

Health Information and Quality Authority

ANNUAL FINANCIAL STATEMENTS
FOR
HEALTH INFORMATION AND QUALITY AUTHORITY
YEAR ENDED 31 DECEMBER 2014

Health Information and Quality Authority

Table of Contents

	Page Number
Chairperson's Report.....	4
Membership and General Information.....	5-8
Statement of Board Members' Responsibilities.....	9
Report of Comptroller and Auditor General.....	10-11
Statement on Internal Financial Control.....	12-13
Statement of Accounting Policies.....	14-15
Income and Expenditure Account.....	16
Capital Income and Expenditure Account.....	17
Balance Sheet.....	18
Cashflow Statement.....	19
Notes to the Financial Statements.....	20-31

Health Information and Quality Authority

CHAIRPERSON'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

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 2014. 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.

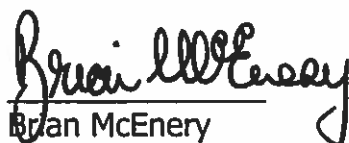
There are no significant post balance sheet events to report.

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

29 June 2015
Date

Health Information and Quality Authority

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>
Grainne Tuke	<p>A Solicitor by profession and a practicing member of the Law Society</p> <p>Term of office expired 14 May 2015</p>
Philip Caffrey	<p>Former Director, United Drug PLC and former Director with Irish Aviation Authority.</p> <p>Term of office expired 14 May 2015</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> <p>Term of office expired 14 May 2015</p>
Cillian Twomey	<p>Retired consultant physician in geriatric medicine. He is a former member and Chairman of the Board of Marymount University Hospital and Hospice (September 2008 to September 2014)</p> <p>Term of office expired 14 May 2015</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>

Health Information and Quality Authority

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>Acting Chief Education Officer of the Education Department at Nursing and Midwifery Board Ireland.</p>

Health Information and Quality Authority

MEMBERSHIP AND GENERAL INFORMATION

Board Resignations and New Appointees

The term of appointment expired for the following Board members on 14 May 2015

Grainne Tuke
Cillian Twomey
Philip Caffrey
Sam McConkey

The following members were appointed to the Board

Bairbre O'Neill	31 March 2014
Mary Fennessy	7 April 2014
Judith Foley	7 April 2014

The following members resigned from the Board

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

Health Information and Quality Authority

MEMBERSHIP AND GENERAL INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2014

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

Health Information and Quality Authority

STATEMENT OF BOARD MEMBERS' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2014

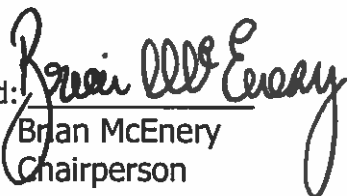
Under the terms of the Health Act 2007 which established the Health Information and Quality Authority, the Board acknowledges its responsibility to prepare financial statements for the year which give a true and fair view of the state of affairs of the Authority and its income and expenditure for the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

29 June 2015
Date

Signed: 
Sheila O'Malley
Board Member

26th JUNE 2015
Date



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 2014 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 2014 and of its income and expenditure for 2014.

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

Patricia Sheehan

For and on behalf of the
Comptroller and Auditor General

30 June 2015

Health Information and Quality Authority

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

Health Information and Quality Authority

STATEMENT ON INTERNAL FINANCIAL CONTROL FOR THE YEAR ENDED 31 DECEMBER 2014

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:

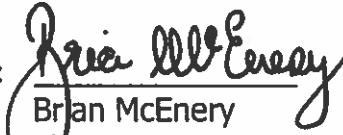
1. An annual estimate of the organisation's financial requirements was provided to the Department of Health.
2. Reports were provided to the Department which compared actual and estimated expenditure.
3. All expenditure by the organisation was recorded in the general ledger of the accounting system. 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 was generated tri-annually for relevant designated centres. Total fee income was analytically reviewed and reconciled each billing cycle by Finance to information contained within the Authority's Regulatory Management System, contributing towards ensuring the accuracy and completeness of annual fee income.

Health Information and Quality Authority

STATEMENT ON INTERNAL FINANCIAL CONTROL FOR THE YEAR ENDED 31 DECEMBER 2014 (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


Date

Health Information and Quality Authority

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2014

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 2014.

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 recognised 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 recognised 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.

Health Information and Quality Authority

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31 DECEMBER 2014 (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.

11. Single Public Service Pension Scheme

All new entrants into the public sector with effect from 01 January 2013 are members of the Single Public Service Pension Scheme, where all employee pension deductions are paid over to a central account for the benefit of the Exchequer.

Health Information and Quality Authority

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2014


		2014	2013
	Notes	€	€
Income			
Department of Health (Vote 38, subhead E1)		9,400,000	10,000,000
Annual and Registration Fees	1	6,906,615	5,432,513
Other Income	2	540,789	502,337
		16,847,404	15,934,850
Expenditure			
Staff Costs	3	12,763,922	11,720,339
Travel and Subsistence		673,402	659,014
Professional Fees	5	432,668	146,371
Publication Expenses		31,463	101,431
Administration Overhead	6	1,144,647	1,098,528
Establishment Expenses	7	1,834,975	1,592,846
		16,881,077	15,318,529
Surplus/(Deficit) for the Year	13	(33,673)	616,321
Surplus as at 1 January	13	741,984	125,663
Surplus at 31 December	13	708,311	741,984

All recognised gains and losses for the year ended 31 December 2014 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 22 form part of these financial statements.

On behalf of the Authority:

Signed: 
 Brian McEnery
 Chairperson

Signed: 
 Phelim Quinn
 Chief Executive Officer

Date: 29 June 2015

Date: 29 June 2015

Health Information and Quality Authority

CAPITAL INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014	2013
		€	€
Income			
Department of Health (Vote 38, subhead H)		319,942	667,985
Amortisation of Capital Fund Account		426,370	443,537
		746,312	1,111,522
Expenditure			
Leasehold Interest	8	-	207,947
Fixtures and Fittings	8	24,530	149,790
Computer Equipment	8	295,412	310,248
Depreciation	8	426,370	443,537
		746,312	1,111,522
Surplus /(Deficit) for the Year		-	-
Opening (deficit)/surplus		-	-
Surplus / (Deficit) For Year		-	-

The Statement of Accounting Policies and Notes 1 to 22 form part of these financial statements.

On behalf of the Authority

Signed: 
 Brian McEnery
 Chairperson

Signed: 
 Phelim Quinn
 Chief Executive Officer

Date: 29 June 2015

Date: 24 June 2015

**BALANCE SHEET
AS AT 31 DECEMBER 2014**

	Notes	2014 €	2013 €
Fixed Assets			
Tangible Assets	8	2,610,273	2,716,701
Current Assets			
Debtors	9	647,059	879,673
Cash at Bank or in Hand	11	<u>741,825</u>	<u>524,952</u>
		1,388,884	1,404,625
Less Current Liabilities			
Creditors falling due within one year	10	<u>(680,573)</u>	<u>(662,641)</u>
Net Current Assets /(Liabilities)		708,311	741,984
Total Assets Less Current Liabilities		<u>3,318,584</u>	<u>3,458,685</u>
Capital and Reserves			
Income and Expenditure Account	13	708,311	741,984
Capital Account	12	2,610,273	2,716,701
		<u>3,318,584</u>	<u>3,458,685</u>

The Statement of Accounting Policies and Notes 1 to 22 form part of these financial statements.

On behalf of the Authority

Signed: 
 Brian McEnery
 Chairperson

Signed: 
 Phelim Quinn
 Chief Executive Officer

Date: 29 June 2015

Date: 24 June 2015

Health Information and Quality Authority

CASHFLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

Reconciliation of operating surplus to Net funds inflow from operating activities

	2014 €	2013 €
Operating (Deficit) / Surplus	(33,673)	616,321
Decrease / (Increase) in Debtors	232,614	(433,228)
Increase / (Decrease) in Creditors and Accruals	17,932	(27,339)
Net Cash Flow from Operating Activities	216,873	155,754

Cash Flow Statement

Net Cash Flow from Operating Activities	216,873	155,754
Purchase of Fixed Assets	(319,942)	(667,985)
Capital Grants Received/Receivable	319,942	667,985
Increase in Cash Balances	216,873	155,754

Reconciliation of net cash flow to movement in net funds

Increase in Cash in the year	216,873	155,754
Net Funds at 1 January	524,952	369,198
Net Funds at 31 December	741,825	524,952

The Statement of Accounting Policies and Notes 1 to 22 form part of these financial statements.

On behalf of the Authority

Signed: 
 Brian McEnery
 Chairperson

Signed: 
 Phelim Quinn
 Chief Executive Officer

Date: 29 June 2015

Date: 24 June 2015

Health Information and Quality Authority

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

	2014	2013
	€	€
1. Annual and Registration Fee Income		
Annual Fees	6,499,215	5,316,313
Registration Fees	407,400	116,200
	<u>6,906,615</u>	<u>5,432,513</u>
2. Other Income	2014	2013
	€	€
Superannuation Contributions	495,511	489,647
EU Network Grants	40,097	9,348
Interest Received	2,094	2,222
Miscellaneous Income	3,087	1,120
Total	<u>540,789</u>	<u>502,337</u>
3. Staff Costs		
Wages and Salaries (Note A)	10,794,399	10,110,991
Agency Staff	981,976	693,476
Directors' Fees (Note 18)	105,277	113,315
Employers' Pay Related Social Insurance	882,270	802,557
Total	<u>12,763,922</u>	<u>11,720,339</u>

Note A. Pension levy deductions of €693,695 (2013 €688,292) were made from staff salaries and remitted to the Department of Health.

Health Information and Quality Authority

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (Continued)

	2014 €	2013 €
4. Average Headcount		
Regulation	121	99
Safety and Quality Improvement	8	8
Health Technology Assessment	9	7
Health Information	10	12
Support Staff	25	27
	173	153
5. Professional Fees		
Statutory Investigations and Reviews	113,912	4,314
Other Consultancy	164,648	76,882
Legal	154,108	65,175
Total	432,668	146,371
6. Administration Overhead		
Recruitment	165,747	58,484
Staff Training and Development	222,677	259,522
Telephone	117,718	129,091
IT Support and Supplies	447,730	443,277
Internal Audit and Accountancy	48,186	93,331
Statutory Audit	11,400	11,400
Postage and Stationery	97,873	81,211
Media Monitoring	12,805	12,559
Couriers	7,364	4,261
Bad Debt Write Off / Provision	7,923	2,867
Prompt Payment interest and charges	940	787
Bank Charges	4,284	1,738
Total	1,144,647	1,098,528

Health Information and Quality Authority

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (Continued)

	2014 €	2013 €
7. Establishment Expenses		
Rent	1,448,600	1,158,106
Building Service Charge (Note A)	(36,646)	79,340
Insurance	15,224	34,658
Repairs and Maintenance	41,590	25,012
Meeting Room Hire	15,334	18,197
Catering and Refreshments	40,994	28,909
Light and Heat	117,646	96,875
Cleaning and Refuse	67,131	59,969
Security	105,810	85,710
Record Retention and Storage	2,700	3,439
Health and Safety	16,592	2,631
Total	<u>1,834,975</u>	<u>1,592,846</u>

Note A – A credit note to the value of €112,881 was issued to the Authority by OPW related to services charges invoiced by OPW and paid by the Authority from 2008 through to 2013, The incurrence of actual maintenance costs by the building's management company versus the monies collected was in dispute by OPW and the building's management company. Resolution finally crystallised in 2014, when OPW issued a credit note to the Authority.

Health Information and Quality Authority

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (Continued)

8. Fixed Assets

	Leasehold Interest €	Fixtures And Fittings €	Computer Equipment €	Total €
Cost or Valuation				
Balance at 1 January 2014	3,052,327	794,324	1,716,092	5,562,743
Additions	-	24,530	295,412	319,942
Disposals	-	-	(95,316)	(95,316)
Cost or Valuation at 31 December 2014	<u>3,052,327</u>	<u>818,854</u>	<u>1,916,188</u>	<u>5,787,369</u>
Accumulated Depreciation				
Balance at 1 January 2014	916,627	608,928	1,320,487	2,846,042
Depreciation charge for the period	146,030	49,161	231,179	426,370
Depreciation on Disposals	-	-	(95,316)	(95,316)
Accumulated Depreciation At 31 December 2014	<u>1,062,657</u>	<u>658,089</u>	<u>1,456,350</u>	<u>3,177,096</u>
Net Book Value at 31 December 2014	<u>1,989,670</u>	<u>160,765</u>	<u>459,838</u>	<u>2,610,273</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>

Health Information and Quality Authority

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (Continued)

	2014 €	2013 €
9. Debtors		
Annual Fee Debtors	53,365	308,641
Prepayments	511,962	500,996
Sundry Debtors	81,732	70,036
	647,059	879,673

10. Creditors (amounts falling due within one year)

Creditors	124,117	64,610
Prepaid Income	9,210	11,673
Trade Accruals	233,274	247,668
Payroll Deductions	313,972	338,690
	680,573	662,641

11. Analysis of Changes in In Net Funds

	At 01 January 2014	Cash Flows	At 31 December 2014
Cash in Hand, at bank	524,952	216,873	741,825

	2014 €	2013 €
12. Capital Account		
Opening balance	2,716,701	2,492,253
<u>Movement for Period</u>		
Expenditure from Capital Grant	319,942	667,985
Disposals	(95,316)	(82,563)
Amount amortised in line with Depreciation for the period	(426,370)	(443,537)
Accumulated depreciation on Disposals	95,316	82,563
Balance at 31 December 2014	2,610,273	2,716,701

Health Information and Quality Authority

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (Continued)

	2014 €	2013 €
13. Revenue Reserves		
Opening Surplus	741,984	125,663
Surplus (Deficit) for Period	(33,673)	616,321
Retained Surplus	708,311	741,984
14. Capital Commitments		
Contracted For	8,525	106,232
	8,525	106,232

15. 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 2014 was €293,000 (€293,000 in 2013), together with building management and service charges of €17,085 (€16,474 in 2013).

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 2014 the Authority paid rent of €1,155,632 (€865,106 in 2013) 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.

16. Remuneration of Chief Executive Officer

Phelim Quinn is the Authority's Chief Executive Officer, appointed on 27 November 2014 on an annual salary of €143,535. In 2014 he received total emoluments of € 132,491. €13,065 of this related to his position as Chief Executive Officer and €119,426 related to his previous role as Director of Regulation (see Note 21). He is a member of the Authority's Pension Scheme and his entitlements do not extend the public sector model scheme.

The Authority's former Chief Executive Officer Tracey Cooper resigned from her post on 30 May 2014 and to that date she received total emoluments of €70,395 (2013 €169,830). She was a member of the Authority's Pension Scheme and her entitlements did not extend beyond the public sector model scheme.

In line with Department of Public Expenditure and Reform guidelines, neither Chief Executive Officer received a performance related award in 2014.

Health Information and Quality Authority

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (Continued)

17. Board Members' Travel & Subsistence	2014 €	2013 €
The following Board Members were reimbursed for travel, subsistence and other expenses, incurred in carrying out their duties as Board Members.		
Brian McEnery		
Travel	1,908	1,188
Subsistence	342	-
	2,250	1,188
Pat McGrath		
Travel	-	622
Subsistence	-	25
	-	647
Grainne Tuke		
Travel	555	177
Subsistence	-	-
	555	177
Cillian Twomey		
Travel	-	824
Subsistence	-	-
	-	824
Samuel McConkey		
Travel	471	205
Subsistence	7	58
	478	263
Darragh O'Loughlan		
Travel	-	1,840
Subsistence	-	-
	-	1,840
Sheila O'Malley		
Travel	326	290
Subsistence	-	-
Other	-	27
	326	317
David Molony		
Travel	932	825
Subsistence	-	-
	932	825
Mo Flynn		
Travel	33	188
Subsistence	-	-
	33	188

Health Information and Quality Authority

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (Continued)

17. Board Members' Travel & Subsistence (Continued)	2014 €	2013 €
Ann Carrigy		
Travel	319	666
Subsistence	-	15
	<u>319</u>	<u>681</u>
Una Geary		
Travel	17	165
Subsistence	-	-
	<u>17</u>	<u>165</u>
Judith Foley		
Travel	233	-
Subsistence	-	-
	<u>233</u>	<u>-</u>
Total		
Travel	4,794	6,990
Subsistence	349	98
Other		27
	<u>5,143</u>	<u>7,115</u>

Health Information and Quality Authority

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (Continued)

18. Board Members' Fees	2014	2013
	€	€
Brian McEnery (Chairperson – Appointed 15 May 2013)	20,520	12,996
Pat McGrath (Former Chairperson – Tenure expired 14 May 2013)	-	7,629
Grainne Tuke (Tenure expired 14 May 2015)	11,970	11,970
Cillian Twomey (Tenure expired 14 May 2015)	11,970	11,970
Philip Caffrey (Tenure expired 14 May 2015)	11,970	11,970
Sheila O'Malley	11,970	11,970
Darragh O'Loughlin (Resigned 7 February 2014)	1,228	11,970
David Molony	11,970	11,970
Anne Carrigy (Appointed 15 February 2013)	11,970	10,435
Linda O'Shea Farren (Appointed 15 February 2013: Resigned 18 February 2014)	1,550	10,435
Bairbre O'Neill (Appointed 31 March 2014)	9,023	-
Mary Fennessy (Appointed 07 April 2014; Entitled to Fees from 27 November 2014)	1,136	-
	<u>105,277</u>	<u>113,315</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.

Since 1 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. Four of the Authority's board members, during the year were affected by this directive (Samuel McConkey, Mo Flynn, Una Geary and Judith Foley). Mary Fennessy ceased to be in public service employment on 27 November 2014 and was entitled to fees from that date.

Health Information and Quality Authority

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (Continued).

19. 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.

20. 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.

	2014 €	2013 €
Tracey Cooper - Chief Executive Officer (Resigned on 30 May 2014)		
Travel	283	7,309
Subsistence	661	4,994
	944	12,303
 Jane Grimson - Director of Health Information, Deputy Chief Executive Officer and Acting Chief Executive Officer (Retired 30 September 2014)		
Travel	1,398	701
Subsistence	1,432	408
	2,830	1,109
 Phelim Quinn - Director of Regulation and appointed Chief executive Officer on 27 November 2014		
Travel	3,737	5,471
Subsistence	3,357	2,393
	7,094	7,864
 Marie Kehoe- O'Sullivan - Director of Safety and Quality Improvement		
Travel	4,569	6,637
Subsistence	4,218	4,811
Other	45	-
	8,832	11,448

Health Information and Quality Authority

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (Continued).

20. Executive Directors' Reimbursed Expenses (continued)

Mairín Ryan – Director of Health Technology Assessment

Travel	1,645	1,274
Subsistence	1,622	2,156
Other	416	216
	<u>3,683</u>	<u>3,646</u>
Total		
Travel	11,632	21,392
Subsistence	11,290	14,762
Other	461	216
	<u>23,383</u>	<u>36,370</u>

Health Information and Quality Authority

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014 (Continued).

21. Authority's Executive Directors' Salaries	2014	2013
	€	€
Tracey Cooper- Former Chief Executive Officer (Note 16)	70,395	169,830
Jane Grimson – Director of Health Information and Deputy Chief Executive Officer (Note A below)	91,004	109,453
Phelim Quinn - Director of Regulation and current Chief Executive Officer (Note 16 and Note C below)	132,491	131,079
Marie Kehoe-O'Sullivan – Director of Safety and Quality Improvement	131,385	132,932
Mairín Ryan – Director of Health Technology Assessment (Note B below)	89,617	85,914

Note A Jane Grimson – Director of Health Information and Deputy Chief Executive Officer was seconded to the Authority from Trinity College Dublin, on a four day week. She retired from Public Sector on 30 September 2014. The Authority reimbursed Trinity College for her salary of €86,375 and €14,817 for PRSI and Pension (2013 €98,650 and €16,911) and paid her an additional amount of €4,629 (2013 €10,803).

Note B Mairín Ryan, Director of Health Technology Assessment worked 3 days every week with the Authority until September 2014. From 06 October 2014 she moved to 3.5 days per week. Her full time equivalent salary is €143,535.

Note C Phelim Quinn was appointed the Authority's Chief Executive Officer on 27 November 2014 on an annual salary of €143,535 (See Note 16). Prior to this appointment, Phelim operated as Director of Regulation and was on an annual salary of €131,385.

Each Executive Director, except for Jane Grimson is a member of the Authority's Pension Scheme and their entitlements do not extend beyond the public sector model scheme. Jane Grimson was 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 2014.

22. Approval of Financial Statements

These financial statements were approved by the Board on 18 March 2015.

