

NMH Foundation
(A company limited by guarantee and not having a share capital)

Directors' Report and Financial Statements

Financial Year Ended 31 December 2015

CONTENTS

	Page
DIRECTORS AND OTHER INFORMATION	2
DIRECTORS' REPORT	3 - 6
INDEPENDENT AUDITOR'S REPORT	7 - 9
STATEMENT OF FINANCIAL ACTIVITIES	10
BALANCE SHEET	11
STATEMENT OF CHANGES IN EQUITY	12
CASH FLOW STATEMENT	13
NOTES TO THE FINANCIAL STATEMENTS	14 - 22

DIRECTORS' & OTHER INFORMATION

Board of Directors at 31 December 2015

Dr Rhona Mahony
Dr Peter Boylan
Dr John Murphy
Ms Niamh Callaghan
Mr Aidan Devlin
Mr Ronan Gavin
Ms Catherine Ghose
Ms Rachel Hussey
Mr Padraig McManus
Ms Ruth Curran (appointed 21st July 2015)

Solicitors

Mason Hayes & Curran
6th Floor South Bank House
Barrow Street
Dublin 4

Arthur Cox
Earlsfort Centre
Earlsfort Terrace
Dublin 2

Secretary and Registered Office

Ronan Gavin
National Maternity Hospital
Holles Street
Dublin 2

Bankers

Bank of Ireland
2 College Green
Dublin 2

Registered Number: 518984 (Incorporated on 18 October 2012)

Charity Registration No.: CHY. 20389
S.848a Donations Relief granted 18 April 2013

Auditors

PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
One Spencer Dock
North Wall Quay
Dublin 1

The Directors present herewith their report and the audited financial statements for the financial year ended 31 December 2015.

The Directors of the NMH Foundation ('the Foundation') are its trustees for the purpose of Charity Law. This report incorporates statutory requirements as outlined in the Companies Act 2014 and have been prepared with reference to the Statement of Recommended Practice for Charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the Republic of Ireland (FRS102) (effective 1 January 2015). The Charity SORP (FRS 102) is not yet mandatory in the Republic of Ireland and the Irish Charity Regulator has not yet prescribed accounting regulations for Irish Charities. In the absence of such prescriptive guidance, the Trustees have adopted the Charity SORP (FRS 102) as it is considered best practice.

Objectives and activities

The Foundation, as a voluntary charitable organisation, has as its principal objective the development of a sustainable fundraising capability that will support the National Maternity Hospital in maintaining its position as the centre of excellence in the delivery of mother and baby care and research.

The main activity of the Foundation is raising funds to support the work of the National Maternity Hospital, Holles Street. The Foundation supports all areas of need within the NMH, including equipment, research and education programmes and support services for mothers and babies. Money is raised through direct donations, events and corporate partnerships.

New initiatives Scheme

New initiatives include increased community fundraising, direct debit/regular giving and increased event activity.

Legal status and governing document

The Foundation is an Irish company incorporated on 13 October 2012. It is a company limited by guarantee and does not have a share capital. The Foundation is a not-for-profit organisation with charitable status granted on 18 April 2013, with Articles of Association and a board of non-executive Directors. The Foundation's charity registration number is CHY 20389.

Statement of Board of Directors' responsibilities

The Board of Directors is responsible for preparing the Director's Report and the financial statements of the Foundation.

The Board of Directors is required to prepare financial statements for each financial year that give a true and fair view of the Foundation's assets, liabilities and financial position as at the end of the financial year and of the surplus or deficit of the Charity for the financial year. The Board of Directors has prepared the financial statements in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 which is the Financial Reporting Standard applicable in the UK and Republic of Ireland and promulgated by the Institute of Chartered Accountants in Ireland) and Charities Statement of Recommended Practice (SORP) (FRS 102).

Under company law, the Board of Directors shall not approve the financial statements unless it is satisfied that they give a true and fair view of the assets, liabilities and financial position of the Foundation, as at the end of the financial year and the profit or loss of the Foundation for the financial year, and otherwise comply with the Companies Act 2014.

DIRECTORS' REPORT (INCORPORATING THE TRUSTEES REPORT) - continued

Statement of Board of Directors' responsibilities – continued

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

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in business.

The Board of Directors is responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the NMH Foundation.
- enable, at any time, the assets, liabilities, financial position and surplus or deficit of the Foundation to be determined with reasonable accuracy and
- enable those financial statements to be audited.

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

Principal activities and business review

In April 2013, the fundraising activities of the National Maternity Hospital were taken over by NMH Foundation. The previous company responsible for these activities was Holles Street 2000 NMH Limited. As part of the changeover, the closing reserves of Holles Street 2000 NMH were transferred to NMH Foundation.

The directors consider the level of fundraising activity and the year-end financial position to be satisfactory. In April 2013 the Board passed a resolution which allowed NMH Foundation purchase 65/66 Lower Mount St. This property is immediately adjacent to the premises of the Hospital and the Board agreed that it provided a great opportunity for the Company to enhance and improve all services provided by the Hospital, as per the main objects of the Company. The funds to purchase this building were provided by the Medical Fund and The Scientific Research College.

Financial review

The deficit for the year is set out on page 10.

Income generation

The Foundation's income decreased from €1,175,640 in the year to 31 December 2014 to €380,907 in the year to 31 December 2015. The deficit for the year was €24,831.

Resources expended

The vast majority of the resources expended go towards supporting the fundraising activities of the Foundation. The remainder relates to support costs which facilitate the day to day running of the Foundation.

Reserves

The Directors have reviewed the reserves on hand at the year end and analysed them as restricted and unrestricted where relevant. Performance for the year has been in line with expectations.

DIRECTORS' REPORT (INCORPORATING THE TRUSTEES REPORT) - continued

Principal risks and uncertainties

The Directors have ultimate responsibility for ensuring that the Foundation has appropriate system of controls, financial and otherwise. The Directors consider the principal risks and uncertainties faced by the Foundation to be the loss of public support and donor fatigue. In addition, the systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- A strategic plan and an annual budget approved by the Directors.
- Regular consideration by the Directors of financial results and variance reports from the Finance Department in relation to individual projects and overall budget and
- Delegation of authority and segregation of duties.

Accounting records

The measures taken by the Directors to secure compliance with the Foundation's obligation to keep adequate accounting records are the use of appropriate systems and procedures and employment of competent persons. The accounting records are kept at the National Maternity Hospital, Holles Street, Dublin 2.

Directors

The names of the persons who served as Directors at any time during the year are set out below. Other than as indicated they served as Directors for the entire year.

Dr Rhona Mahony	(and Member)
Dr Peter Boylan	(and Member)
Dr John Murphy	(and Member)
Ms Niamh Callaghan	(and Member)
Mr Aidan Devlin	
Mr Ronan Gavin	(Secretary and Member)
Ms Catherine Ghose	(and Member)
Ms Rachel Hussey	
Mr Padraig McManus	(Chairman and Member)
Ms Ruth Curran	(Appointed 21 st July)

All of the above served for the entire period. This is a Company limited by guarantee without a share capital. The Articles of Association provide for the rotation of directors at AGMs. A retiring Director shall be eligible for re-election.

Events since the end of the financial year

There are no significant or material subsequent events affecting the Foundation since the year end.

Future developments

It is the intention of the dDirectors to continue to develop the existing activities of the Foundation.

Political donations

The Foundation did not make any political donations during the financial period.

Research and development

The Foundation did not incur any research and development expenditure during the financial period.

DIRECTORS' REPORT (INCORPORATING THE TRUSTEES REPORT) - continued

Auditors

The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office, and a resolution that they be re-appointed will be proposed at the Annual General Meeting. So far as the Directors are aware, there is no relevant audit information of which the Foundation's statutory auditors are unaware, and the Directors have taken all steps that ought to have been taken by the Directors in order to make themselves aware of any relevant audit information and to establish that the Foundation's auditors are aware of that information.

On behalf of the board



Padraig McManus



Ronan Gavin

17 July 2017



Independent auditors' report to the members of NMH Foundation

Report on the financial statements

Our opinion

In our opinion, NMH Foundation's financial statements (the "financial statements"):

- give a true and fair view of the company's assets, liabilities and financial position as at 31 December 2015 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

What we have audited

The financial statements, included within the Annual Report, comprise:

- the balance sheet as at 31 December 2015;
- the statement of financial activities for the year then ended;
- the cash flow statement for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' Report is consistent with the financial statements.

Matter on which we are required to report by exception

Directors' remuneration and transactions

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

~~Our responsibilities and those of the directors~~

As explained more fully in the Statement of Board of Directors' responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

~~What an audit of financial statements involves~~

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland). 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 company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



John Dunne
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Dublin
17 July 2017

NMH Foundation (limited by guarantee and not having share capital)

STATEMENT OF FINANCIAL ACTIVITIES
Period Ended 31 December 2015

	Notes	Unrestricted funds 2015 €	Total funds 2014 €
Income and expenditure			
Income from:			
Investment income	5	98,156	96,470
Donations and legacies		44,766	860,431
Charitable activities		<u>237,986</u>	<u>218,739</u>
Total income		<u>380,907</u>	<u>1,175,640</u>
Expenditure on:			
Loan interest		94,420	94,420
Raising funds	8	136,419	139,589
Charitable activities	9	<u>174,899</u>	<u>25,225</u>
Total expenditure		<u>405,738</u>	<u>259,234</u>
Net (deficit)/income		<u>(24,831)</u>	<u>916,406</u>
Reconciliation of funds			
Total funds brought forward		1,174,096	257,690
Total funds carried forward		<u>1,149,265</u>	<u>1,174,096</u>

There were no recognised gains or losses other than those dealt with in the Statements of Financial Activities above.

There is no difference between the net incoming resources for the period and the net incoming resources retained for the period stated above, and their historical cost equivalents.

NMH Foundation (limited by guarantee and not having a share capital)

BALANCE SHEET

Financial Year Ended 31 December 2015

	Notes	2015 €	2014 €
Fixed assets			
Property investment	12	<u>8,750,000</u>	<u>8,750,000</u>
Current assets			
Stock		3,864	2,710
Debtors	13	55,360	29,531
Cash at bank		<u>1,191,993</u>	<u>1,160,654</u>
Total current assets		<u>1,251,217</u>	<u>1,192,895</u>
Current liabilities:			
Creditors - amounts falling due within one year	14	<u>(101,952)</u>	<u>(18,799)</u>
Net current assets		<u>1,149,265</u>	<u>1,174,096</u>
Long-term liabilities:			
Creditors - amounts falling due after more than one year	15	<u>(4,720,885)</u>	<u>(4,720,885)</u>
Net assets		<u>5,178,380</u>	<u>5,203,211</u>
Capital and reserves			
Accumulated fund		1,149,265	1,174,096
Asset revaluation reserve		<u>4,029,115</u>	<u>4,029,115</u>
Members' funds - equity interests		<u>5,178,380</u>	<u>5,203,211</u>

On Behalf of the board


Pdraig McManus


Ronan Gavin

17 July 2017

NMH Foundation (limited by guarantee and not having a share capital)

STATEMENT OF CHANGES IN EQUITY
Financial Year Ended 31 December 2015

	Unrestricted revaluation reserve €	Unrestricted accumulated fund €	Total €
Balance at 1 January 2014	-	257,660	257,660
Surplus for the year	-	916,406	916,406
Revaluation increment	<u>4,029,115</u>	<u>-</u>	<u>4,479,115</u>
Balance at 31 December 2014	<u>4,029,115</u>	<u>1,174,096</u>	<u>5,203,211</u>
Balance at 1 January 2015	4,029,115	1,174,096	1,174,096
Deficit for the year	-	(24,831)	(24,831)
Revaluation increment	<u>-</u>	<u>-</u>	<u>-</u>
Balance at 31 December 2015	<u>4,029,115</u>	<u>1,149,265</u>	<u>5,178,380</u>

NMH Foundation (limited by guarantee and not having share capital)

CASH FLOW STATEMENT
Financial Year Ended 31 December 2015

	Notes	2015 €	2014 €
Cash flows from operating activities			
Cash flows provided by operating activities	16	<u>31,339</u>	<u>510,883</u>
Cash flows from investing activities			
Rental Income received		<u>94,420</u>	<u>94,420</u>
Cash flows from financing activities			
Interest paid on borrowings		<u>(94,420)</u>	<u>(94,420)</u>
Change in cash and cash equivalents in the reporting period		31,339	510,883
Cash and cash equivalents at the beginning of the reporting period	17	<u>1,160,654</u>	<u>649,771</u>
Cash and cash equivalents at the end of the reporting period	17	<u>1,191,993</u>	<u>1,160,654</u>

NOTES TO THE FINANCIAL STATEMENTS

1 Statement of compliance

The financial statements have been prepared on a going concern basis and in accordance with Irish GAAP (accounting standards issued by the Financial Reporting Council of the UK and promulgated by the Institute of Chartered Accountants in Ireland and the Companies Act 2014). The entity financial statements comply with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Companies Act 2014. The financial statements have also been prepared in accordance with the recommendations of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charity SORP (FRS 102)).

2 General information

The Foundation's principal objective is the development of a sustainable fundraising capability that will support the National Maternity Hospital in maintaining its position as a centre of excellence in the delivery of mother and baby care and research.

The Company is incorporated as a Company Limited by Guarantee in the Republic of Ireland. The address of its registered office is The National Maternity Hospital, Holles Street, Dublin 2.

3 Summary of significant accounting policies

The significant accounting policies used in the preparation of the entity financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated. The Foundation has adopted FRS 102 and Charity SORP (FRS 102) for the first time in these entity financial statements.

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

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) and Charities SORP (FRS 102), and the Companies Act 2014.

The NMH Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

In preparing the accounts, the board have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP (FRS 102) the restatement of comparative items was required.

Historical cost convention

The financial statements are prepared under the historical cost convention except that investments are stated at fair value.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

Going concern

The Foundation meets its day-to-day working capital requirements through its cash balances and investments. The current economic conditions continue to create uncertainty over the ability of the Foundation to maintain the level of donations received. The Foundation's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Foundation should be able to operate for the foreseeable future. After making enquiries, the Board of Directors has a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. Therefore these financial statements have been prepared on a going concern basis.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Rental Income

Rental income arising on the leasing of 65/66 Lower Mount Street Dublin 2. The Foundation has leased the property for an initial period of seven years. Rental income arising on the rental of investment properties held by the Foundation as investment properties is recognised as the rental income falls due.

Legacy income and bequests

For legacies and bequests, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to clarify that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intentions to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donation income

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably. Donations or grants that are subject to terms or performance related conditions or other conditions that must be met before there is unconditional entitlement to the gifted resources. These have been separately identified within the financial statements.

Subscription Income

Subscription income is recognised by the Foundation when the Foundation becomes entitled to the income, there is sufficient certainty of receipt and the subscription can be reliably measured.

Funds

All transactions of the Foundation have been recorded and reported as income into or expenditure from funds which are designated as "restricted", or "unrestricted".

Income is treated as restricted where the donor has specified that it may only be used for a particular purpose or where it has been raised for a particular purpose. All other income is treated as unrestricted. Expenditure is treated as being made out of restricted funds to the extent that it meets the criteria specified by the donor or the terms under which it was raised. All other expenditure is treated as unrestricted.

The balance on each restricted fund at the end of the year represents the asset held by the organisation for particular purposes specified by the donors. The balance of the unrestricted fund at the end of the year represents the assets held by the organisation for general use in furtherance of its work. Endowment fund represents amounts held for investment purpose. Income from these principal amounts will either be (a) unrestricted and used for general purposes, or (b) restricted by the donor or by the Board.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

Financial instruments

The company has chosen to apply the provisions of Sections 11 and 12 of FRS 102 to account for all of its financial instruments.

(i) Financial assets

Basic financial assets, including trade and other debtors, cash and cash equivalents, short-term deposits and investments in corporate bonds, are initially recognised at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial asset is initially measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument.

Trade and other debtors, cash and cash equivalents are subsequently measured at amortised cost using the effective interest method.

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

If, in a subsequent financial year, the amount of an impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognised the previously recognised impairment loss is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment loss not previously been recognised. The impairment reversal is recognised in profit or loss.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value. Fair value is "the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction other than in a forced or liquidation sale". Estimates are made at a specific point in time, based on market conditions and information about the financial instrument.

Such financial assets subsequently measured at fair value and the changes in fair value are recognised in the Statement of Financial Activities, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are subsequently measured at cost less impairment.

Realised gains and losses on disposal of investments are the difference between sales proceeds receivable and carrying value. Unrealised gains and losses are the difference between market value at year end and carrying value.

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

NOTES TO THE FINANCIAL STATEMENTS - continued

(ii) *Financial liabilities*

Trade and other creditors, bank loans, loans from fellow group companies, preference shares and financial liabilities from arrangements which constitute financing transactions are subsequently carried at amortised cost, using the effective interest method.

Basic financial liabilities, including trade and other creditors, loans from third parties, are initially recognised at settlement price.

Variable rate loans were recognised initially at an amount equal to the principal payable at maturity, and therefore re-estimating the future interest payments has no significant effect on the carrying amount of the loans, which have not been discounted.

Investment property

Investment property is held at fair value. Gains and losses arising from the revaluation of the investment property are included in the Statement of Financial Activities. See note 12 for additional information.

4 Critical accounting judgements and estimation uncertainty

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

The Board of Directors make estimates and assumptions concerning the future in the process of preparing the entity financial statements. The resulting accounting estimates will, by definition, seldom equal the related actual results.

(i) *Valuation of Non-exchange transactions*

The financial statements include non-exchange transactions where the Foundation has benefited from the donation of time and other goods and services from various donors. The Foundation does not have any non-exchange transactions in 2015 (2014: Nil)

5 Investment income	2015	2014
	€	€
Interest received on deposit account	3,786	2,050
Rent received on investment property	94,420	94,420
Interest payable on loan to purchase investment property	<u>(94,420)</u>	<u>(94,420)</u>

Interest payable is accrued at a rate of 2% per annum.

6 Payroll costs	2015	2014
	€	€
Basic Pay	89,339	28,075
Employers PRSI	<u>9,606</u>	<u>2,947</u>
Total	<u>98,945</u>	<u>31,022</u>

The average number of persons employed by the Foundation during the financial year was two. The NMH Foundation employ one full time employee and one part-time employee.

No salaries or fees are payables to the Directors of the Foundation.

NMH Foundation (limited by guarantee and not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS - continued

7 Key management compensation

Compensation paid or payable to key management personnel for employee services are shown below:

	2015 €	2014 €
Basic Pay	75,000	8,413
Employee PRSI	3,000	517
Total	78,000	8,930

8 Expenditure on raising funds - Unrestricted

	2015 €	2014 €
Fundraising events	80,774	100,979
Support and governance costs (note 10)	40,438	15,297
Governance costs (note 10)	15,207	23,313
Total	136,419	139,589

9 Expenditure on charitable activities - Unrestricted

	2015 €	2014 €
Payroll costs	59,367	18,613
Support and governance costs (note 10)	22,924	6,612
Hospital equipment	92,608	-
Total	174,899	25,225

Incoming resources and resources expended in the generation of funds for charitable activities

The Foundation raises funds for much needed equipment for the National Maternity Hospital. The events listed below were held in the period ended 31 December 2015 to raise such funds:

	Year ended 31 December 2015 Income €	Year ended 31 December 2015 Direct expenses €	Year ended 31 December 2015 Direct contribution €
Fashion Show	44,792	(33,339)	11,453
Golf Classic	29,680	(6,989)	22,691
Race Events	33,256	(5,825)	27,431
Bloomsday Ball	50,766	(27,081)	23,685
Dads and Daughters	18,026	(4,884)	13,142
Mini Marathon	11,529	(2,655)	8,874
Total	188,049	(80,773)	107,276

NOTES TO THE FINANCIAL STATEMENTS - continued

10 Analysis of governance and support costs

2015	Charitable activities		Raising funds		Basis of apportionment
	General support	Governance functions	General support	Governance functions	
Payroll costs	44,525	14,842	39,578	-	Pro-rata based on time incurred
Subscriptions/memberships	-	-	860	-	Based on specific expenditure plus pro-rata of costs
Bank and credit card charges	1,362	-	-	-	Based on specific expenditure plus pro-rata of costs
Printing and stationery	5,405	-	-	-	Based on specific expenditure plus pro-rata of costs
Advertising and marketing	9,248	-	-	-	Based on specific expenditure plus pro-rata of costs
Professional fees	-	-	-	15,207	Based on specific expenditure plus pro-rata of costs
Staff travel and conferences	705	-	-	-	Based on specific expenditure plus pro-rata of costs
Office equipment	5,494	-	-	-	Based on specific expenditure plus pro-rata of costs
Telephone	709	-	-	-	Based on specific expenditure plus pro-rata of costs
Total	67,449	14,842	40,438	15,207	

2014	Charitable activities		Raising funds		Basis of apportionment
	General support	Governance functions	General support	Governance functions	
Payroll costs	13,960	4,653	12,409	-	Pro-rata based on time incurred
Subscriptions/memberships	-	-	1,422	-	Based on specific expenditure plus pro-rata of costs
Bank and credit card charges	1,218	-	-	-	Based on specific expenditure plus pro-rata of costs
Printing and stationery	3,309	-	-	-	Based on specific expenditure plus pro-rata of costs
Professional fees	-	-	-	23,313	Based on specific expenditure plus pro-rata of costs
Staff travel and conferences	2,085	-	-	-	Based on specific expenditure plus pro-rata of costs
Sundry	-	-	1,466	-	Based on specific expenditure plus pro-rata of costs
Total	20,572	4,653	15,297	23,313	

NMH Foundation (limited by guarantee and not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS - continued

11 Statutory and other information	2015	2014
	€	€
The surplus/(deficit) for the year has been arrived at after charging/(crediting):		
Directors' remuneration	-	-
Auditors' remuneration	<u>6,415</u>	<u>6,415</u>

12 Investment assets	2015	2014
	€	€
Investment property at fair value	<u>8,750,000</u>	<u>8,750,000</u>

In April 2013 the Board passed a resolution to purchase the building on 65/66 Lower Mount Street, Dublin 2. This is an investment property. The Company has leased the property to the National Maternity Hospital for an initial period of seven years. The property was revalued in the prior financial year by independent professional property agent. The relevant amount is based on the market value of the property as at 31 December 2014 as determined by the Board in conjunction with Knight Frank.

13 Debtors	2015	2014
	€	€
Debtors	<u>55,360</u>	<u>29,531</u>

14 Creditors - amounts falling due within one year	2015	2014
	€	€
Creditors	32,373	12,999
Accruals	<u>69,579</u>	<u>5,800</u>
	<u>101,952</u>	<u>18,799</u>

Trade and other creditors are payable at various dates in the next three months in accordance with the suppliers' usual and customary credit terms.

NMH Foundation (limited by guarantee and not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS - continued

15 Creditors - amounts falling after more than one year	2015	2014
	€	€
Loan from The Medical Fund	4,100,000	4,100,000
Loan from The Scientific Research College	<u>620,885</u>	<u>620,885</u>
	<u>4,720,885</u>	<u>4,720,885</u>

These loans were used to purchase the building at 65/66 Lower Mount St, Dublin 2. The Foundation's total loans at 31 December 2015 were €4,720,885 (2014: €4,720,885), representing inter entity loans, repayable upon sale of the property. The loans are subject to interest at a rate of 2% (2014: 2%).

16 Reconciliation of net incoming resources to net cash inflow from charitable activities	2015	2014
	€	€
Net income/(deficit) for the reporting period	(24,831)	916,406
(Increase) in stocks	(1,154)	-
(Increase)/decrease in debtors	(25,829)	178,091
Increase/(decrease) in creditors	<u>83,152</u>	<u>(583,614)</u>
Net cash inflow from activities	<u>31,339</u>	<u>510,883</u>

17 Analysis of changes in net cash	2014	Cash flow	2015
	€	€	€
Cash at bank	<u>1,160,654</u>	<u>31,339</u>	<u>1,191,933</u>

18 Financial instruments	2015	2014
	€	€
Financial assets at fair value through profit or loss		
Financial assets that are debt instruments measured at amortised cost:		
- Trade debtors	<u>19,790</u>	<u>29,531</u>
Cash at bank and in hand	<u>1,191,993</u>	<u>1,160,654</u>
Financial liabilities measured at amortised cost:		
- Trade creditors	32,373	12,999
- Borrowings from The Scientific Research College	4,100,000	4,100,000
- Borrowings from The Medical Fund	<u>620,885</u>	<u>620,885</u>
	<u>4,753,258</u>	<u>4,733,884</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

19 Related party transactions

During the year the NMH Foundation did not have any related party transactions.

20 Events after the end of the reporting period

There were no events after the end of the reporting period which require disclosure in the financial statements.

21 Transition to FRS 102

This is the first year the NMH Foundation has presented its results under Charities SORP (FRS 102). The last financial statements under the Irish GAAP were for the year ended 31 December 2014. The date of transition to Charities SORP (FRS 102) was 1 January 2014. There were no transition adjustments required as a result of the change between Irish GAAP as previously reported and Charities SORP (FRS 102).

22 Approval of the financial statements

The named representatives approved the financial statements on behalf of the Board of Directors on 17 July 2017.

