

**THE GALWAY HOSPICE FOUNDATION
COMPANY LIMITED BY GUARANTEE**

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE

**REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

CONTENTS	PAGE
DIRECTORS AND OTHER INFORMATION	2
DIRECTORS' REPORT	3 - 10
DIRECTORS' RESPONSIBILITIES STATEMENT	11
AUDITOR'S REPORT	12 - 14
STATEMENT OF FINANCIAL ACTIVITIES	15
BALANCE SHEET	16
STATEMENT OF CHANGES IN FUNDS	17
STATEMENT OF CASH FLOWS	18
NOTES TO THE FINANCIAL STATEMENTS	19 - 32
SUPPLEMENTARY INFORMATION (NOT FORMING PART OF THE AUDITED FINANCIAL STATEMENTS)	33 - 42

THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE

DIRECTORS AND OTHER INFORMATION

DIRECTORS

Ann Flanagan
Dr Margaret Murray
Joseph Connolly
Gerard O'Donnell
John Sweeney
Keith Finnegan
James Murphy
Jean Kelly
Mark Flanagan
Kevin Moore (appointed 14/10/2020)
Mary Coyne (appointed 16/11/2020)

SECRETARY

Ann Flanagan

REGISTERED NUMBER

136115

CHARITY NUMBER

CHY 8837

REGISTERED OFFICE

Renmore
Galway

AUDITOR

Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Galway Financial Services Centre
Moneenageisha Road
Galway

BANKERS

Bank of Ireland
Mainguard Street
Galway

Allied Irish Bank
Lynchs Castle
Galway

Ulster Bank
33 Eyre Square
Galway

SOLICITOR

Kieran Murphy & Co.
9 The Crescent
Galway

THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements of the company for the financial year ended 31 December 2020.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Galway Hospice Foundation Company Limited by Guarantee ("the Company" or "Galway Hospice" or "the Hospice" or the "Foundation") is a public benefit entity which is a Not for Profit Organisation. The Company does not have a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding one Euro (€1).

The Company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association (or Constitution) and managed by a Board of Directors/Trustees.

The Company has been granted charitable tax status under Sections 207 and 208 of the Taxes Consolidation Act 1997, Charity No CHY 8837 and is registered with the Charities Regulatory Authority.

The Company's objectives and principal activities are to provide a Specialist Palliative Care Service to persons suffering from life limiting illness. The services are offered free of charge. It provides this service through a Community service, an Inpatient Centre, Day Care and Bereavement Support services. It receives funding from the Health Service Executive (HSE) towards providing these services and funds the deficit in HSE funding by way of a weekly draw, donations, and managed events. It also funds and conducts education and research projects in accordance with the Articles of the Company.

The past 12 months since Covid has landed on our shores has been a year like no other. It has been a year that had a seismic impact on us – locally, nationally and globally. Our operational services could not have survived this period without our team of staff, volunteers, stakeholders, donors and of course our community coming together. Galway Hospice set up a working group to manage the challenges presented by the pandemic in February last year and this group has met regularly and continues to meet to ensure that we are implementing and following all guidance protocols issued by the Health Protection Surveillance Centre to assist with keeping staff, patients, visitors and families safe from infection. During this time we have had to make a lot of difficult decisions, including decisions about patient and family care. For some of our services, such as Daycare this has meant a suspension of the service and for other parts of the service this has meant providing care in a very different way, and we have had to be creative and as responsive as possible to ensure our patients and families still receive the outstanding care they are used to from Galway Hospice. These decisions have not been taken lightly and have had a significant impact on how we work and deliver our services. Our staff and volunteer teams have ensured that throughout these unsettling changes, despite going through a global pandemic that threatens people's lives and wellbeing that our care services have remained open and accessible for existing patients and families, as well as for new referrals. The team will continue to rise to the challenges this pandemic poses and will continue to work together with our committed and passionate partners and supporters, to ensure that the hospice will continue to meet our aim of improving quality of life for everyone in Galway living with a life-limiting condition, and their families.

At Galway Hospice, we are dedicated to ensuring that people with a life limiting condition living in Galway city and county and their families have access to a range of high quality services at which they are the centre. We continually evaluate our practice and welcome feedback from those using our services so that continuous improvement is embedded in everything we do. We continue to operate with a robust Quality and Integrated Governance structure to ensure our programme of quality assurance and improvement is at the forefront of all our work. We had a successful virtual ISO audit by CHKS an independent regulatory body in May 2020. No non-conformances were noted during the audit.

The auditor complimented the team and noted the following in their final report:

"It is evident that the efficient and safe support of and for the patients in your care, both on site or in their own homes or with the community services remains central to all activities and developments. This is clearly evidenced in the recent months as employees, volunteers and Board members work together and with other national services to ensure patient safety, support and assistance during the Covid pandemic".

DIRECTORS' REPORT (CONTINUED)

The Company's community service provides specialist palliative care expertise and support to patients and families in their own homes. The aim of the service is to enhance the quality of life of patients in the home/community setting who have life-limiting illnesses, to support their families and Carers, and to act as a resource to other healthcare providers. The community team provides a seven-day (9am-6pm) specialist palliative care service in the community 365 days a year. In conjunction with the primary care team of GP and Public Health Nurse, they draw up plans to assist patients with the aim of enhancing comfort and functioning. This allows patients to spend better quality time at home which would otherwise be spent hospitalised or attending clinics, and adds to their quality of life. Bereavement support is offered to relatives as appropriate.

Demand for our community team continues to grow and supporting the needs of our patients and families has been challenging during the pandemic. We have implemented a risk assessment process prior to each visit and have sought to support families by phone and virtual consultation where possible to minimize risk to both the patient and their family and our own staff. During 2020 the community team provided care and support to 896 patients. There were 808 referrals to the community team of which 726 were new referrals and there were 82 re-referrals. 313 (43%) of new patients referred in 2020 had a non-cancer diagnosis compared to 280 (40%) in 2019. 228 (37%) of 610 "taken on for the first time" patients in 2020 had a non-cancer diagnosis. This is down 2% on 2019 when 247 out of 638 patients taken on had a non-cancer diagnosis.

The inpatient unit has 18 inpatient beds, patients are admitted to the Inpatient Unit for any, or a combination, of the following reasons:

- Symptom control for complex symptoms
- Rehabilitation where it is anticipated that rehabilitation is possible and that discharge will be feasible
- Psychosocial support for complex/difficult emotional needs/crises
- Spiritual support
- End of Life Care (where death is anticipated in days to weeks rather than months to years)
- Short term Respite Care to prevent Carer fatigue

Services available to inpatients include multidisciplinary care with input from medical, nursing, and social work, pastoral care, physiotherapy, occupational therapy, aromatherapy and art therapy team. During 2020 there were 300 patients treated in the Inpatient Unit a decrease of 11% on 2019. There were 288 admissions of which 68 were re-admissions. 82% of admissions had a malignant diagnosis and 18% were non-malignant. 137 patients were discharged (94% to home or to another community based setting) and 6% to an acute hospital. 153 (51%) patients died in the Unit. The average length of stay decreased from 16 to 12 days. The bed occupancy rate was 66% (down from 83% in 2019). Occupancy in our inpatient unit decreased by 17% during the year as patients and their families chose to remain at home wherever possible during the Covid pandemic.

The Day Care service operated two days a week to meet the needs of those patients whose lifestyle is affected by progressive illness, but who do not require 24 hour nursing care until March when it was suspended due to Covid. While daycare is suspended our allied health team have supported patients in their homes where possible. We have also offered medical review in house when restrictions were eased in the latter half of 2020.

DIRECTORS' REPORT (CONTINUED)

The Day Care service provides:

- A social outlet for isolated patients
- Pain and symptom management review
- Access to social work, physiotherapy, art therapy, spiritual care and aromatherapy, aimed at helping with Physical and emotional coping, and maintaining optimal independence
- A day of respite for the Patient's Family/Carers

There were 9 new attendees during 2020 and there were 205 attendances to daycare during the first two months of 2020. When daycare was suspended the patient were supported by the community team in their own homes and when the level of disease in the community reduced we operated a limited out-patient clinic to provide additional support to patient and their families, unfortunately this was suspended when level 5 restrictions were implemented in early 2021.

During 2020, the organisational responses of the Medical Social work team to the pandemic include very diverse actions while managing challenging situations. This included responding to an increase in referrals in the under 45 age cohort and their families in 2020. This also involved supporting patients to contact family members including children through video calls, managing high levels of distress within families in relation to nursing home placements, visiting restrictions, funeral restrictions with 10/25 people attending, anecdotal delays in diagnosis being confirmed leading to significant psychological distress and more complex presentations leading to more intense Medical Social Work involvement. Activity levels for the Medical Social Work department have been maintained and increased in some areas despite having to work in a different way due to Covid 19. Total contacts during 2020 were 2860 compared to 2733 in 2019. Keepsake and therapeutic work with children saw a significant increase in 2020 with a total of 96 contacts in 2020 versus 18 in 2019. This therapeutic tool is proving to be highly effective and beneficial in terms of continuing bonds with the child and how families grieve their loss. Carer Support numbers increased in 2020 which reflects the ongoing need for communication at a time that proved exceptionally difficult for all service areas.

The Covid-19 crisis has brought into sharp focus issues relating to death, dying, care, loss and bereavement. Covid-19 impacted on all service provision. In particular, the difficulties are compounded in present times by the essential limitations on visiting, unable to be present with loved ones approaching death and at funerals. This led to an increased burden on those in health and social care who have to step into the breach. Whilst also leaving those who have to grieve alone without those societal supports which normally provide such comfort. Overall, the service has been unable to operate to its full affect since March 2020 however the statistics show an increase in provision across all sections. The total number of bereavement support visits increased to 170 during 2020 compared to 128 in 2019 and the number of telephone contacts also increased by 47% during 2020 to a total of 377 calls.

The pastoral care team also had a busy year during 2020. Due to Covid the team were no longer able to offer remembrance services in house so the pastoral care team together with support from the medical social work department and nursing departments developed and held six virtual remembrance services, which had over 2500 views online. The team also facilitated a virtual remembrance service in place of our annual mass in Renmore, which was viewed by over 1000 people.

The results for the financial year and the financial position at the balance sheet date were considered satisfactory by the directors. The Company recorded an overall surplus of €3,219,356 (2019: deficit of €16,325) for the financial year to 31 December 2020. The hospice gratefully acknowledges the increased financial support received from the HSE during 2020. The hospice also received a one off contribution of €200,000 from Pobal as part of the governments stability scheme funding. The balance of income was raised through a wide range of fundraising events, a weekly draw, donations and bequests. The results for the financial year, as set out on page 15, show a surplus of income over expenditure of €3,219,356 (2019: deficit of €16,325). The year on year variance arises mainly due to additional HSE funding received during 2020.

THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT (CONTINUED)

Staff costs in 2020 amounted to €5,635,661 (2019: €5,774,344) out of total expenditure of €7,877,904 (2019: €7,880,354). Fundraising costs (including weekly draw prizes of €82,200. (2019: €57,613) amounted to €545,836 (2019: €614,260) and governance costs were €68,462 (2019: €61,636). The CEO received a salary of €90,000 (2019: €90,000) in 2019 and pension contributions of €4,500 (2019: €4,500) were made. The Company spent 92% of funds on its core activities, 7% on fundraising and 1% on governance.

The Company had €5,461,559 (2019: €2,640,410) cash on deposit at the financial year end.

POST BALANCE SHEET EVENTS

There have been no events since the balance sheet date which would necessitate revision of the figures included in the financial statements or inclusion of a note thereto.

RESERVES

The directors of the Foundation have reviewed the organisation's needs to generate free reserves in accordance with best practice. In the Directors opinion, the Foundation needs to maintain the development reserve at €1.15m to cover six months of operating costs.

This is necessary to

- ensure that funds are available to safe guard the Foundation for the benefit of our service users and families
- Ensure that the Foundation has sufficient cash during recessionary periods to enable the Foundation to meet its short term financial liabilities as they fall due
- provide the financial resources to enable investment in premises, facilities and equipment to maintain the range of services the Foundation provides
- Maintain sufficient funds to enable operational activities to be maintained, taking account of potential financial risks, uncertainties and contingencies that may arise from time to time

In addition the directors have agreed to transfer €2.1m of fundraising income to the capital development reserve to build the reserve required for the new hospice in Galway.

FUTURE DEVELOPMENTS

Collaboration with Mayo Roscommon Hospice

The directors signed a memorandum of collaboration with Mayo Roscommon Hospice Foundation in 2018 to develop a joint palliative care service that serves people in Galway and Mayo through the provision of inpatient, day-care and community services. The Board of Galway Hospice have agreed to take on operational and clinical governance responsibility for the new hospice which has been built by Mayo Roscommon Hospice in Castlebar. The inpatient unit will be mainly funded by the HSE. Mayo Hospice fundraising activities will remain the sole responsibility of the Mayo Roscommon Hospice Board. It is anticipated that this facility will commence admitting patients in quarter 1 2021.

Development Plans

The Galway Hospice Foundation Company Limited by Guarantee is in the early stages of planning to build a new facility. The Company is currently searching for a suitable site as planning permission was refused on the Merlin Park site in 2019 due to zoning issues.

Current Services

The directors acknowledge the additional funding received from the HSE during 2020 and are in negotiations with the HSE to have the once off funding received converted into annual funding to ensure the sustainability of the services going forward. The directors have written to the HSE to request re-designation from a Section 39 to a Section 38 HSE funded organisation and are awaiting a response from the HSE. It is the directors' intention provided an agreement is reached with the HSE on funding for ongoing services to expand our services and build a new hospice facility so that we meet the needs of our changing society while never losing sight of the core values of The Galway Hospice Foundation Company Limited by Guarantee. The directors acknowledge the ongoing support of our donors, fundraisers, volunteers and the HSE in enabling them to continue to enhance and develop the services of the Company.

STRUCTURE GOVERNANCE AND MANAGEMENT

The directors are responsible for the management of the business of the Foundation and for exercising their powers in pursuit of the charitable objects of the Foundation. The directors are committed to maintaining the highest standards of Corporate Governance and they believe that this is a key element in ensuring the proper operation of the foundations activities.

The Board is responsible for providing leadership, setting strategy and ensuring control. There are 11 non-executive directors. The Boards non-executive directors are drawn from diverse backgrounds and bring their expertise and decision making skills to the Board deliberations. New members are appointed with a view to ensuring that the Board contains an appropriate balance of experience relevant to the requirements of the hospice. A skills matrix based system is used by the Board in considering the adequacy of its members, reflecting the organisation's need for a balanced mix of skills, both clinical and non-clinical. This is regularly reviewed.

The Foundation has a comprehensive process for reporting management information to the Board. The Board is provided with regular information for all aspects of the organisation.

To support their governance activities the Board has established a number of Committees who report directly to the Board. Each Committee has its own terms of reference. The committees of the Board are:

- Quality and Patient Safety Committee
- Governance and Audit Committee

The Board Committees, which comprise a number of members of the Board, members of the Executive team, and when appropriate, external members who are selected based on their particular expertise and appointed by the Board. First line leadership of the hospice is provided by the Chief Executive, who is charged with ensuring that the Foundation is run as a cost-effective and sustainable charity, whilst providing the best possible care for patients and families. The Chief Executive is supported by an Executive Team, which comprises the Director of Nursing, the Clinical Director together with the Director of Fundraising and Communications, the Director of Human Resources (HR) and Director of Education. The Executive Team is supported by a line management team, which comprises the heads of departments. This team was further strengthened in late 2020 when a Head of Quality and Safety was appointed to the Foundation.

STAFF AND VOLUNTEERS

In all that we have achieved and for what we hope to achieve in the future, it is clear that we could not do any of this without the loyal support, hard work and dedication of all our staff, supporters and volunteers. The directors would like to take this opportunity to thank all of them for everything they do that helps ensure we provide the highest quality of care possible to our patients. This quality of care can only be achieved with the support and dedication of the team of employees and volunteers who put the words into action and are able to make the difference.. The directors wish to express their thanks to all Staff and Volunteers for the excellent care that they provide.

PRINCIPAL RISKS AND UNCERTAINTIES

Galway Hospice is committed to maintaining a "quality and safety culture" which ensures that quality of care & the health and safety of all stakeholders (patients, family members, visitors, volunteers, staff members and the wider community) are seen as fundamental to all staff and volunteers within the service. The team works to ensure that the highest standards of care and safety for patients, staff, volunteers and visitors are in place. Key to achieving this is our risk management program, which ensures that a comprehensive risk assessment process is in place throughout the organisation.

The directors together with the senior management team follow a process to manage risks to which the Company is exposed. They particularly concern themselves with operational and financial risks. They are satisfied that appropriate systems are in place to mitigate against their risks and limit exposure. The principal risks facing The Galway Hospice Foundation Company Limited by Guarantee are:

THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT (CONTINUED)

- *Clinical Risks to patients under our care either as inpatients or in their home environment*
These risks are mitigated by the use of appropriately qualified and trained clinical staff, working within safe systems of care, having appropriate equipment which reduces risk, having appropriate policies and procedures in place and our incident reporting system which includes reporting near misses so that future incidents can be prevented.
- *Covid 19*
The Foundation has qualified infection control personnel employed and has taken precautions to prevent and mitigate an outbreak of the virus by putting in place precautions recommended by both the HSE and the Department of Health. To date these measures have been successful in preventing an outbreak of the disease in the hospice. Access to the hospice building has been restricted to essential staff and daycare and volunteer activities have been suspended in line with National Guidance. The virus had a negative impact on fundraising activities but the team adapted quickly and moved all major events to a virtual platforms and the Foundation has developed contingency plans and campaigns to seek to minimize this impact.
- *Failure to comply with Statutory/Regulatory Requirements*
The Foundation is subject to stringent regulations across all aspects of its activities and has appropriate processes in place to monitor adherence and compliance with legislation and regulations impacting its operations
- *Financial Dependency on the HSE*
The Foundation is dependent on the ongoing support of the HSE for funding to deliver care services. This risk is mitigated by developing ongoing relationships with the HSE and agreeing annually our Service Agreement
- *General Data Protection Regulation*
Galway Hospice continue to Implement GDPR regulations in an effort to achieve compliance. The Hospice in collaboration with four other voluntary hospices appointed Ambit as its data protection officer during 2020 and this has further enhanced our risk assessments and risk minimization actions. The Board are advised annually on implementation progress and gap analysis, and, where relevant, non-compliance is listed on the organisational risk register.
- *Lack of Funding for Future Capital Developments*
The Foundation has ambitions plans to develop a new state of the art facility to enhance patient care and is currently searching for a suitable site. This project will be funded from fundraising activities and there is a risk that insufficient funding will be available to complete the project.

DIRECTORS AND SECRETARY

The directors and secretary, who served throughout the financial year except as noted, were as follows:

Directors:	Board meetings attended:
Ann Flanagan	7/9
Margaret Murray	8/9
Joseph Connolly	9/9
Gerard O'Donnell	4/9
John Sweeney	8/9
Keith Finnegan	9/9
James Murphy	7/9
Jean Kelly	6/9
Mark Flanagan	8/9
Kevin Moore (appointed 8 October 2020)	2/2
Mary Coyne (appointed 16 November 2020)	2/2

THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT (CONTINUED)

Secretary:

Ann Flanagan

DIRECTORS AND SECRETARY AND THEIR INTERESTS

There were no contracts or arrangements of any significance in relation to the Company's business in which the directors or secretary of the Company had any interest.

GOING CONCERN

The directors have reviewed the company's financial projections and after taking account the potential ongoing negative impact on fundraising income from the Covid pandemic have a reasonable expectation that the company resources are adequate 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.

PAYMENT OF CREDITORS

The directors acknowledge their responsibility for ensuring compliance with the provisions of the EC (Late Payment in Commercial Transactions) Regulations 2012. It is the Company's policy to agree payment terms with all suppliers and to adhere to those payment terms.

POLITICAL CONTRIBUTIONS

There were no political contributions made by the Company during the financial year.

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 Renmore, Galway.

STATEMENT ON RELEVANT AUDIT INFORMATION

So far as each of the directors in office at the date of approval of the financial statements is aware:

- a) there is no relevant audit information of which the Company's auditors are unaware; and
- b) they have taken all the steps they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 330 of the Companies Act 2014.

THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE

DIRECTORS' REPORT (CONTINUED)

AUDITOR

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

Approved by the Board and signed on its behalf by:



Keith Finnegan
Director



Ann Flanagan
Director

Date: 17 June 2021

Date: 17 June 2021.

THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE

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 Issued by the Financial Reporting Council* ("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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE

Report on the audit of the financial statements

Opinion on the financial statements of The Galway Hospice Foundation Company Limited by Guarantee ("the Company")

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2020 and of the surplus for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Companies Act 2014.

The financial statements we have audited comprise:

- the Statement of Financial Activities;
- the Balance Sheet;
- the Statement of Changes in Funds;
- the Statement of Cash Flows; and
- the related notes 1 to 23, including a summary of significant accounting policies as set out in note 1.

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

Basis for opinion

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

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

Conclusions related to going concern

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

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the Reports and Financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE

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 directors are responsible for the other information contained within the Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity (or where relevant, the group) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2014

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

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the directors' report is consistent with the financial statements and the directors' report has been prepared in accordance with the Companies Act 2014.

Matters on which we are required to report by exception

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

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

Use of our report

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



Gerard Casey
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Galway Financial Services Centre
Moneenageisha Road
Galway
Date: 5 July 2021

THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

	<i>Notes</i>	2020 €	2020 €	2020 €	2019 €
INCOME FROM:					
		Unrestricted Funds	Restricted Funds	Total	Total
Donations		656,768	500	657,268	619,180
HSE funding	4	8,751,187	-	8,751,187	5,254,350
Bequests		75,950	-	75,950	201,372
Covenants		152	-	152	152
Fundraising income		1,045,140	16,192	1,061,332	1,358,011
Draw income		273,709	-	273,709	276,560
Investment income		566	-	566	1,424
Grant income	5	203,100	-	203,100	83,743
Other income resources		74,497	-	74,497	69,237
Deferred income		-	-	-	(300,000)
TOTAL INCOME		11,081,069	16,692	11,097,761	7,564,029
EXPENDITURE ON:					
Fundraising costs		463,636	-	463,636	556,647
Draw prizes		82,200	-	82,200	57,613
Homecare expenditure		1,589,390	-	1,589,390	1,207,907
Palliative care centre expenditure		5,583,044	453	5,583,497	5,341,832
Day care expenditure		80,614	-	80,614	330,998
Governance costs		68,462	-	68,462	61,636
Other costs		10,606	-	10,606	23,721
TOTAL EXPENDITURE		7,877,952	453	7,878,405	7,580,354
NET INCOME/ (EXPENDITURE)		3,203,117	16,239	3,219,356	(16,325)
RECONCILIATION OF FUNDS					
Total funds brought forward		6,665,908	156,400	6,822,308	6,838,633
TOTAL FUNDS CARRIED FORWARD		9,869,025	172,639	10,041,664	6,822,308


THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE

**BALANCE SHEET
AS AT 31 DECEMBER 2020**

	Notes	2020 €	2019 €
FIXED ASSETS			
Tangible assets	11	4,612,298	4,570,406
CURRENT ASSETS			
Debtors (Amounts falling due with one financial year)	12	1,105,176	416,009
Cash at bank in hand	13	5,461,559	2,640,410
		6,566,735	3,056,419
CREDITORS: (Amount falling due within one financial year)	14	(1,137,369)	(804,517)
NET CURRENT ASSETS		5,429,366	2,251,902
NET ASSETS		10,041,664	6,822,308
Represented by:			
Designated funds:			
Development Reserve Fund	17	3,250,000	1,150,000
Restricted funds:			
Children's Account Fund	17	17,195	17,648
Brid & Clodagh Doyle Fund	17	112,410	111,910
Merlin Park Capital Fund	17	26,842	26,842
Wishlist Fund	17	1,000	-
Education Fund	17	7,000	-
Bereavement Fund	17	8,192	-
Unrestricted funds	17	6,619,025	5,515,908
TOTAL FUNDS		10,041,664	6,822,308

The financial statements were approved by the Board of Directors and authorised for issue on 17 June 2021.
They were signed on its behalf by:


Keith Finnegan
Director


Ann Flanagan
Director

THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE

**STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

	<i>Notes</i>	Restricted Funds €	Designated Funds €	Unrestricted Funds €	Total €
At 1 January 2019		155,200	500,000	6,183,433	6,838,633
Excess of income/(expenditure)		1,200	-	(17,525)	(16,325)
Designated funds		-	650,000	(650,000)	-
At 31 December 2019		<u>156,400</u>	<u>1,150,000</u>	<u>5,515,908</u>	<u>6,822,308</u>
Excess of income		16,239	-	3,203,117	3,219,356
Designated funds		<u>-</u>	<u>2,100,000</u>	<u>(2,100,000)</u>	<u>-</u>
At 31 December 2020	17	<u>172,639</u>	<u>3,250,000</u>	<u>6,619,025</u>	<u>10,041,664</u>

THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

	<i>Note</i>	2020 €	2019 €
Cash flows from operating activities	15	3,062,883	349,828
Net cash flows from operating activities		3,062,883	349,828
Cash flows from investing activities			
Investment income		566	1,424
Payments to acquire tangible fixed assets		(242,300)	(99,585)
Net cash flows from investing activities		(241,734)	(98,161)
Net increase in cash and cash equivalents		2,821,149	251,667
Cash and cash equivalents at beginning of financial year		2,640,410	2,388,743
Cash and cash equivalents at end of financial year		5,461,559	2,640,410
Reconciliation of cash at bank and in hand			
Cash at bank and In hand at end of financial year	13	5,461,559	2,640,410
Cash and cash equivalents at end of financial year		5,461,559	2,640,410

THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

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

General Information and Basis of Accounting

The Galway Hospice Foundation Company Limited by Guarantee ("the Company") is a company incorporated in Ireland under the Companies Act 2014. The registered number of the Company is 136115. The address of the registered office is Renmore, Galway. The nature of the Company's operations and its principal activities are set out in the directors' report on pages 3 to 8.

The financial statements have been prepared under the historical cost convention, and in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities", in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), issued by the Financial Reporting Council, and the Companies Act 2014. The Company has applied the Charities SORP on a voluntary basis as its application is not a requirement of the current regulations for charities registered in the Republic of Ireland, however, it is considered best practice.

The functional currency of The Galway Hospice Foundation Company Limited by Guarantee is considered to be euro because that is the currency of the primary economic environment in which the Company operates.

Going Concern

The company's business 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 increased the amount of funding to the company in 2021.

There remains a deficit between the funding received from the HSE and the cost of delivering the service so there is a level of fundraising required to maintain essential services. The directors based on historical trends are confident that fundraising targets are achievable. Management have reviewed the level of activity and costs of the company and have drawn up plans to deal with the issues associated with the ongoing funding pressures. The company's current operating budget and forecast (assuming no reduction in HSE Funding) show that the company should 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).

After making due enquiries, the directors have a reasonable expectation that the operating budgets and plans will be achieved and that the company will have adequate resources and sufficient liquidity to continue to operate for the foreseeable future. On that basis, the directors have continued to adopt the going concern basis of accounting in preparing these financial statements.

The ongoing support of the HSE at an appropriate level and the generosity of the public are fundamental to the achievement of these plans.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

1. ACCOUNTING POLICIES (CONTINUED)

Income & Expenditure

All incoming resources are included in the Income and Expenditure Account when the Company is entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earliest of the Company being notified of an impending distribution of the legacy being received. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable.
- Grants, including HSE grants where entitlement is not conditional on the delivery of a specific performance by the Company, are recognised when the Company becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the Company where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when receivable.
- Incoming resources from charitable trading activity are accounted for when earned.
- Legacies are included when the amount to be received is probable and can be measured with certainty.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the Company earns the right to consideration by its performance.
- Where it is not practicable to measure the value of the resource with sufficient reliability the income is included in the financial period when the resource is sold.
- In relation to non-managed fund-raising events, income is included in the income and expenditure account only when realised in the form of cash or other assets the ultimate realization of which can be assessed with reasonable certainty. The Company, in common with other similar charitable organisations derives a portion of its income from voluntary donations and fund-raising activities held by individuals/parties outside the control of the Company. Income from fundraising, voluntary subscriptions and donations is necessarily recognised from the time it is received into the Company's bank accounts or entered into the Company's accounting records.

Donations in Kind

Donations in kind are included at their estimated value to the Company in both income and expenditure in the financial year of receipt. Donated facilities are included as both income and expenses at the value to the Company where this can be quantified and a third party is bearing the cost. An asset is recognised only when those services are used for the production of an asset and the services received will be capitalised as part of the cost of an asset.

Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the Company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Company and include the audit fees and costs linked to the strategic management of the Company.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (CONTINUED)

Research and Development

Research expenditure is written off to the profit and loss account in the financial year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the Company is expected to benefit.

Tangible Assets and Depreciation

Property, plant and equipment are recorded at historical cost or deemed cost, less accumulated depreciation and impairment losses. Cost includes prime cost, overheads and interest incurred in financing the construction of tangible fixed assets. Capitalisation of interest ceases when the asset is brought into use.

Freehold premises are stated at cost less accumulated depreciation and accumulated Impairment losses.

Depreciation is provided on property, plant and equipment, on a straight-line basis, so as to write off their cost less residual amounts over their estimated useful economic lives.

The estimated useful economic lives assigned to property, plant and equipment are as follows:

Land	0% Straight Line
Buildings	2 - 10% Straight Line
Car Park	2% Straight Line
Fixtures, fittings & equipment	20% Straight Line
Motor vehicles	20% Straight Line

The Company's policy is to review the remaining useful economic lives and residual values of property, plant and equipment on an on-going basis and to adjust the depreciation charge to reflect the remaining estimated useful economic life and residual value.

Fully depreciated property, plant & equipment are retained in the cost of property, plant & equipment and related accumulated depreciation until they are removed from service. In the case of disposals, assets and related depreciation are removed from the financial statements and the net amount, less proceeds from disposal, is charged or credited to the profit and loss account.

Impairment

Assets not carried at fair value are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell, value in use and depreciated replacement cost. Value in use is defined as the present value of the future pre-tax and interest cash flows obtainable as a result of the asset's continued use. The pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk free rate and the risks inherent in the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Depreciated replacement cost is defined as the most economic cost required for the entity to replace the service potential of the asset (including the amount the entity will receive from its disposal at the end of its useful life) as the reporting date.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

1. ACCOUNTING POLICIES (CONTINUED)

If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in profit or loss. If an impairment loss is subsequently reverses, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in profit or loss.

Retirement Benefits

Retirement benefits are met by payments to a defined contribution pension fund. Contributions are charged to the statement of financial activity in the financial year in which they fall due. The assets are held separately from those of the Company in an independently administered fund. Differences between the amounts charge in the profit and loss account and payments made to pension funds are treated as assets or liabilities.

Taxation

No charge to current or deferred taxation arises as the Company has been granted charitable status under Sections 207 and 208 of the Taxes Consolidation Act 1997, Charity No CHY 88377. The Company is eligible under the "Scheme of Tax Relief for Donations to Eligible Charities and Approved Bodies under Section 848A Taxes Consolidation Act, 1997" therefore income tax refunds arising from sponsorships exceeding €250 per annum are included in unrestricted funds. Irrecoverable value added tax is expended as incurred

Operating Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to statement of financial activity on a straight-line basis over the period of the lease.

Interest Receivable

Interest received on the Company's investments are recorded as income in the financial year in which it is earned.

Trade and Other Debtors

Trade and other debtors are recognised initially at transaction price (including transaction costs) unless a financing arrangement exists in which case they are measured at the present value of future receipts discounted at a market rate. Subsequently these are measured at amortised cost less any provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. All movements in the level of provision required are recognised in the profit and loss.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Trade and Other Creditors

Trade and other creditors are classified as current liabilities if payment is due within one financial year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (CONTINUED)

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

Fund Accounting

The following funds are operated by the Company:

Restricted Funds

Restricted Funds represent grants, donations and sponsorships received which can only be used for particular purposes specified by the donors or sponsorship programmes binding on the directors/trustees. Such purposes are within the overall aims of the Company.

Unrestricted Funds

Unrestricted Funds represent amounts which are expendable at the discretion of the directors/trustees in furtherance of the objectives of the Company and which have not been designated for other purposes. Such funds may be held in order to finance working capital or capital expenditure.

Designated Funds

Designated funds are unrestricted funds earmarked by the directors/trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. The designations have an administrative purpose only and do not legally restrict the Board's discretion in applying the funds

Contingencies

Contingent liabilities, arising as a result of past events, are not recognised when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable

Government grants

Under Charities SORP (FRS 102) all grants including capital grants should be recognised as income in the Statement of Financial Activities on a performance basis (i.e. when the Company has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably).

Related Parties

The Company discloses transactions with related parties which are not wholly owned within the same group.

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 that are considered to be relevant. Actual results may differ from these estimates.

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

(a) Establishing useful economic lives for depreciation purposes of property, plant and equipment

Long-lived assets, consisting primarily of property, plant and equipment, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual values. The directors regularly review these asset useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation and amortisation charges for the period. Detail of the useful economic lives is included in the accounting policies.

(b) Providing for doubtful debts

The Company makes an estimate of the recoverable value of trade and other debtors. The Company uses estimates based on historical experience in determining the level of debts, which the Company believes, will not be collected. These estimates include such factors as the current credit rating of the debtor, the ageing profile of debtors and historical experience. Any significant reduction in the level of customers that default on payments or other significant improvements that resulted in a reduction in the level of bad debt provision would have a positive impact on the operating results. The level of provision required is reviewed on an on-going basis.

(c) Value of land and buildings

The directors hold the value of land and buildings at its carrying value due to its value to them at its replacement cost.

3. INCOME

The total income of the Company for the financial year has been derived from its principal activity wholly undertaken in the Republic of Ireland.

THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020****4. HSE FUNDING**

The Galway Hospice Foundation Company Limited by Guarantee was in receipt of an allocation from the HSE for the financial year ended 31 December 2020.

The total funding allocated by the HSE for the financial year was €8,751,187 (2019: €5,254,350), €7,755,154 of this was received by the 31 December 2020, €750,000 was paid in February 2021 the balance of €246,033 will be paid after the HSE receives final audited accounts for the financial year from The Galway Hospice Foundation Company Limited by Guarantee. The Company received €5,901,187 towards the ongoing cost of providing essential services, €1,750,000 once off funding to assist with Covid amelioration and it received €800,000 towards the cost of pay and non-pay spend for the new specialist palliative care unit in Castlebar.

5. GRANT INCOME	2020 €	2019 €
Government grants	203,100	83,743

Income from government grants comprise of:

- (i) In the current year, the Company received grant income from Pobal of €200,000. The sponsoring government department was the Department of Rural and Community Development and the grant was received under the Covid 19 Stability Scheme for Community and Voluntary, Charity and Social Enterprise Organisations. The grant covers the loss of fundraising income due to the covid pandemic and specified non-pay costs incurred between January 2020 and June 2021. The total amount approved under the grant was €290,500 and €90,500 was refunded by the Foundation in January 2021 as it did not meet the requirements for this amount of the grant. The grant is compliant with relevant Circulars, including Circular 44/2006 "Tax Clearance Procedures Grants, Subsidies and Similar Type Payments".
- (ii) In the current year, the company received grant income of €3,100 from Hospital Saturday Fund to help fund the replacement of hoists and slings.
- (iii) In the prior financial year, the Company received grant income from Pobal of €33,743. The sponsoring government department was the Department of Social Protection and the grant was received under the Community Services Programme. The grant covered the pay and non-pay costs for the recruitment and training in relation to a bereavement support volunteer training programme. The total amount approved under the grant was €97,568 and the grant expired in March 2019. The grant is compliant with relevant Circulars, including Circular 44/2006 "Tax Clearance Procedures Grants, Subsidies and Similar Type Payments".

**6. PROFIT ON ORDINARY ACTIVITIES
BEFORE TAXATION**

	2020 €	2019 €
Profit on ordinary activities is stated after charging:		
Depreciation	200,408	211,743
Audit Fee	15,350	15,050

THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

7. GOVERNANCE COSTS	2020 €	2019 €
Salaries	24,919	24,919
Legal and professional	43,543	36,720
	68,462	61,639

8. STAFF NUMBERS AND COSTS	2020 No.	2019 No.
The average number of employees during the financial year was:		
Management	4	4
Administration	22	22
Care providers	72	72
	98	98

The aggregate payroll cost of those employees were the following:	2020 €	2019 €
Wages and salaries	5,005,720	5,118,549
Social welfare costs	539,638	570,144
Other pension costs	90,303	85,651
	5,635,661	5,774,344

There were 8 employees (2019: 6) whose total employee benefits (excluding employer pension costs) for the financial year fell within the below categories:

	2020 Number	2019 Number
€67,135-€77,134	4	2
€77,135-€87,134	2	1
€87,135-€97,134	2	2
€97,135-€107,134	0	1
	8	6

Key Management Compensation	2020 €	2019 €
Salaries and other short term employee benefits	350,054	324,740

Key management includes the Board of Directors (executive and non-executive), all members of the management team and the Company Secretary.

THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

9. DIRECTORS' REMUNERATION

The disclosures required under section 305 and 306 of the Companies Act 2014 are €Nil for both the current and prior financial year.

10. TAX ON NET EXPENDITURE

No charge to current or deferred taxation arises as the Company has been granted charitable status under Sections 207 and 208 of the Taxes Consolidation Act 1997.

11. TANGIBLE ASSETS

	Land and buildings freehold €	Fixtures fittings & equipment €	Motor vehicles €	Total €
Cost:				
At 1 January 2020	5,383,855	1,151,179	443,640	6,978,674
Additions	-	-	242,300	242,300
At 31 December 2020	5,383,855	1,151,179	685,940	7,220,974
Accumulated depreciation:				
At 1 January 2020	1,096,332	1,002,861	309,075	2,408,268
Charge for the financial year	97,797	65,261	37,350	200,408
At 31 December 2020	1,194,129	1,068,122	346,425	2,608,676
Net Book Value:				
At 31 December 2020	4,189,726	83,057	339,515	4,612,298
At 31 December 2019	4,287,523	148,318	134,565	4,570,406

12. DEBTORS (Amounts falling due within one financial year)	2020 €	2019 €
Trade debtors	51,093	85,459
Amount due from the HSE	997,767	247,767
Prepayments and other debtors	50,284	80,977
Vat Due	6,032	1,806
	1,105,176	416,009

THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

13. CASH AND CASH EQUIVALENTS	2020	2019
	€	€
Bank of Ireland Current Account	1,963,551	158,288
Bank of Ireland Buy-a-Brick	356,530	315,617
AIB Corporate Account	6,369	6,259
Bank of Ireland Deposit Account	124,034	19,498
Bank of Ireland Managed Events	621,231	259,408
Gold Sovereigns	2,133	2,133
Bank of Ireland Memorial Walk Account	103,715	136,809
Bank of Ireland Treasury	928,918	578,455
Bank of Ireland Sunflower Account	61,815	2,838
AIB Fixed Term Deposit Account	75,938	75,931
AIB Fixed Term Deposit Account	213,695	213,674
AIB Fixed Term Deposit Account	110,154	110,143
AIB Deposit Account	642,353	642,347
Bank of Ireland Brid & Clodagh Doyle Fund	80,131	79,831
Staff Pension Account	329	30
Bank of Ireland Christmas Cards Account	166,044	35,227
Bank of Ireland Draw Holding Account	4,619	3,922
	5,461,559	2,640,410
14. CREDITORS (Amounts falling due within one financial year)	2020	2019
	€	€
Trade creditors	705,585	156,969
Other creditors	115,238	24,520
Accruals	86,757	158,170
Deferred income	70,129	300,000
Tax and social welfare - PAYE	159,660	164,858
	1,137,369	804,517

Trade creditors and accruals are payable in accordance with standard commercial credit terms. Tax and social welfare are payable in accordance with the statutory provisions.

THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

**15. RECONCILIATION OF NET EXPENDITURE TO
NET CASH INFLOWS FROM
OPERATING ACTIVITIES**

	2020 €	2019 €
Net income / (expenditure)	3,219,356	(16,325)
Adjusted for:		
Depreciation	200,408	211,743
Investment income	(566)	(1,424)
Increase in debtors	(689,167)	(3,483)
Increase in creditors	332,852	159,317
	<hr/> 3,062,883 <hr/>	<hr/> 349,828 <hr/>

16. FINANCIAL INSTRUMENTS

2020
€

2019
€

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

Financial assets

Measured at undiscounted amount receivable:

Trade debtors (note 12)	51,093	85,459
Amount due from the HSE (note 12)	997,767	247,767
Other receivables	50,284	80,977
	<hr/> 1,099,144 <hr/>	<hr/> 414,203 <hr/>

Financial liabilities

Measured at undiscounted amount payable:

Trade creditors and other creditors (note 14)	820,823	181,489
Accruals (note 14)	156,886	458,170
	<hr/> 977,709 <hr/>	<hr/> 639,659 <hr/>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

The unrestricted funds reserve represents the funds of the Company which are not designated for particular purposes.

A separate fund has been designated by the trustees for the operation of the Day Care Centre, Homecare and Education. The directors reviewed the organisation's needs to generate free reserves during the year and decided to maintain the development reserve at €1,150,000 (2019: €1.15m) to cover six months operating costs not funded by the HSE. The directors also decided to increase the Merlin Park Capital Fund by €2,100,000 (2018: €26,842)

Restricted funds are made up of the following:

- The Children's Account Fund of €17,195 (2019: €17,648) is specifically intended to be allocated to children with life limiting illnesses and their families;
- The Brid & Clodagh Doyle Fund of €112,410 (2019: €111,910) is specifically intended to be allocated to accommodation for families; and
- The Merlin Park Capital of Fund €2,126,842 (2019: €26,842) is specifically intended to be spent on the development of a new hospice.
- The Wishlist Fund of €1,000 (2019: €Nil) is specifically intended to be spent on the Foundations wishlist of minor capital items.
- The Education Fund of €7,000 (2019: €Nil) is specifically intended to be spent on providing education for nurses.
- The Bereavement Fund of €8,192 (2019: €Nil) is specifically intended to be spent on memory work and bereavement support by the social work team.

18. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.

19. POST BALANCE SHEET EVENTS

There were no events occurring after the financial year end which would necessitate a revision of the financial statements.

20. CAPITAL COMMITMENTS

At the balance sheet date, the Company had the following capital commitments:

	2020	2019
	€	€
Within one year	-	79,397
Within two to five years	-	-
Greater than five years	-	-
	<hr/>	<hr/>
	-	79,397
	<hr/>	<hr/>

The Galway Hospice Foundation Company Limited by Guarantee entered into a contract in 2015 with ASP-IRE International Limited, for the hire of modular accommodation over five years totalling €396,981.

THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

21. RETIREMENT BENEFITS

	2020	2019
	€	€
Retirement benefits	90,303	85,651

Contributions outstanding at the financial year end amounted to €21,214 (2019: €21,524).

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 independent trustees for the sole benefit of these employees.

22. COMPARATIVE INFORMATION

Comparative amounts have been reclassified, where necessary, to ensure consistency with the current financial year presentation.

23. APPROVAL OF FINANCIAL STATEMENTS

The directors approved the financial statements on 17 JUNE 2021.