



NATIONAL PAEDIATRIC HOSPITAL DEVELOPMENT BOARD

ANNUAL REPORT 2010

Planning, designing,
building, equipping and
furnishing the new
children's hospital



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GENERAL INFORMATION



National Paediatric Hospital Development Board

Project Office 2-3 Parnell Square East
Dublin 1

Main Banker Ulster Bank
2-4 Lower O'Connell Street
Dublin 1

Auditor Comptroller and Auditor General
Treasury Block
Lower Yard
Dublin Castle
Dublin 2

Solicitors William Fry
Fitzwilton House
Wilton Place
Dublin 2



About the National Paediatric Hospital Development Board

The National Paediatric Hospital Development Board (the “Development Board”) was established by the Minister for Health & Children by Statutory Instrument S.I. No. 246 of 2007 on May 23, 2007.

The Development Board is responsible for planning, designing, building, equipping and furnishing a new national children’s hospital in accordance with the high-level framework brief which was commissioned by the Health Service Executive (HSE). The brief includes advice on the preferred national network of paediatric care, on the core services to be delivered at the new hospital, and on the additional range of services to be provided outside of the main hospital. This includes an assessment of the range of services to be provided through the urgent and ambulatory care services, and the preferred location(s) for these services, taking account of international best practice in the planning of children’s hospital services.

Functions of the Development Board

The functions of the Development Board, as outlined in S.I. No. 246 of 2007, are:

- to plan, design, build, furnish and equip a national paediatric hospital (“the hospital”) in accordance with a brief approved by the Health Service Executive with the prior consent of the Minister, and subject to any subsequent variations to this brief as may be determined by the Executive in consultation with the Board, and with the prior consent of the Minister;
- in consultation with the relevant hospitals, prepare plans for the transfer of services from the relevant hospitals to the hospital;
- in consultation with the relevant hospitals, prepare a human resource strategy for the transfer to the hospital;
- explore the possibility of securing philanthropic contributions to meet all or part of the capital cost of developing the hospital, and foster the philanthropic interests that already exist in relation to the provision of paediatric services;
- do any other thing as is necessary for the performance of its functions.

Membership of the Development Board

Under the terms of the Statutory Instrument, the Minister for Health may appoint thirteen members to the Board – a Chairperson and twelve ordinary members.



Board membership during the year ended 31st December 2010

Mr Harry Crosbie - Chairman

Mr Harry Crosbie is Director of Arvo Construction Ltd, Point Village Co. Ltd, Point Village Management Ltd, Point Village Development Ltd, Grand Canal Theatre Co. Ltd, Tora Co. Ltd, Spencer Dock Development Co. Ltd, Spencer Dock International Convention Centre Ltd, Spencer Dock Housing Association Ltd, SDDC (No.1) Ltd, and SDDC (No. 2) Ltd. Following the resignation from the Board of Mr John Gallagher in March 2011, Mr Crosbie was appointed interim Chairman. Mr Crosbie was subsequently appointed Chairman in July 2011.

Mr Lorcan Birthistle

Mr Lorcan Birthistle is Chief Executive Officer of Our Lady's Children's Hospital, Crumlin.

Ms Norah Casey

Ms Norah Casey is Chief Executive of Harmonia Ltd and Chairperson of the Mayor of London's St Patrick's Day Festival.

Ms Kathryn D'Arcy

Ms Kathryn D'Arcy is Director of ICT Ireland, Irish Business and Employers' Confederation.

Ms Linda Dillon

Ms Linda Dillon is the parent patient representative on the Board and founder director of Alice's Wonderland Foundation.

Dr Pat Doherty

Dr Pat Doherty is a consultant anaesthetist at Our Lady's Children's Hospital, Crumlin.

Prof Brendan Drumm

Prof Brendan Drumm is Professor of Paediatrics at UCD and between 2005 and 2010 he served as CEO of the Health Service Executive.

Prof Drumm replaced Mr Brian Gilroy on the Board in August 2010.

Dr Alan Finan

Dr Alan Finan is a consultant paediatrician, Cavan Monaghan Hospital Group, Clinical Network Director for Paediatrics for the North East and member of the Board of the Faculty of Paediatrics, Royal College of Physicians of Ireland.

Mr Michael Flaherty

Mr Michael Flaherty was senior audit partner, Consumer and Industrial Markets Division, KPMG.

Mr John Gallagher

Mr John Gallagher is Director of Crownway Investments Group Holdings Limited and Crownway Investments.

Mr Gallagher replaced Mr Philip Lynch as Chairman of the Board in October 2010 and subsequently resigned from the Board in March 2011.

Mr Brian Gilroy

Mr Brian Gilroy is National Director of Integrated Services – Reconfiguration and National Director of Commercial and Support Services, Health Service Executive and member of the Grangegorman Development Agency Board. Mr Gilroy resigned from the Board in August 2010

Dr Owen Hensey

Dr Owen Hensey is a consultant paediatrician, Children's University Hospital, Temple Street and Medical Director, Central Remedial Clinic, Clontarf.

Mr Philip Lynch

Mr Philip Lynch is Chief Executive of the Irish Agricultural Wholesale Society Limited and was Chief Executive Officer of One51 plc. He is a non-executive director of C&C Group and FBD Holdings. Between 1988 and 2005, he served as Chief Executive and subsequently Chairman of IAWS Group plc (now Aryzta AG).

Mr Lynch resigned as Chairman of the Board in October 2010.

Dr Edna Roche

Dr Edna Roche is a consultant paediatric endocrinologist at the National Children's Hospital, Tallaght and a Senior Lecturer at the University of Dublin, Trinity College.

Ms Vera Wegner

Ms Vera Wegner is a psychologist and psychotherapist in private practice.



Executive Team

Ms Eilísh Hardiman, Chief Executive Officer

Ms Eilísh Hardiman has 20 years experience in acute healthcare – eight at senior management level in her roles as Deputy CEO and Director of Nursing at St James’s Hospital. Eilísh has contributed to the development of national health policy through her membership on several national bodies, including the National Haemophilia Council, the Commission on Nursing, and the National Implementation Body on Nurse Education.

Eilísh holds an MBA in Executive Management from Smurfit School of Business Studies, University College Dublin.

Eilísh resigned as Chief Executive Officer of the Board in August 2011. Jim Farragher was appointed interim CEO in addition to continuing in his position as Chief Financial Officer.

Dr Emma Curtis, Medical Director

Dr Curtis is a Consultant Paediatrician, special interest Community Child Health, at the National Children’s Hospital in Tallaght. Prior to taking up this post in 2002 Dr Curtis had worked for 8 years in Newcastle upon Tyne completing her training in community child health and was appointed to a consultant post there in 1999.

Mr Jim Farragher, Chief Financial Officer

Prior to his appointment, Mr Farragher was Director of Finance with 3Com Corporation for over ten years, in Ireland and the USA. Jim also worked with Digital Equipment Corporation in senior financial roles in their Irish operations, America and their European headquarters in Geneva, Switzerland.

Mr Farragher is a Fellow of the Institute of Chartered Accountants in England and Wales. He is a business graduate of University College Dublin and holds an MBA from University College Galway.

CHAIRMAN'S STATEMENT



The primary motivation for the development of the new children's hospital is to provide the highest possible standard of care to children, young people and their families requiring access to national tertiary paediatric services, and secondary services in the Greater Dublin Area. The Development Board believes that there is a compelling and coherent case to develop the new Children's Hospital of Ireland at Eccles Street and Ambulatory and Urgent Care Centre at Tallaght and has recommended that this significant investment be made without delay for the benefit of Ireland's children and young people.

There is universal agreement that Ireland urgently needs a new national children's hospital. The Development Board, in its determination to deliver its statutory remit to plan, design, build, equip and furnish the new children's hospital, has placed the needs of sick children and their families as its priority. Issues that have been the subject of public debate, such as access, affordability and model of care, are being addressed in consultation with the relevant stakeholders, and will be resolved in the best interest of sick children, their families, hospital staff and the general public.

By amalgamating acute paediatric services in Dublin into a single hospital located adjacent to a leading adult academic hospital, and a proposed maternity hospital, the required cohesion, depth and breadth of sub-specialties will be created to meet the highly complex needs of Ireland's sickest children and young people.

The new children's hospital will also play a central role in an integrated network of paediatric healthcare services in Ireland. The existing three children's hospitals in Dublin will move into these new facilities. In addition this move will release resources to support innovative and inter-professional working that will result in better clinical outcomes for children and young people.

The project has received enormous support from children, families and staff connected with the three children's hospitals in Dublin. Over 700 consultation meetings were held in 2010 alone on topics such as specialty models of care, hospital design, service models and operational policies. The valuable contribution made by all stakeholders at this planning stage of the project is highly influential as the project progresses through the design, construction, equipping,

commissioning and operational start-up stages of the project.

The Development Board wishes to thank all those who have supported the project throughout 2010. Special thanks are due to the children who have contributed their views on the design and operation of the new hospital as part of the Youth Advisory Panel and to the parents and illness support groups who have participated in the Family Forum.

We are grateful to the Government and in particular the Minister for Health and Children, Mary Harney TD and the personnel in her department for their support. We are also indebted to the Health Service Executive and the National Development Finance Agency for the sound advice and guidance we have received to date, and look forward to continuing to work in unison towards the successful delivery of the new hospital.

We also wish to thank the management and staff at Our Lady's Children's Hospital Crumlin, Children's University Hospital Temple Street, the Adelaide and Meath Hospital incorporating the National Children's Hospital Tallaght, the Mater Misericordiae University Hospital, Beaumont Hospital and Cappagh Hospital for their invaluable contribution to planning the services, facilities and operations for the new hospital. We also appreciate the commitment from public representatives, local residents and public servants to engagement with the Development Board on plans for the new hospital.

We acknowledge the contribution made by each individual Development Board member, and former members, for their dedication, support and guidance throughout 2010. We commend the Executive and the Project Team for the significant progress made in 2010. We hope to maintain the project momentum throughout 2011 and we look forward to meeting the challenges ahead with the vigour and proficiency that has been the hallmark of this project to date.

Harry Crosbie

Chairman

National Paediatric Hospital Development Board

4 November 2011



Significant progress was achieved in 2010 in the planning and design of the new Children's Hospital of Ireland, which consists of a new national hospital ("hospital") at Eccles Street in central Dublin and the Ambulatory and Urgent Care Centre ("A&UCC") at Tallaght.

The Children's Hospital of Ireland is being developed to provide a fully integrated, state-of-the-art, child-centred and family-focused hospital and ambulatory and urgent care centre that will facilitate excellence in the delivery of clinical services and in paediatric research and education. It will provide an environment that is fully supportive of children, young people, their families and healthcare staff.

The Children's Hospital of Ireland will:

- Provide national tertiary paediatric care for Ireland's children and young people;
- Provide secondary care for the Greater Dublin Area;
- Provide clinical services to children and young people currently being provided at Our Lady's Children's Hospital, Crumlin; Children's University Hospital, Temple Street; National Children's Hospital, Tallaght; Beaumont Hospital and Cappagh Hospital and other adult hospitals in Dublin;
- Treat children up to the age of the eve of their 16th birthday, with children in the system treated up to the eve of their 18th birthday. Transition to adult services will commence early and be completed by their 18th birthday unless in specific circumstances where clinical outcomes are proven better under paediatric services;
- Expand the role of ambulatory care and reduce reliance on inpatient treatment, in line with international trends and best practice;
- Deal with higher levels of acuity among inpatients;
- Support and enable the transformation of paediatric healthcare services in Ireland through facilitating the implementation of a new national model of care by the HSE;
- Be the primary centre for paediatric

research, education and training in Ireland;

- Be the driving force behind a move towards home-based care, wherever clinically appropriate; and
- Support efficiencies through campus-wide sharing of clinical and non-clinical services on both the Mater and Tallaght campus.

It is acknowledged that the hospital and A&UCC need to be designed as secure, welcoming and environmentally sustainable facilities and with maximum flexibility and adaptability in order to facilitate future changes in service delivery.

The hospital at Eccles Street will provide 392 inpatient and critical care beds, 53 Day Care beds, 15 Theatres and Procedure Rooms, Outpatient consulting rooms and a 24-Hour Emergency Department.

The hospital will also include accommodation for the following facilities required to deliver high quality child-centred and family-focussed services:

- Hospital school;
- Undergraduate, postgraduate and continuing professional education;
- Children's Research Institute;
- Family Resource Centre;
- Family accommodation near critical care;
- Play areas, external gardens and courtyards;
- Therapy area with hydro-pool and gym;
- Car parking for circa 1000 vehicles;

Accommodation for families requiring a long-term home-away-from-home environment will be provided in a facility directly adjacent to the new children's hospital. This service will be provided by the Ronald McDonald House, a charitable agency with extensive experience in supporting family accommodation facilities for children's hospitals.

The Ambulatory and Urgent Care Centre at Tallaght will provide 28 Day Care beds, 5 Theatre and Procedure Rooms, 33 Outpatient



consulting rooms and a 16-Hour Urgent Care Centre.

The capital cost for the new hospital and A&UCC is currently estimated at €650M. This is a significant reduction from the 2009 Business Case estimate of €770M and is primarily reflective of lower costs in a competitive construction environment, value engineering exercises undertaken by the project team, and reductions in the inflation provision on the labour content of the project.

This annual report outlines progress made throughout 2010 in the major project workstreams which are Healthcare Planning, Information and Communications Technology (ICT), Business Planning, Design and Permitting, Equipping, Site Development and Programme Management and Controls.

Consultation with Children and Young People and their Families

The views of children and young people, and their families are of paramount importance in planning the development and operation of the new children's hospital. The Youth Advisory Panel met regularly with the project architects to give their ideas and comment on the plans for the new hospital. The panel of 17 children, aged between 14 and 18, each with their own individual experience of care in the existing children's hospitals, was formed following a 2-day consultation event in Dublin Castle in December 2009 to represent the views of children and young people during the planning stage of the new hospital.

In addition to the Youth Advisory Panel, a survey of the views of children under 8 years of age was completed to further inform the design of the hospital.

A Family Forum, attended by parents that collectively have experiences of sick children across a wide spectrum of illnesses (e.g. cardiology, respiratory, diabetes) have also met

regularly with the Project Team, and provide a valuable insight into the requirements for the new hospital and A&UCC.

Consultation with Hospital Staff

Establishing a high performing children's hospital of international renown will be the achievement of the staff in the hospital, and our role is to develop an organisation framework and built environment that assists them in achieving this goal.

Since the commencement of the project with the appointment of the Project Team in mid-2008, over 1,000 consultation meetings have been held with hospital representatives, with over 700 of these consultations taking place in 2010. The meetings are held with multidiscipline, cross-hospital User Groups on topics including the model of care, activity and capacity, service models, workforce and design.

The engagement is guided by senior corporate and clinical leaders from the three children's hospitals who met with the Executive and Project Team regularly throughout the year.

In addition to the meetings with hospital representatives, an extensive programme of communications with all hospital staff was undertaken using newsletters, lunch-time presentations and collective cross-hospital meetings. Plans for the new hospital were put on view in public areas in the three children's hospitals and the Mater adult hospital.

Healthcare Planning

In consultation with the hospitals and the HSE, the healthcare planners on the Project Team have analysed the current and future requirements for children's healthcare services in Ireland and have determined the capacity and service models that will meet our future needs. Our objective is to ensure that future services are delivered in a contemporary environment and at a performance level comparable with leading children's hospitals worldwide.



A key development in remodelling the way that children's access to care is delivered nationally is the approval by the HSE of the report on the National Model of Care for Paediatric Healthcare in Ireland, and look forward to the appointment of a National Programme Director for Paediatric Healthcare in 2011.

The activity and capacity plan for the new hospital and A&UCC, which is based on projected future needs and developments in service delivery, was evaluated and endorsed by PA Consulting and subsequently approved by the HSE. Inherent in this plan is the expected activity split for the hospital at Eccles Street and the A&UCC at Tallaght.

The schedule of accommodation for the hospital has also been approved by the HSE, with a gross area of 116,000m² including clinical and clinical support spaces, education, research and the hospital school. The A&UCC at Tallaght will have a gross area of just over 10,000 m², however the area required for education activity will be determined in 2011.

The project team, in consultation with hospital groups, commenced the development of models of care for each of the 35 specialties and sub-specialties that will operate in the hospital and A&UCC. The development of service models for clinical support (e.g. imaging, pharmacy, pathology etc.), non-clinical support (e.g. catering, logistics, facilities management etc.), and corporate services (finance, HR, IT etc.) also commenced in 2010. The services models will also form the basis of the workforce plan for the hospital and A&UCC which is also in development by the project team in consultation with representatives of the three children's hospitals.

Work also commenced on the organisation of out-patient services into clinical clusters, whereby, as much as possible, the multidisciplinary team will be located in "neighbourhoods" adjacent to where the child and family attend out-patient services. Further consultation and design development is

planned in this area for 2011.

Information and Communications Technology (ICT)

The Children's Hospital of Ireland will require an interfaced or fully integrated ICT systems to ensure that electronic data, for example patient records and diagnostics information, is available between the hospital and the A&UCC. Over the course of 2010, the Development Board prepared a Programme Approach and Implementation Plan for ICT in the new hospital and A&UCC in consultation with hospital representatives and the HSE.

The Development Board and the HSE have decided that key components of the ICT structure for the hospital and A&UCC will be implemented as part of the HSE's national ICT programme as these systems are of paramount importance to support an interfaced clinical network for paediatric healthcare in Ireland.

Business Planning

Further analysis and validation of the 2009 Business Case was undertaken in 2010, whereby all elements of expenditure, including capital cost, recurrent direct and indirect costs, transition costs and the costs of additional services were rigorously analysed in line with Government guidelines and with the support of the National Development Finance Agency (for capital costs) and the HSE (for capital and revenue costs).

Capital costs

Total cost of the new children's hospital and A&UCC was estimated in the 2009 Business Case at €770m and this is now reduced to €650M (excluding ICT). This revised estimate is based on reduced construction costs and deflation since the original estimate in 2009. This updated estimate will be continuously revised to reflect market conditions;

- €400M has been allocated by the



Exchequer through the HSE Capital Plan for the hospital and €50M for the A&UCC.

- The criticality of ICT to support contemporary clinical and business services is fully acknowledged in the business case. The ICT requirements are being provided separately through the HSE ICT programme. (Current estimate €30M).

Revenue costs

The Development Board is confident that annual savings of at least €25m are realisable on the current revenue cost base of the three existing hospitals. The primary source of these savings are;

- The amalgamation of the three existing children's hospitals;
- The location of both the new children's hospital and the A&UCC adjacent to an adult hospital and proposed maternity services;
- The reconfiguration, standardisation and streamlining of services and processes, to include outsourcing; and
- The development of shared and campus-wide services.

Funding

It is planned that the €650M capital cost of the new children's hospital and A&UCC will primarily be met by the Exchequer through the HSE Capital Programme. Other sources of funding include educational institutions, research organisations, philanthropy and car parking financing by commercial banks. The table below provides an overview of the sources of funding.

In 2010, the Development Board established a sub-committee to prepare the strategy and framework for philanthropic fundraising.

Other business planning developments in 2010 include the following:

- Identification of a location for Family & Hostel Accommodation on Eccles Street directly adjacent to the hospital;
- Established a Shared Services Advisory Group to develop a campus wide view of shared services at Eccles St and at the A&UCC in Tallaght and advise the NPH Executive on which services in the Children's Hospital of Ireland should be shared, how such services should be provided and the structures required to deliver such services;
- Established a Shared Infrastructure Forum with the HSE, Mater Adult and Rotunda for the provision of shared infrastructure for the Mater Campus;
- Commenced a study into the scope and feasibility of a MES (Managed Equipment Service);
- Commenced the evaluation of the potential scope and benefits of an ESCo (Energy Service Company) agreement;
- Decision by the Development Board to progress with a 972 space car park following an evaluation of options and preparation of a Business Case by the project team; and
- Progressed discussions on funding for Education, Research and the Hospital School.

| Funding Source | Amount (€Millions) |
|--|--------------------|
| Exchequer | 400m |
| HSE funding for the A&UCC | 50m |
| Non-HSE sources: Car Park, Research, Education, Hospital School, Retail Units, Private Clinics | 90m |
| Philanthropy / Fundraising / Financing | 110m |
| TOTAL | 650m |



Design Development

The concept and preliminary design of the hospital was completed in 2010 by the Integrated Design Team led by NBBJ and O'Connell Mahon Architects, who quickly and successfully reorganised their team following the untimely liquidation of Murray O'Laoire Architects.

A team of experts, including independent Irish, UK, US, Canadian and Australian professionals from a broad range of disciplines participated in the design review process. The reviews process covered a wide range of areas including architectural, civil, structural, mechanical, electrical, environmental impact and value for money. The reviews paid particular attention to the functional operation of the hospital in such areas as clinical processes, health and safety, security, wayfinding, logistics, facilities management, access, lift requirements, catering and lifecycle operating costs.

An extensive consultation and evaluation exercise was completed on the configuration of the inpatient room and ward layouts with hospital representatives, parents and children. In line with international best practice, research findings and infection control guidelines, inpatient accommodation for children in the new hospital will be provided in 100% single rooms, with facilities for a family member to sleep in the room with their sick child.

Sustainability assessment workshops have been held with the support of BRE Ireland and the Sustainable Energy Authority of Ireland. The Development Board also evaluated a number of façade treatments for the hospital at Eccles Street, with particular awareness of the impact that this building will have on Dublin's skyline and the local area.

The Project Team, with the HSE, also engaged extensively with the Railway Procurement Agency on the provision of an Eccles Street Entrance to the Metro North Mater Stop.

Equipping

The equipping process for the Children's Hospital of Ireland commenced in 2010. The

Equipment Steering Group, consisting of representatives from the children's hospitals and the HSE, was established to liaise with the Project Team on the equipment inventory and equipment procurement plan for the new hospital.

A report and financial analysis of the optimal approach to procuring, maintaining and replacing the clinical equipment in the new hospital and A&UCC is in progress for completion in 2011.

Planning Application

The Development Board commenced pre-consultation discussions with An Bord Pleanála in October 2010, shortly after the commencement of the relevant sections of the Planning and Development (Amendment) Act 2010. Under the amended legislation, An Bord Pleanála was required to determine if the hospital development fell within the scope of the Act and if so, the planning application for the new hospital would be made directly to An Bord Pleanála. In April 2011, An Bord Pleanála confirmed that the development did fall under the Act.

Prior to the change in legislation, the Project Team engaged extensively with Dublin City Council on a wide range of planning issues including massing, access, water, drainage, traffic and conservation. The Council advised that the maximum permissible number of car park spaces for the children's hospital at Eccles Street is 1,000 spaces. In addition, a cross-agency group on access was established with representatives from the Development Board, Dublin City Council, National Roads Authority, An Garda Síochána and the Emergency Services.

Regular meetings were held throughout 2010 with local Councillors and representatives of residents in the area surrounding the hospital and Eccles Street. The Project Team outlined the plans for the development of the hospital and discussed a wide range of topics including the building height, traffic management, shadow casting, security and environmental impact. The



Development Board appointed a community advocate to collate and articulate the concerns of local residents. A Community Gain report has been developed and will support the planning application.

The Development Board also engaged with the Mater Adult and the Mater Private hospitals on planning matters. A planning application to widen the Eccles Street car-park access ramp to facilitate the new children's hospital was submitted by the Mater Adult Hospital. Also, Metro North was granted a Railway Order in October 2010 which included the provision of an Eccles Street entrance to the children's hospital.

Plans for the new hospital were communicated to the media at a project launch on 12th October 2010, and a project website (www.newchildrenshospital.ie) with extensive information about the project went live on the same day.

In May 2011, the Minister for Health Dr James Reilly commissioned a report to provide an independent review of the project to build the new children's hospital on the site of the Mater Hospital. On 6 July 2011, following the publication of this report, the Minister confirmed that the new hospital will be located on the campus of the Mater Hospital.

The Development Board submitted a planning application to An Bord Pleanála under the Strategic Infrastructure Act on 20 July 2011.

Conclusion

Many of the achievements of 2010 are summarised by the approval of the Project Brief for the new Children's Hospital of Ireland by the HSE, with the consent of the Minister for Health and Children. This is a key endorsement of the work of the Development Board and a major step towards achieving a new national children's hospital that will deliver improved clinical outcomes for Ireland's children and young people.

I would like to thank the members of the Development Board for their guidance and support throughout 2010, and wish to acknowledge the leadership, direction and commitment to the project demonstrated by the former Chairmen of the Development Board, Mr Philip Lynch (resigned October 2010) and Mr John Gallagher (resigned March 2011). I would also like to thank the NPH Executive ("Executive") and Project Team for their commitment and assistance throughout the year.

I would like to thank in particular Eilish Hardiman, who resigned as CEO of the Development Board in August 2011, for her tremendous enthusiasm, commitment and invaluable support and direction during her term as CEO.

I am extremely grateful for the invaluable support of the Minister for Health and Children and her Department officials, and for the guidance provided by several departments of the HSE and in particular the CEO's Office, Estates and Finance.

I extend my thanks also to the management and staff in the children's hospitals, to the children, parents, public servants, community representatives, local residents and many other organisations that we engaged with throughout 2010.

Finally, I am confident that we will continue to receive the goodwill and support of the vast majority of stakeholders for this project, and that 2011 will be another successful and groundbreaking year in the development of the new Children's Hospital of Ireland.

Jim Farragher

Interim Chief Executive Officer
National Paediatric Hospital Development Board



Governance

The National Paediatric Hospital Development Board ('the Board') has adopted the *Code of Practice for the Governance of State Bodies 2009*, and has implemented the provisions of that Code. The Board is committed to maintaining the highest standards of corporate governance, and to monitoring compliance on an ongoing basis.

In discharging its functions, the Board appointed an executive management team consisting of a Chief Executive Officer, a Chief Financial Officer and a Medical Director. The Board will continue to discharge its functions through this management team (the "Executive") and through external consultants and contractors who have been and will be appointed under public tendering arrangements.

Ethics and standards

The provisions of the *Ethics in Public Office Act 1995* and the *Standards in Public Office Act 2001* have been implemented.

Board

The Board consists of a Chairperson and twelve ordinary members, all of whom are non-executive and are appointed by the Minister for Health. The members during the year ended 31 December 2010 are set out on Page 4.

All members receive appropriate and timely information to enable the Board to discharge its duties.

The Board has established sub-committees to assist in the effective discharge of its responsibilities, and are described on page 14.

Board Secretary

The Chief Financial Officer acted as Secretary to the Board throughout 2010 and was responsible for ensuring that Board decisions on procedures and controls were implemented, and that relevant legislation, regulations and guidelines were complied with.

Meetings of the Board

In 2010 the Board met on 11 occasions, the Audit Committee met on 5 occasions, the Philanthropy Committee met on 6 occasions and the Finance committee met once.

The attendance at Board meetings and sub committee meetings are set out in the tables below.

Attendance at meetings of the Board

| Member | Meetings | Attendance |
|--------------------|----------|------------|
| Lorcan Birthistle | 11 | 11 |
| Norah Casey | 11 | 7 |
| Harry Crosbie | 11 | 9 |
| Kathryn D'Arcy | 11 | 10 |
| Linda Dillon | 11 | 11 |
| Pat Doherty | 11 | 9 |
| Prof Brendan Drumm | 5* | 3 |
| Alan Finan | 11 | 9 |
| Michael Flaherty | 11 | 11 |
| John Gallagher | 3** | 3 |
| Brian Gilroy | 6* | 6 |
| Owen Hensey | 11 | 10 |
| Philip Lynch | 8** | 7 |
| Edna Roche | 11 | 10 |
| Vera Wegner | 11 | 6 |

* Prof Brendan Drumm replaced Mr Brian Gilroy on the board in August 2010 as the nomination of the HSE

** Mr John Gallagher replaced Mr Philip Lynch as Chairman of the Board in October 2010 as the nomination of the Minister for Health and Children.



Attendance at meetings of the Board sub committees

| Sub-Committee | Function | Membership | Meetings | Attendance |
|------------------------------|---|--|----------------------|----------------------|
| Audit Committee | <p>The Audit Committee reviews all matters relating to the financial affairs of the Board, and in particular:</p> <ul style="list-style-type: none"> ● The Annual Report and financial statements; ● The accounting policies; ● Compliance with accounting standards; ● The Board's assessment of risk; ● The Board's system of internal financial control; and ● The scope and results of internal audit activity. | <p>Mr M. Flaherty Ms N. Casey Mr L. Birthistle</p> | <p>5 5 5</p> | <p>5 5 4</p> |
| Philanthropy Sub - Committee | The Philanthropy Sub – Committee reviews all issues relating to philanthropic funding. | <p>Ms L. Dillon Dr O. Hensey Ms N. Casey</p> | <p>6 6 6</p> | <p>6 5 0</p> |
| Finance Committee | The Finance Committee engages with the Executive and the project teams to oversee the progress and issues relating to the financial planning, design, building, furnishing and equipping of the new children's hospital and liaises, recommends and reports to the Board. | <p>Mr J. Gallagher Mr H. Crosbie</p> | <p>1 1</p> | <p>1 1</p> |



Board members' remuneration

| Board Member | Fees | Travel |
|----------------------|----------------|---------------|
| Mr Lorcan Birthistle | - | - |
| Ms Norah Casey | €7,000 | - |
| Mr Harry Crosbie | - | - |
| Ms Kathryn D'Arcy | €7,000 | - |
| Ms Linda Dillon | €7,000 | €156 |
| Dr Pat Doherty | - | - |
| Prof. Brendan Drumm | - | - |
| Dr Alan Finan | - | €3,826 |
| Mr Michael Flaherty | - | - |
| Mr John Gallagher | - | - |
| Mr Brian Gilroy | - | - |
| Dr Owen Hensey | - | - |
| Mr Philip Lynch | - | - |
| Dr Edna Roche | - | - |
| Ms Vera Wegner | €7,000 | €207 |
| Total | €28,000 | €4,189 |

Post balance sheet events

On 6 July 2011, the Minister for Health announced that following an independent expert review, which he had commissioned in May 2011, the new National Children's Hospital will be located on the site of the Mater Hospital in Dublin and reaffirmed the Government's commitment to the project. The Government will make a final decision on proceeding with the project in the context of its overall review of capital spending, which will be completed in October 2011.

STATEMENT OF BOARD MEMBERS' RESPONSIBILITIES



The National Paediatric Hospital Development Board was established by the National Paediatric Hospital Development Board (Establishment) Order, 2007 (S.I No.246 of 2007) on 23 May 2007, as amended by the Health (Miscellaneous Provisions) Act 2007.

Under the terms of the National Paediatric Hospital Development Board (Establishment) Order, 2007 (S.I. No.246 of 2007), as amended by the Health (Miscellaneous Provisions) Act 2007, the Board acknowledges the requirement to prepare financial statements for the year which give a true and fair view of the state of affairs of the National Paediatric Hospital Development Board and its income and expenditure for the period.

In preparing those financial 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 presume that the National Paediatric Hospital Development Board will continue in existence.

The Board is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the National Paediatric Hospital Development Board and to enable the Board to ensure the financial statements comply with the relevant Order and with the accounting standards laid down by the Minister for Health. The Board is also responsible for safeguarding the assets of the National Paediatric Hospital Development Board and hence for taking reasonable steps for the prevention and the detection of fraud and other irregularities.

On behalf of the Board

Harry Crosbie
Chairperson
National Paediatric Hospital
Development Board

Linda Dillon
Board Member
National Paediatric Hospital
Development Board

4 November 2011



National Paediatric Hospital Development Board 2010

I have audited the financial statements of the National Paediatric Hospital Development Board for the year ended 31 December 2010 under the Comptroller and Auditor General Amendment Act 1993. 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 Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and Generally Accepted Accounting Practice in Ireland.

Responsibilities of the Board

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 Board'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 Board'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 my opinion, the financial statements, which have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland, give a true and fair view of the state of the Board's affairs at 31 December 2010 and of its income and expenditure for the year then ended.

In my opinion, proper books of account have been kept by the Board. 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 moneys have 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 Board'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 those matters upon which reporting is by exception.

John Buckley

Comptroller and Auditor General
11 November 2011

CERTIFICATION OF CHIEF EXECUTIVE OFFICER AND CHAIRPERSON for the year ended 31 December 2010



We certify that the financial statements of the National Paediatric Hospital Development Board for the year ended 31 December 2010 as set out herein are in agreement with the books of account and have been drawn up in accordance with the accounting standards laid down by the Minister for Health.

The financial statements, which comprise of pages 21 to 28 and the statement of accounting policies on page 20, give a true and fair view of the state of affairs of the Board at 31 December 2010 and of its income and expenditure for the year then ended.

Harry Crosbie
Chairperson
National Paediatric Hospital
Development Board

Jim Farragher
Interim Chief Executive Officer
National Paediatric Hospital
Development Board

4 November 2011

STATEMENT ON INTERNAL FINANCIAL CONTROLS



Responsibility for the System of Internal Financial Controls

On behalf of the Board I acknowledge our responsibility for ensuring that an effective system of internal financial control is maintained and operated.

The system can only provide reasonable and not absolute assurance that assets were safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or will be detected in a timely period.

The staff and the Board have taken the necessary steps to ensure that there is an effective system of financial control in place, by 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 Board has taken steps to ensure an appropriate environment by:

- Clearly defining management responsibilities;
- Establishing formal procedures for reporting significant control failures;
- Ensuring appropriate corrective action; and
- Implementing annual internal audit reviews.

The Board has established formal processes to identify and evaluate business risks by identifying the nature, extent and financial implications of risks facing the body including the extent and categories which it regards as acceptable; assessing the likelihood of identified risks occurring; assessing the body's ability to manage and mitigate the risks that do occur.

The system of internal financial control is based on a framework of regular management information, administrative procedures including segregation of duties, and a system of delegation and accountability.

In particular it includes:

- A comprehensive budgeting system with an annual budget which is reviewed and agreed by the Board;
- Accounts and annual financial reports which indicate financial performance against forecasts;
- Clearly defined capital investment control guidelines.

The Board has delegated responsibility for the development and maintenance of the financial control framework to management. The Board has established a formal process for monitoring and reviewing the effectiveness of the system of internal financial control and is informed and supported by the work of the Audit Committee which seeks to consider all significant control matters within the National Paediatric Hospital Development Board.

Review of the effectiveness of the system of Internal Financial Controls

I confirm that in the year ended 31 December 2010 the Board conducted a review of the systems of Internal Financial Controls. During 2010 the Audit Committee introduced internal audit arrangements which will now support both the Audit Committee and Board as the nature and scope of activities will increase in scale and complexity.

Harry Crosbie

Chairperson, National Paediatric Hospital Development Board

4 November 2011

**Accounting convention**

The financial statements are prepared in accordance with historical cost convention and in accordance with the accounting standards laid down by the Minister for Health.

Period of the financial statements

The Financial Statements relate to the accounting year ended 31 December 2010.

Grant income

Grant income comprises grants receivable from the Health Service Executive towards the planning, design, construction and commissioning of a national paediatric hospital. Grants are recognised as income in line with expenditure.

Expenditure

Expenditure is recognised on an accruals basis and is transferred to construction work in progress.

Fixed assets - construction work in progress

All fixed asset acquisitions, regardless of the source of funds, are capitalised as construction work in progress and are not depreciated.

Capital Account

The capital account represents the unamortised value of funding applied for the purchase of fixed assets.

Superannuation

The provision of superannuation for staff seconded to the Board remains the responsibility of the respective employer body. The charges for superannuation benefits in respect of seconded staff are recouped by the respective employer as part of the secondment arrangement and are charged to the Income and Expenditure Account.

Other pension contributions are made to a PRSA pension contract. These contributions are funded out of capital income of the Board and are charged to the Income and Expenditure Account in the year in which they become payable.

INCOME AND EXPENDITURE ACCOUNT

for the year ended 31 December 2010



| | Note | 2010 € | 2009 € |
|---|------|-------------------|-------------------|
| INCOME | | | |
| Oireachtas Grants | | 11,800,238 | 11,619,039 |
| Other income | | 4,078 | 7,495 |
| | | <u>11,804,316</u> | <u>11,626,534</u> |
| Transfer to capital account | | (11,804,316) | (11,626,534) |
| | | <u>-</u> | <u>-</u> |
| EXPENDITURE | | | |
| Expenditure | 1 | (11,804,316) | (11,626,534) |
| Transfer to construction work in progress | | 11,804,316 | 11,626,534 |
| | | <u>-</u> | <u>-</u> |

There are no recognised gains or losses other than those dealt with in the Income and Expenditure Account.

The accounting policies on page 20 and the notes on pages 24 to 28 form part of these Financial Statements.

On behalf of the Board

Harry Crosbie
Chairperson
National Paediatric Hospital
Development Board

4 November 2011

Jim Farragher
Interim Chief Executive Officer
National Paediatric Hospital
Development Board

BALANCE SHEET

as at 31 December 2010



| | Note | 2010 | | 2009 | |
|-------------------------------|------|--------------------|--------------------------|--------------------|--------------------------|
| | | € | € | € | € |
| FIXED ASSETS | | | | | |
| Construction work in progress | 4 | | 27,937,905 | | 16,133,589 |
| CURRENT ASSETS | | | | | |
| Debtors and prepayments | 5 | 3,940,292 | | 3,501,497 | |
| Bank and cash | | 3,756 | | 22,344 | |
| | | <u>3,944,048</u> | | <u>3,523,841</u> | |
| CURRENT LIABILITIES | | | | | |
| Creditors | 6 | <u>(3,944,048)</u> | | <u>(3,523,841)</u> | |
| Net current assets | | | <u>—</u> | | <u>—</u> |
| Total Assets | | | <u><u>27,937,905</u></u> | | <u><u>16,133,589</u></u> |
| Represented by: | | | | | |
| Capital account | 7 | | <u>27,937,905</u> | | <u>16,133,589</u> |
| | | | <u><u>27,937,905</u></u> | | <u><u>16,133,589</u></u> |

The accounting policies on page 20 and the notes on pages 24 to 28 form part of these Financial Statements.

On behalf of the Board

Harry Crosbie
Chairperson
National Paediatric Hospital
Development Board

4 November 2011

Jim Farragher
Interim Chief Executive Officer
National Paediatric Hospital
Development Board

CASH FLOW STATEMENT

for the year ended 31 December 2010



| | Note | 2010 | | 2009 | |
|--|------|--------------|---------------------|--------------|---------------------|
| | | € | € | € | € |
| Operating activities | | | | | |
| Net cash flow from operating activities | 8 | | - | | - |
| Returns on investments and servicing of finance | | | | | |
| Interest received | | 4,078 | | 7,495 | |
| Net cash inflow from investments and servicing of finance | | | 4,078 | | 7,495 |
| Capital expenditure | | | | | |
| Expenditure from HSE capital | | (11,804,316) | | (11,626,534) | |
| Add back: capital expenditure payable/accrued | | 418,314 | | 994,313 | |
| Net cash outflow from capital expenditure | | | (11,386,002) | | (10,632,221) |
| Net cash outflow before financing | | | (11,381,924) | | (10,624,726) |
| Financing | | | | | |
| Capital grant received from HSE | | 11,363,336 | | 10,638,363 | |
| Net cash inflow from financing | | | 11,363,336 | | 10,638,363 |
| (Decrease)/increase in cash in the year | | | (18,588) | | 13,637 |
| Reconciliation of net cash flow to movement in net funds | | | | | |
| (Decrease)/increase in cash in the year | | | (18,588) | | 13,637 |
| Net funds at 1 January 2010 | | | 22,344 | | 8,707 |
| Net funds at 31 December 2010 | | | 3,756 | | 22,344 |

NOTES TO FINANCIAL STATEMENTS

for the year ended 31 December 2010



1 Income and expenditure account

Included in the expenditure for the year are the following charges:

| | 2010 € | 2009 € |
|--|--------------|---------------|
| <i>(i) Auditors' remuneration</i> | | |
| - Charge for the year | 10,340 | 11,000 |
| - Credit in respect of prior year | (5,830) | - |
| | <u>4,510</u> | <u>11,000</u> |
| <i>(ii) Board members' fees and expenses</i> | | |
| Remuneration | 28,000 | 28,000 |
| Travel expenses | | |
| - Board attendance | 2,468 | 2,704 |
| - Board business | 1,721 | - |
| | <u>1,721</u> | <u>-</u> |

The list of persons who were Board members during the year is contained in page 4 of the Annual Report. Ms Norah Casey, Ms Kathryn D'Arcy, Ms Linda Dillon and Ms Vera Wegner are each in receipt of Board Members fees of €7,000 per annum. The remainder have waived their entitlement to fees.

2 Employees

The average number of employees (full time equivalents) during the year was as follows:

| | 2010 | 2009 |
|-----------|------------|------------|
| Executive | <u>2.5</u> | <u>2.5</u> |

Included in the expenditure for the year are the following payroll related costs.

| | 2010 € | 2009 € |
|----------------------|----------------|----------------|
| Payroll costs* | 406,792 | 483,150 |
| Social welfare costs | 7,704 | 13,584 |
| Pension costs | 7,900 | 14,332 |
| | <u>422,396</u> | <u>511,066</u> |

* Included in payroll costs are locum, social welfare and superannuation costs of seconded employees which are incurred by the respective employers and recouped as part of the secondment arrangement through a charge to the National Paediatric Hospital Development Board.

The secondment arrangement applies to the Chief Executive Officer (CEO) and the total cost recharged in respect of the entire year by the respective employer was €164,243 (2009: €147,489 period from 1 March 2009 - date of appointment) including a basic salary amount of €129,733 (2009: €116,528) and a charge of €32,433 (2009: €29,132) for superannuation



commitments in accordance with the Department of Finance guidelines for Public Sector Employees on secondment to the National Paediatric Hospital Development Board.

In 2009 the total payroll for the Interim CEO from 1 January 2009 to 31 May 2009 (including a handover period from 1 March 2009) was €67,224 reflecting a basic salary for the period of €58,333.

There were no performance related payroll costs incurred in relation to the CEO for the year ended 31 December 2010 and there were no performance related payroll costs incurred in relation to the CEO or Interim CEO arrangements for the year ended 31 December 2009.

3 Premises

The HSE provided the use of offices at 2-3 Parnell Square East, Dublin 1 rent free to the National Paediatric Hospital Development Board for the year.

4 Fixed assets – construction work in progress

| | 2010 | 2009 |
|---------------------|-------------------|-------------------|
| | € | € |
| At 1 January 2010 | 16,133,589 | 4,507,055 |
| Additions | 11,804,316 | 11,626,534 |
| At 31 December 2010 | <u>27,937,905</u> | <u>16,133,589</u> |

4.1 Analysis of expenditure

Summary analysis of expenditure included in construction work in progress

| | Cumulative at 31 | | |
|---------------------------------------|-------------------|-------------------|-------------------|
| | December 2010 | 2010 | 2009 |
| | € | € | € |
| (i) Business Services Team | 19,397,245 | 6,625,112 | 8,840,086 |
| (ii) Project Management Services Team | 2,788,776 | 1,612,782 | 1,175,994 |
| (iii) Integrated Design Team | 3,300,104 | 2,572,284 | 727,820 |
| (iv) Administration/other costs | 2,451,780 | 994,138 | 882,634 |
| | <u>27,937,905</u> | <u>11,804,316</u> | <u>11,626,534</u> |

(i) Business Services Team

The Business Services Team, which consists of a consortium of companies, was appointed in 2008 to support the Board and Executive by providing an extensive range of services including: programme management, business planning, programme planning & reporting, legal services, healthcare planning, policy and procedures development, quality management, philanthropic organisation support, organisational planning, financing advice, administration services, change management, budget & fiscal control, stakeholder engagement management, risk management, procurement services, accounts & audit services, and cost and value management.



(ii) Project Management Services Team

The Project Management Services Team was appointed in 2009 to manage the design, construction, equipping and commissioning of the new Children's Hospital of Ireland and the Ambulatory and Urgent Care Centre. The services provided include: project planning and management, design quality management, procurement management (design and construction related contracts), capital cost & value management, Integrated Design Team co-ordination, design and construction planning, shared infrastructure planning, design & construction risk management, equipment planning, monitoring of overall construction phase, health & safety planning, and building commissioning.

(iii) Integrated Design Team

The Integrated Design Team, which is also a consortium of companies, was appointed in 2009 to develop the Exemplar Design for the new Children's Hospital of Ireland and the Ambulatory & Urgent Care Centre. The services provided by the Integrated Design Team include: architectural design, environmental engineering, healthcare architecture, quantity surveying, civil and structural engineering, planning process management, mechanical and electrical engineering, and mobility management planning.

(iv) Administration/other costs

Analysis of administration/other costs at 31 December 2010

| | Cumulative at 31 | | |
|-------------------------------|-------------------------|----------------|----------------|
| | December 2010 | 2010 | 2009 |
| | € | € | € |
| Payroll costs | 1,133,142 | 422,396 | 511,066 |
| Board Fees | 100,333 | 28,000 | 28,000 |
| ICT | 272,349 | 207,405 | 48,341 |
| Legal Expenses | 154,245 | 94,599 | 37,710 |
| Other professional fees | 290,044 | 136,094 | 148,950 |
| Office expenses | 181,494 | 19,013 | 26,670 |
| Stakeholder consultation | 90,037 | 37,477 | 52,560 |
| Travel expenses | 39,418 | 28,226 | 8,641 |
| Audit fees | 21,510 | 4,510 | 11,000 |
| Insurance | 23,108 | 15,260 | 7,781 |
| Other administration expenses | 146,100 | 1,158 | 1,915 |
| | <u>2,451,780</u> | <u>994,138</u> | <u>882,634</u> |

5 Debtors

| | 2010 | 2009 |
|---|------------------|------------------|
| | € | € |
| Health Service Executive grants due (Note 10) | 3,932,340 | 3,495,438 |
| Other debtors and prepayments | 7,952 | 6,059 |
| | <u>3,940,292</u> | <u>3,501,497</u> |



6 Creditors: amounts falling due within one year

| | 2010 | 2009 |
|---------------------------|------------------|------------------|
| | € | € |
| Trade creditors | 73,730 | 2,443,900 |
| Accruals | 3,870,318 | 1,077,321 |
| <i>Taxation creditors</i> | | |
| PAYE/PRSI | - | 2,620 |
| | <u>3,944,048</u> | <u>3,523,841</u> |

Included in accruals is an amount of €379,000 in respect of claims for additional services to those contracted for the Business Services Team. While the Board had approved the additional services in principle, in some cases the magnitude of the changes were not agreed. Following a review of submissions and negotiations the Board agreed the sum with the Business Services Team.

7 Capital account

| | 2010 | 2009 |
|--|-------------------|-------------------|
| | € | € |
| Balance at 1 January 2010 | 16,133,589 | 4,507,055 |
| Additions | | |
| Transfer from Income and Expenditure Account | 11,804,316 | 11,626,534 |
| Balance at 31 December 2010 | <u>27,937,905</u> | <u>16,133,589</u> |

8 Reconciliation of surplus / (deficit) to net cash flow from operating activities

| | 2010 | 2009 |
|----------------------------------|----------|----------|
| | € | € |
| Surplus / (deficit) for the year | <u>-</u> | <u>-</u> |

9 Capital commitments

At 31 December 2010, the Board had the following capital commitments:

| | 2010 | 2009 |
|--|-------------------|-------------------|
| | € | € |
| Contracted for but not provided in the financial statements | | |
| Within 1 year | 7,770,930 | 11,440,595 |
| Between 1 and 2 years | 5,544,366 | 6,647,991 |
| Between 2 and 5 years | 16,299,998 | 18,008,308 |
| | <u>29,615,294</u> | <u>36,096,894</u> |



10 Related parties

Advances and balances due from the Health Service Executive (HSE), which were all capital related, at the 31 December 2010 were:

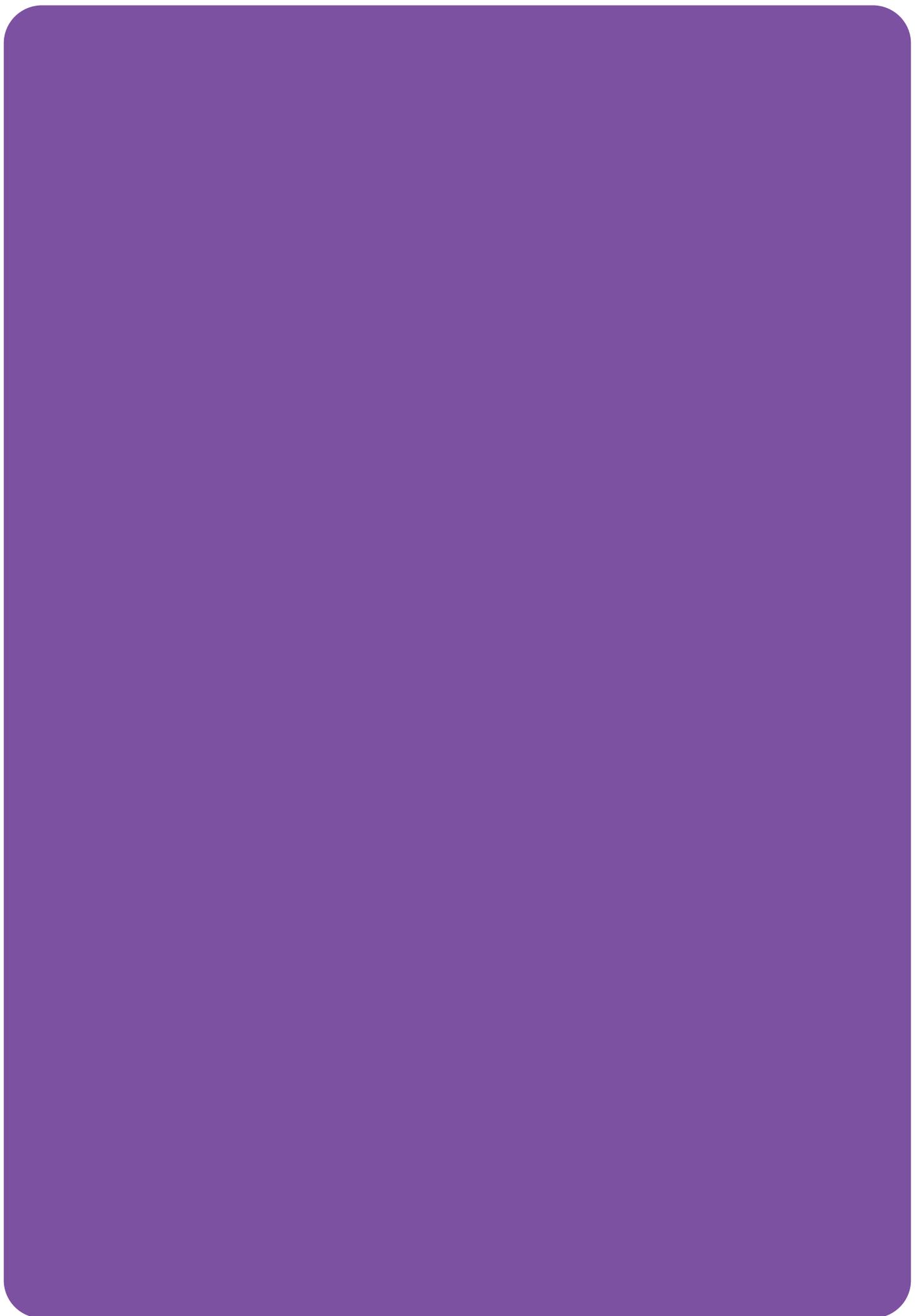
| | 2010 | 2009 |
|---|---------------------|--------------|
| Capital | | |
| Total capital grants notified by the HSE for the year | 20,000,000 | 13,731,000 |
| Opening balance due from HSE at 1 January 2010 | 3,495,438 | 2,514,762 |
| Capital expenditure incurred in the year | 11,804,316 | 11,626,534 |
| Less: Remittances from the HSE in the year | (11,363,336) | (10,638,363) |
| Less: Other income | (4,078) | (7,495) |
| Balance due from the HSE as at 31 December 2010 | 3,932,340 | 3,495,438 |

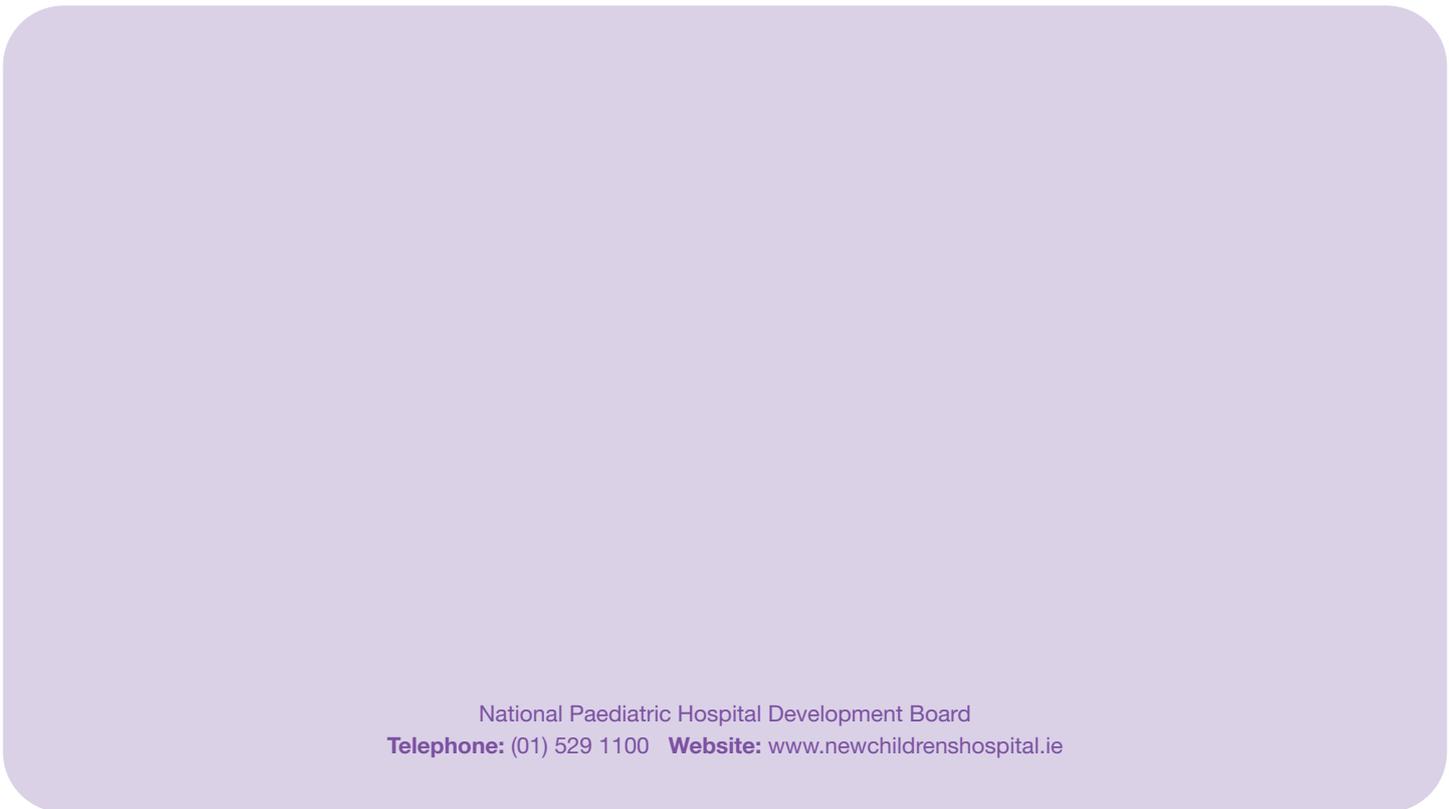
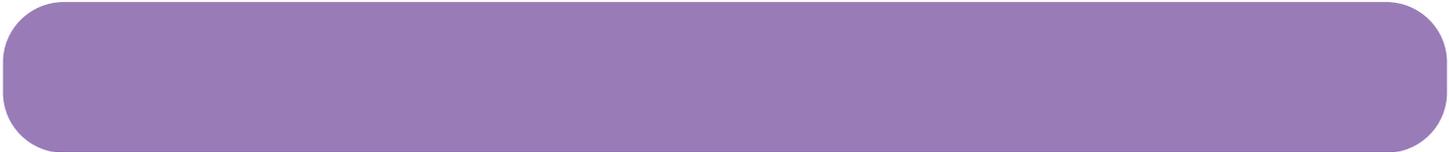
11 Disclosure of members' interests

The Board has adopted procedures in accordance with guidelines issued by the Department of Finance in relation to the disclosure of interests by Board members and these procedures were adhered to during the year. There were no transactions in the year in relation to the Board's activities in which the Board's members had any beneficial interest.

12 Post balance sheet events

On 6 July 2011, the Minister for Health announced that following an independent expert review, which he had commissioned in May 2011, the new National Children's Hospital will be located on the site of the Mater Hospital in Dublin and reaffirmed the Government's commitment to the project. The Government will make a final decision on proceeding with the project in the context of its overall review of capital spending, which will be completed in October 2011.





National Paediatric Hospital Development Board
Telephone: (01) 529 1100 **Website:** www.newchildrenshospital.ie