

ANNUAL FINANCIAL STATEMENTS
FOR
BEAUMONT HOSPITAL BOARD
FOR THE YEAR ENDED 31/12/2019

Date :

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GENERAL INFORMATION

Head Office: P.O. Box 1297, Beaumont Road, Dublin 9.
Phone :8093000
Fax: 8376982

Main Bankers: Bank of Ireland, Whitehall, Dublin 9.

Auditors: Comptroller and Auditor General, 3a Mayor Street Upper, Dublin 1.

The Comptroller and Auditor General audits these Financial Statements under Section 5 of the Comptroller and Auditor General (Amendment) Act 1993.

Solicitors: Byrne Wallace, 2 Grand Canal Square, Dublin 2.

GOVERNANCE STATEMENT AND BOARD MEMBERS' REPORT

Governance

The Board of Beaumont Hospital was established under the Beaumont Hospital Board (Establishment) Order, 1977 as amended by the Health (Miscellaneous Provisions) Act 2007. The functions of the Board are set out in Section 4 of this Act. The Board is accountable to the Minister for Health and is responsible for ensuring good governance and performs this task by setting strategic objectives and targets and taking strategic decisions on all key business issues. The regular day-to-day management, control and direction of Beaumont Hospital are the responsibility of the Chief Executive Officer (CEO) and the senior management team. The CEO and the senior management team must follow the broad strategic direction set by the Board, and must ensure that all Board members have a clear understanding of the key activities and decisions related to the entity, and of any significant risks as they arise. The CEO acts as a direct liaison between the Board and management of Beaumont Hospital.

Board Responsibilities

The work and responsibilities of the Board are set out in The Internal Code of Governance, which also contains the matters specifically reserved for Board decision. Standing items considered by the Board include:

- Declaration of interests,
- Reports from committees,
- Financial reports/management reports,
- Performance reports, and
- Reserved matters.

Section 21 of the Beaumont Hospital Board (Establishment) Order, 1977 requires the Board of Beaumont Hospital to keep, in such form as may be approved by the Minister for Health with the consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of money received and expended by it.

In preparing these financial statements, the Board of Beaumont Hospital is required to:

- Select suitable accounting policies and apply them consistently,
- Make judgements and estimates that are reasonable and prudent,
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that it will continue in operation, and
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Board is responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, its financial position and enables it to ensure that the financial statements comply with Section 21 of the Beaumont Hospital Board (Establishment) Order, 1977. The maintenance and integrity of the corporate and financial information on the Beaumont Hospital's website is the responsibility of the Board.

The Board is responsible for approving the annual plan and budget. An evaluation of the performance of Beaumont Hospital by reference to the annual plan and budget is carried out regularly throughout the year via the performance and standing committees of the Board.

The Board is also responsible for safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board considers that the financial statements of Beaumont Hospital give a true and fair view of the financial performance and the financial position of Beaumont Hospital at 31 December 2019.

Board Structure

The Board consists of a Chairperson and nine ordinary members. The Board meet on a monthly basis. The table below details 2019 Board members.

Board Member	Role	Nominated by	Term of Office
Enda Connolly	Chairperson	Minister for Health	29.06.17 – 20.03.19
Gillian Harford	Ordinary Member	Minister for Health	29.06.17 - 29.06.20
Henry McGarvey	Ordinary Member	Minister for Health	29.06.17 - 29.06.20
Gerry Murray	Ordinary Member	Minister for Health	29.06.17 - 29.06.20
David Madigan	Ordinary Member	Minister for Health	29.06.17 – 10.04.19
Caitriona Sharky	Ordinary Member	Minister for Health	29.06.17 - 29.06.20
Conor Murphy	Ordinary Member	RCSI	30.09.16 - 16.12.19
Kate Irving	Ordinary Member	DCU General Practitioners	17.02.17 - 16.02.20
Tom Houlihan	Ordinary Member	Body	17.02.17 - 16.02.20
Adrian Henchy	Ordinary Member	Fingal County Council	09.04.17 - 08.04.20

The Board has established three committees, as follows:

1. Audit Committee

An Audit Committee, chaired by a member of the Hospital Board and consisting of nominees from the Hospital Board is in place. The meetings of the Audit Committee are attended by members of the management team including the Director of Finance and Internal Auditor. All internal and external audit reports are presented to the meetings of the Audit Committee by the Internal Auditor. The Audit Committee reviews all areas of risk pertaining to the hospital excluding patient and medical risk. The current members of the Audit Committee are: Mr David Madigan, Mr Gerry Murray, Mr Adrian Henchy and Dr Tom Houlihan. There were four meetings of the Audit Committee in 2019.

2. Finance Committee

A Finance Committee, chaired by a member of the Hospital Board and consisting of nominees from the Hospital Board is in place. The Finance Committee reviews all issues affecting the financial performance of the Hospital including the financial reports of the Hospital. The meetings of the Finance Committee are attended by members of the management team including the Director of Finance and Management Accountant. The current members of the Finance Committee are: Mr David Madigan, Mr Enda Connolly, Ms Gillian Harford and Mr Henry McGarvey. There were six meetings of the Finance Committee in 2019.

3. Governance & Risk Committee

The Hospital Board manages Non-Financial risks through the Governance and Risk Committee, a permanent sub-committee of the board, chaired by a Board member. The Committee receives and evaluates written and verbal reports from the Hospital's Deputy CEO, Head of Quality and Safety and other senior managers on key risk issues and mitigation strategies. The Committee also follows through on issues raised in the annual review of key risks. . The current members of the Governance & Risk Committee are Mr Gerry Murray, Ms Caitriona Sharkey, Prof. Conor C Murphy and Prof Kate Irving. There were four meetings of the Governance & Risk Committee in 2019.

Schedule of Attendance, Fees and Expenses

	Board	Audit Committee	Governance & Risk Committee	Finance Committee	Fees 2019	Expenses 2019
No of meetings	8	4	4	6		
Enda Connolly	-	-	-	-	-	-
Gillian Harford	7	-	-	6	-	-
Henry McGarvey	7	-	-	6	-	3,753
Gerry Murray	7	4	4	-	-	-
David Madigan	3	1	-	2	-	-
Caitriona Sharky	8	-	3	-	-	-
Conor Murphy	5	-	4	-	-	-

Kate Irving	7	-	2	-	-	-
Tom Houlihan	5	1	-	-	-	-
Adrian Henchy	8	4	-	-	-	-
						3,753

No Board Member received a Board fee per 17.(1) of the Beaumont Hospital Board (Establishment) Order, 1977.

Key Personnel Changes

Two Board members resigned during the year.

Disclosures Required by Code of Practice for the Governance of State Bodies (2016)

The Board is responsible for ensuring that Beaumont Hospital has complied with the requirements of the Code of Practice for the Governance of State Bodies (“the Code”) as published by the Department of Public Expenditure and Reform in August 2016. The following disclosures are required by the Code:

Employee Short-Term Benefits Breakdown

Employees’ short-term benefits in excess of €60,000 are categorised into the following bands:

Range		Number of Employees	
From	To	2019	2018
€60,000	€69,999	437	423
€70,000	€79,999	175	156
€80,000	€89,999	91	84
€90,000	€99,999	62	32
€100,000	€109,999	29	18
€110,000	€119,999	20	17
€120,000	€129,999	11	8
€130,000	€139,999	8	14
€140,000	€149,999	8	13
€150,000	€159,999	26	32
€160,000	€169,999	18	26
€170,000	€179,999	14	25
€180,000	€189,999	10	20
€190,000	€199,999	11	11
€200,000	€209,999	3	10
€210,000	€219,999	4	13
€220,000	€229,999	10	6

€230,000	€239,999	11	2
€240,000	€249,999	10	2
€250,000	€259,999	15	1
€260,000	-	35	-

Note: For the purpose of this disclosure, short-term employee benefits in relation to services rendered during the reporting period include salary, overtime allowances and other payments made on behalf of the employee, but exclude employer's PRSI.

Consultancy Costs

Consultancy Costs include the cost of external advice to management and exclude outsourced 'business-as-usual' functions.

	2019	2018
	€	€
Legal advice	344,179	312,205
Financial/Tax advice	15,743	24,644
Public relations	40,996	81,180
Human Resources	49,424	104,683
Business Improvement	117,059	95,330
Total Consultancy Costs	567,401	618,042
Consultancy Costs Capitalised	-	-
Consultancy Costs Charged to Income & Expenditure	567,401	618,042
Total	567,401	618,042

Legal Costs and Settlements

The only legal costs are costs incurred in relation to general legal advice received by Beaumont Hospital and they are disclosed in Consultancy costs above.

Travel & Subsistence Expenditure

Travel and subsistence expenditure is categorised as follows:

	2019	2018
	€	€
Domestic		
- Board *	3,753	4,017

-	Employees	8,572	1,209
-	Student Nurses	42,180	58,257
-	Couriers	383,938	325,096
International			
-	Board	-	-
-	Employees	-	-
Total		438,443	388,579

* travel & subsistence of €3,753 paid directly to Board members in 2019. (2018 : €4,017)

Hospitality Expenditure

The Income and Expenditure Account includes the following hospitality expenditure:

	2019	2018
	€	€
Staff:		
Retirement Vouchers	9,000	10,250
Retirement Receptions	4,315	6,171
Client:		
Client hospitality	-	-
Total	13,315	16,421

Remuneration

(a) Aggregate Employee Benefits	2019	2018
	€000	€000
Staff short-term benefits	248,966	231,397
Termination benefits	195	-
Retirement benefit costs	19,189	17,832
Employer's contribution to social welfare	23,483	21,038
Total	291,833	270,267

The total number of staff employed (WTE) at year end was 3,846 (2018 3,704)

(b) Staff Short-Term Benefits	2019	2018
	€000	€000
Basic pay	214,668	198,436
Overtime	15,765	15,253
Allowances	42,211	38,764
Total	272,644	252,453

(c) Termination Benefits	2019	2018
	€000	€000
Termination benefits charged to I&E	195	-
Total	195	-

(d) Key Management Personnel

Key management personnel in Beaumont Hospital consist of the CEO, Clinical Directors and the members of the Senior Management Team. The total value of employee benefits for key management personnel is set out below:

	2019	2018
	€000	€000
Salary	3,693	2,967
Allowances	2	2
Termination benefits	195	-
Health Insurance	-	-
Total	3,890	2,969

This does not include the value of retirement benefits earned in the period. The key management personnel are members of the Local Government/Voluntary Hospitals Superannuation Scheme and their entitlements in that regard do not extend beyond the terms of the model public services pension scheme.

(e) Chief Executive Officer Salary and Benefits

The CEO remuneration package for the financial period was as follows:

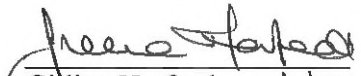
	2019	2018
	€	€
Salary	99,168	95,620
Allowances	-	-
Total	99,168	95,620


The CEO is employed under a secondment arrangement from the Royal College of Surgeons in Ireland Group (RCSI) which commenced on 13th June 2016. The amount shown above represents the amount paid to the group in respect of his pro-rated service to Beaumont Hospital. The CEO's pension entitlements do not extend beyond the standard entitlements under the Local Government/Voluntary Hospitals Superannuation Scheme.

Statement of Compliance

The Board has adopted the Code of Practice for the Governance of State Bodies (2016) and has put procedures in place to ensure compliance with the Code. Beaumont Hospital was in full compliance with the Code of Practice for the Governance of State Bodies for 2019.

On behalf of the Board:


Gillian Harford 28/1/21
Chairperson


Ian Carter
Chief Executive



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Beaumont Hospital Board

Opinion on the financial statements

I have audited the financial statements of Beaumont Hospital Board for the year ended 31 December 2019 as required under the provisions of section 5 of the Comptroller and Auditor General (Amendment) Act 1993. The financial statements comprise

- the non-capital income and expenditure account
- the capital income and expenditure account
- the balance sheet
- the cash flow statement and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements

- properly present the state of affairs of Beaumont Hospital Board at 31 December 2019 and its income and expenditure for 2019
- have been prepared in the form prescribed under Article 21 of the Beaumont Hospital Board (Establishment) Order 1977, and in accordance with the Accounting Standards for Voluntary Hospitals approved by the Minister for Health.

Basis of opinion

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of Beaumont Hospital Board and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on information other than the financial statements, and on other matters

Beaumont Hospital Board has presented certain other information together with the financial statements. This comprises the governance statement and Board members' report, and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

Non-compliant procurement

The statement on internal control discloses that in 2019 Beaumont Hospital Board continued to incur significant expenditure where the procedures followed did not comply with public procurement guidelines. The statement on internal control also sets out the steps taken or planned by the Hospital to address the weaknesses that give rise to this.

Seamus McCarthy
Comptroller and Auditor General

11 February 2021

Responsibilities of Board members

As detailed in the governance statement and Board members' report, the Board members are responsible for

- the preparation of financial statements in the form prescribed under Article 21 of the Beaumont Hospital Board (Establishment) Order 1977, and in accordance with the Accounting Standards for Voluntary Hospitals approved by the Minister for Health
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 5 of the Comptroller and Auditor General (Amendment) Act 1993 to audit the financial statements of Beaumont Hospital Board and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs 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 the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I 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 my 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.
- I 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 internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.

- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Beaumont Hospital Board's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause Beaumont Hospital Board to cease to continue as a going concern.

I 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 I identify during my audit.

Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if there are material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if there is any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I also report by exception if, in my opinion,

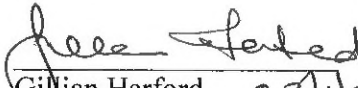
- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND
CHAIRPERSON FOR THE YEAR ENDED 31st DECEMBER 2019.**

We certify that the Financial Statements of Beaumont Hospital Board for the year ended 31/12/2019 as set out herein are in agreement with the books of account and have been drawn up in accordance with the Accounting Standards for Voluntary Hospitals drawn up by the Department of Health.

These financial statements on pages 22 to 38 which have been prepared under the statement of accounting policies set out on pages 19 to 21 properly present the state of affairs of the Hospital at 31st December 2019 and its income and expenditure and cash flow for the year then ended.

Signed:


Gillian Harford 28/1/20
Chairperson


Ian Carter
Chief Executive

STATEMENT ON INTERNAL CONTROL

Scope of Responsibility

On behalf of Beaumont Hospital Board, I acknowledge the Boards' responsibility for ensuring that an effective system of internal control is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore only provide reasonable and not absolute assurances that assets are safeguarded, transactions authorised and property recorded and that material errors or irregularities are either prevented or detected in a timely way.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform has been in place in Beaumont Hospital for the year ended 31 December 2019 and up to the date approval of the financial statements.

Capacity to Handle Risk

Beaumont Hospital has an Audit Committee, Finance Committee and a Governance & Risk Committee. All comprise of four Board members with financial, audit and clinical expertise. The Audit Committee met four times in 2019, the Finance Committee met six times and the Governance & Risk Committee met four times.

Beaumont Hospital has also established an internal audit function which is adequately resourced and conducts a programme of work which is approved by the Audit Committee.

The Hospital has developed a risk management policy which sets out its risk appetite, the risk management processes in place and details the role and responsibilities of staff in relation to risk. The policy is available to view on the Hospitals information system by all staff who are expected to work within Beaumont Hospital's risk management policies, to alert management on emerging risks and control weaknesses and assume responsibility for risks and controls within their own area of work.

Risk & Control Framework

Beaumont Hospital has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

A risk register is in place which identifies the key risks facing Beaumont Hospital and these have been identified, evaluated and graded according to their significance. The

register is reviewed and updated by the Governance & Risk Committee on a quarterly basis. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

The risk register details the controls and actions needed to mitigate risks and responsibilities for operation of controls assigned to specific staff. I confirm that a control environment containing the following elements is in place:

- procedures for all key processes have been documented,
- financial responsibilities have been assigned at management level with corresponding accountability,
- there is an appropriate budgeting system with an annual budget which is kept under review by senior management,
- there are systems aimed at ensuring the security of the information and communication technology systems,
- there are systems in place to safeguard the assets, and
- control procedures over grant funding to outside agencies ensure adequate control over approval of grants and monitoring and review of grantees to ensure grant funding has been applied for the purpose intended.

Ongoing Monitoring & Review

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the Board, where relevant, in a timely way. I confirm that the following ongoing monitoring systems are in place:

- Key risk and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies
- Reporting arrangements have been established at all levels where responsibilities for financial management has been assigned, and
- There are regular reviews by senior management of periodic and annual performance and financial reports which indicate performance against budgets/forecasts.

Allowances

A review in 2014 by internal and external audit of allowances paid by the Hospital identified a high level of compliance but also noted a number of instances where allowances were deemed unapproved by the HSE.

As of 2019 fifteen allowances totalling €115,659 relate to staff that have contractual entitlement to the allowance. A further four on call and standby allowances relate to Transplant Co-ordinators, Pharmacists, Technical Services staff and a St Josephs staff member. All were notified to the HSE in 2013 and a business case was submitted. The Hospital is waiting for a response from HSE on these allowances and they continue to be paid.

Full details of all previous allowances have been disclosed as part of the 2014 Section 38 Compliance Statement and no new allowances or non-conformance arrangements were entered into in 2019.

Procurement

I confirm that Beaumont Hospital has procedures in place to ensure compliance with current procurement rules and guidelines. Matters arising regarding controls over procurement are highlighted under internal control issues below.

Prompt Payment of Accounts

The Board is aware of the legislation which came into effect in March 2013 providing for the payment of interest and compensation to suppliers in respect of late payment of invoices. Heretofore, the Board has not paid late interest or compensation, opting instead to negotiate extended payment terms with suppliers. The 2019 accounts contain a provision of €1.295m for interest and compensation.

Review of Effectiveness

I confirm that Beaumont Hospital has procedures to monitor the effectiveness of its risk management and control procedures. Beaumont Hospital's monitoring and review of the effectiveness of the system of internal financial controls is informed by the work of the internal and external auditors, the Audit Committee which oversees their work and the senior management within Beaumont Hospital responsible for the development and maintenance of the internal financial control framework.

I confirm that the Board conducted an annual review of the effectiveness of the internal controls for 2019 in September 2020.

Internal Control Issues

Non compliant Procurement

Since 2015, the Board has been engaged on a project to examine all expenditure and ensure that the relevant goods and services have been procured by way of a competitive tendering process, where required.

In 2019, the total value of non-pay expenditure was €147 million. Throughout the year the Board continued to conduct tendering processes to meet compliance requirements, monitored through the Finance Committee's monthly review of progress on the percentage of total expenditure which is compliant and the steps being taken to address non-compliance. The reports on the level of expenditure where the related procures complied with procurement rules showed that compliance levels increased from 84% (when measured in terms of value of expenditure) during 2018 to 92% by the end of 2019.

The report at the year-end indicated non-compliant procurement of €14.1 million in 2019. This figure includes €2.5million where the hospital claimed a derogation as it is on particularly advantageous terms as permitted by Article 32(3) of Directive 2014/24/EU.

Procurement resources are focused on preventing new noncompliant contracts from commencing and tendering existing contracts on a phased basis.

Procurement compliance remains a key focus for the Board.

Weaknesses in ICT infrastructure

Beaumont Hospital acknowledges that its ICT infrastructure needs investment with a need for a new core information system (BHIS), new location for Server Rooms and a Business Continuity Process (BCP) to be implemented.

Signed: 
Gillian Harford
Chairperson

Date: 28/11/21

STATEMENT OF ACCOUNTING POLICIES

1. Basis of Accounting

- (i) These accounts were prepared on an accruals basis under the historical cost convention, as modified for the valuation of fixed assets, in accordance with the Accounting Standards laid down by the Minister for Health. Those standards also provide that the following should be treated on a receipts and payments basis: - EU Funds, Road Traffic Accident Income, Out-Patients Charges and minor miscellaneous incomes.
- (ii) Grants from the Health Service Executive (*HSE*) are the amounts for the year allocated by the Executive up to the date of certification of these accounts by the Chief Executive Officer and Chairperson.
- (iii) Funding from the HSE in respect of long stay beds (Fair Deal / Saver Patients) changed in 2012 from being included in the HSE block grant allocation to being separately funded via the HSE Fair Deal office on a money follows the patient basis. Under the system the hospital receives an agreed fee for each fair deal patient and invoices are submitted to HSE monthly in arrears. Income is recognised as the service is provided to patients.

2. Fixed Assets

- (i) All fixed assets acquisitions, regardless of the source of funds, (except for general equipment costing less than €3,810 per item and IT equipment costing less than €1,270 per item purchased from non-capital funds) are capitalised in accordance with the Accounting Standards laid down by the Department of Health. Assets funded by the Department of Health or the Health Service Executive may not be disposed of without the consent of the Minister for Health. The acquisition of certain fixed assets has been accounted for on the basis of their substance rather than the legal form of the transaction.

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

Land: Land is valued at the amount at which it was originally transferred from the Department of Health.

Buildings: Valuation or cost, less accumulated depreciation.

Equipment: Cost, less accumulated depreciation.

Fixed Assets of St. Joseph's Hospital, transferred from the HSE have been included in these accounts at original cost less accumulated depreciation at 31st December 2004.

Statement of Accounting Policies (continued)

3. Depreciation

Fixed assets are depreciated in compliance with Department of Health Accounting Standards. The depreciation, which is matched by an equivalent amortisation of the capitalisation account, is not charged against the income and expenditure account.

Depreciation is calculated at the following rates: -

- | | |
|-----------------------|---|
| (a) Land: | No depreciation. |
| (b) Buildings: | 2.5% reducing balance. |
| (c) Equipment: | Straight line over the expected useful life.
(IT equipment 20%, all other equipment 12.5%) |

4. Stocks of Consumable Stores

Stocks have been valued on the basis of cost with appropriate write-offs for stock which is damaged or obsolete.

5. Bad and Doubtful Debts

The Hospital makes a 100% provision for all debts outstanding for more than twelve months. This is in line with HSE policy.

6. Superannuation

- (i) The superannuation amounts shown are in respect of entitlements under the superannuation code and reflect employee deductions for the year ended 31st December 2019.
- (ii) No provision has been made in respect of benefits payable under the Local Government/Voluntary Hospitals Superannuation Scheme as the liability is underwritten by the Minister for Health. Contributions from employees who are members of the scheme are credited to the Income and Expenditure Account when received. Pension payments under the scheme are charged to the Income & Expenditure Account when paid. This policy is in compliance with the Accounting Standards for Voluntary Hospitals but by agreement with the Department of Health, does not reflect the requirements of Financial Reporting Standard FRS 102.

Statement of Accounting Policies (continued)

- (iii) The Public Service Pensions (Single Scheme and Other Provisions) Act 2012 introduced the new Single Public Service Pension Scheme ("Single Scheme"). This commenced with effect from 1st January 2013. All new entrants to pensionable public service employment on or after 1st January 2013 are, in general, members of the Single Scheme. Members contributions are paid over to the Department of Public Expenditure and Reform. (DEPR)

7. Patients' Property

- (i) Monies received by the Hospital for safekeeping from or on behalf of patients are kept in a designated Bank Account separate and apart from the Hospital's accounts. This Account is called the Patients' Safekeeping Account.
- (ii) Such monies are not the property of the Hospital and are administered by the Hospital on behalf of the patients.
- (iii) The Hospital incurs some administration costs in connection with these accounts which it does not recoup.

8. Capitalisation Account

The Capital Account represents the unamortised value of funds provided for fixed assets.

**NON-CAPITAL INCOME &
EXPENDITURE ACCOUNT
FOR THE YEAR ENDED
31st December 2019**

Form 1

Note

CUMULATIVE NON-CAPITAL DEFICIT / (SURPLUS) BROUGHT FORWARD FROM PREVIOUS YEAR

PAY

Salaries
Superannuation and Gratuities

1
1

NON-PAY

Direct Patient Care
Support Services
Financial and Administrative

1
1
1

	2019 €'000	2018 €'000
CUMULATIVE NON-CAPITAL DEFICIT / (SURPLUS) BROUGHT FORWARD FROM PREVIOUS YEAR	23,858	22,788
PAY		
Salaries	272,644	252,435
Superannuation and Gratuities	19,189	17,832
	291,833	270,267
NON-PAY		
Direct Patient Care	93,655	90,990
Support Services	39,850	37,445
Financial and Administrative	18,211	16,921
	151,716	145,356
GROSS EXPENDITURE FOR THE YEAR	467,407	438,411
Includes deficit / (surplus) brought forward from previous year		

INCOME

Taxation
NET EXPENDITURE FOR THE YEAR

1

	84,681	82,474
	-	-
	382,726	355,937

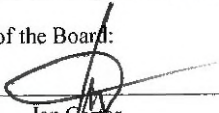
**DETERMINATION - Notified for the year from HSE
Fair Deal Funding
DEFICIT FOR THE YEAR C/F TO FOLLOWING YEAR**

	352,923	326,838
	5,501	5,241
	24,302	23,858

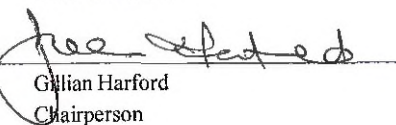
With the exception of fixed asset depreciation which is dealt with through the Capitalisation Account, all recognised gains and losses for the year ended 31st December 2019 have been included in the Income and Expenditure Account.
The net deficit in both years arises from continuing operations.

The financial statements, which include the accounting policies and notes, which were drawn up in compliance with the accounting standards laid down by the Minister for Health, were approved by the Board on:

On behalf of the Board:

Signed: 
Ian Carter
Chief Executive

Dated 28/1/21

Signed: 
Gillian Harford
Chairperson

Dated 28/1/21

Beaumont Hospital
**CAPITAL INCOME &
EXPENDITURE ACCOUNT
FOR THE YEAR ENDED
31st DECEMBER 2019**

Form 2

Note

CAPITAL INCOME SOURCES

Health Service Executive - Capital Grant

TOTAL CAPITAL INCOME

2019 €'000	2018 €'000
4,822	4,809
4,822	4,809

CAPITAL EXPENDITURE

Land
Buildings
Work-in-Progress
Equipment
Vehicles
Other - Donated Buildings

Capital Expenditure - Capitalised
Capital Expenditure - Not Capitalised

TOTAL CAPITAL EXPENDITURE

-	-
368	2,626
105	-
4,267	2,192
-	-
-	-
4,740	4,818
-	-
4,740	4,818

OPENING SURPLUS FROM PREVIOUS YEAR


CLOSING SURPLUS C/F TO FOLLOWING YEAR

(2,476)	(2,485)
(2,558)	(2,476)

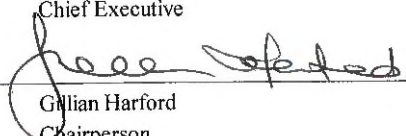
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The net surplus in both years arises from continuing operations.

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Signed: 
Ian Carter
Chief Executive

Dated 28/1/21

Signed: 
Gillian Harford
Chairperson

Dated 28/1/21

Beaumont Hospital
BALANCE SHEET AS AT
31st DECEMBER 2019

Form 3

FIXED ASSETS

Tangible Assets
 Financial Assets

Note

13

	2019 €'000	2018 €'000
	135,920	137,735
	-	-
	135,920	137,735

CURRENT ASSETS

Debtors
 Stocks
 Investments
 Cash in Hand and Bank Balances

14

15

	44,179	42,789
	9,394	9,178
	-	-
	749	998
	54,322	52,965

CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

Creditors
 Bank loans and overdraft
 Obligations under Finance Leases
 Taxation

16

NET CURRENT ASSETS / (LIABILITIES)

	51,934	46,640
	24,132	27,704
	-	-
	-	3
	(21,744)	(21,382)

TOTAL ASSETS LESS CURRENT LIABILITIES

	114,176	116,353
--	---------	---------

CREDITORS - AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Financing Obligations
 Deferred Creditors

17

	-	-
	-	-
	-	-

TOTAL ASSETS LESS CREDITORS

	114,176	116,353
--	---------	---------

CAPITAL AND RESERVES

Non-Capital Income & Expenditure Account (Deficit) / Surplus
 Capital Income & Expenditure Account (Deficit) / Surplus
 Capitalisation Account

18

	(24,302)	(23,858)
	2,558	2,476
	135,920	137,735
	114,176	116,353

The financial statements, which include the accounting policies and notes, which were drawn up in compliance with the accounting standards laid down by the Minister for Health, were approved by the Board on:

On behalf of the Board:

Signed: _____

Ian Carter
 Chief Executive

Dated 28/1/21

Signed: _____

Gillian Harford
 Chairperson

Dated 28/1/21

Beaumont Hospital
CASH FLOW STATEMENT
FOR THE YEAR ENDED
31st DECEMBER 2019

Form 4	Note	2019 €'000	2018 €'000
Net Cash Inflow / (Outflow) From Operating Activities	19	2,765	(3,417)
<u>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</u>			
Interest Paid on Loans		-	(39)
Interest Paid re finance leases		-	-
Equity Dividends Received		-	-
Interest Received		-	-
Net Cash Inflow / (Outflow) From Servicing of Finance		-	(39)
<u>CAPITAL EXPENDITURE</u>			
Expenditure from HSE - (Ref. Capital I&E A/C)		(4,740)	(4,818)
Expenditure from other sources		-	-
Add back unpaid Capital Expenditure		1,479	(1,339)
Add back movements in finance lease obligations		-	-
		(3,261)	(6,157)
Capital Expenditure - Not Capitalised/Concourse & Leases Adjustment		-	-
Payments, from non-capital, re acquisition of fixed assets (net of trade-ins)		(425)	(1,284)
Receipts on sale of fixed assets (excluding trade-ins)		-	-
Net Cash Inflow / (Outflow) From Capital Expenditure		(3,686)	(7,441)
Net Cash Inflow / (Outflow) Before Financing		(921)	(10,897)
<u>FINANCING</u>			
HSE Capital grant received		4,244	4,456
Receipts from other sources - acquisition of fixed assets		-	-
		4,244	4,456
Increase in investments		-	-
Capital element of finance lease rental repayments		-	-
Cash Inflow / (Outflow) from movement in Debt and Lease Financing		-	-
Net Cash Inflow / (Outflow) From Financing		4,244	4,456
Net Cash Flow		3,323	(6,441)
Increase / (Decrease) in Cash in hand and bank balances	20	(249)	65
(Increase) / Decrease in Bank Loans < 1 Year and Overdraft	20	3,572	(6,506)
(Increase) / Decrease in Bank Loans > 1 Year	20	-	-
Changes in Net Debt		3,323	(6,441)

Beaumont Hospital

NON-CAPITAL INCOME AND EXPENDITURE - DETAILS

Note 1

PAY

Management / Administration
 Medical / Dental I (NCHDs)
 Medical / Dental II (Consultants)
 Nursing
 Paramedical
 Catering & Housekeeping / Support Services / Porters
 Maintenance / Technical

Note

	2019 €'000	2018 €'000
	34,106	32,238
	36,702	35,285
	45,647	36,336
	101,064	95,736
	35,451	34,087
	16,426	15,868
	3,248	2,885
	272,644	252,435
	16,721	15,139
	2,468	2,693
	-	-
	19,189	17,832
	291,833	270,267

8

Pensions & Refunds
 Gratuities / Lump Sums
 Others

The increase in pay in 2019 is due to a number of factors including consultants settlements, national pay awards and increased PRSI rates.

NON-PAY

DIRECT PATIENT CARE

Drugs & Medicines
 Blood / Blood products
 Medical Gases
 Medical & Surgical Supplies
 Medical Equipment Capitalised
 Medical Equipment Supplies

12

	42,929	40,347
	3,542	3,677
	446	439
	41,884	41,434
	280	437
	4,574	4,656
	93,655	90,990

SUPPORT SERVICES

X-Ray / Imaging Equipment Capitalised
 X-Ray / Imaging Supplies
 Laboratory Equipment Capitalised
 Laboratory Supplies
 Catering Equipment Capitalised
 Catering Provisions
 Heat, Power & Light
 Laundry, Cleaning & Washing Equipment Capitalised
 Laundry, Cleaning & Washing Supplies
 Furniture, Crockery & Hardware Equipment Capitalised
 Furniture, Crockery & Hardware Supplies
 Bedding & Clothing
 Maintenance Equipment Capitalised
 Maintenance Materials Supplies
 Grounds Maintenance
 Travel & Subsistence
 Transport of Patients
 Vehicles Purchased Capitalised
 Vehicles Supplies

12

12

12

	-	-
	7,430	6,855
	8	36
	10,886	11,124
	-	-
	2,904	2,742
	2,663	3,151
	-	-
	6,352	5,934
	30	-
	184	284
	686	694
	79	635
	6,514	4,044
	3	2
	439	387
	1,672	1,557
	-	-
	-	-
	39,850	37,445

Beaumont Hospital

Note 1 (continued)

FINANCIAL AND ADMINISTRATIVE

LOAN REPAYMENT PRINCIPAL

BANK INTEREST

Sinking Fund Interest		-	-
Non-Capital Loan		-	-
Capital Loan		-	-
Finance Lease Repayments - Interest Element		-	-
Bank Charges		50	52
Overdraft Interest		-	39
		-	-

OTHER

Insurance - Medical Defence	2	-	-
Insurance - Other	2	536	473
Audit		72	60
Legal		345	312
Office Expenses (Rent & Rates, Postage & Telephone, etc.)		4,435	4,215
Office Equipment		-	-
Office Equipment / Contracts On		104	205
Computer Equipment	12	28	176
Computer Supplies / Contracts On		2,316	2,483
Professional Services		365	499
Bad Debts written off		1,834	227
Adjustment to Doubtful Debts Provision		1,299	2,242
Miscellaneous Non-Capital Expenditure on Capital Projects	3	-	-
Miscellaneous Expenses	4	4,183	3,504
Expenditure from Research Funds	23	2,644	2,434

Note

	2019	2018
	€'000	€'000
	-	-
	-	-
	-	-
	-	-
	50	52
	-	39
	-	-
	-	-
	536	473
	72	60
	345	312
	4,435	4,215
	-	-
	104	205
	28	176
	2,316	2,483
	365	499
	1,834	227
	1,299	2,242
	-	-
	4,183	3,504
	2,644	2,434
	18,211	16,921

TOTAL NON-PAY

151,716 145,356

TOTAL GROSS EXPENDITURE

443,549 415,623

INCOME

PATIENT INCOME

In-Patient	5	36,202	36,527
Out-Patient	5	655	706

36,202 36,527

655 706

36,857 37,233

OTHER INCOME

Superannuation		7,171	6,754
Other Payroll Deductions		1,456	1,338
RTA Receipts	10	596	697
Income from External Agencies	6	2,224	1,792
Canteen Receipts		1,076	1,134
Other Income (Non-Capital)	7	35,301	33,526

7,171 6,754

1,456 1,338

596 697

2,224 1,792

1,076 1,134

35,301 33,526

TOTAL INCOME

84,681 82,474

Superannuation deductions from Single Public Sector Scheme members are not retained by

the Hospital but remitted to the Department of Public Expenditure and Reform as required under the legislation. The amount deducted and remitted to DEPR in 2019 was €3.902 million

NET EXPENDITURE

358,868 333,149

Beaumont Hospital

INSURANCE

Note 2

Note

	2019 €'000	2018 €'000
	-	-
	-	-
	-	-
	78	77
	257	258
	201	137
	536	472

MEDICAL DEFENCE

(a) Consultants

(b) NCHDs

OTHER

Public Liability (Combined Liability)

Property

Other

MISCELLANEOUS NON-CAPITAL EXPENDITURE ON

CAPITAL PROJECTS

Note 3

	2019 €'000	2018 €'000
Land	-	-
Buildings	-	-
Work-in-Progress	-	-
Equipment	-	-
Vehicles	-	-
Other	-	-
	-	-

MISCELLANEOUS EXPENSES

Note 4

	2019 €'000	2018 €'000
Security	342	289
Publications etc.	3	-
Membership / Subscriptions etc.	311	273
Interest on Late Payments	-	-
Education / Training	547	584
Shop / Restaurant Purchases	1,739	1,625
Other	1,241	733
	4,183	3,504

Beaumont Hospital

ANALYSIS OF PATIENT INCOME

Note 5

Note

IN-PATIENTS

Statutory In-Patient Charges
Private / Semi Private Charges
Long Stay Charges
Other In-Patient Charges

	2019 €'000	2018 €'000
	1,983	2,067
	31,920	32,579
	1,689	1,552
	610	329
	36,202	36,527
	591	624
	64	82
	655	706
TOTAL PATIENT INCOME	36,857	37,233

OUT-PATIENTS

Statutory Accident & Emergency Charges
Other Out-Patient Charges

TOTAL PATIENT INCOME

INCOME FROM EXTERNAL AGENCIES

Note 6

Laboratory
Pathology
Radiology
Commissioning Services
Other

	2019 €'000	2018 €'000
	2,224	1,792
	-	-
	-	-
	-	-
	-	-
	2,224	1,792

OTHER INCOME (NON-CAPITAL)

Note 7

Shop / Restaurant Sales
Car Parking
Public Telephones
Pharmacy / Stores Sales - Staff and Patients
Recoverable Costs *
Insurance Claims
FÁS Grants
Rents / Licences / Franchises, etc.
PP Admin. Charges
Fund-raising - Non-Capital only
NTPF
Sundries
Income from Research Funds
Interest Received (Sinking Fund)
National Partnership Forum

23

	2019 €'000	2018 €'000
	2,911	2,832
	1,581	1,402
	3	-
	48	70
	24,161	23,916
	-	-
	-	-
	346	353
	-	-
	-	-
	3,210	2,401
	397	118
	2,644	2,434
	-	-
	-	-
	35,301	33,526

* The Recoverable Costs comprise 25% Recoverable Salaries, 47% PCRS Drugs Recoup, 24% OPD Drugs Recoup and 4% Other.

Beaumont Hospital

SUMMARY PAY ANALYSIS (Memorandum Only)

Note 8

(a) Remuneration Costs

Basic Pay
Overtime
Premium Pay
Shift Allowance
Holiday / Public Holiday Premiums
Higher Degree
Special Nursing
On Call / Standby
PRSI Employer
Travel Allowance
Other

Note

	2019	2018
	€'000	€'000
214,668	198,417	
15,765	15,253	
8,971	8,512	
-	-	
1,941	1,685	
934	922	
966	949	
4,735	4,556	
23,483	21,038	
558	534	
623	569	
272,644	252,435	

RECONCILIATION OF EXPENDITURE TO COST OF SERVICES

(Memorandum Only)

Note 9

Net Expenditure - Current Year

Deduct

Purchase of Equipment and Vehicles from Non-Capital
Funding of Capital Projects and Balances from Non-Capital
Loan repayments - Principal Only

Form 1

Total Deductions

Sub-Total

Add Back

Depreciation Charge For The Year

13

Running Cost of Service

	2019	2018
	€'000	€'000
358,868	333,149	
425	1,284	
-	-	
-	-	
425	1,284	
358,443	331,865	
6,980	6,486	
365,423	338,351	

ROAD TRAFFIC ACCIDENT MEMORANDUM ACCOUNT

Note 10

Balance at 1st January
Bills Issued in Respect of the Year
Less cash received during the year
Less waivers and other write-offs

Balance at 31st December

	2019	2018
	€'000	€'000
5,737	4,121	
1,631	2,926	
(596)	(697)	
(1,738)	(613)	
5,034	5,737	

Beaumont Hospital

STATEMENT OF ADVANCES & BALANCES DUE FROM HSE NON-CAPITAL & CAPITAL

Note 11

NON-CAPITAL

	Note	2019 €'000	2018 €'000
Total notified non-capital determination for the year		352,923	326,838
Less: Remittances from HSE Non-Capital in the year		329,775	304,183
Balance due from HSE in respect of the year	14	23,148	22,655
Balance due from HSE re previous year(s) as at 1st January		22,655	23,692
Less: Remittances from HSE in year re previous year(s)		22,655	23,692
Balance due from HSE re previous year(s) as at 31st December		-	-
Money Follows the Patient Invoices to HSE		5,501	5,241
Remittance from HSE		5,016	4,793
Balance Due	14	485	448
TOTAL BALANCE OF APPROVED NON-CAPITAL DETERMINATIONS DUE FROM HSE		23,633	23,103

CAPITAL

Total Capital Grants notified by HSE for the year		4,822	4,809
Less: Remittances from HSE Capital in the year		4,074	3,391
Balance due from HSE in respect of the year		748	1,418
Balance due from HSE re previous year(s) as at 1st January		1,567	1,214
Less: Remittances from HSE in year re previous year(s)		170	1,065
Less: Non Recoverable Equipment Written Off		-	-
Balance due from HSE re previous year(s) as at 31st December		1,397	149
TOTAL BALANCE OF CAPITAL GRANTS DUE FROM HSE		2,145	1,567
GROSS TOTAL DUE FROM HSE CAPITAL AND NON-CAPITAL	14	25,778	24,670

PURCHASE OF FIXED ASSETS FROM NON-CAPITAL ACCOUNT (Capitalised)

	Note 12	2019 €'000	2018 €'000
Other Medical Equipment		280	437
X-Ray / Imaging Equipment		-	-
Laboratory Equipment/Fixtures & Fittings		8	36
Catering Equipment		30	-
Office Equipment		-	-
Building Additions		79	635
Farm & Garden Equipment		-	-
Computer Equipment		28	176
		425	1,284
Vehicles Purchased		-	-
		425	1,284

Beaumont Hospital

Note 13

Note

COST OR VALUATION at 01/01/2019

Transfers from Work-in-Progress

Sub-Total

Additions From Capital

Additions From Non-Capital

Disposals during the year at Gross Book Value

Revaluations

COST / VALUATION at 31/12/2019

ACCUMULATED DEPRECIATION at 01/01/2019

Depreciation charge for year

Disposals - Accumulated Depreciation

ACCUMULATED DEPRECIATION at 31/12/2019

NET BOOK AMOUNT at 31/12/2019

NET BOOK AMOUNT at 31/12/2018

Land	Buildings	Work in Progress	Equipment	Vehicles	Other	Total
€'000	€'000	€'000	€'000	€'000	€'000	€'000
215	190,759	-	73,404	67	-	264,445
215	190,759	-	73,404	67	-	264,445
-	368	105	4,267	-	-	4,740
-	53	-	372	-	-	425
-	-	-	(170)	(22)	-	(192)
-	-	-	-	-	-	-
215	191,180	105	77,873	45	-	269,418
-	64,887	-	61,756	67	-	126,710
-	3,157	-	3,823	-	-	6,980
-	-	-	(170)	(22)	-	(192)
-	68,044	-	65,409	45	-	133,498
215	123,136	105	12,464	-	-	135,920
215	125,872	-	11,648	-	-	137,735

Note 13(a)

In accordance with the Accounting Standards for Voluntary Hospitals 1999, a sum of €105k was transferred to Work in Progress in respect of capital projects which were incomplete at 31st December 2019.

Beaumont Hospital

DEBTORS

		2019	2018
		€'000	€'000
Note 14	Note		
HSE - Revenue Grants Due	11	23,148	22,655
HSE - Capital Grants Due	11	2,145	1,567
HSE - Fair Deal Due	11	485	448
HSE Debtors		25,778	24,670
Patients (Closing Ledger Balance)		25,644	25,809
LESS: Provision for bad and doubtful debts		(12,768)	(11,469)
787S Debtors (Chargeable Excess)		1,560	1,186
Other		212	190
Prepayments		3,753	2,403
Non-HSE Debtors		18,401	18,119
		44,179	42,789

STOCKS

		2019	2018
		€'000	€'000
Note 15			
Drugs & Medicines		1,898	1,694
Blood and Blood Products		37	33
Medical Gases		-	-
Medical and Surgical Supplies		5,215	4,765
Sterile Supplies		62	63
Pathology Supplies		768	1,019
X-Ray / Imaging		834	970
Provisions		46	42
Laundry / Cleaning		49	51
Bedding / Clothing		6	11
Furniture / Crockery		-	-
Heat / Power / Light Supplies		15	16
Maintenance Supplies		276	341
Office Supplies		137	129
Computer Supplies		31	26
Shop		20	18
		9,394	9,178

CREDITORS

		2019	2018
		€'000	€'000
Note 16			
Creditors - Capital		1,933	454
Creditors - Non-Capital		31,094	28,233
Creditors - Deferred due within 1 year			
PAYE and PRSI		7,060	6,027
Wages and Salaries		5,209	5,522
Other		1,196	1,085
Research Funds	23	4,836	4,779
Non Research Funds	23	606	540
		51,934	46,640

Beaumont Hospital

BANK LOANS - GREATER THAN ONE YEAR

Note 17

Note

Financing Obligations

	2019	2018
	€'000	€'000
	-	-
	-	-

CAPITALISATION ACCOUNT

Note 18

Balance at beginning of year

Additions

Finance Leases Adjustment

Capital Expenditure

Non-Capital Expenditure

Donations

Sub-Total Additions

Less

Disposals (Cost less Depreciation)

Depreciation for the year

Sub-Total Deductions

Balance at year-end

	2019	2018
	€'000	€'000
	137,735	138,189
	4,740	4,818
	425	1,284
	-	-
	5,165	6,102
	-	70
	6,980	6,486
	6,980	6,556
	135,920	137,735

NOTE TO THE CASH FLOW STATEMENT

Note 19

(Deficit) / Surplus (Non-Capital)

Add back (deficit) / surplus brought forward

(Deficit) / Surplus for current year

Deduct repayment of loan (Capital element) charged against non-capital

Deduct Interest and Dividend Income

Add back purchase of equipment from non-capital

Add back all interest charged against non-capital

(Increase) / Decrease in Stocks

(Increase) / Decrease in HSE Debtors (Non-Capital)

(Increase) / Decrease in Non-HSE Debtors

Increase / (Decrease) in Non-Capital Creditors and Taxation

HSE Capital Claim written off against Revenue

NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES

	2019	2018
	€'000	€'000
	(24,302)	(23,858)
	(23,858)	(22,788)
	(444)	(1,070)
	-	-
	425	1,284
	-	39
	(216)	(685)
	(530)	1,022
	(282)	(1,829)
	3,812	(2,178)
	-	-
	2,765	(3,417)

Beaumont Hospital

ANALYSIS OF CHANGES IN NET DEBT

Note 20

Cash in Hand and Bank Balances
Bank Overdraft

BANK LOANS

Debt due within one year
Debt due after one year

Finance Leases: within one year
Finance Leases: from two to five years

At 1st Jan 2019 €'000	Cash Flow €'000	At 31st Dec-19 €'000
998	(249)	749
(27,704)	3,572	(24,132)
(26,706)	3,323	(23,383)
-	-	-
-	-	-
-	-	-
-	-	-
(26,706)	3,323	(23,383)

RECONCILIATION OF NET CASH INFLOW TO MOVEMENT IN NET DEBT

Note 21

(Decrease) / Increase in cash in the year
Cash Inflow / (Outflow) from increase / (decrease) in debt and lease financing
Changes in net debt resulting from cash flow
New Finance Leases taken out in the year
Changes in Net Debt
Net Debt at beginning of year
Net Debt at end of year

	2019 €'000	2018 €'000
	3,323	(6,441)
	-	-
	3,323	(6,441)
	-	-
	3,323	(6,441)
	(26,706)	(20,265)
	(23,383)	(26,706)

NOTES TO THE FINANCIAL STATEMENTS

22. BEAUMONT FOUNDATION

Beaumont Foundation was established as the fundraising arm of Beaumont Hospital and works with the hospital to fund a range of projects. The Foundation is a company Limited by Guarantee. It is a registered charity for taxation purposes. The directors of the Company include staff and board members or former board members of the Hospital. Its accounts are audited by a firm of Chartered Accountants. An amount of €430,797 was passed over to the hospital in 2019 and this is reflected in Other Income in the Financial Statements.

The Foundation is provided with office space within the Hospital for which no fee is charged.

23. DONATIONS, BEQUEST AND RESEARCH FUNDS

23.1. Funds Held in the Hospital's Bank Account

The Hospital holds and administers funds provided by third parties to clinical departments within the hospital for research and other clinical purposes. These funds are identified separately in the books of the Hospital and are managed and accounted for under a transparent process which ensures that the funds are expended for the purposes specified by the donors. The balances held in relation to these funds at year end are recorded in Creditors (Note 16).

The following table shows the balances and movements on these funds:

Description	2019	2018
	€'000	€'000
Opening Balance	4,779	4,579
Lodgements	2,701	2,634
Withdrawals	(2,644)	(2,434)
Closing Balance	4,836	4,779

A number of non research funds are also held on behalf of departments within the Hospital. These funds are also managed and accounted for under a transparent process which ensures that the funds are expended for the purposes specified by the account holder. Balance at 31.12.2019 €606k (2018: €540k).

23.2. Funds Held Separately from the Hospital's Bank Account

In addition to the above funds the Hospital administers a number of named bequests and donations which are required to be held separately from the

Hospital's own funds. These funds are held in a separate bank account, are administered in accordance with the conditions attaching to the bequests or donations and are properly accounted for. These funds have not been accounted for in these Financial Statements. Details of these funds are shown in the following table

	Balance 1st Jan	Receipts	Payments	Balance 31st Dec
	€'000	€'000	€'000	€'000
Sheppard Fund	48	-	-	48
Stardust Fund	102	-	-	102
	150	-	-	150

24. RETAIL OUTLETS

The Hospital runs a shop and restaurant on-site. The value of purchases and sales derived from these is included in the accounts of the Hospital.

25. LEASED PROPERTIES

The following properties are leased by the hospital: -

Beaumont Private Clinic	Private Clinic Site
Royal College of Surgeons in Ireland	Smurfit Building Site
Irish Kidney Association Ltd.,	Hostel Site

Rent charged on the above properties is at a preferential basis.

The rent receivable from the above properties is included in hospital income and amounted to €216,638 in 2019 and €216,638 in 2018.

26. BOARD MEMBERS INTERESTS

The Board adopted procedures in accordance with guidelines issued by the Department of Public Expenditure & Reform in relation to the disclosure of interests by Board members and these procedures have been adhered to in the year. There were no transactions in the year in relation to the Board's activities in which Board members had any beneficial interest.

27. PENSION LEVY

In 2019 an amount of €7,847,633 in pension levies was deducted and retained by the hospital and forms part of the determination for the year.

28. POST BALANCE SHEET EVENTS

As a result of the outbreak of the Covid 19 pandemic in 2020, Beaumont Hospital has incurred a number of unforeseen additional costs while also experiencing a reduction in its income. The projected shortfall for 2020 due to the impact of Covid 19 is estimated at c. €30m. The HSE has committed to funding this shortfall with an adjustment being made to the hospitals allocation. Covid 19 is an ever evolving situation that is constantly being monitored by hospital management as it strives to maintain activity levels whilst protecting both patients and staff.

29. APPROVAL OF FINANCIAL STATEMENTS

Beaumont Hospital continues to operate under significant financial uncertainties. Historically, Beaumont Hospital has applied the core accounting principle of going concern, largely predicated on the assumption of continued support from the Health Service Executive (HSE). The Board of Beaumont Hospital, in considering the continued application of going concern to the 2019 statutory financial statements, have considered financial plans, cash flow forecasts and assume the continued support of the HSE to the Hospital. The Date of approval of the accounts is 28th January 2021.