

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

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

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

**REPORT AND FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

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

**DIRECTORS AND OTHER INFORMATION**

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**DIRECTORS**

Ann Flanagan (Resigned 22/7/2021)  
Dr Margaret Murray  
Joseph Connolly  
Gerard O'Donnell  
John Sweeney  
Keith Finnegan  
James Murphy  
Jean Kelly  
Mark Flanagan  
Kevin Moore  
Mary Coyne

**SECRETARY**

Kevin Moore

**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**

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The directors present their annual report and the audited financial statements of the company for the financial year ended 31 December 2021.

#### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The Galway Hospice Company Limited by Guarantee ("the Company" or "Galway Hospice") 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 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 Constitution of the Company.

During 2021 the company continued to have restrictions in how it provided care due to the continuing Covid-19 global pandemic. The Covid-19 risk management team continued to meet regularly during the year to assess the risk and to monitor the changing environment. The team continually reassessed and adapted practice to ensure safety for all in line with government and HSE guidance.

The adaptability of the company's services was recognised throughout the year as restrictions changed promptly in response to increased rates of infection, new variants and changes in guidance. The core values of care and compassion remained at the centre of how we provided our care. This meant at times restrictions on visiting had to be reviewed and amended to ensure safety of patients and visitors however each case was reviewed individually to ensure that a compassionate and a flexible approach was undertaken in so far as possible. The safety of staff remained a focus throughout the year with line managers individually assessing staff risks and ensuring all measures in so far as possible are undertaken to support continued safety in the workplace. Due to increased rates of infection at specific times during the year, the covid team had to review the presence of volunteers in the hospice facilities and at times their duties were paused until safe again to return. They have been incredible in their flexibility and adaptability to this and has been an incredible support for our services as we have progressed through this pandemic.

We also opened the new 14 bedded inpatient unit at Mayo Hospice in Castlebar on the 8<sup>th</sup> of March to facilitate this the team in Galway completed induction and orientation for approximately 80 staff and volunteers for the new hospice during late 2020 and 2021. This was a significant achievement given the restrictions in place at the time. A huge thanks to all involved in this process.

Demand for the company's services continued to grow, referrals for the community service increased by 5% during 2021. Occupancy in our inpatient unit's continued to be lower than normal during 2021 as patients and their families chose to remain at home wherever possible during the Covid-19 pandemic.

We had a successful virtual ISO audit by CHKS an independent regulatory body in May 2021. No non-conformances were noted during the audit

**DIRECTORS' REPORT (CONTINUED)**

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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 2021 the community team provided care and support to 934 patients. There were 814 referrals to the community team of which 763 were new referrals and there were 51 re-referrals. 326 (43%) of new patients referred in 2021 had a non-cancer diagnosis compared to 313 (43%) in 2020. 268 (41%) of 656 "taken on for the first time" patients in 2020 had a non cancer diagnosis. This is up 4% on 2020 when 228 out of 610 patients taken on had a non cancer diagnosis.

The inpatient unit in Galway has 18 Inpatient beds and the newly opened inpatient unit in Castlebar has 14 beds. Patients are admitted to the Inpatient Units 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 2021 there were 286 patients treated in the Inpatient Unit in Galway a decrease of 5% on 2020. There were 276 admissions of which 78 were re-admissions. 82% of admissions had a malignant diagnosis and 18% were non-malignant. 130 patients were discharged (95% to home or to another community-based setting) and 5% to an acute hospital. 147 (51%) patients died in the Unit. The average length of stay increased from 12 to 15 days. The bed occupancy rate was 67% (up marginally from 66% in 2020).

There were 110 patients treated in the Castlebar Inpatient Unit which opened for admissions in on the 8th of March 2021. There were 11 re-admissions during the year. 80% of admissions had a malignant diagnosis and 20% were non-malignant. 21 patients were discharged (72% to home or to another community-based setting) and 28% to an acute hospital. 85 (77%) patients died in the Unit. The average length of stay was 9 days. The bed occupancy rate was 41%.

The Day Care service remained suspended during 2021 due to the covid pandemic.

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

### **DIRECTORS' REPORT (CONTINUED)**

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The Medical Social Work team also continued to respond and adapt to the ever-changing challenges posed by the Covid 19 pandemic and continued to optimise the delivery of a social work service and prioritise referrals across the hospice service. In particular, there was increased psychosocial distress for patients/families in particular with regard to visiting restrictions, access to nursing home placements, anecdotal delays in diagnosis/treatment, increased numbers of young families referred to the service and the increased demand for bereavement support.

Despite restrictions imposed due to Covid 19, the Medical Social Work department continued to find innovative ways to support patients/families which included:

- Virtual family meetings
- Virtual individual therapeutic support sessions (during palliative phase and bereavement)
- Supporting patients maintain connections to family despite visiting restrictions and manage isolation for patients for example, using technology, puzzles, creative exercises
- Advocating and supporting the needs of children during the palliative phase and ongoing support within the inpatient unit and community service
- Continued to support Keepsake and memory work as a core function of Medical Social Work during the palliative phase of illness
- Developed the 'Walk & Talk' initiative to support bereaved persons experiencing isolation in their grief and restricted social supports imposed by Covid 19 restrictions
- Planning and recording remembrance services and the virtual annual mass with the pastoral care department
- Ongoing development of the Bereavement Support Service and reintegrating the volunteers back into the service
- Facilitating a virtual teenage bereavement group- 6 teenagers in attendance
- Facilitating a children's bereavement group over two weekends- 16 children in attendance
- Facilitated a Masters in Social Work placement (year 2) with NUIG

Total contacts by the Medical Social Work Team (Galway & Mayo) during 2021 were 3,131 (including carers for 2020) compared to 2,860 (including carers for 2020). As Mayo occupancy remained low for the most part of 2021, the number of total contacts recorded was 480. Carer Support increased by 43% in 2021 (1466 contacts) and this highlights the ongoing need for communication at a time that proved exceptionally difficult for patients and their families. Family distress levels have remained high in 2021 and this can be attributed to various factors. 196 carer contacts were recorded from April- December 2021.

The pastoral care team also had a busy year during 2021. 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 1500 people.

### **RESULTS FOR THE FINANCIAL YEAR**

The directors are satisfied with the results for the financial year. Galway Hospice recorded an overall surplus of €2,438,908 in the year to 31st December 2021, compared to a surplus of €3,219,356 in the previous year. In 2020 one off stability funding of €200,000 was received from Pobal and €750,000 once off additional Palliative Care funding was received from the HSE in order to address COVID-19 specialist palliative care related deficits. The Statement of Financial Activities highlights the results between restricted and unrestricted activities. Restricted activities relate to all HSE funded healthcare activities along with restricted income and expenditure from the public in line with donor wishes. Fundraising activities generated income of €2.25m (up from €2.07m in 2020 primarily due to additional legacy income). All of the fundraising money generated went to cash reserves. The company had €8.2m of cash at bank at the financial year. These cash balances are available for the future development of a new enlarged Hospice in Galway and also for maintaining the level of services at the current levels for the foreseeable future (at least twelve months).

**DIRECTORS' REPORT (CONTINUED)**

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**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 Company have reviewed the organisation's needs to generate free reserves in accordance with best practice. In the Directors opinion, the Company 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 Company for the benefit of our service users and families
- Ensure that the Company has sufficient cash during recessionary periods to enable the Company 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 Company 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 €2.2m 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 Company 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 operational costs of the inpatient unit in 2021 have been 100% funded by the HSE. Mayo Hospice fundraising activities remain the sole responsibility of the Mayo Roscommon Hospice Board.

*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 2021 and the HSE have confirmed that the once off funding received in both 2020 and 2021 will be converted into core funding in 2022 which will greatly assist in ensuring 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 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 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.

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

### **DIRECTORS' REPORT (CONTINUED)**

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#### **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 foundation's activities.

The Board is responsible for providing leadership, setting strategy and ensuring control. There are 10 non-executive directors. The Board's 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 company must maintain various standards of compliance including with the HSE's Service Level Agreement, the Companies Acts, Directors Compliance Statement and the Charities Regulatory Authority. Furthermore, there is great emphasis placed on strong healthcare, corporate and financial governance, compliance, legislation, inspection and internal and external audit functions to ensure accountability and transparency. This is evidenced by the Company's independent accreditation by CHKS.

All procurement and purchasing activities at the Company are in accordance with best professional practice and ethical codes of conduct. There is coordination with HBS Procurement and the Office of Public Procurement where possible on contracts that provide cost savings.

The Company 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 primary functions of the committees are as follows:

**Quality and Patient Safety Committee:** the Committee shall oversee quality and safety of the organisation on behalf of the Board, aimed at ensuring the safety of healthcare, including activities traditionally referred to as 'clinical governance'.

**Governance and Audit Committee:** shall assure the Board on matters of corporate governance and financial audit within the organisation.

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 Company 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 and Therapies, 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.



DIRECTORS' REPORT (CONTINUED)

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**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 Company Limited by Guarantee are:

- *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 & Other Infections Diseases*  
The Company has qualified infection control personnel employed and has taken precautions to prevent and mitigate an outbreak of the covid 19 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.
- *Failure to comply with Statutory/Regulatory Requirements*  
The Company 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 Company 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
- *Lack of Funding for the Development of a new Hospice in Galway*  
The Company has ambitious plans to build a new enlarged world class hospice facility in Galway to enhance patient care and meet the increasing demands for the company's services. There is a risk that insufficient funding will be available to complete the construction of a new hospice once a site is sourced. The Board is liaising with the HSE in relation to funding this development along with continued increases in fundraising reserves for the capital project

## THE GALWAY HOSPICE FOUNDATION COMPANY LIMITED BY GUARANTEE

### DIRECTORS' REPORT (CONTINUED)

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- **Fundraising and Reputational Risk**  
The development of a new hospice is linked to a general fundraising risk of lower donations or bequests which would impact on the Company's to construct the new hospice and to also maintain the same levels of quality and service
- **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.
- **ICT and Security Risks**  
ICT risks include the risk of hardware and software failure, human error, spam, viruses and malicious attacks, including the exposure to harm or loss resulting from breaches of or attacks on information systems, as well as damage which could potentially be caused by natural disasters such as fires, cyclones or floods. The Company employs an ongoing process of identifying, analysing and evaluating cyber security threats and other security risks and implementing plans to address and mitigate them. Risk is determined by considering the likelihood that known threats will exploit vulnerabilities and the magnitude of the impact they may have. Monitoring and management of both internal and external risks to ICT and information security is performed in order to reduce the likelihood and severity of potential incidents. There are a number of IT general controls and other mitigating processes in place including the use of computer accounts and passwords; the use of computer hardware and software; the security of systems and computer devices; protocols for lost, stolen and damaged computer devices; storage, back-up and security of information; working from home; virus & malicious software protection; monitoring and restricting the unacceptable use of information technology resources.

### DIRECTORS AND SECRETARY

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

<b>Directors:</b>	<b>Board meetings attended:</b>
Ann Flanagan (Resigned 22/7/21)	6/7
Margaret Murray	8/10
Joseph Connolly	10/10
Gerard O'Donnell	6/10
John Sweeney	9/10
Keith Finnegan	9/10
James Murphy	7/10
Jean Kelly	7/10
Mark Flanagan	8/10
Kevin Moore	9/10
Mary Coyne	8/10

**Secretary:**  
Kevin Moore

### 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.

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

### **DIRECTORS' REPORT (CONTINUED)**

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#### **GOING CONCERN**

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 for 2022. The HSE has indicated that funding will be available during 2022 at a level similar to that of 2021.

While the strong reserves position at year-end means that there is no immediate threat to the going concern status of Galway Hospice, provision of services remains reliant on funding from the HSE continuing at the same or enhanced levels in the future. After making due enquiries, the directors have a reasonable expectation that the operating and capital 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.

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)**

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**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

Date: 11/5/2022

  
\_\_\_\_\_  
Kevin Moore  
Director

Date: 11/5/2022

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

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

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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 2021 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: 23 May 2022



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

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 €	2021 €	2021 €	2020 €
<b>INCOME FROM:</b>					
		<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total</b>	<b>Total</b>
Donations		544,573	-	544,573	657,268
HSE funding	4	10,491,987	-	10,491,987	8,751,187
Bequests		274,611	-	274,611	75,950
Covenants		152	-	152	152
Fundraising income		1,127,784	3,250	1,131,034	1,061,332
Draw income		289,429	-	289,429	273,709
Investment income		22	-	22	566
Grant income	5	-	-	-	203,100
Other income resources		413,144	-	413,144	74,497
<b>TOTAL INCOME</b>		<b>13,141,702</b>	<b>3,250</b>	<b>13,144,952</b>	<b>11,097,761</b>
<b>EXPENDITURE ON:</b>					
Fundraising costs		477,526	-	477,526	463,636
Draw prizes		57,111	-	57,111	82,200
Homecare expenditure		1,631,065	755	1,631,820	1,589,390
Palliative care centre expenditure		5,151,784	7,152	5,158,936	5,583,497
Day care expenditure		18,378	-	18,378	80,614
Governance costs		78,851	-	78,851	68,462
Castlebar costs		3,269,653	-	3,269,653	-
Other costs		13,769	-	13,769	10,606
<b>TOTAL EXPENDITURE</b>		<b>10,698,137</b>	<b>7,907</b>	<b>10,706,044</b>	<b>7,878,405</b>
<b>NET INCOME/ (EXPENDITURE)</b>		<b>2,443,565</b>	<b>(4,657)</b>	<b>2,438,908</b>	<b>3,219,356</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		9,869,025	172,639	10,041,664	6,822,308
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>12,312,590</b>	<b>167,982</b>	<b>12,480,572</b>	<b>10,041,664</b>

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

**BALANCE SHEET  
AS AT 31 DECEMBER 2021**

	Notes	2021 €	2020 €
<b>FIXED ASSETS</b>			
Tangible assets	11	4,399,658	4,612,298
<b>CURRENT ASSETS</b>			
Debtors (Amounts falling due with one financial year)	12	792,380	1,105,176
Cash at bank in hand	13	8,214,594	5,461,559
		9,006,974	6,566,735
<b>CREDITORS: (Amount falling due within one financial year)</b>	14	(926,060)	(1,137,369)
<b>NET CURRENT ASSETS</b>		8,080,914	5,429,366
<b>NET ASSETS</b>		<b>12,480,572</b>	<b>10,041,664</b>
<b>Represented by:</b>			
<b>Designated funds:</b>			
Development Reserve Fund	17	5,503,273	3,250,000
<b>Restricted funds:</b>			
Children's Account Fund	17	16,288	17,195
Brid & Clodagh Doyle Fund	17	115,660	112,410
Merlin Park Capital Fund	17	26,842	26,842
Wishlist Fund	17	1,000	1,000
Education Fund	17	0	7,000
Bereavement Fund	17	8,192	8,192
Unrestricted funds	17	6,809,317	6,619,025
<b>TOTAL FUNDS</b>		<b>12,480,572</b>	<b>10,041,664</b>

The financial statements were approved by the Board of Directors and authorised for issue on 11 May 2022  
They were signed on its behalf by:

  
Keith Finnegan  
Director

  
Kevin Moore  
Director

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

**STATEMENT OF CHANGES IN FUNDS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

	<i>Notes</i>	<b>Restricted Funds €</b>	<b>Designated Funds €</b>	<b>Unrestricted Funds €</b>	<b>Total €</b>
At 1 January 2020		156,400	1,150,000	5,515,908	6,822,308
Excess of income		16,239	-	3,203,117	3,219,356
Designated funds		-	2,100,000	(2,100,000)	-
At 31 December 2020		<u>172,639</u>	<u>3,250,000</u>	<u>6,619,025</u>	<u>10,041,664</u>
Excess of income \ (expenditure)		(4,657)	-	2,443,565	2,438,908
Designated funds		<u>-</u>	<u>2,253,273</u>	<u>(2,253,273)</u>	<u>-</u>
<b>At 31 December 2021</b>	<b>17</b>	<b><u>167,982</u></b>	<b><u>5,503,273</u></b>	<b><u>6,809,317</u></b>	<b><u>12,480,572</u></b>

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

**STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

	<i>Note</i>	<b>2021 €</b>	<b>2020 €</b>
<b>Cash flows from operating activities</b>	<b>15</b>	<b>2,776,287</b>	<b>3,062,883</b>
<b>Net cash flows from operating activities</b>		<b>2,767,409</b>	<b>3,062,883</b>
<b>Cash flows from Investing activities</b>			
Investment income		22	566
Payments to acquire tangible fixed assets		(23,274)	(242,300)
<b>Net cash flows from investing activities</b>		<b>(23,252)</b>	<b>(241,734)</b>
Net increase in cash and cash equivalents		2,753,035	2,821,149
Cash and cash equivalents at beginning of financial year		5,461,559	2,640,410
<b>Cash and cash equivalents at end of financial year</b>		<b>8,214,594</b>	<b>5,461,559</b>
<b>Reconciliation of cash at bank and in hand</b>			
Cash at bank and in hand at end of financial year	<b>13</b>	<b>8,214,594</b>	<b>5,461,559</b>
<b>Cash and cash equivalents at end of financial year</b>		<b>8,214,594</b>	<b>5,461,559</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

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**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 2021**

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**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 2021**

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**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 2021**

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**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 2021**

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**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 2021**

**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 2021.

The total funding allocated by the HSE for the financial year was €10,491,987 (2020: €8,751,187), €7,755,154 of this was received by the 31 December 2021, €193,466 was paid in February 2022 the balance of €466,646 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 €9,331,195 towards the ongoing cost of providing essential services and €1,160,792 once off funding to assist with Covid amelioration

<b>5. GRANT INCOME</b>	<b>2021 €</b>	<b>2020 €</b>
Government grants	-	203,100

Income from government grants comprise of:

- (i) In the prior 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 prior, the company received grant income of €3,100 from Hospital Saturday Fund to help fund the replacement of hoists and slings.

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

	<b>2021 €</b>	<b>2020 €</b>
Profit on ordinary activities is stated after charging:		
Depreciation	235,914	200,408
Audit Fee	19,675	15,350

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

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

<b>7. GOVERNANCE COSTS</b>	<b>2021 €</b>	<b>2020 €</b>
Salaries	27,641	24,919
Legal and professional	51,210	43,543
	<u>78,851</u>	<u>68,462</u>

<b>8. STAFF NUMBERS AND COSTS</b>	<b>2021 No.</b>	<b>2020 No.</b>
The average number of employees during the financial year was:		
Management	5	4
Administration	32	22
Care providers	92	72
	<u>129</u>	<u>98</u>

The aggregate payroll cost of those employees were the following:	<b>2021 €</b>	<b>2020 €</b>
Wages and salaries	6,955,790	5,005,720
Social welfare costs	731,079	539,638
Other pension costs	167,226	90,303
	<u>7,854,095</u>	<u>5,635,661</u>

There were 8 employees (2020: 8) whose total employee benefits (excluding employer pension costs) for the financial year fell within the below categories:

	<b>2021 Number</b>	<b>2020 Number</b>
€67,135-€77,134	3	4
€77,135-€87,134	2	2
€87,135-€97,134	2	2
€97,135-€107,134	1	0
	<u>8</u>	<u>8</u>

<b>Key Management Compensation</b>	<b>2021 €</b>	<b>2020 €</b>
Salaries and other short term employee benefits	<u>421,400</u>	<u>350,054</u>

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 2021**

**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**

	<b>Land and buildings freehold €</b>	<b>Fixtures fittings &amp; equipment €</b>	<b>Motor vehicles €</b>	<b>Total €</b>
<b>Cost:</b>				
At 1 January 2021	5,383,855	1,151,179	685,940	7,220,974
Additions	-	33,086	-	33,086
Other Movements	-	-	(9,812)	(9,812)
Disposals	-	-	(57,075)	(57,075)
<b>At 31 December 2021</b>	<b>5,383,855</b>	<b>1,184,265</b>	<b>619,053</b>	<b>7,187,173</b>
<b>Accumulated depreciation:</b>				
At 1 January 2021	1,194,129	1,068,122	346,425	2,608,676
Charge for the financial year	97,800	42,494	95,620	235,914
Disposals	-	-	(57,075)	(57,075)
<b>At 31 December 2021</b>	<b>1,291,929</b>	<b>1,110,616</b>	<b>384,970</b>	<b>2,787,515</b>
<b>Net Book Value:</b>				
<b>At 31 December 2021</b>	<b>4,091,926</b>	<b>73,649</b>	<b>234,083</b>	<b>4,399,658</b>
<b>At 31 December 2020</b>	<b>4,189,726</b>	<b>83,057</b>	<b>339,515</b>	<b>4,612,298</b>

<b>12. DEBTORS (Amounts falling due within one financial year)</b>	<b>2021 €</b>	<b>2020 €</b>
Trade debtors	55,439	51,093
Amount due from the HSE	674,553	997,767
Prepayments and other debtors	55,435	50,284
Vat Due	6,953	6,032
	<b>792,380</b>	<b>1,105,176</b>

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

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

<b>13. CASH AND CASH EQUIVALENTS</b>	<b>2021 €</b>	<b>2020 €</b>
Bank of Ireland Current Account	2,485,782	1,963,551
Bank of Ireland Buy-a-Brick	1,086,370	356,530
AIB Corporate Account	6,485	6,369
Bank of Ireland Deposit Account	401,517	124,034
Bank of Ireland Managed Events	1,352,926	621,231
Gold Sovereigns	2,133	2,133
Bank of Ireland Memorial Walk Account	192,786	103,715
Bank of Ireland Treasury	928,918	928,918
Bank of Ireland Sunflower Account	158,209	61,815
AIB Fixed Term Deposit Account	75,939	75,938
AIB Fixed Term Deposit Account	213,697	213,695
AIB Fixed Term Deposit Account	110,154	110,154
AIB Deposit Account	-	642,353
Bank of Ireland Brid & Clodagh Doyle Fund	82,281	80,131
Staff Pension Account	298	329
Bank of Ireland Christmas Cards Account	468,960	166,044
Bank of Ireland Draw Holding Account	5,784	4,619
AIB Deposit Account	113,977	113,977
AIB Deposit Account	319,547	319,544
AIB Deposit Account	208,833	208,832
	<b>8,214,594</b>	<b>5,461,559</b>
<b>14. CREDITORS (Amounts falling due within one financial year)</b>	<b>2021 €</b>	<b>2020 €</b>
Trade creditors	411,031	705,585
Other creditors	53,176	115,238
Accruals	157,089	86,757
Deferred income	69,775	70,129
Tax and social welfare - PAYE	234,989	159,660
	<b>926,060</b>	<b>1,137,369</b>

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 2021**

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

	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>
Net income / (expenditure)	2,438,908	3,219,356
Adjusted for:		
Depreciation	235,914	200,408
Investment income	(22)	(566)
(Increase)/Decrease in debtors	312,796	(689,167)
Increase/(Decrease) in creditors	(211,309)	332,852
	<hr/>	<hr/>
Net cash inflow from operating activities	2,776,287	3,062,883
	<hr/>	<hr/>

**16. FINANCIAL INSTRUMENTS**

**2021**  
**€**

**2020**  
**€**

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)	55,439	51,093
Amount due from the HSE (note 12)	674,553	997,767
Other receivables	55,434	50,284
	<hr/>	<hr/>
	730,042	1,099,144
	<hr/>	<hr/>

**Financial liabilities**

*Measured at undiscounted amount payable:*

Trade creditors and other creditors (note 14)	464,207	820,823
Accruals (note 14)	157,089	86,757
	<hr/>	<hr/>
	621,296	907,580
	<hr/>	<hr/>

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

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

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**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 (2020: €1,150,000) to cover six months operating costs not funded by the HSE. The directors also decided to increase the Merlin Park Capital Fund by €2,253,273 (2020: €2,100,000)

Restricted funds are made up of the following:

- The Children's Account Fund of €16,288 (2020: €17,195) is specifically intended to be allocated to children with life limiting illnesses and their families;
- The Brid & Clodagh Doyle Fund of €115,660 (2020: €112,410) is specifically intended to be allocated to accommodation for families; and
- The Merlin Park Capital of Fund €4,380,115 (2020: €2,126,842) is specifically intended to be spent on the development of a new hospice.
- The Wishlist Fund of €1,000 (2020: €1,000) is specifically intended to be spent on the Foundations wishlist of minor capital items.
- The Education Fund of €0 (2020: €7,000) is specifically intended to be spent on providing education for nurses.
- The Bereavement Fund of €8,192 (2020: €8,192) 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:

	2021 €	2020 €
Within one year	-	-
Within two to five years	-	-
Greater than five years	-	-
	<hr/>	<hr/>
	-	-
	<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 2021**

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**21. RETIREMENT BENEFITS**

	<b>2021</b>	<b>2020</b>
	<b>€</b>	<b>€</b>
Retirement benefits	167,226	90,303

Contributions outstanding at the financial year end amounted to €49,985 (2020: €21,214).

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 11 May 2022

