St. Michael's Hospital (Branch)

Directors' Report and Financial Statements

Financial Year Ended 31 December 2024

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BRANCH INFORMATION

Bankers

Bank of Ireland
Upper Georges Street
Dun Laoghaire
County Dublin

Solicitors

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

Mangan O'Beirne
31 Morehampton Road
Dublin 4

Independent Auditors

Deloitte Ireland LLP
29 Earlsfort Terrace
Dublin 2
D02 AY28
Ireland

DIRECTORS' REPORT

Principal activities

The directors of the company present their report and the audited financial statements of the branch for the year ended 31 December 2024.

St. Michael's Hospital is a branch of St. Vincent's Healthcare Group DAC. The hospital is a public healthcare hospital and is owned by St. Vincent's Healthcare Group DAC whose shares are held by St Vincent's Holdings CLG.

The hospital is run by the Board of Directors. The hospital's primary source of funding is from revenue and capital grants from the HSE in line with agreed Service Level Agreements and other agreements.

Principal risks and uncertainties

The Hospital is subject to the normal operating and financial risks associated with the current public and private healthcare environments.

The principal risks facing the Hospital are set out below:

- The principal financial risk facing a publicly funded hospital is the cost of running the agreed service levels within the budgetary allocation provided by the HSE, particularly in the context of the demand led nature of unscheduled care. The Board recognises that the financial risks are greater than previously faced due to increasing volumes of activity, medical inflation, associated complexities and private hospital income pressures which have a direct impact due to the net funding model.
- The hospital is dependent upon skilled and competent staff in order to maintain activity levels and ensure a safe delivery of service to patients. The retention of staff is a key priority given the increasingly competitive labour market and the shortage of skilled and experienced healthcare professionals across a number of specialities and disciplines.
- The hospital is providing increasingly complex medical procedures, with the associated underlying clinical risks for patients. The ageing demographic will see a considerable increase in demand for healthcare and management of chronic illness over the coming years.
- The hospital has a sizeable infrastructure and equipment asset base which will need substantial investment over the next number of years to ensure that they are able to meet all relevant requirements and standards.

Business Review

The surplus for the year amounted to €516,479 (2023 deficit: €222,245).

St Michael's Hospital operates as a public hospital under section 38 of the Health Act 2004. Under the terms of that legislation the HSE provides capital and non-capital funding to the hospitals on an annual basis in accordance with the terms of service level agreements (SLAs).

High levels of unscheduled demand in our emergency departments throughout the year in addition to a return to full scheduled care activity gave rise to consistently high occupancy rates in SMH. Outpatient activity numbers have consistently increased year on year with associated higher patient acuity also resulting in admissions. Despite the significant capacity challenges ensuing from these activity levels the Hospital continued to prioritise urgent scheduled care.

The Hospitals cost base was also affected by the high levels of inflation bringing about increased non-pay costs across the supply chain and continued low levels of patient income, both resulting in additional funding requirements.

DIRECTORS' REPORT – continued

Events since the end of the financial year
There have been no events since the end of the financial year that require disclosure or any adjustment to the financial statements.

Political contributions
The hospital made no political contributions during the year ended 31 December 2024 (2023: €Nil)

Public Pay policy
The directors acknowledge that St. Michael's Hospital and St. Vincent's University Hospital, as publicly funded entities, are required to comply with Public Pay Policy and have done so for the year ended 31 December 2024.

Independent Auditors
The auditors, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, who were appointed during the financial period, continue in office.

On behalf of the board

Conall O'Halloran

Director

Paul Lynch

Director

Date: 25/09/25

Deloitte.

Deloitte Ireland LLP
Chartered Accountants &
Statutory Audit Firm

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF
ST. MICHAEL'S HOSPITAL (BRANCH)

Report on the audit of the financial statements

Opinion on the financial statements of St. Michael's Hospital (Branch)("the entity")

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the entity as at 31 December 2024 and of the loss for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework.

The financial statements we have audited comprise:

- the Profit and Loss Account;
- the Statement of Comprehensive Income;
- the Balance Sheet;
- the Statement of Changes in Equity;
- the Cash Flow Statement; and
- the related notes 1 to 17, including a summary of significant accounting policies as set out in note 3.

The relevant financial reporting framework that has been applied in their preparation is 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 entity 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 relating 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 entity'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.

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INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF
ST. MICHAEL'S HOSPITAL (BRANCH)

Other information
The other information comprises the information included in the Directors' Report and Audited Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Directors' Report and Audited 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.

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF
ST. MICHAEL'S HOSPITAL (BRANCH)

Use of our report

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

Kevin Sheehan
For and on behalf of Deloitte Ireland LLP
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House, 29 Earlsfort Terrace, Dublin 2

29 September 2025

PROFIT AND LOSS ACCOUNT
Financial Year Ended 31 December 2024

	Notes	2024 €	2023 €
Income – continuing operations			
Allocation from the Health Services Executive		**46,289,414**	38,674,891
Patient income		**5,021,890**	7,665,744
Other income		**1,965,777**	1,885,168
Amortisation of deferred grants		**884,357**	538,022
	5	**54,161,438**	48,763,823
Direct expenses			
Surgery and dispensary		**5,189,467**	5,815,381
Hospital maintenance costs		**2,337,269**	2,486,814
Salaries and wages	6	**40,836,722**	36,627,429
Clinical support and administration services		**3,110,633**	2,338,674
Establishment		**849,289**	861,810
Miscellaneous		**419,106**	296,367
Depreciation - Equipment	7	**853,729**	507,394
Depreciation - Buildings	7	**1,107,045**	1,070,604
Total direct expenses		**54,703,260**	50,004,473
Operating Loss		**(541,822)**	(1,240,650)
Interest payable		**(18,116)**	(21,571)
Loss for the year		**(559,938)**	(1,262,221)
Transfer from Buildings Revaluation reserve		**1,076,417**	1,039,976
Total comprehensive income **after transfer from buildings revaluation reserve**		**516,479**	(222,245)
Carried forward from previous year		**(1,140,054)**	(917,809)
Accumulated deficit		**(623,575)**	(1,140,054)

On behalf of the board

Conall O'Halloran
Director

Paul Lynch
Director

Date: 25/09/25

STATEMENT OF COMPREHENSIVE INCOME
Financial Year Ended 31 December 2024

	2024	2023
	€	€
Loss for the financial year	**(559,938)**	(1,262,221)
Other comprehensive income		
Reversal of land revaluation reserve	**(4,807,000)**	-
Total comprehensive income	**(5,366,938)**	(1,262,221)

On behalf of the board

Conall O'Halloran
Director

Paul Lynch
Director

Date: 25/09/25

BALANCE SHEET
As at 31 December 2024

	Notes	2024 €	2023 €
Fixed assets			
Tangible assets	7	**28,132,552**	32,368,030
Financial assets	8	**32,486**	32,486
		28,165,038	32,400,516
Current assets			
Stocks	9	**263,223**	225,430
Debtors	10	**5,352,786**	5,161,800
Cash at bank and in hand		**763,503**	584,022
		6,379,512	5,971,252
Creditors			
Amounts falling due within one year	12	**7,104,209**	7,212,428
Net current liabilities		**(724,697)**	(1,241,176)
Total assets less current liabilities		**27,440,341**	31,159,340
Creditors - amounts falling due after more than one year			
Capitalisation accounts – Deferred grants	13	**(6,708,688)**	(5,050,396)
Net assets		**20,731,653**	26,108,945
Capital and reserves			
Revaluation reserve - Land	7	**15,993,000**	20,800,000
Revaluation reserve - Buildings	8	**5,114,496**	6,201,267
General fund		**215,246**	215,246
Bequests		**32,486**	32,486
Profit and Loss account		**(623,575)**	(1,140,054)
Total Equity		**20,731,653**	26,108,945

On behalf of the board

Conall O'Halloran
Director

Paul Lynch
Director

Date: 25/09/25

STATEMENT OF CHANGES IN EQUITY
Financial Year Ended 31 December 2024

	Revaluation Reserve - Buildings €	Revaluation Reserve - Land €	General fund €	Bequests €	Profit and loss account €	Total Equity €
At 1 January 2023	7,231,135	20,800,000	215,246	32,486	(917,809)	27,361,058
Movement during 2023:						
Loss for the year	-	-	-	-	(1,262,221)	(1,262,221)
Revaluation gain on land	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(1,262,221)	(1,262,221)
Release of buildings revaluation reserve	(1,029,868)	-	-	-	1,039,976	10,108
At 31 December 2023	6,201,267	20,800,000	215,246	32,486	(1,140,054)	26,108,945
At 1 January 2024	**6,201,267**	**20,800,000**	**215,246**	**32,486**	**(1,140,054)**	**26,108,945**
Movement during 2024:						
Loss for the year	-	-	-	-	(559,938)	(559,938)
Reversal of land revaluation reserve	-	(4,807,000)	-	-		(4,807,000)
Total comprehensive income for the year	-	**(4,807,000)**	-	-	**(559,938)**	**(5,366,938)**
Release of buildings revaluation reserve	(1,086,771)	-	-	-	1,076,417	**(10,354)**
At 31 December 2024	**5,114,496**	**15,993,000**	**215,246**	**32,486**	**(623,575)**	**20,731,653**

CASH FLOW STATEMENT
Financial Year Ended 31 December 2024

	Note	2024 €	2023 €
Net cash inflow from operating activities	14	**197,597**	703,744
Cash flows from investing activities			
Grant income		**853,729**	507,394
Purchase of tangible fixed assets		**(853,729)**	(507,394)
Net cash flows generated from investing activities		**-**	-
Cash flows from financing activities			
Interest paid		**(18,116)**	(21,571)
Net cash flows used in financing activities		**(18,116)**	(21,571)
Net increase in cash and cash equivalents		**179,481**	682,173
Cash and cash equivalents at 1 January		**584,022**	(98,151)
Cash and cash equivalents at 31 December		**763,503**	584,022
Cash and cash equivalents consist of:			
Cash at bank and in hand		**763,503**	584,022
Bank overdraft	12		-
Cash and cash equivalents		**763,503**	584,022

On behalf of the board

Conall O'Halloran
Director

Paul Lynch
Director

Date: 25/09/25

NOTES TO THE FINANCIAL STATEMENTS

1. General information

The Hospital is a public healthcare hospital and is funded by HSE funding under Section 38 of the Health Act 2004, patient income and other income. The Hospital forms part of St. Vincent's Healthcare Group DAC which is ultimately owned by its parent company St. Vincent's Holdings CLG.

St. Vincent's Healthcare Group DAC is incorporated as a company limited by shares in the Republic of Ireland. The address of its registered office is Elm Park, Dublin 4.

St. Vincent's Holdings CLG is incorporated as a company limited by guarantee in the Republic of Ireland. The address of its registered office is Elm Park, Dublin 4. St Vincent's Holdings CLG is a registered Irish charity with not-for-profit status governed by Irish law.

The directors note that oversight and governance of the operating entities of the group remains with St. Vincent's Healthcare Group DAC and its board.

2. Statement of compliance and basis of preparation

The financial statements have been prepared on a going concern basis and in accordance with Irish GAAP (accounting standards issued by the Financial Reporting Council of the UK). The entity financial statements comply with Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The financial statements have been prepared under the historical cost convention.

3. Summary of significant accounting policies

The significant accounting policies used in the preparation of the financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the financial year. It also requires the directors to exercise their judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in note 4.

Going Concern

The directors have performed an assessment of going concern including a review of the hospital's current cash position and financial forecasts. In doing so the Directors have considered current activity levels in our three hospitals

NOTES TO THE FINANCIAL STATEMENTS - continued

3. Summary of significant accounting policies - continued

Going Concern - continued
St Michael's Hospital operates as a public hospital under section 38 of the Health Act 2004. Under the terms of that legislation the HSE provides capital and non-capital funding to the hospitals on an annual basis in accordance with the terms of agreed service level agreements (SLAs). Events or conditions outside of the SLAs may give rise to additional funding requests, for example additional cost relating to increased activity, unforeseen cost inflation or decreased patient income. Any such incremental cost is tracked and reported to the HSE throughout the course of the year. The HSE, through the Regional Executive Region HSE Dublin and South East, has provided funding for these incremental costs incurred in dealing with the impact of these factors on the operation of the hospitals. The hospital is managed so that, taking account of HSE and non HSE income, a position close to or at breakeven is achieved. In 2024, a funding surplus of €516k (2023 deficit: €222k) has arisen in St Michaels' Hospital. Negotiations will continue with the HSE on further budget allocations for 2025.

Having regard to the foregoing and after making enquiries, including a review of forecasts prepared, the directors have a reasonable expectation that the individual hospitals and the company have adequate resources to continue for the foreseeable future, being at least 12 months from date of approval of these financial statements. Therefore, the directors are satisfied that the going concern basis is appropriate in the preparation of these financial statements.

Foreign currency
(i) Functional and presentation currency
The Hospital's functional and presentation currency is the Euro, denominated by the symbol "€".

(ii) Transactions and balances
Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

Revenue Recognition
Income is derived from the provision of services falling within the Hospital's ordinary activities after deduction of value-added tax, where applicable. For St. Michael's Hospital, turnover primarily comprises income arising from the invoice value of patient and other services provided by the hospitals and from the Health Service Executive (HSE) funding under Section 38 of the Health Act 2004.

Income is measured at the fair value of the consideration received or receivable and represents the amount receivable for services rendered and value added taxes.

The Hospital recognises turnover when the specific criteria relating to the each of Hospital's sales channels have been met, as described below.

Patient services
The Hospital provides services to patients. Income is recognised in the financial year in which the services are rendered. Income from Road Traffic Accidents and the Emergency Department are recognised on a cash receipts basis.

Health Service Executive (HSE) funding
The HSE funding is the excess of expenditure over annual income and is receivable from the HSE (provided that the hospitals operate within or exceed the agreed Service Level Agreements) and is treated as income in the financial statements.

Interest income
Interest income is recognised using the effective interest rate method. Interest income is presented as 'interest receivable and similar income' in the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS - continued

3. Summary of significant accounting policies - continued

Capital grants
Capital grants are treated as deferred credits and are amortised to income on the same basis as the related assets are depreciated.

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

Land is shown at fair value, based on valuations by external independent valuers. Valuations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Increases in the carrying value of land are credited to other comprehensive income and are shown as revaluation reserve. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against other reserves directly in equity; all other decreases are charged to the Profit and Loss Account.

In accordance with Standard Accounting Policies issued by the Department of Health, from 1 January 2000, all fixed assets, with the exception of computer equipment under €10,000 and plant and equipment under €10,000, are capitalised and included in the balance sheet.

Assets for which monies have not been specifically provided for by HSE capital grants or other specific funding sources are in the first instance written off to the Profit and Loss account in the year in which the expenditure is incurred and subsequently capitalised and shown with the corresponding adjustment to a capitalisation account. Other assets are recognised at their fair value in tangible fixed assets with a corresponding amount credited to the capitalisation account. The capitalisation accounts are amortised to the Profit and Loss account in accordance with the depreciation rate charged on such assets.

Fixed assets are valued as follows:

Land	open market value
Buildings	deemed cost
Equipment	cost

Land and assets under construction are not depreciated. Depreciation is calculated to write off the cost (or deemed cost) of fixed assets over their estimated useful lives at the following annual rates:

Land	nil
Buildings (Structural)	2% straight line
Other buildings	6.7% straight line
Equipment	10% - 50% straight line
Motor vehicles	20% straight line

Tangible fixed assets - continued
Repairs, maintenance and minor inspection costs are expensed as incurred.

Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

No depreciation charge is made where assets are not commissioned or in use by the year end.

NOTES TO THE FINANCIAL STATEMENTS - continued

3. Summary of significant accounting policies - continued

Investments

Managed investments/bequests

These investments held are non-moving and measured at amortised costs.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Stocks are recognised as an expense in the financial year in which the related revenue is recognised.

Cost is determined using the first-in, first-out (FIFO) method. Cost comprises the purchase price, including taxes and duties and transport and handling costs directly attributable to bringing the stock to its present location and condition.

At the end of each financial year stocks are assessed for impairment. If an item of stock is impaired, the resulting impairment loss is recognised in profit or loss. Where a reversal of the impairment loss is recognised the impairment loss is reversed, up to the original impairment loss, and is recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within creditors in current liabilities. Cash and cash equivalents are initially measured at transaction price and subsequently measured at amortised cost.

Provisions and contingencies

(i) *Provisions*

Provisions are liabilities of uncertain timing or amount.

Provisions are recognised when the Hospital has a present legal or constructive obligation as a result of past events, it is probable that a transfer of economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the best estimate of the amount 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 liability. Provisions are reviewed at the end of each financial year and adjusted to reflect the current best estimate of the amount required to settle the obligation. The unwinding of the discount is recognised as a finance cost in profit or loss, presented as part of 'interest payable and similar charges' in the financial year in which it arises.

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.

(ii) *Contingencies*

Contingent liabilities, arising as a result of past events, are not recognised as a liability because it is not probable that the Hospital will be required to transfer economic benefits in settlement of the obligation or the amount cannot be reliably measured at the end of the financial year. Probable but uncertain obligations are not recognised as liabilities but are contingent liabilities. 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.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

Taxation
The Hospital has charitable status for taxation and therefore no provision is required for Corporation Tax or Deferred Tax.

Employee benefits
The Hospital provides a range of benefits to employees, including short term employee benefits and post-employment benefits (in the form of defined benefit and defined contribution pension plans).

(i) Short term employee benefits
Short term employee benefits, including wages and salaries, paid holiday arrangements and other similar non-monetary benefits, are recognised as an expense in the financial year in which employees render the related service.

(ii) Superannuation benefits
The majority of the staff employed by the hospital, are members of either one of two State-funded Public Pension Schemes: Voluntary Hospitals Superannuation Scheme ('VHSS') or the Single Public Service Pension Scheme ('the Single Scheme'). The branch has determined that the liabilities of both of these schemes are liabilities of the State.

The VHSS was established by the Minister for Heath in 1969 and the Hospital has administered the scheme, on behalf of the state, in relation to VHSS members who are current or retired staff of the Hospitals since this date.

The Hospital has been directed by the Department of Health/HSE to retain the VHSS contributions paid by current Hospital staff and this has been treated as income in line with this direction. On receipt of written authorisation and direction from the HSE, pension entitlements are paid to retired Hospital staff who are members of the VHSS. These pension payments are funded by the deductions retained from current staff and additional HSE revenue grant funding which is periodically adjusted by the HSE to reflect changes in the pension liabilities to be paid and the terms of the scheme.

Employee benefits - continued
(ii) Superannuation benefits - continued
On 1 January 2013, the VHSS was effectively closed to new members and was superseded by the Single Scheme in line with its introduction across the entire public service. Under the terms of this Scheme, the hospital is required to remit the pension deductions from current staff to the Exchequer and all future pension benefits paid under the scheme will be funded by the Exchequer.

These financial statements do not include pension liabilities and assets of those staff who are members of the VHSS or the Single Scheme as the liabilities of the scheme are liabilities of the State and not liabilities of the Hospital.

Contributions from employees who are members of the Single Public Service Pension Scheme are remitted to the Exchequer in accordance with the terms of the scheme.

Contributions from employees who are members of the Voluntary Hospital Superannuation Scheme are credited to the income and expenditure account when received. Pension payments under the scheme are charged to the income and expenditure account when paid.

NOTES TO THE FINANCIAL STATEMENTS - continued

3. Summary of significant accounting policies - continued

Financial instruments
The Hospital has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets
Basic financial assets, including trade receivables, amounts owing from HSE, cash and bank balances and, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

(i) Financial assets - continued
Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions

(ii) Financial liabilities
Basic financial liabilities, including trade and other payables, bank overdraft, financing liabilities and loans from fellow group companies that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

4. Critical accounting judgements and estimation uncertainty

Estimates and judgements made in the process of preparing the entity financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgement in applying the entity's accounting policies

There were no judgements, apart from those involving estimates, made by the directors which had significant effect on the amounts recognised in the entity financial statements;

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

(i) Useful economic lives of tangible fixed assets
The annual depreciation on tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reviewed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 7 for the carrying amount of the tangible fixed assets, and note 3 for the useful economic lives for each class of tangible fixed assets.

NOTES TO THE FINANCIAL STATEMENTS - continued

(ii) *Impairment of debtors*
The directors make an assessment at the end of each financial year of whether there is objective evidence that a trade or other debtor is impaired. When assessing impairment of trade and other debtors, the directors consider factors including the current credit rating of the debtor, the age profile of outstanding invoices, recent correspondence and trading activity, and historical experience of cash collections from the debtor. See notes 10 and 11 for the net carrying amount of the debtors and the impairment loss recognised in the financial year.

(iii) *Valuation of land*
The branch carries its land at revalued amounts, with changes in fair value being recognised in other comprehensive income. Increases in the carrying value of land are credited to other comprehensive income and shown as revaluation reserve under equity section. Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against other reserves directly in equity; all other decreases are charged to the income statement. Land is revalued by external independent valuers at least every three years or more frequently, if there are indicators of significant changes in fair value.

The determination of the fair value of the land involves significant judgement, particularly in selecting appropriate valuation techniques and assumptions. The key assumptions include market prices for similar properties, location, zoning restrictions and current market conditions. The valuations undertaken by the branch are based on fair value assuming the sites are cleared of all buildings and can be developed for the highest and best use in line with the relevant accounting policies. Given the inherent uncertainty in estimating fair values, actual outcome may differ from these estimates. After careful consideration, Management concludes that the valuation techniques and assumptions used are appropriate and reflect current market conditions.

5. Income – continuing operations

	2024	2023
	€	€
Analysis of turnover by category:		
Allocation from the HSE under Section 38 of the Health Act (Note 11)	**46,289,414**	38,674,891
Patient income	**5,021,890**	7,665,744
Other income	**1,965,777**	1,885,168
Amortisation of deferred grants	**884,357**	538,022
	54,161,438	48,763,825

Other income includes canteen, car park, pension income and miscellaneous income.

6. Employees and directors

	2024 Numbers	2023 Numbers
Number of employees		
The average number of whole-time equivalents employed during the year was 415 (2023: 414).		
Management and administration	79	78
Medical	38	39
Nursing	176	169
Paramedical	48	50
Support services	44	48
Other patient and client care	30	30
	415	414

NOTES TO THE FINANCIAL STATEMENTS - continued

	2024	2023
	€	€
The staff costs are comprised of:		
Wages and salaries	33,521,795	30,091,790
Social welfare costs	3,123,498	2,916,215
Pension costs	4,191,429	3,619,423
	40,836,722	36,627,428

The table below shows the number of St. Michael's hospital employees in receipt of gross pay over €65,000, in bands of €10,000:

€	**2024 Number**	2023 Number
65,000 - 75,000	**46**	44
75,001 - 85,000	**63**	52
85,001 - 95,000	**23**	18
95,001 - 105,000	**6**	6
105,001 - 115,000	**2**	1
115,001 - 125,000	**2**	1
125,001 - 135,000	**2**	-
135,001 - 145,000	**1**	2
145,001 - 155,000	**1**	-
155,001 - 165,000	**-**	-
165,001 - 175,000	**-**	-
175,001 - 185,000	**0**	1
185,001 - 195,000	**0**	1
195,001 - 205,000	**2**	2
205,001 - 215,000	**2**	1
215,001 - 225,000	**-**	-
225,001 - 235,000	**-**	-
235,001 - 245,000	**1**	-
245,001 - 255,000	**-**	2
255,001 - 265,000	**1**	1
Total	**152**	132

The salary paid to the CEO of St. Michael's Hospital (excluding employer PRSI) amounted to €60,024, Pro-rata from appointment Apr-24 – Dec-24 (2023: €111,472).

NOTES TO THE FINANCIAL STATEMENTS - continued

7. Tangible assets

	Land freehold €	Buildings €	Equipment €	Total €
Cost or valuation				
At 1 January 2023	20,800,000	21,602,881	15,612,346	58,015,227
Additions	-	69,270	1,412,533	1,481,803
Others	-	-	7,786	7,786
At 31 December 2023	20,800,000	21,672,151	17,032,665	59,504,816
At 1 January 2024	**20,800,000**	**21,672,151**	**17,032,665**	**59,504,816**
Additions		**737,675**	**1,794,620**	**2,532,295**
Others	**(4,807,000)**			**(4,807,000)**
At 31 December 2024	**15,993,000**	**22,409,826**	**18,827,285**	**57,230,111**
Accumulated depreciation				
At 1 January 2023	-	10,671,079	14,887,709	25,558,788
Charge for the year	-	1,070,604	507,394	1,577,998
At 31 December 2023	-	11,741,683	15,395,103	27,136,786
At 1 January 2024	**-**	**11,741,683**	**15,395,103**	**27,136,786**
Charge for the year		**1,107,045**	**853,728**	**1,960,773**
At 31 December 2024		**12,848,728**	**16,248,831**	**29,097,559**
Net book values				
At 31 December 2023	20,800,000	9,930,468	1,637,562	32,368,030
At 31 December 2024	**15,993,000**	**9,561,098**	**2,578,454**	**28,132,552**

Additions to buildings and equipment have been funded wholly by the Department of Health or the Health Services Executive via revenue or capital grants. These assets are used solely for the purpose of the hospital unless prior consent is received from The Minister of Health.

The freehold land was revalued on an open market basis by Cushman and Wakefield as at 31 December 2024 and the buildings were revalued on a depreciated replacement cost basis by Cushman and Wakefield as at 31 December 2017. The historical cost of the land and buildings was €2,081,078.

8. Financial assets

	Bequests €
Cost	
At 31 December 2023	32,486
At 31 December 2024	**32,486**
Net book values	
At 31 December 2023	32,486
At 31 December 2024	**32,486**

NOTES TO THE FINANCIAL STATEMENTS - continued

9. Stocks

	2024	2023
	€	€
Pharmacy drugs	228,522	186,384
Stock of consumables	34,701	39,046
	263,223	225,430

10. Debtors

	2024	2023
	€	€
Patient debtors – services rendered	552,244	1,142,713
HSE grants receivable (note 11)	4,515,727	3,773,800
Prepayments and other debtors	284,815	245,287
	5,352,786	5,161,800

All amounts included above fall due within one year. Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand. The HSE grants receivable is net of HSE deferred income amounting to €46,680 in 2024 and €85,465 in 2023.

11. Movement on HSE grants receivable

	2024	2023
	€	€
Balance at 1 January	3,773,800	4,692,327
Allocation for year	46,289,414	38,674,891
Cash receipts	(45,430,709)	(39,248,524)
Others	(116,778)	(344,894)
Balance at 31 December	4,515,727	3,773,800

12. Creditors - amounts falling due within one year

	2024	2023
	€	€
Trade creditors		-
Amounts owed to fellow branch	**1,070,389**	832,533
PAYE/PRSI	**951,110**	839,727
Bank overdraft	-	-
Accruals and deferred income	**5,082,710**	5,540,168
	7,104,209	7,212,428

Creditors for PAYE/ PRSEI are payable in the timeframe set down in the relevant legislation.

13. Capitalisation accounts - Deferred grants

	2024	2023
	€	€
Capital grants (note 13a)	4,996,922	2,679,269
Revenue capitalisation account (note 13b)	1,398,046	2,029,346
Donations (note 13c)	313,720	341,781
	6,708,688	5,050,396

NOTES TO THE FINANCIAL STATEMENTS - continued

(a) Capital grants

	2024	2023
	€	€
Capital grants received and receivable		
At 1 January	10,404,013	9,033,773
Receivable in year	2,317,652	1,370,240
At 31 December	12,721,665	10,404,013
Accumulated Amortisation		
At 1 January	7,724,743	7,724,743
Transferred to income	-	-
At 31 December	7,724,743	7,724,743
Net book amount		
At 31 December	4,996,922	2,679,269

(b) Revenue capitalisation account

Cost		
At 1 January	9,786,059	9,674,495
Additions in year	222,429	111,564
At 31 December	10,008,488	9,786,059
Accumulated Amortisation		
At 1 January	7,756,713	7,249,318
Transferred to income	853,729	507,395
At 31 December	8,610,442	7,756,713
Net book amount		
At 31 December	1,398,046	2,029,346

The revenue capitalisation account related to assets for which no specific capital grant has been received. This capitalisation account is amortised to the Income and Expenditure Account in accordance with the depreciation rates charged on such assets.

	2024	2023
	€	€
(c) Donations		
At 1 January	620,000	620,000
Additions for the year	-	-
At 31 December	620,000	620,000
Accumulated Amortisation		
At 1 January	278,219	245,025
Transferred to income	30,628	30,628
Others	(2,567)	2,566
At 31 December	306,280	278,219
Net book amount		
At 31 December	313,720	341,781

NOTES TO THE FINANCIAL STATEMENTS - continued

14. Cash flow statement

	2024	2023
	€	€
Reconciliation of operating loss to net cash inflow/(outflow) from operating activities:		
Operating Loss	(541,822)	(1,240,649)
Depreciation	1,960,775	1,577,998
Amortisation – deferred grants	(884,357)	(538,022)
Increase in stocks	(37,793)	(12,856)
Decrease/ (Increase) in HSE debtors	(741,927)	918,527
Decrease in non-HSE debtors	550,941	12,513
(Decrease)/ Increase in creditors	(108,220)	(13,769)
Net cash inflows from operating activities	197,597	703,742

15. Pension costs

Public healthcare hospitals
The company facilitates the operation of two State-funded Public Pension schemes for eligible employees of its two public healthcare hospitals: the Voluntary Hospitals Superannuation Scheme ('VHSS') and the Single Public Service Pension Scheme ('the Single Scheme'). The accounting treatment for these schemes is set out in the Accounting Policies on page 17.

These financial statements do not include pension liabilities and assets of those staff who are members of the VHSS or the Single Scheme as the liabilities of these schemes are liabilities of the State and not liabilities of the Company.

16. Subsequent events

There have been no events since the end of the financial year that require disclosure or any adjustment to the financial statements.

17. Approval of financial statements

The branch financial statements were approved by the Board of Directors and authorised them for issue on 25th September 2025.