

DUBLIN DENTAL HOSPITAL

ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2018

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GENERAL INFORMATION

The following Board Members unless otherwise stated were appointed by the Minister for Health with effect from 11th May 2015 until 10th May 2019 , Mr Frank Nolan (Chairman) was appointed with effect from 17th June 2015 until 16th June 2019.

BOARD MEMBERS	Mr. Frank Nolan (Chairman) Dr. Ronan Donelan* Mr. John O'Halloran * Prof. Mary McCarron** Dr. Aislinn Joy*** Ms. Sally Corr*** Ms Rebecca Conlon** (Appointed 24 th April 2018)	Ms. Valerie Judge** (Resigned 26 th Feb. 2018) Prof. Brian O'Connell Prof. Aideen Long* Ms. Pat O'Boyle Mr. Conor Hannaway** Dr. Robert Gorby*** Prof. Derek Sullivan* Ms. Sinead O'Loughlin***
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Dr. Ronan Donelan was appointed to the Audit and Risk Committee on 26 February 2018. Dr. Aislinn Joy and Ms. Sinead O'Loughlin were appointed to the Quality and Safety Committee on 26 February 2018. Ms Rebecca Conlon was appointed to the Performance and Succession Committee on 26 November 2018.

- *Members of the Audit and Risk Committee
- **Members of the Performance and Succession Committee
- ***Members of the Quality and Safety Committee

OFFICERS	Chief Executive Officer Accountant	Mr. David Barry Mr. Paul Walters
ADDRESS	Lincoln Place Dublin 2	
BANKERS	Ulster Bank Limited 31/33 College Green Dublin 2	Allied Irish Banks, plc. 7/12 Dame Street Dublin 2
AUDITOR	Comptroller & Auditor General 3a Mayor St Upper Dublin 1	
SOLICITOR	Orpen Franks & Company 30 Burlington Road Dublin 4	

Governance Statement and Board Members' Report

Governance

The Board of Dublin Dental Hospital was established under the Dublin Dental Hospital (Establishment) Order 1963. The functions of the Board are set out in Section 4 of this Order. 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 Dublin Dental Hospital are the responsibility of the Chief Executive Officer (CEO) and the Executive Team. The Executive Team comprises of the CEO, Clinical Director and Dean of Dental Affairs. The CEO and the Executive 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 Hospital, and of any significant risks likely to arise. The CEO acts as a direct liaison between the Board and management of Dublin Dental Hospital.

Board Responsibilities

The work and responsibilities of the Board are set out in Dublin Dental Hospital (Establishment) Order 1963, which also contain the matters specifically reserved for Board decision. Standing items considered by the Board include:

- declaration of interests,
- reports from committees,
- financial reports/management accounts,
- performance reports, and
- reserved matters.

Section 18 of the Dublin Dental Hospital (Establishment) Order 1963 requires the Board of Dublin Dental Hospital to keep, in such form as may be approved by the Minister for Health with 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 Dublin Dental 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 18 (1) of the Dublin Dental Hospital (Establishment) Order. The maintenance and integrity of the corporate and financial information on the Dublin Dental 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 Dublin Dental Hospital by reference to the annual service plan and budget was carried out on 13 May 2019.

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 Dublin Dental Hospital give a true and fair view of the financial performance and the financial position of Dublin Dental Hospital at 31 December 2018.

Board Structure

Board Member	Role	Date Appointed
Mr Frank Nolan	Chairman	17 June 2015
Ms Sally Corr	Ordinary Member	11 May 2015
Dr Ronan Donelan	Ordinary Member	23 November 2017
Dr Robert Gorby	Ordinary Member	11 May 2015
Mr Conor Hannaway	Ordinary Member	11 May 2015
Dr Aislinn Joy	Ordinary Member	23 November 2017
Professor Aideen Long	Ordinary Member	11 May 2015
Professor Mary McCarron	Ordinary Member	11 May 2015
Ms Pat O'Boyle	Ordinary Member	11 May 2015
Professor Brian O'Connell	Ordinary Member	11 May 2015
Mr John O'Halloran	Ordinary Member	11 May 2015
Ms Sinead O'Loughlin	Ordinary Member	23 November 2017
Professor Derek Sullivan	Ordinary Member	9 August 2016
Ms Rebecca Conlon	Ordinary Member	24 April 2018

The Board has established three Board sub - committees, as follows:

1. Audit and Risk Committee: comprises four Board members. The role of the Audit and Risk Committee (ARC) is to support the Board in relation to its responsibilities for issues of risk, control and governance and associated assurance. The ARC is independent from the financial management of the organisation. In particular, the Committee ensures that the internal control systems including audit activities are monitored actively and independently. The ARC reports to the Board after each meeting, and formally in writing annually.

The members of the Audit and Risk Committee are Mr John O'Halloran (Chairperson), Dr Ronan Donelan (appointed 26 February 2018), Professor Aideen Long and Professor Derek Sullivan. There were four meetings of the ARC in 2018.

2. Performance and Succession Committee: comprises three Board members. The role of the Performance and Succession Committee (P&SC) is to oversee the performance of the CEO and the Executive Team of the Hospital and to devise logical succession planning protocols to be followed to ensure continuity of the Executive Team.

The members of this Committee are: Professor Mary McCarron (Chairperson) Ms Valerie Judge (resigned 26 February 2018) replaced by Ms Rebecca Conlon (appointed 28 November 2018) and Mr Conor Hannaway. There were two meetings of the PSC in 2018.

3. Quality and Safety Committee: comprises four Board members. The role of the Quality and Safety Committee (QSC) is to oversee patient quality and safety on behalf of the Board.

The members of this Committee are : Dr Robert Gorby (Chairperson), Ms Sally Corr, Dr Aislinn Joy (appointed 26 February 2018) and Ms Sinead O'Loughlin (appointed 26 February 2018). There were three meetings of the QSC in 2018.

Schedule of Attendance, Fees and Expenses

A schedule of attendance at the Board and Board Sub-Committee meetings for 2018 is set out below including the fees and expenses received by each member:

	Board	Audit and Risk Committee	Performance and Succession Committee	Quality and Safety Committee
Mr Frank Nolan	5 of 5	-	-	-
Ms Sally Corr	5 of 5	-	-	2 of 3
Dr Ronan Donelan **	5 of 5	3 of 3	-	-
Dr Robert Gorby	5 of 5	-	-	3 of 3
Mr Conor Hannaway	4 of 5	-	2 of 2	-
Dr Aislinn Joy	4 of 5	-	-	2 of 3
Ms Valerie Judge	-	-	-	-
Professor Aideen Long	5 of 5	3 of 4	-	-
Professor Mary McCarron	4 of 5	-	2 of 2	-
Ms Pat O'Boyle	4 of 5	-	-	-
Professor Brian O'Connell	5 of 5	-	-	-
Mr John O'Halloran	5 of 5	4 of 4	-	-
Ms Sinead O'Loughlin	5 of 5	-	-	3 of 3
Professor Derek Sullivan	5 of 5	3 of 4	-	-
Ms Rebecca Conlon*	3 of 3	-	-	-

*Ms Rebecca Conlon was appointed to the Board on 24 April 2018, thus being eligible for attendance at three Board meetings during 2018

**Dr Ronan Donelan was appointed to the Audit and Risk Committee on 26 February 2018, thus being eligible for attendance at three Audit and Risk Committee meetings during 2018.

Board Members Expenses

	Mr Frank Nolan
Fees	11,970
Domestic Car Mileage	271
Domestic Car Parking	15
Domestic Accommodation	249
Foreign Taxi Fares	46
Foreign Train transport	172
Total	12,723

Key Personnel Changes

Ms Valerie Judge resigned from the Board on 26 February 2018. In accordance with the Dublin Dental Hospital (Establishment) Order 1963 the Minister appointed a new member to achieve a full Board complement: Ms Rebecca Conlon was appointed to the Board on 24 April 2018.

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

The Board is responsible for ensuring that Dublin Dental 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 disclosed in Note 9(d) of the Financial Statements.

Consultancy Costs

Consultancy costs include the cost of external advice to management and exclude outsourced ‘business-as-usual’ functions.	2018 €	2017 €
Legal advice	6,644	28,023
Financial/actuarial advice	-	6,000
Public relations/marketing	6,660	-
Human Resources	-	-
Business improvement	-	-
Other	<u>12,192</u>	<u>4,305</u>
Total consultancy costs	<u>25,496</u>	<u>38,328</u>
Consultancy costs capitalised	-	-
Consultancy costs charged to the Income and Expenditure and Retained Revenue Reserves	<u>25,496</u>	<u>38,328</u>
Total	<u>25,496</u>	<u>38,328</u>

Legal Costs and Settlements

The table below provides a breakdown of amounts recognised as expenditure in the reporting period in relation to legal costs, settlements and conciliation and arbitration proceedings relating to contracts with third parties. This does not include expenditure incurred in relation to general legal advice received by Dublin Dental Hospital which is disclosed in Consultancy costs above.

	2018 €	2017 €
Legal fees – legal proceedings	-	-
Conciliation and arbitration payments	-	-
Settlements	-	-
Total	<u>-</u>	<u>-</u>

Travel and Subsistence Expenditure

Travel and subsistence expenditure is categorised as follows:

	2018 €	2017 €
Domestic		
- Board	535	588
- Employees	77,208	74,622
International		
- Board	218	-
- Employees	<u>58,649</u>	<u>45,686</u>
Total	<u>136,610</u>	<u>120,896</u>

Hospitality Expenditure


The Income and Expenditure Account includes the following hospitality expenditure:

	2018	2017
	€	€
Staff hospitality	74	-
Client hospitality	<u>5,535</u>	<u>6,128</u>
Total	<u>5,609</u>	<u>6,128</u>

€4,465 of the Client hospitality expenditure in 2018 (2017: €5,544) are costs associated with the annual reception for graduating students and their families.

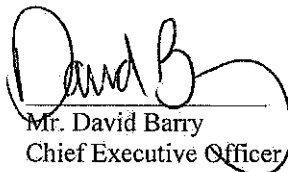
Statement of Compliance

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. Dublin Dental Hospital was in full compliance with the Code of Practice for the Governance of State Bodies for 2018.



Mr. Frank Nolan
Chairman
Dublin Dental Hospital Board

Date signed: 31/10/19



Mr. David Barry
Chief Executive Officer

Date signed: 31/10/19

Dublin Dental Hospital

Statement on Internal Control

Scope of Responsibility

On behalf of the Dublin Dental Hospital, I acknowledge the Board's 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 assurance that assets are safeguarded, transactions authorised and properly 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 the Dublin Dental Hospital for the year ended 31 December 2018 and up to the date of approval of the financial statements.

Capacity to Handle Risk

Dublin Dental Hospital has an Audit and Risk Committee (ARC) comprising four Board Members with the Chair having financial and audit expertise. The ARC met four times in 2018.

Dublin Dental Hospital has also established an outsourced internal audit function, which is adequately resourced and conducts a programme of work agreed with the ARC.

The ARC has developed a risk management policy which sets out its risk appetite, the risk management processes in place and details the roles and responsibilities of staff in relation to risk. The policy has been issued to all staff who are expected to work within the Dublin Dental 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 and Control Framework

The Dublin Dental 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 the Dublin Dental Hospital, and these have been identified, evaluated and graded according to their significance. The register is reviewed by the ARC at every meeting. 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 responsibility 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 Hospital 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 and 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 risks 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 responsibility 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.

Procurement

I confirm that Dublin Dental 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.

Review of Effectiveness

I confirm that the Dublin Dental Hospital has procedures to monitor the effectiveness of its risk management and control procedures. The Dublin Dental Hospital's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors, the Audit and Risk Committee, which oversees their work and the senior management within the Dublin Dental 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 2018.

Internal Control Issues

The following weaknesses in internal control was identified in relation to 2018 that require disclosure in the financial statements:

Non-Compliant Procurement

During 2018 expenditure, totalling €677,000 was incurred in relation to goods and services where the procedures employed did not fully comply with procurement guidelines. In four instances, amounting to €659,000, existing contracts were rolled over pending finalisation of new tender competitions. A new tender competition with annual spend of €165,000 for dental implants was awarded in Q3 2019, with the other three tender competitions due to be completed before year end. In one instance we are waiting to be added to a government framework for cleaning services which has annual spend of €280,000. In addition, we purchased computer hard drives from a sole supplier amounting to €18,000. Total non-compliant expenditure in 2018 represented 14.4% of non-pay related expenditure in 2018.

Signed on behalf of the Board of the Dublin Dental Hospital.



Mr. Frank Nolan
Chairman
Dublin Dental Hospital Board

Dated: 31/10/19



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Dublin Dental Hospital Board

Opinion on financial statements

I have audited the financial statements of Dublin Dental Hospital Board for the year ending 31 December 2018 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 affairs of Dublin Dental Hospital at 31 December 2018 and of its income and expenditure for 2018
- have been prepared in the form prescribed under article 18 of Dublin Dental Hospital Board (Establishment) Order 1963, 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 Dublin Dental 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

Dublin Dental Hospital Board has presented certain other information together with the financial statements. This comprises the governance statement 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 there was a material level of non-compliant procurement of goods and services in 2018. The statement also sets out the steps being taken by the Hospital to address non-compliance with procurement rules.

Seamus McCarthy
Comptroller and Auditor General

11 November 2019

Appendix to the report

Responsibilities of Board members

The governance statement and Board members' report sets out the Board members' responsibilities. The Board members are responsible for

- the preparation of financial statements in the form prescribed under article 18 of the Dublin Dental Hospital Board (Establishment) Order 1963, 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 Dublin Dental 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 Dublin Dental 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 Dublin Dental Hospital Board to cease to continue as a going concern.
- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 I identify 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 I identify 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.

CHIEF EXECUTIVE OFFICER'S AND CHAIRMAN'S CERTIFICATION

FOR THE YEAR ENDED 31 DECEMBER 2018

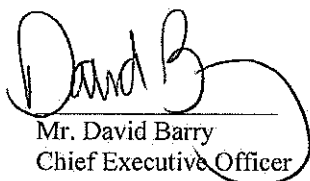
We certify that the Financial Statements of the Dublin Dental Hospital Board for the year ended 31 December 2018 as set out herein are in agreement with the books of account and have been drawn up in accordance with the accounting standards as directed by the Minister for Health.

The Financial Statements on pages 14 to 25, which have been prepared under the statement of accounting policies set out on page 13 properly show the state of affairs of the hospital at 31st December 2018 and its Income and Expenditure and Cash Flow for the year then ended.



Mr. Frank Nolan
Chairman

Date signed: 31/10/19



Mr. David Barry
Chief Executive Officer

Date signed: 31/10/19

STATEMENT OF ACCOUNTING POLICIES

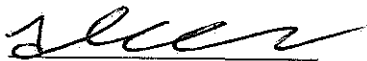
- a) **Historical Cost Convention**
The financial statements are prepared under the historical cost convention.
- b) **Income and Expenditure**
Income and expenditure are recognised on the accruals basis except for minor miscellaneous income which is recognised on a receipts and payments basis.
- c) **Apportionment of net expenditure between Government Departments**
Direct and indirect teaching and related costs are apportioned to the Department of Education and Skills. The remaining costs of the hospital are apportioned equally to the Health Service Executive and the Department of Education and Skills.
- d) **Grants**
Revenue grants are received from the Health Service Executive and the Department of Education and Skills towards the net annual running costs of the Hospital. The amounts brought to account represent the approved allocations for the year. Revenue grants may be used to finance the acquisition of certain fixed assets. In such instances, the cost of the assets is recognised in arriving at net expenditure in the Income and Expenditure Account. Capital grants and the expenditure to which they relate are accounted for in the Capital Income and Expenditure Account on the accruals basis.
- e) **Fixed Assets and Depreciation**
Buildings are valued at cost.

Buildings are depreciated at the rate of 2.5% per annum on a reducing balance basis and equipment is depreciated at various rates on a straight-line basis calculated to write them off over their useful lives. All Art Work purchases are capitalised but they are not depreciated. Depreciation is not charged to the income and expenditure account but is matched against the amortisation of the capitalisation account.
- f) **Capitalisation Account**
The account is amortised in line with the depreciation of the assets funded.
- g) **Stocks**
Stocks comprise consumable stores and are valued on the basis of cost with appropriate write-offs for damaged or obsolete stock.
- h) **Doubtful Debts**
Provision is made against all debts which are deemed unlikely to be collected but have not yet been written off.
- i) **Pensions**
As directed by the Minister for Health no provision has been made in respect of benefits payable under the Local Government Superannuation Scheme as the liability is underwritten by the Ministers for Health and Education and Skills. 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 and expenditure account when paid.
- j) **Research Income and Expenditure**
Research funding is received from Exchequer and private sources. In addition, certain fees earned by consultants are ring fenced for use in research and education/training projects. The Hospital incurs expenditure in relation to payment of researchers, research related costs and research related education and training costs. This ring fenced income and expenditure is not recognised in the income and expenditure account. Details of research income and expenditure are shown in Note 5(b). Unspent balances are shown as a liability in Note 5(a) and the related funds are included in year-end bank balances.

SUMMARY INCOME AND EXPENDITURE ACCOUNT (NON-CAPITAL)

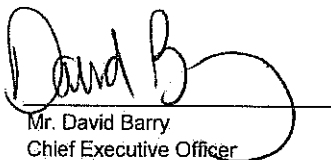
For the year ended 31 December 2018

	Note	2018 DoE&S €	2018 HSE €	2018 Total €	2017 Total €
Net Expenditure	1	(11,132,092)	(6,523,612)	(17,655,704)	(16,905,070)
Approved Determination	16	11,227,079	6,278,408	17,505,487	16,832,142
Surplus/(Deficit) for the year		<u>94,987</u>	<u>(245,204)</u>	<u>(150,217)</u>	<u>(72,928)</u>
Cumulative surplus / (deficit) at beginning of year		403,544	(83,434)	320,110	393,038
Cumulative surplus/(deficit) at year end		<u><u>498,531</u></u>	<u><u>(328,638)</u></u>	<u><u>169,893</u></u>	<u><u>320,110</u></u>



Mr. Frank Nolan
Chairman

Date signed: 31/10/19



Mr. David Barry
Chief Executive Officer

Date signed: 31/10/19

With the exception of fixed assets depreciation and amortisation of the Capitalisation Account, the Board has no gains or losses in the financial year or the preceding financial year other than those dealt with in the Income and Expenditure Account. The results of the year relate to continuing operations.

The statement of accounting policies together with the notes on pages 18 to 25 form part of these accounts.

CAPITAL INCOME AND EXPENDITURE ACCOUNT

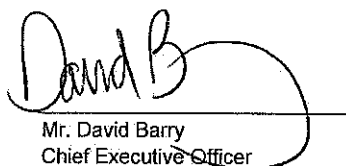
For the year ended 31 December 2018

	2018	2017
	€	€
Capital Income Sources		
Department of Education and Skills - Capital Grant	380,921	380,921
Health Service Executive	20,000	--
Trinity College Dublin	763,610	858,786
Research Funds	5,633	--
Bank Interest	--	67
Total Capital Income	<u>1,170,164</u>	<u>1,239,774</u>
Capital Expenditure		
Equipment	(156,191)	(147,369)
Minor Capital Works	(703,197)	(685,716)
Front Façade Repairs	(37,584)	(14,786)
Total Capital Expenditure	<u>(896,972)</u>	<u>(847,871)</u>
Surplus for the year	273,192	391,903
Surplus brought forward 1 January	472,855	80,952
Surplus carried forward 31 December	<u>746,047</u>	<u>472,855</u>



Mr. Frank Nolan
Chairman

Date signed: 31/10/19



Mr. David Barry
Chief Executive Officer


Date signed: 31/10/19

With the exception of fixed assets depreciation and amortisation of the Capitalisation Account, the Board has no gains or losses in the financial year or the preceding financial year other than those dealt with in the Income and Expenditure Account. The results of the year relate to continuing operations.

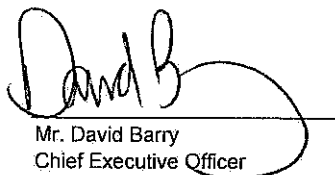
The statement of accounting policies together with the notes on pages 18 to 25 form part of these accounts.

BALANCE SHEET
As at 31 December 2018

	Note	2018 €	2017 €
FIXED ASSETS	2	<u>17,832,590</u>	<u>18,769,555</u>
CURRENT ASSETS			
Stocks	3	111,961	118,183
Debtors	4	4,580,958	4,209,226
Cash at bank and in hand		1,250,440	974,126
		<u>5,943,359</u>	<u>5,301,535</u>
CURRENT LIABILITIES			
Other Creditors		2,976,391	2,627,407
Deferred Income		2,051,028	1,881,163
	5(a)	<u>5,027,419</u>	<u>4,508,570</u>
TOTAL ASSETS LESS LIABILITIES		<u>18,748,530</u>	<u>19,562,520</u>
CAPITAL AND RESERVES			
Non-Capital Income and Expenditure Account Surplus		169,893	320,110
Capital Fund:-			
Capitalisation Account	6	17,832,590	18,769,555
Surplus on Capital Income and Expenditure Account		746,047	472,855
		<u>18,748,530</u>	<u>19,562,520</u>


Mr. Frank Nolan
Chairman

Date signed: 31/10/19


Mr. David Barry
Chief Executive Officer

Date signed: 31/10/19

The statement of accounting policies together with the notes on pages 18 to 25 form part of these accounts.

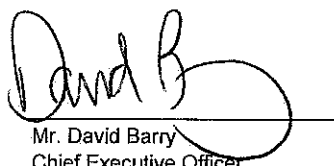
CASH FLOW STATEMENT

For the year ended 31 December 2018

	Note	2018 €	2017 €
OPERATING (NON-CAPITAL) ACTIVITIES			
Cash received from the Health Service Executive		6,017,371	5,958,929
Cash received from Department of Education and Skills		11,227,079	10,685,779
Cash received from patients		1,224,600	1,241,166
Other cash receipts		4,032,354	2,401,278
Total Inflows		<u>22,501,404</u>	<u>20,287,152</u>
Non - pay cash payments		(4,659,923)	(4,674,631)
Cash payments to and on behalf of employees		(17,806,422)	(17,300,969)
Total (Outflows)		<u>(22,466,345)</u>	<u>(21,975,600)</u>
Net Cash Inflow / (Outflow) from Operating Activities	7	<u>35,059</u>	<u>(1,688,448)</u>
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Bank interest paid		(19)	(62)
Net Cash (Outflow) from Returns on Investments & Servicing of Finance		<u>(19)</u>	<u>(62)</u>
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Payments from capital re acquisition of fixed assets		(857,812)	(1,040,276)
Net Cash (Outflow) from Capital Expenditure and Financial Investment		<u>(857,812)</u>	<u>(1,040,276)</u>
Net Cash Outflow before Financing		<u>(822,772)</u>	<u>(2,728,786)</u>
FINANCING			
Department of Education and Skills capital grant received		380,921	380,921
Health Service Executive capital grant received		20,000	--
Bank Interest Received		--	67
Research Funds		5,633	--
TCD Grant Received		692,532	581,774
Net Cash Inflow from Financing		<u>1,099,086</u>	<u>962,762</u>
Increase / (Decrease) in cash in the period	8	<u>276,314</u>	<u>(1,766,024)</u>


Mr. Frank Nolan
Chairman

Date signed: 31/10/19


Mr. David Barry
Chief Executive Officer

Date signed: 31/10/19

The statement of accounting policies together with the notes on pages 18 to 25 form part of these accounts.

NOTES TO THE ACCOUNTS					
For the year ended 31 December 2018					
	Note	2018 DoE&S €	2018 HSE €	2018 Total €	2017 Total €
1 NET EXPENDITURE					
Pay expenditure					
Management/Administration		1,642,319	1,320,907	2,963,226	2,863,699
Medical/Dental		5,594,102	1,702,324	7,296,426	6,655,887
Nursing		250,587	255,737	506,324	477,926
Paramedical		509,330	125,295	634,625	523,581
Support Services		2,365,085	1,540,766	3,905,851	3,736,843
Maintenance/Technical		280,873	280,873	561,746	504,464
Superannuation		2,214,351	406,529	2,620,880	2,910,257
Total Pay Expenditure	9	12,856,647	5,632,431	18,489,078	17,672,657
Non pay expenditure					
Drugs & Medicines		35,273	30,630	65,903	66,861
Medical gases		4,670	4,671	9,341	7,509
Medical/Surgical supplies		723,750	558,502	1,282,252	1,087,533
Supplies & Contracts on Other Medical Equipment		66,740	56,111	122,851	116,566
X-ray/Imaging		20,196	20,118	40,314	45,489
Laboratory Supplies		367,244	176,269	543,513	518,330
Catering		20,735	19,847	40,582	42,455
Heat, Power & Light		67,175	67,175	134,350	120,136
Cleaning & Washing		239,388	236,906	476,294	479,095
Furniture, Crockery & Hardware		8,753	6,788	15,541	13,871
Bedding & Clothing		10,475	8,491	18,966	18,379
Maintenance		157,057	155,978	313,035	350,220
Education & Training		150,103	24,805	174,908	240,310
Travel & Subsistence (National)		42,335	35,408	77,743	75,210
Travel & Subsistence (International)		49,136	9,731	58,867	45,686
Bank Interest		10	9	19	62
Bank Charges		5,819	5,790	11,609	13,718
Insurance		22,460	22,461	44,921	39,993
Audit		14,500	14,500	29,000	29,000
Legal		3,322	3,322	6,644	28,023
Bad Debts Written Off		17	17	34	386,841
Adjustment to provision for bad debts		7,974	7,974	15,948	(308,776)
Office Expenses, Rent/Rates		206,416	155,538	361,954	331,343
Computer		308,631	286,853	595,484	568,358
Professional Services		54,477	54,477	108,954	77,748
Miscellaneous	10	124,955	34,989	159,944	171,346
Total Non-Pay Expenditure		2,711,611	1,997,360	4,708,971	4,565,306
Gross (Pay & Non-Pay) Expenditure		15,568,258	7,629,791	23,198,049	22,237,963
Income					
Superannuation		364,000	153,867	517,867	545,769
Patient income		612,889	612,889	1,225,778	1,320,153
Charges for services to external agencies	11	775,874	276,782	1,052,656	931,243
Other	12	2,683,403	62,641	2,746,044	2,535,728
Total Income		4,436,166	1,106,179	5,542,345	5,332,893
Net Expenditure (Non-Capital)		11,132,092	6,523,612	17,655,704	16,905,070

NOTES TO THE ACCOUNTS - CONTINUED

For the year ended 31 December 2018

2 FIXED ASSETS	Buildings	Art Works	Equipment	Total
	€	€	€	€
Cost				
Opening Balance at 01/01/2018	23,356,715	447,665	15,005,752	38,810,132
Additions from Capital	--	--	156,191	156,191
Disposals during the year at Gross Book Value	--	--	(1,129,165)	(1,129,165)
Closing Balance at 31/12/2018	<u>23,356,715</u>	<u>447,665</u>	<u>14,032,778</u>	<u>37,837,158</u>
Depreciation				
Opening Balance at 01/01/2018	8,220,066	--	11,820,511	20,040,577
Depreciation charge for the year	378,416	--	714,740	1,093,156
Disposals - Accumulated Depreciation	--	--	(1,129,165)	(1,129,165)
Closing Balance at 31/12/2018	<u>8,598,482</u>	<u>--</u>	<u>11,406,086</u>	<u>20,004,568</u>
Net book amount at 31/12/2018	<u>14,758,233</u>	<u>447,665</u>	<u>2,626,692</u>	<u>17,832,590</u>
Net book amount at 31/12/2017	<u>15,136,649</u>	<u>447,665</u>	<u>3,185,241</u>	<u>18,769,555</u>

3 STOCK DETAILS	2018	2017
	€	€
Medical Gases Stock	1,204	646
Medical and surgical supplies	95,402	103,994
X-ray/Imaging supplies	631	1,008
Laboratory supplies	1,562	923
Provisions Stock	145	--
Cleaning & Washing Supplies	4,636	6,022
Furniture, Crockery, Hardware Stock	225	225
Maintenance supplies	151	--
Stationery and office supplies	6,221	5,068
Other stock	1,784	297
	<u>111,961</u>	<u>118,183</u>

NOTES TO THE ACCOUNTS - CONTINUED

For the year ended 31 December 2018

4 DEBTORS	2018	2017
	€	€
Government Departments		
Health Service Executive - Revenue Grants	670,722	596,236
	<u>670,722</u>	<u>596,236</u>
Patients		
Total amount due	904,845	924,216
Less provision for bad and doubtful debts	(798,593)	(782,645)
	<u>106,252</u>	<u>141,571</u>
Other Debtors		
Hospitals	45,603	31,727
Irish Prison Service	181,837	14,655
Student Fees	2,355,899	2,302,184
Payroll Recoupments	40,071	45,984
Withholding Tax	1,916	113
Capital Debtors	870,225	692,532
Sundry Debtors	25,881	6,806
	<u>3,521,432</u>	<u>3,094,001</u>
Prepayments		
Pay	80,897	72,509
Non-pay	201,655	304,909
	<u>282,552</u>	<u>377,418</u>
Total Debtors	<u>4,580,958</u>	<u>4,209,226</u>

5(a) CURRENT LIABILITIES	2018	2017
	€	€
Revenue creditors and accrued expenses	1,327,551	1,007,334
Deferred Tuition Fees	1,528,893	1,465,643
Research Funds (see Note 5(b) analysis below)	1,592,281	1,602,674
Deferred Capital Income	522,135	415,520
Capital creditors	56,559	17,399
	<u>5,027,419</u>	<u>4,508,570</u>

5(b) Research Funds	2018	2017
	€	€
Research Income Sources		
Exchequer - Health Research Board	109,998	304,292
Exchequer - Dental Health Foundation	40,000	--
Non-exchequer	108,937	206,748
Total Research Income	<u>258,935</u>	<u>511,040</u>
Research Expenditure		
Pay	(166,709)	(267,231)
Non-pay	(102,619)	(28,762)
Total Research Expenditure	<u>(269,328)</u>	<u>(295,993)</u>
Net (deficit) / Surplus for year	(10,393)	215,047
Balance brought forward 1 January	1,602,674	1,387,627
Balance carried forward 31 December	<u>1,592,281</u>	<u>1,602,674</u>

Research income and expenditure is not reflected in Note 1 Net Expenditure.

NOTES TO THE ACCOUNTS - CONTINUED

For the year ended 31 December 2018

6 CAPITALISATION ACCOUNT	2018	2017
	€	€
Balance at beginning of year	18,769,555	19,740,976
Additions		
Equipment	156,191	147,369
Sub-Total Additions	<u>156,191</u>	<u>147,369</u>
Less		
Depreciation for the year	(1,093,156)	(1,118,790)
Sub-Total Deductions	<u>(1,093,156)</u>	<u>(1,118,790)</u>
Balance at year end	<u><u>17,832,590</u></u>	<u><u>18,769,555</u></u>

7 RECONCILIATION OF NON-CAPITAL DEFICIT TO NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	2018	2017
	€	€
Deficit for the year	(150,217)	(72,928)
Adjust for:		
Bank Interest paid	19	62
Decrease in stocks (note 3)	6,222	20,339
(Increase) in debtors-excluding capital (note 4)	(194,039)	(1,939,601)
Increase in creditors-excluding capital (note 5)	373,074	303,680
Net cash inflow / (outflow) from operating activities	<u>35,059</u>	<u>(1,688,448)</u>

8 Analysis of the balances of cash as shown in the balance sheet	2018	2017	CHANGE IN 2018	CHANGE IN 2017
	€	€	€	€
Cash at Bank and in Hand	1,250,440	974,126	276,314	(1,766,024)
	<u>1,250,440</u>	<u>974,126</u>	<u>276,314</u>	<u>(1,766,024)</u>

NOTES TO THE ACCOUNTS - CONTINUED

For the year ended 31 December 2018

9 Remuneration	2018	2017
	€	€
(a) Aggregate Employee Benefits		
Staff short-term Benefits	14,583,443	13,578,360
Termination benefits	--	--
Retirement benefit costs	2,620,880	2,910,257
Employers Contribution to social Welfare	<u>1,284,755</u>	<u>1,184,040</u>
	<u>18,489,078</u>	<u>17,672,657</u>

Statutory pension related deductions of €630,560 (2017: €601,335) were deducted from employees and remitted to the Department of Education and Skills in the amount of €444,009 (2017: €417,328) and the Health Service Executive in the amount of €186,551 (2017: €184,007).

The number of employees at the 31 December 2018 (in whole time equivalents (WTEs) was 212 (2017: 211).

(b) Staff Short-Term Benefits

Basic pay	14,421,209	13,400,528
Overtime	55,904	66,784
Allowances	<u>106,330</u>	<u>111,048</u>
	<u>14,583,443</u>	<u>13,578,360</u>

(c) Termination Benefits

Termination benefits charged to I&E	<u>--</u>	<u>--</u>
-------------------------------------	-----------	-----------

(d) Employee Short Term benefits breakdown

The number of employees whose benefits fell within each band of €10,000 from €60,000 onwards is as follows:-

		Number of Employees	
		2018	2017
€60,000 -	€69,999	8	12
€70,000 -	€79,999	10	8
€80,000 -	€89,999	6	2
€90,000 -	€99,999	3	2
€100,000 -	€109,999	1	1
€110,000 -	€119,999		1
€120,000 -	€129,999		
€130,000 -	€139,999	4	4
€140,000 -	€149,999	1	
€150,000 -	€159,999		
€160,000 -	€169,999	1	2
€170,000 -	€179,999		
€180,000 -	€189,999		
€190,000 -	€199,999		4
€200,000 -	€209,999	10	4
€210,000 -	€219,999		1
€220,000 -	€229,999		1
€230,000 -	€239,999	1	1
€240,000 -	€249,999	1	
€250,000 -	€259,999		
		<u>46</u>	<u>43</u>

Note : For the purposes 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.

NOTES TO THE ACCOUNTS - CONTINUED

For the year ended 31 December 2018

(e) Key Management Personnel

Key management personnel in the Dublin Dental Hospital consists of members of the Board, the Chief Executive Officer, the Clinical Director and the Dean of Dental Affairs. The total value of employee benefits for key management personnel is set out below:

	2018	2017
	€	€
Salary	521,953	501,726
Allowances	50,004	49,493
Termination benefits	--	--
Health Benefits	--	--
	<u>571,957</u>	<u>551,219</u>

This does not include the value of retirement benefits earned in the period. The key management personnel are members of either the Local Government Superannuation Scheme or the Single Public Service Pension Scheme.

(f) Chief Executive Officer Salary and Benefits

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

	2018	2017
	€	€
Basic Pay	79,878	76,188
	<u>79,878</u>	<u>76,188</u>

The Chief Executive Officer is a member of the Single Public Service Pension Scheme, and his entitlements in that regard do not extend beyond the terms of the scheme. The value of the retirement benefits earned in the period is not included above.

10 Miscellaneous

	2018	2017
	€	€
Miscellaneous teaching costs	13,623	16,920
Recruitment Costs	27,432	42,692
Subscriptions	108,821	99,832
Research	249	271
Security	-	318
Presentations / Retirements	1,378	1,249
Other	8,441	10,064
	<u>159,944</u>	<u>171,346</u>

11 Charges for services to external agencies

	2018	2017
	€	€
Paediatric Service	22,156	21,312
Oral Surgery Service	129,302	124,376
Oral Medical Service	112,822	108,524
General Dental Service	694,361	676,710
Dental Advisory Service	65,622	--
Medico-legal Service	28,072	--
Forensic Dental Service	321	321
	<u>1,052,656</u>	<u>931,243</u>

NOTES TO THE ACCOUNTS - CONTINUED

For the year ended 31 December 2018

12 Miscellaneous Income	2018	2017
	€	€
Student kits	138,050	115,906
Student fees	2,295,885	2,146,605
Education courses	182,310	195,122
Disability & Maternity Benefit (DSFA)	92,857	54,878
Research Funds	20,170	--
Other income	16,772	23,217
	<u>2,746,044</u>	<u>2,535,728</u>

13 Running Cost of Service

After adjusting for depreciation, which is not accounted for through the Income and Expenditure Account, the running costs of the Hospital on a conventional accruals basis has been calculated as follows:-

	2018	2017
	€	€
Net Expenditure	17,655,704	16,905,070
Add Depreciation Charge	1,093,156	1,118,790
	<u>18,748,860</u>	<u>18,023,860</u>

14 Board Members Interests

The Board adopted procedures in accordance with guidelines issued by the Department of Finance 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 the Board members had any beneficial interest.

15 Premises

The Board own the following properties:-

1. The floors above ground level of premises at 18 and 19 Lincoln Place, Dublin 2
2. Premises at 20-28 Lincoln Place, Dublin 2
3. Premises at 1 and 2 South Leinster Street, Dublin 2
4. The floors above ground level of premises at 3 and 4 South Leinster Street, Dublin 2
5. The premises known as the *Watts Oral Biosciences Research Centre* at the rear of nos. 2-4 South Leinster Street, Dublin 2.

Annual ground rent of €2,540 is paid to TCD.

16 Determination

The approved determination for the HSE for 2018 of €6,278,408 is made up of the allocation as notified to us by the HSE for 2018 of €6,091,857 plus €186,551 pension levy deductions retained by the Board in respect of deductions made through the payroll from employees funded from the HSE allocation.

The approved determination for the Department of Education & Skills (DES) for 2018 of €11,608,000 is made up of the allocation as notified to us by the DES for 2018 of €11,358,000 plus €250,000 in once off funding. €11,227,079 of this approved determination is included in the Income and Expenditure Account (Non Capital) with the remaining €380,921 included in the Capital Income and Expenditure Account.

NOTES TO THE ACCOUNTS - CONTINUED

For the year ended 31 December 2018

17 Contingent liability

In June 2018 the HSE concluded an agreement with eligible consultants in relation to remuneration and /or pension entitlements payable under their contract of employment. The terms of the settlement include payment of arrears for the 6 years up to June 2018 with 40% to be paid by 1 June 2019 and the balance due before March 2020. The Hospital submitted calculations of the funding required to the HSE for verification and approval in November 2018. The arrears due to be paid in June 2019 amount to €823,000 and the arrears due to be paid in March 2020 amount to €663,000.

The additional recurring funding required in addition to the arrears payable is estimated at €343,000 annually from 2019 onwards.

The Hospital is discussing the funding attached to this settlement with the HSE and the Department of Education and Skills (DES) but at the date of approval of these financial statements no final agreement has been reached with the HSE nor DES in respect of the timing of receipt of the arrears and recurring funding to fully fund this settlement.

18 Approval of the accounts

The accounts were approved by the Board on 9/05/2019.