
St. Francis Hospice Dublin
(Company limited by guarantee and not
having a share capital)

Reports and Financial Statements
for the financial year ended
31 December 2015

ST. FRANCIS HOSPICE DUBLIN
(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)

REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

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**ST. FRANCIS HOSPICE DUBLIN
(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)**

DIRECTORS AND OTHER INFORMATION

DIRECTORS

Justice Peter Kelly (Chairperson)
Dr. John Cooney
Sr. Bernadette MacMahon DC
Thomas Joseph McMahon
Mary Hayes
Sr. Marie McKenna DC
Prof. Peter Daly
Dr. Carol Ann Casey
Ita Gibney
Sr. Bridget Callaghan
Patrick Kenny
Joseph Pitcher
James Flynn
Fr. Michael Burgess (Resigned 21 January 2015)
Philip Baxter (Appointed 13 May 2015)
Padraig O'Dea (Appointed 17 June 2015)

CHIEF EXECUTIVE OFFICER

Fintan Fagan

**COMPANY SECRETARY AND
REGISTERED OFFICE**

Angela Coughlan (Appointed 18 June 2015)
James Flynn (Resigned 18 June 2015)
Station Road
Raheny
Dublin 5

INDEPENDENT AUDITORS

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

BANKERS

Bank of Ireland
Raheny
Dublin 5

Rabo Direct
Charlemont Place
Dublin 2

AIB
Westend Retail Park
Blanchardstown
Dublin 15

SOLICITORS

McCann Fitzgerald
Riverside One
Sir John Rogerson's Quay
Dublin 2

Colleen Cleary
127 Lower Baggot Street
Dublin 2

REGISTRATION NUMBERS

Charity Tax Number: CHY10568
Charity Registration Number: 20027193
Company Registration Number: 153874

**ST. FRANCIS HOSPICE DUBLIN
(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)**

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the financial year ended 31 December 2015.

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

St. Francis Hospice Dublin, based at Station Road, Raheny, and also at Blanchardstown Dublin 15, provides specialist palliative care to patients from North Dublin City and County with progressive fatal illnesses. The company's activities are provided via an In Patient Palliative Care Unit, a Day Care Unit, Community Palliative Care, Out-Patient services and Bereavement Support Services.

The hospice in Blanchardstown, Dublin 15 is now open with 24 In Patient Unit beds in operation. The Community Palliative Care Team (West) now operates from this new facility. Day Care and Out Patient services are delivered there on two days each week; Thursdays and Fridays.

To deliver services to patients and families in 2015, 70% of total costs (excl. interest) were provided by the Health Service Executive (HSE). This level of contribution, year to year, is crucial and the company gratefully acknowledges this core support from the HSE Dublin North East. The balance of funds, amounting to €4.8m, was raised by the hospice through donations, bequests and a wide range of fundraising events and activities.

St. Francis Hospice Dublin extends its deepest thanks to the generosity of all who have made donations and bequests and to all its fundraisers and supporters for their creativity and energy year after year. The Directors gratefully acknowledge the great work of all the Hospice staff, the Department of Social Protection and TUS Community Employment Scheme workers and the large number of volunteers for their efforts and contribution to the success of the service.

Staff costs at St. Francis Hospice Dublin in 2015 amounted to €10,406,185 out of a total expenditure of €15,211,761. The total costs associated with core programme work were €14,436,330. Fundraising costs were €477,408 and Governance and administration costs were €136,654. The CEO at St. Francis Hospice Dublin retired in March 2015 and the new CEO commenced in June 2015 and received salary of €52,084 for 2015. No Pension Contribution was made in 2015. St. Francis Hospice Dublin spent 96% of funds on its primary mission, 3.1% on fundraising and 0.9% on governance. SFH implements a code of corporate governance and Board Committees oversee all areas of governance including finance and fundraising. St. Francis Hospice Dublin complies with the Guiding Principles for Fundraising as set out by the Irish Charities Tax Reform Group. All Directors at St. Francis Hospice Dublin are unpaid volunteers. No Director is employed directly or indirectly by St. Francis Hospice Dublin or has any financial relationship with St. Francis Hospice Dublin. No expenses or fees are paid to any Directors.

PERFORMANCE REVIEW

2015 was another successful financial year with a continuing increase in the provision of Hospice services. There were 9,407 nursing visits and 756 medical visits to patients at home. In Hospice Day Care, there were 203 patients with a total of 2,600 attendances. There were 509 admissions to the In-Patient Unit. In addition, there were 1,924 attendances by patients for a range of out-patient services.

The hospice strives to achieve a standard of excellence in the care of patients and their families. There is a continuing emphasis on education in palliative care and indeed to expanding our commitment to a specialist palliative care approach in settings outside St. Francis Hospice Dublin. Our policy is to grow and develop to meet the needs of the North Dublin community, but within the constraints of our financial resources.

The financial year's performance in financial terms is set out in pages 9 and 10 of the financial statements under the 'Statement of Comprehensive Income' and 'Balance Sheet'. The main features are:

- A deficit of income over expenditure of €772,303. This is a decrease of €1,071,523 on the surplus of €299,220 reported for the previous financial year. The decrease arises mainly due to unforeseen extra costs required for the Blanchardstown Hospice.

DIRECTORS' REPORT (CONTINUED)

PRINCIPAL RISKS AND UNCERTAINTIES

- Adequate funding by the HSE is crucial towards maintaining the current range of services and also towards providing for the totality of services at both hospices.
- St. Francis Hospice Dublin, as a priority, strives to maintain and develop its income sources to meet the specialist palliative care service needs of North Dublin. It closely monitors reserve levels to ensure that they are sufficient to meet planned outgoings in the short term.
- St. Francis Hospice Dublin has three fixed interest loans of c. €7 million. The level of debt is significant given that the company relies entirely on fundraising activities, donations and bequests to service interest costs and handle agreed arrangements for repayments, in addition to meeting the annual gap (c. €4.5m in 2015) between HSE grants and the ongoing cost of hospice activities. St. Francis Hospice Dublin is making special efforts in its current fundraising programmes to reduce debt levels. In relation to increasing interest costs, this risk has been significantly mitigated by the rate and term of fixed interest rates negotiated in the bank loan contract. The company closely monitors the ongoing adequacy of headroom over the banking covenants in the bank loan agreement.

FUTURE DEVELOPMENTS

St Francis Hospice Dublin is currently reviewing the refurbishment and redevelopment of its Raheny Hospice with a view to improving In-Patient facilities.

FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

The company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. These are disclosed in Note 16 to the financial statements.

RESEARCH AND DEVELOPMENT

St. Francis Hospice Dublin carries out on-going research to achieve optimum care for patients.

DIRECTORS AND SECRETARY

The directors and secretary, who served at any time during the financial year except as noted, were as follows:

Directors:

Justice Peter Kelly (Chairperson)
Dr. John Cooney
Sr. Bernadette MacMahon DC
Thomas Joseph McMahan
Mary Hayes
Sr. Marie McKenna DC
Prof. Peter Daly
Dr. Carol Ann Casey
Ita Gibney
Sr. Bridget Callaghan
Patrick Kenny
Joe Pitcher
James Flynn
Fr. Michael Burgess (Resigned 21 January 2015)
Philip Baxter (Appointed 13 May 2015)
Padraig O'Dea (Appointed 17 June 2015)

Secretary:

James Flynn (Resigned 18 June 2015)
Angela Coughlan (Appointed 18 June 2015)

**ST. FRANCIS HOSPICE DUBLIN
(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)**

DIRECTORS' REPORT (CONTINUED)

GOING CONCERN

The directors have a reasonable expectation that St. Francis Hospice Dublin has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements. Further details regarding the adoption of the going concern basis can be found in note 1 to the financial statements.

POST BALANCE SHEET EVENTS

There have been no significant events affecting St. Francis Hospice Dublin since the financial year end.

POLITICAL CONTRIBUTIONS

There were no political contributions made by St. Francis Hospice Dublin during the financial year.

RESULTS FOR THE FINANCIAL YEAR

The net movement in funds during the financial year was a deficit of €772,303 (2014: surplus €299,220).

DIVIDENDS AND RESERVES

The reserves are not distributable, and are applied in accordance with the Articles of Association to finance the work of the Hospice.

SUBSIDIARY COMPANY

Details relating to the subsidiary company are set out in Note 9 to the financial statements.

ACCOUNTING RECORDS

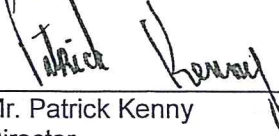
The measures that the directors have taken to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at Station Road, Raheny, Dublin 5.

AUDITORS

The auditors, Deloitte, Chartered Accountants and Statutory Audit Firm, continue in office in accordance with Section 383(2) of the Companies Act 2014.

Approved by the Board and signed on its behalf by:


Justice Peter Kelly
Director


Mr. Patrick Kenny
Director

25 May 2016
Date

**ST. FRANCIS HOSPICE DUBLIN
(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)**

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the directors' report and the financial statements in accordance with the Companies Act 2014.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework"). 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 assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies for the Company Financial Statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. 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 directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST. FRANCIS HOSPICE DUBLIN (COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)

We have audited the financial statements of St. Francis Hospice Dublin for the financial year ended 31 December 2015 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Reserves, the Statement of Cash Flows and the related notes 1 to 21. 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 ("relevant financial reporting framework").

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with the Companies Act 2014 and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Reports and Financial Statements for the financial year ended 31 December 2015 to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 2015 and of the deficit 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.

Matters on which we are required to report by the Companies Act 2014

- 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.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ST. FRANCIS HOSPICE DUBLIN
(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)**

Matters on which we are required to report by exception

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.



Thomas Cassin
For and on behalf of Deloitte
Chartered Accountants and Statutory Audit Firm
Dublin

25 May 2016

ST. FRANCIS HOSPICE DUBLIN
(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

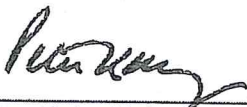
	<i>Notes</i>	2015 €	2014 €
TURNOVER			
Donations, Bequests and Legacies		2,064,183	2,503,871
Fundraising income		1,971,890	1,869,461
Investment and Rental income		38,956	49,255
HSE Grants and similar income		10,364,429	7,927,579
Total Turnover	3	<u>14,439,458</u>	<u>12,350,166</u>
DISTRIBUTION AND ADMISTRATIVE EXPENSES			
Costs of generating voluntary funds		477,408	431,247
Charitable activities		14,224,634	11,120,807
Governance costs		136,654	121,288
Interest payable and similar charges	5	373,065	377,604
Total Distribution and Administrative Expenses		<u>15,211,761</u>	<u>12,050,946</u>
(DEFICIT)/SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION	6	<u>(772,303)</u>	299,220
Taxation charge	7	-	-
(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR		<u><u>(772,303)</u></u>	<u><u>299,220</u></u>

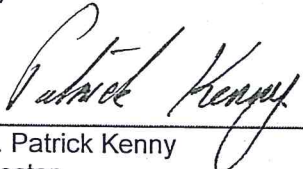
ST. FRANCIS HOSPICE DUBLIN
(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)

BALANCE SHEET
AS AT 31 DECEMBER 2015

	Notes	2015 €	2014 €
Fixed Assets			
Tangible fixed assets	8	34,654,938	35,758,258
Financial fixed assets	9	100	100
		<u>34,655,038</u>	<u>35,758,358</u>
Current Assets			
Debtors	10	48,801	74,055
Cash at bank and in hand		3,049,214	4,342,926
		<u>3,098,015</u>	<u>4,416,981</u>
Creditors: Amounts falling due within one financial year	11	(1,727,746)	(1,797,254)
Net current assets		<u>1,370,269</u>	<u>2,619,727</u>
Total assets less current liabilities		<u>36,025,307</u>	<u>38,378,085</u>
Creditors: Amounts falling due after more than one financial year	12	(5,944,705)	(7,213,180)
Government (HSE) grant	14	(1,988,375)	(2,300,375)
NET ASSETS		<u>28,092,227</u>	<u>28,864,530</u>
CAPITAL AND RESERVES			
Unrestricted reserves		28,092,227	28,804,530
Restricted reserves		-	60,000
		<u>28,092,227</u>	<u>28,864,530</u>

The financial statements were approved and authorised for issue by the Board of Directors on 25th MAY 2016 and signed on its behalf by:


Justice Peter Kelly
Director


Mr. Patrick Kenny
Director

ST. FRANCIS HOSPICE DUBLIN
(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)

STATEMENT OF CHANGES IN RESERVES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	Unrestricted Reserves €	Restricted Reserves €	Total €
At 1 January 2014	28,565,310	-	28,565,310
Surplus for the 2014 financial year	239,220	60,000	299,220
At 31 December 2014	28,804,530	60,000	28,864,530
Deficit for the 2015 financial year	(772,303)	-	(772,303)
Transfers between reserves	60,000	(60,000)	-
At 31 December 2015	28,092,227	-	28,092,227

ST. FRANCIS HOSPICE DUBLIN
(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	<i>Notes</i>	2015 €	2014 €
Net cash inflows from operating activities	15	640,866	1,737,602
Cash flows from investing activities			
Interest and similar income received	15	1,456	11,259
Interest paid	15	(373,065)	(377,604)
Payments to acquire tangible fixed assets	8	(218,033)	(1,403,350)
Net cash flows from investing activities		(589,642)	(1,769,695)
Cash flows from financing activities			
Repayment of borrowings	12	(1,344,936)	(54,422)
Loan received	12	-	502,000
Government grant received	14	-	900,000
Net cash flows from financing activities		(1,344,936)	1,347,578
Net decrease in cash and cash equivalents		(1,293,712)	1,315,485
Cash and cash equivalents at beginning of the financial year		4,342,926	3,027,441
Cash and cash equivalents at end of the financial year		3,049,214	4,342,926
Reconciliation to cash and cash equivalents			
Cash at bank and in hand		3,049,214	4,342,926

**ST. FRANCIS HOSPICE DUBLIN
(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial year.

General Information and Basis of Accounting

St. Francis Hospice Dublin is a company limited by guarantee and not having a share capital and is incorporated in Ireland under the Companies Act 2014. The address of the registered office is Station Road, Rahney, Dublin 5. The nature of the company's operations and its principal activities are set out in the directors' report on pages 3 to 5. The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2014 and Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council, and promulgated for use in Ireland by the Institute of Chartered Accountants in Ireland. No material adjustments were noted on transition to FRS 102 – for more information see note 21. The functional currency of St. Francis Hospice Dublin is considered to be euro because that is the currency of the primary economic environment in which the company operates. The company has charitable objectives and has been granted charitable tax exemption status by the Revenue Commissioners (Charity Number: CHY 10568).

Going Concern

The company's activities, together with the factors likely to affect its future development, performance and position are set out in the directors' report. The financial statements have been prepared on the going concern basis. The company is dependent on the Health Service Executive (HSE) to fund its activities and the ongoing support of the HSE at an appropriate level is fundamental to the company's ability to continue as a going concern. The HSE has not given any indication that it will withdraw its financial support from the company for the foreseeable future and has continued to provide funding in 2016.

In addition to HSE funding, the company continues to focus on generating income through donations, bequests and fundraising events. Cost and funding pressures continued during 2015 as a result of the opening of the In-Patient Unit in Blanchardstown during the financial year. The company's management have prepared budgets and reviewed activity levels to address the ongoing funding issues. The company has also held discussions with its bankers and no matters have arisen in relation to on-going funding. The company's current operating budget and forecast show that the company will be able to operate within its available funding for the foreseeable future (at least twelve months from the date of approval of these financial statements). The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Tangible Fixed Assets and Depreciation

Tangible fixed assets are carried at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to the location and condition necessary for its intended use, applicable dismantling, removal and restoration costs. Assets under construction are not depreciated until they are available for use.

Subsequent additions are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the economic benefits associated with the asset will flow to the company and the cost can be reliably measured. Assets in the course of construction are carried at cost. Major components are treated as separate assets where they have significantly different pattern of consumption of economic benefits and are depreciated separately over their useful lives.

ST. FRANCIS HOSPICE DUBLIN
(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (CONTINUED)

Tangible Fixed Assets and Depreciation (Continued)

Depreciation is calculated to write off the cost of tangible fixed assets over their expected useful lives in equal annual instalments. The annual rates of depreciation are as follows:

Buildings	2%
Office equipment	12.5%
Medical equipment	12.5%
Computers	33.33%
Furniture, fixtures & fittings	12.5%
Motor vehicles	20%

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life. Repairs and maintenance costs are expensed as incurred.

Turnover

Turnover is comprised of grants from HSE, donations and income from fundraising events. Income is recognised when the company has entitlement, receipt is probable and can be measured. Public donations and similar income arising from fundraising events are accounted for when received. As with many similar charitable organisations, independent groups from time to time organise fundraising activities. However, as amounts collected in this way are outside the control of the Hospice, they are not included in the financial statements until received by the Hospice.

Revenue Grants

Revenue grants received and receivable from the Health Service Executive (HSE) are accounted for on the basis of the allocated amount notified by the HSE for that financial year.

Foreign Currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Exchange differences are recognised in the Statement of Comprehensive Income in the financial year in which they arise.

Pensions

A defined contribution pension scheme is in operation which, in the main, is non-contributory and is financially separate from the company. The pension costs charged in the financial statements represent the contribution payable by the company during the financial year.

Capital Grants

Capital grants received are shown as deferred income and credited to income by instalments on a basis consistent with the terms of the depreciation policy of the relevant assets.

Taxation

The company has been granted charitable tax exempt status by the Revenue Commissioners under CHY number 10568 and therefore no provision for corporation tax is required.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

1. ACCOUNTING POLICIES (CONTINUED)

Financial instruments

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

(i) Financial assets and liabilities

Basic financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial assets are initially measured at fair value, which is normally the transaction price. These financial assets are subsequently measured at fair value and the changes in fair value are recognised in the Statement of Comprehensive Income.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

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

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

(ii) Investments

Investments in subsidiaries are measured at cost less impairment.

(iii) Bank loans

Bank loans are measured at amortised cost using the effective interest method.

Comparative figures

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

ST. FRANCIS HOSPICE DUBLIN
(COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

2. **CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial period in which the estimate is revised if the revision affects only that financial period or in the financial period of the revision and future financial periods if the revision affects both current and future financial periods. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the accounting policies and the notes to the financial statements.

Critical judgements in applying the Company's accounting policies

In the opinion of the directors, there were no critical judgements, apart from those involving estimations (which are dealt with separately below), made in the process of applying the company's accounting policies.

Critical accounting estimates and assumptions

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

(i) **Useful economic lives of tangible fixed assets**

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

3. **TURNOVER**

The turnover and deficit for the financial year are attributable to the one principal activity of the company. All turnover arises in the Republic of Ireland. An analysis of turnover is given below:

	2015	2014
	€	€
Health Service Executive – Northern Area	10,364,429	7,927,579
Fundraising and similar income	1,971,890	1,869,461
Donations	1,459,572	2,289,754
Bequests and legacies	604,611	214,117
Investment and Rental income	38,956	49,255
	<u>14,439,458</u>	<u>12,350,166</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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4. STAFF NUMBERS AND COSTS

The average monthly number of persons employed by the company was as set out below:

	2015 Number	2014 Number
Clinical/Nursing	185	141
Administrative staff	46	44
	<u>231</u>	<u>185</u>

The aggregate payroll costs of these were as follows:

	2015 €	2014 €
Wages and salaries	9,170,225	7,169,255
Social welfare costs	943,478	725,019
Pension costs	292,482	295,709
	<u>10,406,185</u>	<u>8,189,983</u>

The total remuneration for key management personnel for the financial year amounted to €606,340 (2014: €628,499).

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 €	2014 €
Bank loan interest	373,065	377,604
	<u>373,065</u>	<u>377,604</u>

6. DEFICIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2015 €	2014 €
Deficit on ordinary activities before taxation has been arrived at after charging/(crediting):		
Depreciation	1,321,353	1,171,214
Grant amortisation	(312,000)	(227,625)
Directors' remuneration (b)	-	-
Auditors' remuneration (a)	24,000	20,500
	<u>1,033,353</u>	<u>964,089</u>
(a) Auditors' remuneration disclosures (net of VAT and outlays):		
Audit	15,000	15,000
Tax advisory	3,000	3,000
Other assurance services	2,500	2,500
Other non-audit services	3,500	-
	<u>24,000</u>	<u>20,500</u>

(b) No salaries or fees are payable to the directors of the company for their services as directors.

7. TAXATION

No taxation arises in the current or prior financial year due to the charitable status of the company.

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8. TANGIBLE FIXED ASSETS

	Buildings €	Office equipment €	Medical equipment €	Computer €	Motor vehicles €	Furniture, fixtures & fittings €	Total €
Cost:							
At 1 January 2015	39,509,233	694,656	467,480	306,342	119,947	3,626,992	44,724,650
Additions	19,590	-	-	38,870	-	159,573	218,033
Disposals	-	(124,606)	-	(143,296)	-	-	(267,902)
At 31 December 2015	39,528,823	570,050	467,480	201,916	119,947	3,786,565	44,674,781
Accumulated depreciation:							
At 1 January 2015	(6,553,756)	(508,109)	(386,479)	(288,834)	(119,947)	(1,109,267)	(8,966,392)
Charge for the financial year	(790,528)	(46,124)	(25,165)	(1,333)	-	(448,203)	(1,321,353)
Disposals	-	124,606	-	143,296	-	-	267,902
At 31 December 2015	(7,344,284)	(429,627)	(411,644)	(156,871)	(119,947)	(1,557,470)	(10,019,843)
Net book value:							
At 31 December 2015	32,184,539	140,423	55,836	45,045	-	2,229,095	34,654,938
At 31 December 2014	32,955,477	186,547	81,001	17,508	-	2,517,725	35,758,258

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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8. TANGIBLE FIXED ASSETS (CONTINUED)

In respect of the prior financial year:

	Buildings €	Assets in course of construction €	Office equipment €	Medical equipment €	Computer €	Motor vehicles €	Furniture, fixtures & fittings €	Total €
Cost:								
At 1 January 2014	39,436,265	69,638	693,996	467,480	287,035	119,947	2,246,939	43,321,300
Additions	72,968	-	660	-	19,307	-	1,310,415	1,403,350
Transfer	-	(69,638)	-	-	-	-	69,638	-
At 31 December 2014	39,509,233	-	694,656	467,480	306,342	119,947	3,626,992	44,724,650
Accumulated depreciation:								
At 1 January 2014	(5,764,691)	-	(461,946)	(360,345)	(287,035)	(119,947)	(801,214)	(7,795,178)
Charge for the financial year	(789,065)	-	(46,163)	(26,134)	(1,799)	-	(308,053)	(1,171,214)
At 31 December 2014	(6,553,756)	-	(508,109)	(386,479)	(288,834)	(119,947)	(1,109,267)	(8,966,392)
Net book value:								
At 31 December 2014	32,955,477	-	186,547	81,001	17,508	-	2,517,725	35,758,258
At 31 December 2013	33,671,574	69,638	232,050	107,135	-	-	1,445,725	35,526,122

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9.	FINANCIAL FIXED ASSETS	2015	2014
		€	€
	Shares in subsidiary undertaking	100	100

SUBSIDIARY UNDERTAKING

Name	Registered Office	Country of Incorporation	% held	Principal Activity
S.F.H. Property Services Limited	Raheny, Dublin 5	Ireland	100%	Non-trading

The capital and reserves at 31 December 2015 were €Nil (2014: €Nil) and the result for the financial year ended 31 December 2015 was €Nil (2014: €Nil).

10.	DEBTORS: (Amounts falling due within one financial year)	2015	2014
		€	€
	Sundry debtors	48,801	74,055

11.	CREDITORS: (Amounts falling due within one financial year)	2015	2014
		€	€
	Trade creditors	436,612	508,506
	Taxation and social welfare	271,487	264,325
	Accruals and other creditors	361,299	289,614
	Bank loans (Note 12)	658,348	734,809
		1,727,746	1,797,254

The amount due in respect of taxation and social welfare is comprised as follows:

		2015	2014
		€	€
	PAYE/PRSI	271,487	264,325

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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12. CREDITORS: Amounts falling due after more than one financial year	2015 €	2014 €
Bank loans	5,944,705	7,213,180
Bank loans are comprised of amounts payable as follows:	2015 €	2014 €
Within one financial year (Note 11)	658,348	734,809
Between one and two financial years	1,316,696	1,469,618
Between two and five financial years	1,978,044	2,204,427
After five financial years	2,649,965	3,539,135
	6,603,053	7,947,989

Security:

The company's borrowings have been secured by a first mortgage/charge over the company's property at Raheny, Dublin 5 and a deed of mortgage/charge and assignment of certain rights, title and interest in property of the company at Blanchardstown, Dublin 15. The company's borrowings consist of three fixed interest loans with interest rates of 2.97%, 2.76% and 5.428%.

13. **FINANCIAL INSTRUMENTS**

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

	2015 €	2014 €
Financial assets:		
Measured at cost less impairment		
• Investment in subsidiary (Note 9)	100	100
Measured at undiscounted amount receivable		
• Trade and other debtors (Note 10)	48,801	74,055
	6,603,053	7,947,989
Financial liabilities		
Measured at amortised cost		
• Bank loans and other loans (Note 12)	6,603,053	7,947,989
Measured at undiscounted amount payable		
• Trade creditors (Note 11)	436,612	508,506
• Taxation and social welfare (Note 11)	271,487	264,325
• Accruals and other creditors (Note 11)	361,299	289,614
	6,603,053	7,947,989

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

14. GOVERNMENT (HSE) GRANT	2015	2014
	€	€
At 1 January		
Grants received during the financial year	2,300,375	1,628,000
Amortised during the financial year	-	900,000
	(312,000)	(227,625)
At 31 December	<u>1,988,375</u>	<u>2,300,375</u>

Under an agreement between the company and the Health Service Executive, which is dated 1 December 2005, the company has a contingent liability of €300,000 at 31 December 2015 (2014: €330,000) to repay the grant received of €600,000 if certain circumstances set out in that agreement occur within 20 years of the date of the agreement. The amount which may be repayable is reduced by an amount equal to 1/20th of the received amount each financial year.

Under a similar agreement the company has a contingent liability of €1,200,000 at 31 December 2015 (2014: €1,275,000) to repay the grant received of €1,500,000 if certain circumstances occur within 20 years of the date of that agreement. The amount which may be repayable is reduced by an amount equal to 1/20th of the amount received each financial year.

Under a similar agreement the company has a contingent liability of €855,000 at 31 December 2015 (2014: €900,000) to repay the grant received of €900,000 if certain circumstances occur within 20 years of the date of that agreement. The amount which may be repayable is reduced by an amount equal to 1/20th of the amount received each financial year.

The government grants are secured over the premises known as "Walmer Villa", Station Road, Raheny, Dublin 5.

15. NET CASH INFLOWS FROM OPERATING ACTIVITIES	2015	2014
	€	€
(Deficit)/surplus on ordinary activities before taxation	(772,303)	299,220
Interest payable and similar charges	373,065	377,604
Interest income	(1,456)	(11,755)
Depreciation	1,321,353	1,171,214
Amortisation	(312,000)	(227,625)
Decrease/(increase) in debtors	25,254	(19,032)
Increase/(decrease) in creditors	6,953	147,976
Net cash inflow from operating activities	<u>640,866</u>	<u>1,737,602</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

16. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

The company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The company does not use derivative financial instruments.

Credit risk

The company's principal financial assets are bank balances, cash and other receivables. The company's credit risk is primarily attributable to its other receivables. The amounts presented in the balance sheet are net of allowances for doubtful other receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The credit risk on cash at bank is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The company has no significant concentration of credit risk, with exposure spread over a number of counterparties.

Cash flow risk

The company's activities expose it primarily to the financial risks of changes in interest rates. Interest bearing assets and liabilities are held at fixed rates to ensure certainty of cash flows.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future activities, the company uses a mixture of long-term and short-term debt finance.

17. PENSIONS

The company operates an externally funded defined contribution scheme that covers substantially all the employees of the company. The assets of the scheme are vested in trustees in accordance with the Trust Deed for the sole benefit of these employees. There were no liabilities in respect of pension contributions outstanding at 31 December 2015.

18. FINANCIAL COMMITMENTS

There are no capital commitments which have been contracted for but not provided in the financial statements as at 31 December 2015. In addition, there are no contracted future minimum lease payments under non-cancellable operating leases as at 31 December 2015.

19. SUBSEQUENT EVENTS

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

20. CONSOLIDATED GROUP FINANCIAL STATEMENTS

Consolidated group financial statements have not been prepared, as the company has availed of the exemption under Section 293 of the Companies Act 2014 not to prepare consolidated financial statements.

21. EXPLANATION OF TRANSITION TO FRS 102

This is the first financial year the company has presented its financial statements under Financial Reporting Standards 102 (FRS 102) issued by the Financial Reporting Council. The last financial statements issued under previous Irish GAAP were for the financial year ended 31 December 2014 and the date of transition to FRS 102 was therefore 1 January 2014. As a consequence of adopting FRS 102, a number of accounting policies have been changed to comply with that standard. None of these changes have resulted in an adjustment to reserves reported under previous Irish GAAP at 31 December 2014 or 1 January 2014 and there was no effect on results previously reported for the financial year ended 31 December 2014.