
<b>Closing capital (surplus)/deficit carried forward to the following year</b>		<b>(6,086,092)</b>	<b>2,206,556</b>

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 2023 have been included in the non-capital income and expenditure account.

There was a net deficit in 2020 arising from the capitalisation of €15,329,738 of assets funded from finance leases where the income source will be recognised over the term of the lease by way of a charge on the non-capital income and expenditure account. The related lease liability at the 31 December 2023 was €7,755,434 (2022: €10,144,234).

The net surplus in the current year and in the prior year arise from continuing activities.

The financial statements which include the accounting policies and notes, which were drawn up in compliance with the Accounting Standards for Voluntary Hospitals issued by the Department of Health and Children, were approved by the Board on

**On behalf of the Board**

**Signed: Prof. Ann-Marie Brady, Chairperson**

**Date: 27.05.2024**

**Signed: Lucy Nugent, Chief Executive Officer**

**Date: 27.05.2024**

**BALANCE SHEET**  
**As at 31 December 2023**  
**Form 3**

	Notes	2023 €	2022 €
<b>Fixed assets</b>			
Tangible assets	13	<b>104,724,929</b>	97,396,338
<b>Current assets</b>			
Debtors	14	<b>64,184,596</b>	61,900,850
Stocks	15	<b>6,814,591</b>	5,802,626
Cash in hand and bank balances		<b>18,313,620</b>	14,803,189
		<b>89,312,807</b>	82,506,665
<b>Creditors - amounts falling due within one year:</b>			
Creditors	16	<b>(93,001,859)</b>	(83,584,728)
Bank overdraft		<b>(7,881,035)</b>	(8,044,232)
Obligations under finance leases	20	<b>(2,388,801)</b>	(2,388,801)
		<b>(103,271,695)</b>	(94,017,761)
<b>Net current liabilities</b>			
		<b>(13,958,888)</b>	(11,511,096)
<b>Total assets less current liabilities</b>			
		<b>90,766,041</b>	85,885,242
<b>Creditors - amounts falling due in more than one year</b>			
Obligations under finance leases		<b>(5,366,634)</b>	(7,755,435)
		<b>85,399,407</b>	78,129,807
<b>Capital and reserves</b>			
Non-capital income and expenditure account - deficit		<b>(25,411,614)</b>	(17,059,975)
Capital income and expenditure account		<b>6,086,092</b>	(2,206,556)
Capitalisation account	18	<b>104,724,929</b>	97,396,338
		<b>85,399,407</b>	78,129,807

The financial statements which include the accounting policies and notes, which were drawn up in compliance with the Accounting Standards for Voluntary Hospitals issued by the Department of Health and Children, were approved by the Board on

**On behalf of the Board**

**Signed: Prof. Ann-Marie Brady, Chairperson**

**Date: 27.05.2024**

**Signed: Lucy Nugent, Chief Executive Officer**

**Date: 27.05.2024**

**CASH FLOW STATEMENT**  
 For the year ended 31 December 2023  
 Form 4

	Notes	2023 €	2022 €
<b>Net cash inflow from operating activities</b>	19(a)	<b>3,602,596</b>	3,969,803
<b>Returns on investment and servicing of finance</b>			
Interest paid on bank balances		<u>(41,542)</u>	<u>(88,110)</u>
<b>Net cash outflow from servicing of finance</b>		<u>(41,542)</u>	<u>(88,110)</u>
<b>Capital expenditure</b>			
Fixed asset additions from capital	19(b)	<b>(13,142,256)</b>	(20,778,447)
Fixed asset additions from non-capital		<b>(2,172,859)</b>	(3,262,977)
<b>Net cash outflow from capital expenditure</b>		<u>(15,315,115)</u>	<u>(24,041,424)</u>
<b>Net cash outflow before financing</b>		<b>(11,754,061)</b>	(20,159,731)
<b>Financing</b>			
HSE capital grant received		<b>12,720,674</b>	17,664,014
Receipts from other sources		<b>2,707,015</b>	856,144
<b>Net cash inflow from financing</b>		<u>15,427,689</u>	<u>18,520,158</u>
<b>Net cash inflow/(outflow)</b>		<u><b>3,673,628</b></u>	<u>(1,639,573)</u>
Increase in cash in hand and bank balances	20	<b>3,510,431</b>	1,476,420
Decrease/(increase) in bank overdrafts	20	<b>163,197</b>	(3,115,993)
<b>Changes in net funds/(net debt)</b>	20/21	<u><b>3,673,628</b></u>	<u>(1,639,573)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

**Note 1 - Non-capital income and expenditure - details**

	Notes	2023 €	2022 €
<b>Pay</b>			
Management and administration		34,742,527	31,534,064
Medical and dental (NCHD)		36,864,185	32,733,891
Medical and dental (consultants)		43,004,941	34,062,888
Nursing		89,240,471	78,204,179
Paramedical		36,745,716	33,923,319
Support services		27,426,658	24,015,826
Maintenance and technical		3,404,062	3,323,536
	8	<u>271,428,560</u>	<u>237,797,703</u>
Pension payments		14,730,330	12,928,728
Retirement lump sums		4,762,925	4,290,000
		<u>19,493,255</u>	<u>17,218,728</u>
<b>Total pay</b>		<b>290,921,815</b>	<b>255,016,431</b>
<b>Non-pay</b>			
<b>Direct patient care</b>			
Drugs and medicine		31,286,489	26,014,244
Blood		2,496,128	2,435,886
Medical gases		394,929	219,294
Medical and surgical supplies		38,259,454	21,932,952
Medical equipment	12	1,271,228	2,155,944
Medical equipment supplies		2,191,989	1,099,067
		<u>75,900,217</u>	<u>53,857,387</u>
<b>Support services</b>			
X-Ray imaging equipment	12	138,190	21,943
X-Ray imaging		2,473,312	2,329,262
Laboratory equipment	12	122,239	268,278
Laboratory supplies		11,068,210	8,070,310
Catering equipment	12	82,956	-
Catering		2,968,949	2,500,068
Light and heat		4,345,556	2,395,438
Cleaning and laundry		7,317,658	5,873,134
Furniture and hardware		573,454	500,921
Bedding and clothing		2,257,356	944,610
Maintenance		5,636,522	4,981,679
Travel and subsistence		343,026	314,262
Transport of patients		1,952,840	1,778,904
		<u>39,280,268</u>	<u>29,978,809</u>



NOTES TO THE FINANCIAL STATEMENTS - continued

Note 1 - Non-capital income and expenditure - details - continued	Notes	2023 €	2022 €
<b>Financial and administrative</b>			
Finance lease repayments	20	2,388,801	2,388,801
Bank interest		41,542	88,110
Bank charges		37,347	53,121
Insurance	2	527,785	398,974
Audit		78,768	67,180
Legal		88,619	98,427
Office expenses		5,606,041	3,567,220
Office contracts		251,788	291,744
Computer and office equipment	12	552,087	811,875
Computer supplies		7,865,598	5,913,166
Professional services		5,022,516	2,827,117
Adjustment to Doubtful Debts Provision		3,437,763	2,481,888
Miscellaneous non-capital expenditure on capital projects	3	-	-
Miscellaneous	4	5,240,884	5,644,904
		<u>31,139,539</u>	<u>24,632,527</u>
<b>Total non-pay</b>		<u>146,320,024</u>	<u>108,468,723</u>
<b>Total gross expenditure</b>		<u>437,241,839</u>	<u>363,485,154</u>
<b>Income</b>			
<b>Patient income</b>			
In-patient	5	24,707,399	29,469,013
Out-patient	5	991,580	1,040,072
		<u>25,698,979</u>	<u>30,509,085</u>
<b>Other income</b>			
Superannuation		5,420,025	5,045,438
Pension Levy		6,443,361	5,436,353
Car park income and other payroll deductions		310,194	557,811
Road Traffic Accident (RTA) Receipts	10	675,042	1,088,017
Income from external agencies	6	9,675,208	9,692,351
Canteen Receipts		1,172,988	957,561
Other income	7	12,767,258	9,035,041
		<u>36,464,076</u>	<u>31,812,572</u>
<b>Total income</b>		<u>62,163,055</u>	<u>62,321,657</u>
<b>Net expenditure</b>	9	<u>375,078,784</u>	<u>301,163,497</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

Note 1(a)	Notes	2023 €	2022 €
Allocation notified before once-off allocation	11	<b>(366,727,145)</b>	(300,263,886)
Net expenditure in year	1	<b>375,078,784</b>	301,163,497
Deficit/(surplus) in year		<b>8,351,639</b>	899,611
Cumulative deficit brought forward from previous year		<b>17,059,975</b>	16,160,364
Cumulative deficit carried forward to following year		<b>25,411,614</b>	17,059,975

Note 2 – Insurance	2023 €	2022 €
Public liability	<b>16,853</b>	16,818
Property	<b>275,626</b>	205,058
Board Members' and officers' liability	<b>87,022</b>	85,009
Other	<b>51,861</b>	45,179
Broker Fee	<b>96,423</b>	46,910
	<b>527,785</b>	398,974

Note 3 – Miscellaneous non-capital expenditure on capital projects	2023 €	2022 €
Miscellaneous non-capital expenditure on capital projects	<b>-</b>	-

Note 4 – Miscellaneous expenses	2023 €	2022 €
Security and traffic management	<b>1,996,843</b>	1,725,242
Subscriptions	<b>377,976</b>	332,187
Education/training	<b>1,321,810</b>	842,686
Donation to Tallaght University Hospital Foundation	<b>400,000</b>	400,000
Other	<b>1,144,255</b>	2,344,789
	<b>5,240,884</b>	5,644,904

NOTES TO THE FINANCIAL STATEMENTS - continued

<b>Note 5 – Analysis of patient income</b>	<b>2023</b>	<b>2022</b>
	<b>€</b>	<b>€</b>
<b>In-Patient</b>		
Statutory in-patient charges	359,377	1,617,002
Private/semi-private	24,275,324	27,813,683
Other in-patient charges	72,698	38,328
	<u>24,707,399</u>	<u>29,469,013</u>
<b>Out-patient</b>		
Statutory accident and emergency charge	991,580	1,040,072
	<u>991,580</u>	<u>1,040,072</u>
<b>Total patient income</b>	<u>25,698,979</u>	<u>30,509,085</u>
<b>Note 6 – Income from external agencies</b>	<b>2023</b>	<b>2022</b>
	<b>€</b>	<b>€</b>
Children's Health Ireland	7,527,480	7,917,000
HSE psychiatric and other services	2,147,728	1,775,351
	<u>9,675,208</u>	<u>9,692,351</u>
<b>Note 7 – Other income</b>	<b>2023</b>	<b>2022</b>
	<b>€</b>	<b>€</b>
Primary Care Reimbursement Service – drug cost reimbursed	11,542,843	8,257,626
Rents/licences	719,119	496,165
Other income	505,296	281,250
	<u>12,767,258</u>	<u>9,035,041</u>
<b>Note 8 – Summary pay analysis</b>	<b>2023</b>	<b>2022</b>
	<b>€</b>	<b>€</b>
Basic pay	206,939,037	177,768,959
Overtime	15,063,347	12,752,265
Premium pay	10,737,633	9,522,142
Shift allowance	244,982	214,191
Holiday/public holiday premiums	3,388,546	2,978,787
Higher degree	37,748	41,005
On call/standby	5,451,611	4,787,630
PRSI employer	24,757,508	21,075,187
Travel allowances	326,489	933,019
Other	4,481,659	7,724,518
	<u>271,428,560</u>	<u>237,797,703</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

**Note 8(a) - Additional Analysis – Department of Expenditure and Reform Circular 13/2014 requirement**

The number of Hospital employees whose total employee benefits (including basic pay, allowances, overtime, night duty, weekends, on-call, arrears and excluding employer PRSI, employer pension costs) for the reporting period fell within each band of €10,000 from €60,000 upwards are as follows:

<b>Pay Band</b>	<b>2023</b> <b>Number of</b> <b>Employees</b>	2022 Number of Employees
60,000-69,999	547	487
70,000-79,999	264	257
80,000-89,999	127	115
90,000-99,999	73	66
100,000-109,999	56	37
110,000-119,999	26	31
120,000-129,999	32	18
130,000-139,999	16	19
140,000-149,999	11	18
150,000-159,999	6	5
160,000-169,999	14	12
170,000-179,999	9	6
180,000-189,999	9	17
190,000-199,999	16	13
200,000-209,999	24	8
210,000-219,999	14	6
220,000-229,999	5	13
230,000-239,999	6	13
240,000-249,999	11	7
250,000-269,999	7	5
260,000-259,999	5	4
270,000-279,999	13	2
280,000-289,999	4	3
290,000-299,999	4	0
300,000-309,999	1	2
310,000-319,999	1	0
320,000-329,999	1	0
330,000-339,999	2	0
340,000-349,999	1	0
350,000-359,999	0	0
360,000-369,999	0	0
370,000-379,999	0	0
380,000-389,999	1	0
<b>Total Employees</b>	<b>1,306</b>	<b>1,164</b>

NOTES TO THE FINANCIAL STATEMENTS - continued

<b>Note 9 - Reconciliation of expenditure to cost of services</b>	Notes	<b>2023</b> €	2022 €
Net expenditure - current year	1	<b>375,078,784</b>	301,163,497
<b>Deduct:</b>			
Purchase of equipment from non-capital	12	<b>(2,172,859)</b>	(3,262,977)
Funding of capital project from non-capital	3	-	-
Finance lease repayments - principal	20	<b>(2,388,801)</b>	(2,388,801)
<b>Total deductions</b>		<u><b>(4,561,660)</b></u>	<u>(5,651,778)</u>
<b>Sub-total</b>		<b>370,517,124</b>	295,511,719
<b>Add back:</b>			
Depreciation charge for the year	13	<u><b>8,737,988</b></u>	<u>8,827,269</u>
<b>Net running cost of service</b>		<u><b>379,255,112</b></u>	<u>304,338,988</u>
<b>Note 10 – Road traffic accident memo account</b>		<b>2023</b> €	2022 €
Balance at 1 January		<b>8,111,616</b>	8,171,854
Bills issued in respect of the year		<b>600,493</b>	1,081,469
Less cash received during the year		<b>(675,042)</b>	(1,088,017)
Less RTA amounts written off		<b>(1,157,910)</b>	-
Less cash received re paediatric balances		<u><b>(10,270)</b></u>	<u>(53,690)</u>
<b>Balance at 31 December</b>		<u><b>6,868,887</b></u>	<u>8,111,616</u>

The Hospital continues to administer and collect paediatric road traffic accident balances on behalf of Children's Health Ireland.

NOTES TO THE FINANCIAL STATEMENTS - continued

<b>Note 11 – Statement of advances and balances due from Health Service Executive Non-Capital and Capital</b>	Notes	<b>2023</b> €	2022 €
<b>Non-capital</b>			
Allocation in year	1(a)	<b>366,727,145</b>	300,263,886
Less remittances from HSE Non-Capital		<b>(327,023,629)</b>	(260,418,307)
Balance due from HSE in respect of the year		<b>39,703,516</b>	39,845,579
Balance due from HSE re previous years as at 1 January		<b>39,845,579</b>	36,291,596
Less remittances from HSE in year re previous years		<b>(39,845,579)</b>	(36,291,596)
Balance due from HSE re previous years as at 31 December		-	-
<b>Total balance of non-capital funding due from HSE</b>	14	<b>39,703,516</b>	39,845,579
<b>Capital</b>			
Total capital grants notified by HSE for the year		<b>17,090,552</b>	17,664,014
Less remittances from HSE Capital in the year		<b>(12,720,674)</b>	(17,664,014)
Balance due from HSE in respect of the year		<b>4,369,878</b>	-
Balance due from HSE re previous years as at 1 January		<b>11,114</b>	30,522
Less remittances from HSE in year re previous years		-	(19,408)
Balance due to HSE re previous years as at 31 December		<b>11,114</b>	11,114
<b>Total balance of capital funding due from HSE</b>	14	<b>4,380,992</b>	11,114
<b>Gross total due from HSE Capital and Non-Capital</b>	14	<b>44,084,508</b>	39,856,693

NOTES TO THE FINANCIAL STATEMENTS - continued

<b>Note 12 – Purchase of equipment from non-capital account (capitalised)</b>	Note	<b>2023 €</b>	2022 €
Medical equipment		<b>1,271,228</b>	2,155,944
X-Ray imaging equipment		<b>138,190</b>	21,943
Laboratory equipment		<b>122,239</b>	268,278
Catering equipment		<b>82,956</b>	-
Computer equipment		<b>552,087</b>	775,901
Office equipment		-	35,974
Maintenance Equipment		<b>6,159</b>	4,937
	9	<u><b>2,172,859</b></u>	<u>3,262,977</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

Note 13 – Schedule of fixed assets and depreciation	Land & Buildings €	Work In Progress €	Equipment €	Fixtures and Fittings €	Computer Equipment €	Total €
<b>Cost or valuation</b>						
At 31 December 2022	80,963,024	2,398,858	78,275,073	12,343,369	16,565,992	190,546,316
Transfer from work in progress						
Additions from capital	-	8,598,675	5,254,659	-	40,386	13,893,720
Additions from non-capital	-	-	1,620,772	-	552,087	2,172,859
Write-offs in year	-	-	(1,362,870)	-	-	(1,362,870)
<b>At 31 December 2023</b>	<b>80,963,024</b>	<b>10,997,533</b>	<b>83,787,634</b>	<b>12,343,369</b>	<b>17,158,465</b>	<b>205,250,025</b>
<b>Accumulated depreciation</b>						
At 31 December 2022	(13,395,257)	-	(52,542,007)	(12,343,369)	(14,869,345)	(93,149,978)
Depreciation charge for year	(1,451,660)	-	(5,814,973)	-	(1,471,355)	(8,737,988)
Write-offs in year	-	-	1,362,870	-	-	1,362,870
<b>At 31 December 2023</b>	<b>(14,846,917)</b>	<b>-</b>	<b>(56,994,110)</b>	<b>(12,343,369)</b>	<b>(16,340,700)</b>	<b>(100,525,096)</b>
<b>Carrying amount</b>						
<b>At 31 December 2023</b>	<b>66,116,107</b>	<b>10,997,533</b>	<b>26,793,524</b>	<b>-</b>	<b>817,765</b>	<b>104,724,929</b>
At 31 December 2022	67,567,767	2,398,858	25,733,066	-	1,696,647	97,396,338



**NOTES TO THE FINANCIAL STATEMENTS - continued**

**Note 13 – Schedule of fixed assets and depreciation – continued**

**Note 13(a)**

The Hospital was built and equipped by the Tallaght Hospital Board, the agency appointed under Ministerial Order to develop, build and equip the Hospital. During 1998 hospital buildings costing €131,817,084 were transferred from the Tallaght Hospital Board to the Minister for Health. The Minister has leased the buildings to the Hospital with effect from 19 June 1998 for a period of 150 years at an annual rent of €1.27. Land and Buildings included in note 13 reflects additions since that date. Costs and the related accumulated depreciation incurred by the Tallaght Hospital Board in equipping the Hospital have been recognised in the fixed assets of the Hospital.

**Note 13(b)**

Work-in-Progress at 31 December 2023 represented costs in respect of on-going project work in relation to the extension to the Intensive Care Unit, the Aseptic Pharmacy and ICT capital projects.

**Note 13(c)**

In 2023, the Hospital wrote-off assets with cost valuation of €1,362,870 (2022: €1,503,351) for assets that are no longer in use. These assets had been fully depreciated at 31 December 2022 and 2023.

NOTES TO THE FINANCIAL STATEMENTS - continued

<b>Note 14 – Debtors</b>	Note	<b>2023</b> €	2022 €
HSE – revenue grants due	11	<b>39,703,516</b>	39,845,579
HSE - capital grants due	11	<b>4,380,992</b>	11,114
HSE – debtors	11	<b>44,084,508</b>	39,856,693
Patient debtors		<b>18,794,405</b>	26,529,953
Less provision for bad and doubtful debts		<b>(10,642,056)</b>	(14,157,643)
Net patient debtors		<b>8,152,349</b>	12,372,310
Other debtors		<b>11,947,739</b>	9,671,847
Non HSE debtors		<b>20,100,088</b>	22,044,157
		<b>64,184,596</b>	61,900,850

Other debtors includes Chargeable Excess Tax repayable from retirees, of which €1,208,011 is due after more than one year (2022: €130,822). The remainder of the balance is made up of non-patient debtors (E.g. CHI, Lomans, NTPF) €8m, with the balance attributed to Payroll debtors and Primary Care Reimbursement Service (PCRS) debtor.

<b>Note 15 – Stocks</b>	<b>2023</b> €	2022 €
Pharmacy	<b>1,629,348</b>	1,264,010
Medical and surgical supplies	<b>4,291,465</b>	3,605,693
Other	<b>893,778</b>	932,923
	<b>6,814,591</b>	5,802,626

<b>Note 16 – Creditors</b>	<b>2023</b> €	2022 €
Creditors – capital	<b>4,345,553</b>	1,205,288
Creditors – non-capital	<b>68,996,032</b>	60,943,357
Designated funds	<b>11,031,540</b>	11,567,793
Wages and salaries (payroll deductions)	<b>1,255</b>	(25,688)
PAYE/PRSI	<b>8,627,479</b>	9,893,978
	<b>93,001,859</b>	83,584,728

NOTES TO THE FINANCIAL STATEMENTS - continued

<b>Note 17 – Capital developments reserve</b>	<b>2023</b>	<b>2022</b>
	€	€
Balance at start of year	5,329,516	4,583,339
Surplus income earned from car park	1,423,051	746,177
Funds allocated to car park works	(329,350)	-
Balance at end of year	<u>6,423,217</u>	<u>5,329,516</u>

Surplus income received from the operation of the car park is transferred to capital developments reserve in the capital income and expenditure account, to be utilised for capital purposes.

<b>Note 18 - Capitalisation account</b>	<b>2023</b>	<b>2022</b>
	€	€
Balance at start of the year	97,396,338	84,626,873
<b>Additions</b>		
Capital expenditure	13,893,720	18,333,757
Non-capital expenditure	2,172,859	3,262,977
	<u>16,066,579</u>	<u>21,596,734</u>
<b>Less:</b>		
Depreciation for the year	(8,737,988)	(8,827,269)
	<u>104,724,929</u>	<u>97,396,338</u>

<b>Note 19 - Note to the cash flow statement</b>	<b>2023</b>	<b>2022</b>
	€	€

**Note 19 (a) Net cash inflow from operating activities**

Deficit non-capital	(25,411,614)	(17,059,974)
Less deficit brought forward	17,059,975	16,160,364
Deficit for the current year	(8,351,639)	(899,610)
Add back repayment of finance lease charged against non-capital	2,388,801	2,388,801
Add back additions of equipment from non-capital	2,172,859	3,262,977
Add back all interest charges against non-capital	41,542	88,110
(Increase)/decrease in stocks	(1,011,965)	1,318,320
Decrease/(increase) in HSE debtors non-capital	142,063	(3,534,575)
Decrease/(increase) in non-HSE debtors	1,944,069	(2,564,042)
Increase in non-capital creditors	6,276,866	3,909,822
<b>Net cash inflow from operating activities</b>	<u>3,602,596</u>	<u>3,969,803</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

Note 19 - Note to the cash flow statement - continued

	2023 €	2022 €
<b>Note 19 (b) Fixed asset additions from capital</b>		
Fixed asset additions from capital	(13,893,720)	(18,333,757)
Increase/(decrease) in capital creditors	3,140,265	(55,889)
Decrease in finance lease obligations	(2,388,801)	(2,388,801)
<b>Fixed asset additions from capital</b>	<u>(13,142,256)</u>	<u>(20,778,447)</u>

Note 20 - Analysis of changes in net funds/(debt)

	At 31 December 2023 €	Cash flows €	At 31 December 2022 €
Cash in hand and bank balances	18,313,620	3,510,431	14,803,189
Bank overdraft	<u>(7,881,035)</u>	163,197	<u>(8,044,232)</u>
	<u>10,432,585</u>	<u>3,673,628</u>	<u>6,758,957</u>
Finance leases – within one year	(2,388,801)	-	(2,388,801)
Finance leases – two to five years	(5,366,634)	2,022,659	(7,389,293)
Finance leases – after five years	-	366,142	(366,142)
	<u>(7,755,435)</u>	<u>2,388,801</u>	<u>(10,144,236)</u>
	<u>2,677,150</u>	<u>6,062,429</u>	<u>(3,385,279)</u>

Note 21 - Reconciliation of net cash inflow/(outflow) to movement in net funds/(debt)

	2023 €	2022 €
Increase/(decrease) in cash in the year	3,673,628	(1,639,573)
Changes in net debt resulting from cash flow	<u>3,673,628</u>	<u>(1,639,573)</u>
New finance leases taken out in the year	-	-
Net debt at beginning of the year	<u>(3,385,279)</u>	(4,134,505)
Net funds/(debt) at end of the year	<u>2,677,150</u>	<u>(3,385,279)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

**Note 22 - Scope and basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Accounting Standards and the Format of Accounts for Voluntary Hospitals issued by the Department of Health and Children in Ireland.

The Hospital was established under a Charter as amended by an Order passed by both Houses of the Oireachtas in July 1996 and came into being on 1 August 1996. The Hospital represents the combination of the public activities of its three constituent base hospitals, the Adelaide Hospital, Meath Hospital and National Children's Hospital, under one Board of Management.

With effect from 1 August 1996 the Board of Management, managed on a combined basis, the public activities of the three constituent base hospitals in their original locations until 21 June 1998 when they moved to the new hospital located in Tallaght, Dublin 24. The fundraising and other private activities of the three constituent base hospitals continued to be managed by separate Boards, and while each has a nominated member on the Tallaght University Hospital Board, those entities are not regarded as related parties of the Hospital. Based on grant applications to these entities the Hospital has received the following support:

	2023 €	2022 €
<b>National Children's Hospital</b>		
Balance due from National Children's Hospital at start of year	17,596	44,029
Salary recoupments receivable	-	(26,432)
Balance due from National Children's Hospital at end of year	<u>17,596</u>	<u>17,597</u>
<b>Meath Foundation</b>		
Balance due from Meath Foundation at start of year	64,000	201,444
Salary recoupments receivable	179,924	62,186
Grants receivable re non-pay	11,561	146,664
Receipts	(217,457)	(346,294)
Balance due from Meath Foundation at end of year	<u>38,028</u>	<u>64,000</u>
<b>Adelaide Health Foundation</b>		
Balance due from Adelaide Health Foundation at start of year	-	41,361
Salary recoupments receivable	27,294	-
Grants receivable re non-pay	75,050	-
Receipts	(102,344)	(41,361)
Balance due from Adelaide Health Foundation at end of year	<u>-</u>	<u>-</u>

The amounts above are netted against the related expenditure when incurred.

**The Tallaght University Hospital Foundation (TUHF)** was incorporated on 6 December 2017 and commenced operation in 2018 as an independent Foundation whose primary objective is to support, promote and enhance the services provided by Tallaght University Hospital. The TUHF is an autonomous charitable legal entity, entirely separate from the Hospital. In recognition that the TUHF will be more efficient and effective than the Hospital in raising funds for the benefit of the Hospital, both parties have signed a Relationship Agreement. Following consultation on business plans and budgets which prioritise capital projects in support of the Hospital's strategic goals, the Hospital provided conditional donations of €0.4m during 2023 (2022: €0.4m), from non-exchequer funds, agreed between the Hospital and TUHF.

**NOTES TO THE FINANCIAL STATEMENTS - continued**

**Note 22 - Scope and basis of preparation of financial statements - continued**

The Hospital had the following transactions with the TUHF:

	2023 €	2022 €
<b>Tallaght University Hospital Foundation</b>		
Balance due from TUHF at start of year	20,000	20,000
Initial period donation payable to TUHF	(400,000)	(400,000)
Donations receivable re non-pay	1,483,147	88,481
Receipts	(1,396,657)	(88,481)
Payments made	400,000	400,000
Balance due from TUHF at end of year	<u>106,490</u>	<u>20,000</u>

Most of the funding raised by TUHF is of a restricted nature. To date cumulative receipts from TUHF are €4.6m.

**Note 23 – Capital commitments**

At 31 December 2023 the Hospital had capital commitments of €10.1m (2022: €8.3m) of which €8.3m (2022: €6m) was contracted.

**Note 24 - Going concern**

The Hospital is funded by means of an annual revenue allocation from the Health Service Executive ("HSE"). The Hospital recorded a deficit of €8.4m for 2023, and had net current liabilities of €14.0m and an accumulated deficit on the Hospital's non-capital income and expenditure account of €25.4m at 31 December 2023.

The Hospital's current revenue allocation excluding pensions from the HSE for 2024 is €332m (the opening allocation was €326m excluding pensions), which represents a reduction of €36 million (10%) when compared to the outturn of €368m for 2023 and a shortfall of €68m when compared to the projection of €400m (excluding pensions) for 2024. The Hospital continues to incur significant costs in relation to increased activity, increased pay costs year on year of €36m (15%) associated with national wage agreements and growth in WTE of 388. The growth in WTE pertains to funded service developments in 2023. TUH also incurred growth in non-pay costs in 2023 amounting to €38m (35%) associated with increased activity, full year impact of inflation and access to care costs of €10m. In addition to increased costs, we incurred an overall reduction in patient income of €5m (16%) due to abolishment of the statutory IP charge and reduced usage of private health insurance.

The Hospital remains dependent on the ongoing support of the HSE to provide adequate funding to enable it to continue to provide services. The Hospital continues to proactively engage with the HSE in respect of the revenue allocation for 2024 and dealing with the accumulated deficit. As of 27 May 2024 no agreement has been reached with the HSE in relation to a revised allocation for 2024.

The bank-overdraft facility is authorised by the HSE.

These conditions indicate the existence of a material uncertainty relating to the events or conditions that may cast significant doubt upon the Hospital's ability to continue as a going concern. The Board have considered the history of how HSE funds have been allocated to the Hospital and the fact the HSE has not given any indication that it will withdraw its financial support from the Hospital. The Board are confident that the HSE will continue to provide funding to the hospital and consider the likelihood of the uncertainty eventuating to be unlikely.

The Board considered the matters presented by management, including the risks and uncertainties identified in the tight trading position, the accumulated deficit, the uncertainty surrounding the provision of future funding, and the additional threats to going concern arising from loss of Income, cyber-attack, war, the recent

**NOTES TO THE FINANCIAL STATEMENTS - continued**

supplementary funding and the funding approvals received to date for the various activities, the similar position that other hospitals are in and the political landscape, the board concluded that the financial statements should be prepared on a going concern basis and that adequate disclosures outlining the uncertainties over funding should be included in the financial statements.

Hence, the Board is of the opinion that it remains appropriate to present the financial statements on a going concern basis and that there is a reasonable expectation that the Hospital will continue to operate for a period of at least 12 months from the date of approval of these financial statements. The financial statements do not include any adjustments that would result if the Hospital was unable to continue as a going concern.

On this basis, these financial statements have been prepared on the going concern basis.

<b>Note 25 – Board Members’ fees and Chief Executive Officer’s salary</b>	<b>2023</b>	<b>2022</b>
	<b>€</b>	<b>€</b>
<b>Board Members’ fees</b>		
Reimbursement of expenses paid to Board Members	<b>98</b>	-
Fees paid to Board Members (Note 25(a))	-	-
	<u>                    </u>	<u>                    </u>
<b>Chief Executive Officer’s salary</b>		
Basic – as per DOH salary scales (Note 25(b))	<b>167,753</b>	162,824
	<u>                    </u>	<u>                    </u>
Chief Executive Officer’s travel and subsistence	<b>369</b>	1,180
	<u>                    </u>	<u>                    </u>

**Note 25 (a)**

Board Members do not receive remuneration in respect of their position on the Hospital’s Board.

**Note 25 (b)**

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

**Note 26 – Lease commitments Operating Leases**

At the balance sheet date the Hospital had total amounts payable under non-cancellable operating leases in respect of buildings which expire in:

	<b>2023</b>	<b>2022</b>
	<b>€</b>	<b>€</b>
Less than one year	<b>1,768,749</b>	730,000
Between two and five years	<b>6,861,144</b>	2,654,322
Over five years	<b>11,710,999</b>	1,637,495
	<u><b>20,340,892</b></u>	<u>5,021,817</u>

During 2021 the Hospital contracted for an operating lease that came into effect in 2023, which involves the financing, design, construction, installation, operation, maintenance and servicing of energy improvements at the Hospital through an Energy Performance Contract (EPC). Following a competitive tendering process through the Carbon and Energy Fund project framework, TUH agreed a 15 contract (€16m including in the lease commitments above).

**Note 27 – Comparative amounts**

Some prior year comparative amounts have been reclassified on a basis consistent with the current year.