

HEALTH INFORMATION AND QUALITY AUTHORITY

ANNUAL FINANCIAL STATEMENTS
FOR
HEALTH INFORMATION AND QUALITY AUTHORITY
YEAR ENDED 31 DECEMBER 2013

HEALTH INFORMATION AND QUALITY AUTHORITY

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CHAIRPERSON'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

Given the timescales set in the Health Act 2007 the Authority has published an Annual Report which is a separate and distinct document from this set of Annual Financial Statements.

In the Annual Report the Authority has addressed the requirements set out in Section 37 of the Health Act 2007. The Annual Report describes the performance of the Authority's functions during 2013. The Annual Report can be downloaded from the Authority's website www.hiqa.ie or requested from the Authority's head office at Unit 1301, City Gate, Mahon, Cork.

As required under Section 13.1 of the Code of Practice for the Governance of State Bodies I report the following matters to the Minister for Health.

I confirm that there were no commercially significant developments affecting the Authority during the year, including the establishment of subsidiaries or joint ventures and share acquisitions.

I affirm that all appropriate procedures for financial reporting, internal audit, procurement and asset disposals are being carried out.

A full statement on the system of internal financial control is set out separately in these Annual Financial Statements.

I affirm that Codes of Business Conduct for Directors and Employees have been put in place and are adhered to.

I affirm that Government policy on the pay of the Chief Executive Officer and all other Authority employees are being complied with.

I affirm that Government guidelines on the payment of Directors' fees are being complied with.

There are no significant post balance sheet events to report.

I confirm that the Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector, suitably modified for the circumstances of the Authority, are being complied with.

I certify that Government travel policy requirements are being complied with in all respects.

I confirm that the Code of Practice for the Governance of State Bodies has been adopted and it is being complied with.

As required by Section 19.2 of the Code I confirm that the Authority has complied with its obligations under taxation law


Brian McEnery
Chairperson

14/5/2014.
Date

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MEMBERSHIP AND GENERAL INFORMATION

Brian McEnery	<p>Chairperson – Appointed 15 May 2013</p> <p>A partner in BDO Accountants and Business Advisors. Also an ACCA Global Council member and member of the Board of the National Asset Management Agency (NAMA)</p>
Pat McGrath	<p>Former Chairperson - Term of Office expired on 14 May 2013</p>
Grainne Tuke	<p>A Solicitor by profession and a practicing member of the Law Society</p>
Philip Caffrey	<p>Former Director, United Drug PLC and former Director with Irish Aviation Authority.</p>
Samuel McConkey	<p>Head of the Department of International Health and Tropical Medicine at the RCSI and leads the clinical Infectious Disease and Tropical Medicine service at Beaumont Hospital.</p>
Cillian Twomey	<p>Retired consultant physician in geriatric medicine. He is Chairperson of the Irish Hospice Foundation.</p>
Sheila O'Malley	<p>Retired Chief Nursing Officer in the Department of Health.</p>
David Molony	<p>A GP in Mallow, Co. Cork and a development partner in Mallow Primary Health Centre.</p>
Darragh O'Loughlin	<p>A pharmacist, operating a retail pharmacy business in Tuam, Co Galway. He is also the Secretary General of Irish Pharmacy Union (IPU).</p> <p>Resigned as Board Member 7 February 2014</p>
Mo Flynn	<p>Chief Executive Officer of Our Lady's Hospice and Care Services in Dublin, which incorporates Our Lady's Hospice in Harold's Cross and Blackrock Hospice.</p> <p>Resigned as Board Member 17 February 2014</p>
Una Geary	<p>A consultant in emergency medicine at St James's Hospital in Dublin and an honorary lecturer in the School of Medicine, University of Dublin Trinity College.</p>

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MEMBERSHIP AND GENERAL INFORMATION (continued)

Linda O'Shea Farren	<p>A practicing solicitor was elected as an independent non-executive director of EBS in 2009. She was also elected Governor of University College Cork and serves as Chair of its Audit Committee.</p> <p>Resigned as Board Member 18 February 2014</p>
Anne Carrigy	<p>Retired as National Lead of Acute Hospital Services, Health Service Executive (HSE) in December 2010, was twice President of an Board Altranais and has held a number of advisory and director roles over the years.</p>
Bairbre O'Neill	<p>A barrister practising in the area of civil litigation, including commercial litigation and judicial review.</p>
Mary Fennessy	<p>Head of Social Work in the Lucena Child and Adolescent Mental Health Service</p>
Judith Foley	<p>Education Officer in the Nursing and Midwifery Board.</p>

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MEMBERSHIP AND GENERAL INFORMATION

Board Resignations and New Appointees

The term of appointment expired for the following Board members

Pat McGrath	14 May 2013
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The following members were appointed to the Board

Una Geary	14 February 2013
Mo Flynn	15 February 2013
Anne Carrigy	15 February 2013
Linda O'Shea Farren	15 February 2013

Brian McEnery	15 May 2013
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Bairbre O'Neill	2 April 2014
Mary Fennessy	7 April 2014
Judith Foley	7 April 2014

The following Board Members Resigned from the Board

Darragh O'Loughlin	7 February 2014
Mo Flynn	17 February 2014
Linda O'Shea Farren	18 February 2014

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MEMBERSHIP AND GENERAL INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2013

Address	Unit 1301, City Gate, Mahon, Cork
Telephone Number	021-240 9300
Fax Number	021-240 9600
Bankers	Ulster Bank 95 Main Street Midleton Co Cork
Auditors	Comptroller and Auditor General Treasury Block Lower Yard Dublin Castle Dublin 2
Solicitors	Beauchamps Riverside Two Sir John Rogerson's Quay Dublin 2 Mason Hayes & Curran South Bank House Barrow Street, Dublin 4

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STATEMENT OF BOARD MEMBERS' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2013

Under the terms of the Health Act 2007 which established the Health Information and Quality Authority, the Board acknowledges its responsibility to prepare financial statements for the year which give a true and fair view of the state of affairs of the Authority and its income and expenditure for the year.

In preparing those statements the Board is required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Disclose and explain any material departures from applicable accounting standards, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to do so.

The Board is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time the financial position of the Authority and which enable the Board to ensure that the financial statements complied with the relevant Act and with the accounting standards laid down by the Minister for Health. The Board is also responsible for safeguarding the assets of the Authority and hence for taking reasonable steps for prevention and detection of fraud and other irregularities.

On behalf of the Board

Signed: 
Brian McEnery
Chairperson

14/5/2014.
Date

Signed: 
Date
Board Member

14/05/2014



Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Health Information and Quality Authority

I have audited the financial statements of the Health Information and Quality Authority for the year ended 31 December 2013 under the Health Act 2007. The financial statements, which have been prepared under the accounting policies set out therein, comprise the statement of accounting policies, the income and expenditure account, the capital income and expenditure account, the balance sheet, the cash flow statement and the related notes. The financial statements have been prepared in the form prescribed under Section 35 of the Act, and in accordance with generally accepted accounting practice in Ireland as modified by the directions of the Minister for Health in relation to accounting for superannuation costs

Responsibilities of the Board of the Authority

The Board is responsible for the preparation of the financial statements, for ensuring that they give a true and fair view of the state of the Authority's affairs and of its income and expenditure, and for ensuring the regularity of transactions.

Responsibilities of the Comptroller and Auditor General

My responsibility is to audit the financial statements and report on them in accordance with applicable law.

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation.

My audit is carried out in accordance with the International Standards on Auditing (UK and Ireland) and in compliance with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements, sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of

- whether the accounting policies are appropriate to the Authority's circumstances, and have been consistently applied and adequately disclosed
- the reasonableness of significant accounting estimates made in the preparation of the financial statements, and
- the overall presentation of the financial statements.

I also seek to obtain evidence about the regularity of financial transactions in the course of audit.

Opinion on the financial statements

In compliance with the directions of the Minister for Health, the Authority recognises the costs of superannuation entitlements only as they become payable. This basis of accounting does not comply with Financial Reporting Standard 17 which requires such costs to be recognised in the period the entitlements are earned.

In my opinion, the financial statements which have been properly prepared in accordance with generally accepted accounting practice in Ireland except for the non-recognition of the Authority's superannuation costs and liabilities, give a true and fair view of the state of the Authority's affairs at 31 December 2013 and of its income and expenditure for 2013.

In my opinion, proper books of account have been kept by Authority. The financial statements are in agreement with the books of account.

Matters on which I report by exception

I report by exception if

- I have not received all the information and explanations I required for my audit, or
- my audit noted any material instance where money has not been applied for the purposes intended or where the transactions did not conform to the authorities governing them, or
- the statement on internal financial control does not reflect the Authority's compliance with the Code of Practice for the Governance of State Bodies, or
- I find there are other material matters relating to the manner in which public business has been conducted.

I have nothing to report in regard to the other matters upon which reporting is by exception.

Patricia Sheehan

For and on behalf of the
Comptroller and Auditor General

30 May 2014

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**REPORT OF THE COMPTROLLER AND AUDITOR GENERAL
FOR PRESENTATION TO THE HOUSE OF THE OIREACHTAS (Continued)**

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STATEMENT ON INTERNAL FINANCIAL CONTROL FOR THE YEAR ENDED 31 DECEMBER 2013

Responsibilities for the System of Internal Financial Control

On behalf of the Authority I acknowledge that we are ultimately responsible for the system of internal financial control, for reviewing its effectiveness and ensuring it is maintained and operated.

The system is designed to provide reasonable and not absolute assurances that assets were safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely period.

Management took steps to ensure that there was an effective system of financial control in place. This included implementing a system of internal control based on regular information on expenditure being supplied to management, administrative procedures including segregation of duties and a system of delegation of responsibility.

Key Control Procedures:

The following is a description of the key procedures, which had been put in place by the management and were designed to provide effective internal financial controls:

1. An annual estimate of the organisation's financial requirements was provided to the Department of Health.
2. Reports were provided to the Department which compared actual and estimated expenditure.
3. All expenditure by the organisation was recorded in the general ledger of the accounting system. Monthly expenditure reports were prepared by the finance department.
4. The finance department prepared monthly statements of expenditure which compared actual with estimated expenditure. These were regularly reported to Management and to the Board.
5. Segregation of duties existed between the preparation, authorisation and execution of payments.
6. Grant income was drawn down from the Department of Health based on mature liabilities and cash requirements. Each claim was supported by detailed documentation, which was reviewed and approved by Department of Health Officials before cash was transferred to the Authority's bank account.
7. Annual fee income from relevant designated centres was generated from information maintained by the Authority's Regulatory Management System. Additionally total fee income was analytically reviewed and reconciled by Finance each billing cycle, contributing towards ensuring the accuracy and completeness of annual fee income.

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STATEMENT ON INTERNAL FINANCIAL CONTROL FOR THE YEAR ENDED 31 DECEMBER 2013 (continued)

8. Debt collection of annual fee income was actively managed by Finance through the use of key management reports, regulatory management reviews and formal debt collection process, which contributes towards the timely collection of outstanding annual fee debt.
9. The finance department, in conjunction with the business, prepared an annual budget and a revised forecast, thus maintaining tight correlation between actual versus budget/forecast comparisons, enhancing financial budgetary control performance.
10. A risk management process was in existence, with regular monitoring, evaluation and reporting to senior management and to the Audit and Corporate Governance Committee.
11. The Board has established an Audit and Corporate Governance Committee, whose primary function is to ensure that the Authority meets its relevant statutory functions and to advise the Board on the robustness and effectiveness of the arrangements and status of the corporate governance, financial and risk management and internal audit of the Authority.
12. During the year the Board conducted a review of the effectiveness of the system of internal financial control based on a report produced by the internal auditors and statements of assurance provided by management.

Signed: 
Brian McEnery
Chairperson

14/5/2014.
Date

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STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2013

1. Accounting Convention

The financial statements are prepared in accordance with historical cost convention and in a form approved by the Minister for Health.

2. Basis of Accounting

The financial statements are prepared on the basis of accrual accounting, in accordance with Generally Accepted Accounting Principles (GAAP).

3. Period of Financial Statements

The financial statements relate to the year ended 31 December 2013.

4. Grant Income (Revenue Grants)

The amount brought to account represents the actual grants received in the accounting period.

Grant Income applied for capital purposes resulting in additions to fixed assets is capitalised in the Capital Account.

Other Grants, such as EU project funded grants are recognised on an accruals basis.

5. Annual Fee Income

Annual Fees for Older Persons Designated Centres are charged tri-annually in accordance with Statutory Instrument 245 of 2009, Health Act 2007 (Registration of Designated Centres for Older People) Regulations 2009 and Statutory Instrument 493 of 2013, Health Act 2007 (Registration of Designated Centres for Older People) (Amendment) Regulations 2013.

Annual Fees for Disability Designated Centres are charged tri-annually in accordance with Statutory Instrument 366 of 2013, Health Act 2007 (Registration of Designated Centres for Persons (Children and Adults) with Disabilities) Regulation 2013.

6. Application to Register/Vary Fee

Application to Register or Vary fees are recognised on receipt of relevant fee, in accordance with Statutory Instrument 245 of 2009, Health Act 2007 (Registration of Designated Centres for Older People) Regulations 2009 and Statutory Instrument 366 of 2013, Health Act 2007 (Registration of Designated Centres for Persons (Children and Adults) with Disabilities) Regulation 2013.

7. Bad Debt Policy

Annual Fee debt is only written off on the basis of Management assessment of the probability of non collection and the cost of collection versus the debt outstanding.

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STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2013 (Continued)

8. Capital Funding

The fixed assets of the Authority are funded from a combination of capital grants and allocations from current revenue. Funding sourced from grants is transferred to a capital account which is amortised in line with the depreciation of the related assets.

9. Fixed Assets

Tangible Fixed Assets are stated at their historical cost or valuation less depreciation.

- a) Fixed assets acquisitions, regardless of the source of funds, are capitalised with the exception of assets funded from revenue (Non-Capital) grants with a value below the following threshold:

- | | |
|--------------------------------------|--------------------|
| • Equipment / Furniture and Fittings | - Less than €3,809 |
| • Computer / ICT Equipment | - Less than €1,270 |

- b) Depreciation is provided on a straight line basis at rates which are calculated to write off assets, adjusted for estimated residual value, over their expected useful lives as follows:

- | | | |
|--------------------------|---------------|---------------|
| • Leasehold Interest | Life of lease | Straight Line |
| • Furniture and Fittings | 20% | Straight Line |
| • Computer Equipment | 33.33% | Straight Line |

- c) Depreciation is matched by an equivalent amortisation of the Capital Account

10. Superannuation

In accordance with Section 27 of the Health Act 2007 the Health Information and Quality Authority has drafted a superannuation scheme in line with the Department of Finance model Superannuation Scheme. Pending approval by the Department of Health, the scheme is being operated on an administrative basis.

The scheme is a defined benefit superannuation scheme for employees. No provision has been made in respect of benefits payable. 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. By direction of the Minister for Health no provision has been made in respect of benefits payable in future years.

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INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2013

		2013	2012
	Notes	€	€
Income			
Department of Health (Vote 38, subhead E1)		10,000,000	9,000,000
Annual and Registration Fee	1 & 2	5,432,513	5,171,815
Other Income	3	502,337	534,366
		<u>15,934,850</u>	<u>14,706,181</u>
Expenditure			
Staff Costs	4	11,720,339	11,101,002
Travel and Subsistence		659,014	580,378
Professional Fees	6	146,371	643,856
Publication Expense		101,431	114,555
Administration Overhead	7	1,098,528	895,614
Establishment Expenses	8	1,592,846	1,515,922
		<u>15,318,529</u>	<u>14,851,327</u>
Surplus/(Deficit) for the Year	14	616,321	(145,146)
Surplus as at 01 January	14	125,663	270,809
Surplus at 31 December	14	<u>741,984</u>	<u>125,663</u>

All recognised gains and losses for the Year ended 31 December 2013 with the exception of fixed assets depreciation, which is dealt with through the Capitalisation Account, have been dealt with through the Income and Expenditure Account.

The Statement of Accounting Policies and Notes 1 to 23 form part of these financial statements.

On behalf of the Authority:

Signed: 
Brian McEnery
Chairperson

Signed: 
Tracey Cooper
Chief Executive Officer

Date: 14/5/2014

Date: 14/5/2014


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CAPITAL INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013	2012
		€	€
Income			
Department of Health (Vote 38, subhead H)		667,985	203,240
Amortisation of Capital Fund Account		443,537	398,057
		<u>1,111,522</u>	<u>601,297</u>
Expenditure			
Leasehold Interest	9	207,947	-
Fixtures and Fittings	9	149,790	36,533
Computer Equipment	9	310,248	166,707
Depreciation	9	443,537	398,057
		<u>1,111,522</u>	<u>601,297</u>
Surplus /(Deficit) for the Year		-	-
Opening (deficit)/surplus		-	-
Surplus / (Deficit) For Year		<u>-</u>	<u>-</u>

The Statement of Accounting Policies and Notes 1 to 23 form part of these financial statements.

On Behalf of the Authority

Signed: 
Brian McEnery
Chairperson

Signed: 
Tracey Cooper
Chief Executive Officer

Date: 14/5/2014.

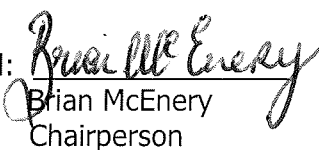
Date: 14/5/2014

**BALANCE SHEET
AS AT 31 DECEMBER 2013**

	Notes	2013 €	2012 €
Fixed Assets			
Tangible Assets	9	2,716,701	2,492,253
Current Assets			
Debtors	10	879,673	446,445
Cash at Bank or in Hand	12	524,952	369,198
		<u>1,404,625</u>	<u>815,643</u>
Less Current Liabilities			
Creditors falling due within one year	11	<u>(662,641)</u>	<u>(689,980)</u>
Net Current Assets /(Liabilities)		741,984	125,663
Total Assets Less Current Liabilities		<u>3,458,685</u>	<u>2,617,916</u>
Capital and Reserves			
Income and Expenditure Account	14	741,984	125,663
Capital Account	13	2,716,701	2,492,253
		<u>3,458,685</u>	<u>2,617,916</u>

The Statement of Accounting Policies and Notes 1 to 23 form part of these financial statements.

On Behalf of the Authority

Signed: 
Brian McEnery
Chairperson

Signed: 
Tracey Cooper
Chief Executive Officer

Date: 14/5/2014

Date: 14/5/2014

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CASHFLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

Reconciliation of operating surplus to Net funds inflow from operating activities

	2013	2012
	€	€
Operating Surplus / (Deficit)	616,321	(145,146)
(Increase) / Decrease in Debtors	(433,228)	29,714
Decrease in Creditors and Accruals	(27,339)	(51,602)
Net Cash Flow from Operating Activities	155,754	(167,034)

Cash Flow Statement

Net Cash Flow from Operating Activities	155,754	(167,034)
Purchase of Fixed Assets	(667,985)	(203,240)
Capital Grants Received/Receivable	667,985	203,240
Increase / (Decrease) in Cash Balances	155,754	(167,034)

Reconciliation of net cash flow to movement in net funds

Increase /(Decrease) in Cash in the year	155,754	(167,034)
Net Funds at 01 January	369,198	536,232
Net Funds at 31 December	524,952	369,198

The Statement of Accounting Policies and Notes 1 to 23 form part of these financial statements.

On Behalf of the Authority

Signed: 
Brian McEnery
Chairperson

Signed: 
Tracey Cooper
Chief Executive Officer

Date: 14/5/2014

Date: 14/5/2014

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

	2013 €	2012 €
1. Annual and Registration Fee Income		
Annual Fees (Note 2)	5,316,313	5,130,115
Registration Fees	116,200	41,700
	<u>5,432,513</u>	<u>5,171,815</u>

2. Annual Fees

During 2013, an internal review identified errors in the invoicing of annual fees to designated centres between 2009 and 2013. The Authority had levied fees based on the number of registered places in each designated centre. The relevant legislation provided for fees to be charged based on the maximum numbers of residents to be accommodated as declared by the applicant.

As a result of the error, 63 centres had been overcharged €163,134. These amounts were refunded. 162 centres had been undercharged by €300,084. The Authority has not pursued these underpayments on the grounds of equity and fairness to providers.

New regulations effective from 1 January 2014 provide for billing on the basis of the number of occupied or registered places, as appropriate, at each billing date.

	2013 €	2012 €
3. Other Income		
Superannuation Contributions	489,647	516,784
EU Network Grants	9,348	7,417
Cochrane Fellowship Grant	-	6,179
Interest Received	2,222	3,601
Miscellaneous Income	1,120	385
Total	<u>502,337</u>	<u>534,366</u>

4. Staff Costs

Wages and Salaries (Note A)	10,110,991	9,807,951
Agency Staff	693,476	437,064
Directors' Fees (Note 19)	113,315	88,227
Employers' Pay Related Social Insurance	802,557	767,760
Total	<u>11,720,339</u>	<u>11,101,002</u>

Note A. Pension levy deductions of €688,292 (2012 €660,629) were made from staff salaries and remitted to the Department of Health.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013 (Continued)

	2013 €	2012 €
5. Average Headcount		
Regulation	99	106
Safety and Quality Improvement	8	2
Health Technology Assessment	7	7
Health Information	12	11
Support Staff	27	28
	<u>153</u>	<u>154</u>
6. Professional Fees		
Consultancy	81,196	241,545
Legal	65,175	402,311
Total	<u>146,371</u>	<u>643,856</u>
7. Administration Overhead		
Recruitment	58,484	57,384
Staff Training and Development	259,522	123,643
Telephone	129,091	134,794
IT Support and Supplies	443,277	386,165
Internal Audit and Accountancy	93,331	90,566
Statutory Audit	11,400	13,160
Postage and Stationery	81,211	64,334
Media Monitoring	12,559	13,578
Couriers	4,261	8,132
Bad Debt Write Off / Provision	2,867	1,443
Prompt Payment interest and charges	787	-
Bank Charges	1,738	2,415
Total	<u>1,098,528</u>	<u>895,614</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 (Continued)

	2013 €	2012 €
8. Establishment Expenses		
Rent	1,158,106	1,099,806
Building Service Charge	79,340	74,721
Insurance	34,658	33,014
Repairs and Maintenance	25,012	51,331
Meeting Room Hire	18,197	19,890
Catering and Refreshments	28,909	28,087
Light and Heat	96,875	91,607
Cleaning and Refuse	59,969	64,238
Security	85,710	28,723
Record Retention and Storage	3,439	7,333
Health and Safety	2,631	17,172
Total	<u>1,592,846</u>	<u>1,515,922</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 (Continued)

9. Fixed Assets

	Leasehold Interest €	Fixtures And Fittings €	Computer Equipment €	Total €
Cost or Valuation				
Balance at 01 January 2013	2,844,380	644,534	1,488,407	4,977,321
Additions	207,947	149,790	310,248	667,985
Disposals	-	-	(82,563)	(82,563)
Cost or Valuation at 31 December 2013	<u>3,052,327</u>	<u>794,324</u>	<u>1,716,092</u>	<u>5,562,743</u>
Accumulated Depreciation				
Balance at 01 January 2013	782,558	543,939	1,158,571	2,485,068
Depreciation charge for the period	134,069	64,989	244,479	443,537
Depreciation on Disposals	-	-	(82,563)	(82,563)
Accumulated Depreciation At 31 December 2013	<u>916,627</u>	<u>608,928</u>	<u>1,320,487</u>	<u>2,846,042</u>
Net Book Value at 31 December 2013	<u>2,135,700</u>	<u>185,396</u>	<u>395,605</u>	<u>2,716,701</u>
Net Book Value at 31 December 2012	<u>2,061,822</u>	<u>100,595</u>	<u>329,836</u>	<u>2,492,253</u>

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013 (Continued)

	2013 €	2012 €	
10. Debtors			
Annual Fee Debtors	308,641	4,797	
Prepayments	500,996	372,543	
Sundry Debtors	70,036	69,105	
	<u>879,673</u>	<u>446,445</u>	
11. Creditors (amounts falling due within one year)			
Creditors	64,610	37,896	
Prepaid Income	11,673	55,123	
Trade Accruals	247,668	315,390	
Professional Services			
Withholding Tax	-	18,076	
Payroll Deductions	338,690	263,495	
	<u>662,641</u>	<u>689,980</u>	
12. Analysis of Changes in In Net Funds	At 01 January 2013	Cash Flows	At 31 December 2013
Cash in Hand, at bank	<u>369,198</u>	<u>155,754</u>	<u>524,952</u>
	2013 €		2012 €
13. Capital Account			
Opening balance	<u>2,492,253</u>		<u>2,687,070</u>
<u>Movement for Period</u>			
Expenditure from Capital Grant	667,985		203,240
Disposals	(82,563)		(57,446)
Amount amortised in line with Depreciation for the period	(443,537)		(398,057)
Accumulated depreciation on Disposals	82,563		57,446
Balance at 31 December 2013	<u>2,716,701</u>		<u>2,492,253</u>

HEALTH INFORMATION AND QUALITY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013 (Continued)

	2013	2012
	€	€
14. Revenue Reserves		
Opening Surplus	125,663	270,809
Surplus (Deficit) for Period	616,321	(145,146)
Retained Surplus	<u>741,984</u>	<u>125,663</u>

15. Capital Commitments

Contracted For	106,232	54,903
	<u>106,232</u>	<u>54,903</u>

16. Leasehold Commitments

The Authority has a long term lease commitment in respect of the property at 13-15 The Mall, Beacon Court, Bracken Road, Dublin 18. This lease expires on 27 March 2028. There is a break clause option available to the Authority in 2016, which allows the Authority to terminate the current lease. The annual cost of this lease in 2013 was €293,000 (€293,000 in 2012), together with building management and service charges of €16,474 (€16,439 in 2012).

The Authority inherited this lease from its predecessor the Irish Health Services Accreditation Board. This property is occupied by CORU (The Health and Social Care Professionals Council), under licence with The Authority, effective from 4 March 2011. In agreement with the Department of Health, no rent is chargeable to CORU for the use of the property.

The Authority is currently occupying two premises (City Gate, Mahon Cork and Smithfield Dublin), for which both leases are between the Landlords and the Office of Public Works (OPW). In 2013 the Authority paid rent of €865,106 (€806,806 in 2012) to OPW for Smithfield. In November 2013, the Authority increased its leased space in Smithfield. The additional space is required to support the additional staff hired to support increased regulatory responsibilities. Under the decentralisation programme, no rent is due to OPW on City Gate Mahon Cork.

17. Remuneration of Chief Executive Officer

The Chief Executive Officer received total emoluments of €169,830 (2012 €176,000). She is a member of the Authority's Pension Scheme and her entitlements do not extend beyond the public sector model scheme.

In line with Department of Public Expenditure and Reform guidelines, the Chief Executive Officer did not receive a performance related award in 2013.

HEALTH INFORMATION AND QUALITY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013 (Continued)

18. Board Members' Travel & Subsistence

2013
€

2012
€

The following Board Members were reimbursed for travel, subsistence and other expenses, incurred in carrying out their duties as Board Members.

Brian McEnery

Travel	1,188	-
Subsistence	-	-
	<u>1,188</u>	<u>-</u>

Pat McGrath

Travel	622	263
Subsistence	25	-
	<u>647</u>	<u>263</u>

Grainne Tuke

Travel	177	109
Subsistence	-	-
	<u>177</u>	<u>109</u>

Cillian Twomey

Travel	824	-
Subsistence	-	-
	<u>824</u>	<u>-</u>

Samual McConkey

Travel	205	83
Subsistence	58	10
	<u>263</u>	<u>93</u>

Darragh O'Loughlan

Travel	1,840	-
Subsistence	-	-
	<u>1,840</u>	<u>-</u>

Sheila O'Malley

Travel	290	-
Subsistence	-	-
Other	27	-
	<u>317</u>	<u>-</u>

David Molony

Travel	825	-
Subsistence	-	-
	<u>825</u>	<u>-</u>

Mo Flynn

Travel	188	-
Subsistence	-	-
	<u>188</u>	<u>-</u>

HEALTH INFORMATION AND QUALITY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013 (Continued)

18. Board Members' Travel & Subsistence (Continued)	2013 €	2012 €
Ann Carrigy		
Travel	666	-
Subsistence	15	-
	<u>681</u>	<u>-</u>
Una Geary		
Travel	165	-
Subsistence	-	-
	<u>165</u>	<u>-</u>
Dolores Quinn		
Travel	-	31
Subsistence	-	-
	<u>-</u>	<u>31</u>
Geraldine McCarthy		
Travel	-	106
Subsistence	-	-
	<u>-</u>	<u>106</u>
Bryan Barry		
Travel	-	777
Subsistence	-	-
	<u>-</u>	<u>777</u>
Sheila O'Connor		
Travel	-	197
Subsistence	-	-
	<u>-</u>	<u>197</u>
Total		
Travel	6,990	1,566
Subsistence	98	10
Other	27	-
	<u>7,115</u>	<u>1,576</u>

HEALTH INFORMATION AND QUALITY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013 (Continued)

19. Board Members' Fees	2013 €	2012 €
Brian McEnery (Chairperson – Appointed 15 May 2013)	12,996	-
Pat McGrath (Former Chairperson – Tenure expired 14 May 2013)	7,629	20,520
Dolores Quinn (Board appointment tenure expired on 14 May 2012)	-	4,450
Geraldine McCarthy (Board appointment tenure expired on 14 May 2012)	-	4,328
Grainne Tuke	11,970	11,970
Angela Kerins (Board appointment tenure expired on 14 May 2012)	-	4,450
Bryan Barry (Board appointment tenure expired on 14 May 2012)	-	4,450
Sheila O'Connor (Board appointment tenure expired on 14 May 2012)	-	4,450
Cillian Twomey	11,970	11,970
Philip Caffrey	11,970	11,970
Sheila O'Malley (Appointed to Board 24 September 2012)	11,970	3,223
Darragh O'Loughlin (Appointed to Board 24 September 2012) – Resigned from Board 7 February 2014	11,970	3,223
David Molony (Appointed to Board 24 September 2012)	11,970	3,223
Anne Carrigy (Appointed to Board 15 February 2013)	10,435	-
Linda O'Shea Farren (Appointed to Board 15 February 2013) – Resigned from Board 18 February 2014	10,435	-
	<u>113,315</u>	<u>88,227</u>

Fees were paid to Board members at the approved standard rates for the periods involved. The standard annual rate (set by the Department of Public Expenditure and Reform) for the Chairperson from 1 January 2010 onwards is €20,520. The standard annual rate for a Board member from 1 January 2010 onwards is €11,970.

Effective from 01 November 2011, Board Member fees ceased to be paid to all public sector remunerated members, based on the "One Salary One Person Principle" directive, issued by the Department of Public Expenditure and Reform. Three of the Authority's board members are affected by this directive (Samuel McConkey, Mo Flynn and Una Geary)

HEALTH INFORMATION AND QUALITY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013 (Continued).

20. Board Members' Interests

Transactions are made, from time to time, with bodies with which members are connected whether through employment or otherwise. The Authority has procedures for dealing with conflicts of interest, in accordance with guidelines issued by the Department of Public Expenditure and Reform.

21. Executive Directors' Reimbursed Expenses

The following Executive Directors were reimbursed for travel, subsistence and other expenses, incurred in carrying out their duties as Senior Managers of The Authority.

	2013 €	2012 €
Tracey Cooper - Chief Executive Officer		
Travel	7,309	7,438
Subsistence	4,994	4,969
	<u>12,303</u>	<u>12,407</u>
Jane Grimson – Director of Health Information and Deputy Chief Executive Officer		
Travel	701	993
Subsistence	408	1,508
Other	-	61
	<u>1,109</u>	<u>2,562</u>
Phelim Quinn - Director of Regulation		
Travel	5,471	-
Subsistence	2,393	-
	<u>7,864</u>	<u>-</u>
Marie Kehoe- O'Sullivan –Director of Safety and Quality Improvement		
Travel	6,637	747
Subsistence	4,811	805
Other	-	5
	<u>11,448</u>	<u>1,557</u>
Mairín Ryan – Director of Health Technology Assessment		
Travel	1,274	-
Subsistence	2,156	-
Other	216	-
	<u>3,646</u>	<u>-</u>
Total		
Travel	21,392	9,178
Subsistence	14,762	7,282
Other	216	66
	<u>36,370</u>	<u>16,526</u>

HEALTH INFORMATION AND QUALITY AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013 (Continued).

22. Authority's Executive Directors' Salaries	2013 €	2012 €
Tracey Cooper- Chief Executive Officer (Note 17)	169,830	176,000
Jane Grimson – Director of Health Information and Deputy Chief Executive Officer (Note A below)	109,453	140,068
Phelim Quinn - Director of Regulation (Note B below)	131,079	24,202
Marie Kehoe-O'Sullivan – Director of Safety and Quality Improvement (Note C below)	132,932	67,252
Mairín Ryan – Director of Health Technology Assessment (Note D below)	85,914	53,243

Note A Jane Grimson – Director of Health Information and Deputy Chief Executive Officer is seconded to the Authority from Trinity College Dublin, on a four day week. The Authority reimbursed Trinity College for her salary of €98,650 and €16,911 for PRSI and Pension (2012 €110,924 and €19,010) and paid her an additional amount of €10,803 (2012 €29,144).

Note B Phelim Quinn, Director of Regulation commenced with the Authority on 1 November 2012.

Note C Marie Kehoe- O'Sullivan, Director of Safety and Quality Improvement commenced with the Authority on 02 July 2012.

Note D Mairín Ryan, Director of Health Technology Assessment works a 3 day week with the Authority. Her full time equivalent salary is €153,885.

Each Executive Director, except for the Health Information and Deputy Chief Executive Officer is a member of the Authority's Pension Scheme and their entitlements do not extend beyond the public sector model scheme. The Health Information Director / Deputy Chief Executive Officer is a member of the Trinity College Dublin pension scheme.

In line with Department of Public Expenditure and Reform guidelines, no member of staff received a performance related award in 2013.

23. Approval of Financial Statements

These financial statements were approved by the Board on 14 May 2014.