

The Royal Victoria Eye and Ear Hospital
Council Members' Report and Financial Statements
Financial Year Ended 31 December 2025

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COUNCIL MEMBERS AND OTHER INFORMATION

Council Members

Mr James O'Donoghue	(Council President)	
Mr Tom Bean		
Mr Donal Brosnahan	(Clinical Director and Accountable Officer)	(Retired October 2025)
Mr Jim Curley	(Elected at AGM 5 th June 2025)	
Mr Ashton Dallsingh		
Ms Derarca Dennis		
Prof Jane Farrar		
Mr Frank Fenn		
Ms Natasha Fennell		
Mr Stephen Hone		
Mr Ronan Killeen	(Chairperson of the Medical Board)	
Mr Dara Kilmartin		
Dr. Deirdre McCoy		
Ms Geraldine Murphy		
Mr Ger O'Flaherty	(Elected at AGM 5 th June 2025)	
Mr Shane O'Sullivan		
Professor William Power	(Clinical Director and Accountable Officer)	(Commenced October 2025)
Mr Piaras Power		
Ms Patricia Quinn		

Ex-officio members

The Lord Mayor of Dublin – Ms Emma Blain (until June 2025)
The Lord Mayor of Dublin – Mr Ray McAdam (from July 2025)
Dublin City Councillor – Mr Danny Byrne

Accountable Officer

Donal Brosnahan (Retired October 2025)
Professor William Power (Commenced October 2025)

Address

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CRA Number: 20002374

Auditors

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

Bankers

AIB
Dame Street
Dublin 2

Solicitors

A&L Goodbody
Solicitors
IFSC
North Wall Quay
Dublin 1

COUNCIL MEMBERS' (CHARITY TRUSTEES') REPORT

The Council of The Royal Victoria Eye and Ear Hospital (the 'Charity') are its trustees for the purposes of charity law. The Council presents its report and the audited financial statements for the year ended 31 December 2025.

This report has been prepared having considered the principles of the Charities SORP (FRS 102) as part of a phased transition.

While the Charities SORP (FRS 102) is not currently mandatory in the Republic of Ireland, pending prescription by the Charities Regulator, the Council has elected to align aspects of the content and presentation of this report with the principles of the Charities SORP as part of a planned transition to full adoption. Full adoption of the Charities SORP (FRS 102) 2026 edition is planned for the financial statements for the year ending 31 December 2026.

SCOPE OF FINANCIAL STATEMENTS:

These financial statements comprise the results of the Hospital, including activities funded through public funding arrangements and income generated from the Hospital's privately earned funds.

STATEMENT OF COUNCIL MEMBERS RESPONSIBILITIES:

The Council is responsible for preparing the Council's report and the financial statements.

The Council is required to prepare financial statements for each financial year that give a true and fair view of the Hospital's assets, liabilities and financial position as at the end of the financial year and of the surplus or deficit of the Hospital for the financial year. The Council has prepared the financial statements in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council including Financial Reporting Standard 102, *the Financial Reporting Standard applicable in the UK and Republic of Ireland and Irish Law*).

The Council shall not approve the financial statements unless it is satisfied that they give a true and fair view of the Hospital's assets, liabilities and financial position as at the end of the financial year and the surplus or deficit of the Hospital for the financial year.

In preparing these financial statements, the Council is required to:

- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures being disclosed and explained in the notes to the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Hospital will continue in operation.

The Council is responsible for keeping adequate accounting records that are sufficient to:

- Correctly record and explain the transactions of the Hospital; and
- Enable the assets, liabilities, financial position, and net income or expenditure of the Hospital to be determined with reasonable accuracy at any time.

The Council is also responsible for safeguarding the assets of the Hospital and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements were approved by the Council and signed on its behalf by the President and the Accountable Officer.

1. OBJECTIVES AND ACTIVITIES

The Royal Victoria Eye and Ear Hospital (RVEEH), founded in 1897, is Ireland's national specialist referral and university teaching hospital dedicated to the treatment of conditions affecting the eye, ear, nose, and throat. Its primary purpose is to provide specialist care for the benefit of the public.

Situated on its historic campus at Adelaide Road, Dublin, the Hospital delivers a comprehensive range of ophthalmic and otolaryngology services, offering advanced subspecialist expertise in surgery, diagnostics, and rehabilitation at local, regional, and national levels. These services are provided both on campus and through community and outreach settings, in accordance with the Hospital's Service Arrangement with the Health Service Executive under Section 38 of the Health Act 2004.

Vision

To be recognised as an international centre of excellence in ophthalmology and national referral centre for ENT.

Purpose

To provide expert, compassionate care for patients with eye and ear conditions, placing their needs and wellbeing at the centre of everything we do. Through our clinical, educational, and research activities, the Hospital fulfils its charitable purpose and delivers measurable public benefit by improving access to specialist care, training healthcare professionals, and advancing medical understanding in vision and hearing health.

The Hospital's services are delivered on a non-profit basis, primarily through publicly funded pathways, ensuring clinically prioritised access to specialist eye and ear care regardless of patients' financial means.

Public Benefit Statement

The Council Members confirm that they have had due regard to the Charities Regulator's guidance on public benefit in carrying out the Hospital's charitable purposes. The Hospital provides public benefit through the delivery of non-profit specialist eye and ear care, primarily under a Service Arrangement with the Health Service Executive in accordance with Section 38 of the Health Act 2004. The majority of the Hospital's revenue funding is provided by the Health Service Executive under this arrangement, ensuring equitable access based on clinical need. The Hospital delivers high-volume elective ophthalmic services, including cataract surgery and macular disease management, which represent a significant proportion of overall patient activity and contribute materially to reducing waiting times and improving visual outcomes nationally. Additional public benefit is delivered through the training of healthcare professionals, clinical research, and the development of integrated community-based services that improve access to care

Strategic Objectives and Related Activities

The following strategic objectives set out what the Hospital aims to achieve in furtherance of its charitable purpose and the principal activities undertaken in the year to advance each objective.

1. Delivering Excellence in Patient Care and Advancing National Specialities

The Hospital aims to deliver highly specialised tertiary care in ophthalmology and otolaryngology, providing both scheduled and emergency services. Key activities undertaken to achieve this objective include the Provision of complex surgical and diagnostic care for patients referred nationally. The RVEEH aims to be Ireland's national eye hospital providing both routine and highly complex specialist care. The Hospital aims to act as the national provider of subspecialty care in five specialist areas and to deliver a significant proportion of national activity across several additional subspecialties.

- The Hospital aims to operate a nationally important dedicated ophthalmic casualty service, supported by consultant-led subspecialty teams. Multidisciplinary specialists aim to provide highly complex care such as advanced skull base, cochlear implant surgery, optical coherence tomography, corneal topography, electrophysiology, advanced audiology, balance assessment and radiological services.
- The Hospital intends to maintain clinical accreditation and quality standards across all departments.

2. Advancing Education and Specialist Training and Organisational capability

As a national teaching hospital, RVEEH aims to provide extensive undergraduate and postgraduate education across multiple disciplines while supporting the development of organisational capability. Activities to support this objective include:

- Hosting medical students from Irish and international universities including University College Dublin (UCD), Dublin City University (DCU), Trinity College Dublin (TCD) and Royal College of Surgeons Ireland (RCSI)..
- Supporting specialist registrar and basic specialist trainees in ophthalmology, Ear Nose & Throat, and anaesthesia.
- Facilitating placements for nursing, orthoptic, and audiology students from UCD and Technological University Dublin.
- Contributing to national curriculum development for ophthalmology, otolaryngology & anaesthesia.

3. Undertaking Impactful Research and Innovation and Adoption of Advanced Treatments

RVEEH aims to advance scientific and clinical knowledge in eye and ear health and to adopt innovative treatments and technologies that improve patient outcomes. Key activities include:

- Conducting collaborative research with the RVEEH Research Foundation and academic partners including, Trinity College Dublin, University College Dublin and RCSI in vision science and auditory health.
- The development of plans for a dedicated Clinical Research Unit within the Hospital to expand clinical trials capability.
- Building international research networks with partner institutions.

4. Expanding Integrated and Community-Based Care

The Hospital aims to expand access to specialist care through community-focused services. Key activities include:

- Operation of established community clinics across multiple locations including Dún Laoghaire, Kildare, Tallaght, and Wicklow.
- Planning and development of additional community-based services, including services in locations such as Portlaoise
- The integrated hospital/community care model aims to enable many patients receive care closer to home and aims to facilitate a reduced waiting lists and shorter access times.

5. Driving Sustainable and Responsible Business Practice and Supporting Infrastructure Development

RVEEH aims to support sustainable healthcare and environmental responsibility. The Hospital is committed to reducing carbon emissions and supporting national climate targets, including achieving carbon neutrality by 2050. Key priorities under this objective include:

- Continuing the implementation of its decarbonisation programme, including infrastructure upgrades.
- Planning for a new energy centre as part of the redevelopment programme.
- Establishing a sustainability working group to embed greener clinical processes and promote preventative and public-health initiatives.
- The Hospital aims to ensure that its facilities, equipment and clinical infrastructure remain appropriate to meet evolving patient needs and changing demographics as part of the Hospital's long-term redevelopment programme.

These initiatives support the Hospital's charitable purpose by reducing environmental impact, improving long-term cost efficiency, and contributing to healthier communities.

Strategic Partnerships

The Hospital works in close collaboration with the Health Service Executive (HSE) REO Dublin Southeast and maintains clinical and academic partnerships with St Vincent's University Hospital, St James's Hospital, Tallaght University Hospital, Beaumont Hospital and Children's Health Ireland, while academic collaborations with Trinity college Dublin (TCD), University College Dublin(UCD) and Royal College Surgeons Ireland (RCSI) to enhance clinical training and research, ensuring integrated patient pathways and continuous innovation.

The Hospital is also supported by two charitable entities. Acuity Foundation Ireland (AFI), a related party, supports the development of the Hospital's facilities and services, while the RVEEH Research Foundation is a separate independent charity that supports clinical and scientific research relevant to the Hospital's activities.

2. ACHIEVEMENTS AND PERFORMANCE

The achievements outlined below demonstrate progress against the Hospital's strategic objectives and reflect the trustees' assessment of performance during the year.

During 2025, the Hospital continued to deliver on its strategic objectives through high-quality specialist services, education, research, community engagement, and sustainable operations. Overall activity levels increased across core services despite capacity and recruitment challenges.

Delivering Excellence in Patient Care and Advancing National Specialities

The Hospital continued to deliver nationally designated subspecialty services and remained a key referral centre for complex ophthalmic and ENT care.

The Hospital provided 86,000 outpatient attendances: 26,555 emergency attendances; and 27,861 inpatient and day-case treatments across ophthalmology and Ear Nose & Throat (ENT).

Waiting list numbers increased during the year, reflecting continued demand for services. In ophthalmology, numbers rose from 8,417 in January 2025 to 10,760 in December 2025, while average waiting times improved from 8.9 to 8.6 months. In ENT, numbers increased from 3,542 to 4,038 over the same period, with average waiting times improving from 7.1 to 6.7 months.

Theatre and bed-capacity constraints limited further elective growth, and some refurbishments were deferred pending redevelopment. Despite these pressures, quality and safety standards were maintained through the commitment of over 380 clinical and support staff.

The successful delivery of these procedures highlights the Hospital's capability to provide complex, cutting-edge therapies at a national level and reflects its continued commitment to clinical excellence, innovation, and improved patient care.

Advancing Education and Specialist Training and Organisational Capability

Over 200 medical and 90 nursing and allied-health students completed placements in 2025. 25 RCSI accredited training posts were supported across ophthalmology and ENT and 5 College of Anaesthesiologists in Ireland (CAI) training posts were hosted in our Anaesthesiology Department. We also have number of standalone Senior House Officer & Registrar posts who contribute to all elements of work and research in their respective departments.

These activities support the ongoing development of organisational capability and workforce sustainability.

Basic facilities for the junior medical staff are in need of improvement for greater compliance with the national Doctors Training & Planning unit NCHD taskforce report.

Undertaking Impactful Research and Innovation and Adoption of Advanced Treatments

Collaborative research through the RVEEH Research Foundation and TCD advanced studies in vision science, auditory implants, and surgical innovation.

Governance for a new Clinical Research Unit was approved, laying the foundation for full operation in 2026. In 2025, the Hospital performed two Luxturna® (Voretigene Neparvovec) gene therapy procedures for patients with inherited retinal dystrophy. These treatments were provided under the HSE Medicines Management Programme (MMP) Managed Access Protocol for Voretigene Neparvovec, which funds Luxturna® for adult and

paediatric patients. These landmark cases introduced a highly specialised, sight-preserving treatment for patients with progressive vision loss.

Funding schedules delayed certain international studies, but overall research capacity expanded.

Expanding Integrated and Community-Based Care

Community clinics in Dún Laoghaire, Kildare, Tallaght, and Wicklow delivered integrated diagnostics and treatment, representing approximately 20 % of outpatient activity.

Planning progressed for a new clinic in Portlaoise and a hybrid facility at the Seamark Building, Dublin 4. While it is anticipated that services will relocate to the Seamark Building by 2027, the timeline will depend on the completion of works and coordination with other stakeholders and occupants.

Recruitment shortages temporarily slowed expansion, but the integrated model continues to improve patient access.

Driving Sustainable and Responsible Business Practice and Supporting Infrastructure Development

In April 2025, the Hospital commissioned Ireland's first hospital-grade biodigester for the on-site treatment of food waste. During the year, approximately 12 tonnes of food waste were processed through the system. Based on standard emissions conversion factors for food waste treatment, and compared with conventional off-site waste disposal methods, this is estimated to have resulted in a reduction in carbon emissions in the region of 3–6 tonnes of CO₂e. These figures represent indicative estimates and are not independently verified.

RVEEH launched a Low-Carbon Cataract Theatre Programme based on the award-winning work of Emille Mahon, became a founding member of the RCSI Green Theatre Accreditation System (GTAS), and advanced design works for an energy centre to deliver carbon-free heating. Construction commencement was deferred to 2026 pending final approval.

Following the 2021 Conti ransomware attack on the HSE, the Hospital has significantly upgraded its ICT infrastructure, security systems, and incident response protocols to strengthen resilient business operations. These enhancements will ensure full compliance with the upcoming NIS2 Directive upon enactment in Ireland, minimising downtime risks and supporting uninterrupted delivery of specialised care. Moving forward, the Hospital will further enhance ICT resilience, recognising cyberattacks as a persistent and evolving risk.

In 2025, the organisation strengthened its digital systems in line with HIQA governance and patient safety expectations. Subsequent to year end, the implementation of the Genesis system and the go-live of IPIMS were completed in February 2026. Genesis, enables the Scan4Safety process, providing full traceability of medical devices and implants from vendor batch to individual patient, while also improving real-time stock control and inventory management. IPIMS centralises patient management processes, enhancing clinical oversight, information governance and the delivery of safer, more coordinated care.

Capital Development Program

The following section outlines progress in relation to the Hospital's infrastructure development and redevelopment programme, which supports the achievement of its strategic objectives.

The Hospital operates in an environment of increasing demand for specialist ophthalmic and otolaryngology services, driven by population growth, demographic change and increasing clinical complexity. In particular, an ageing population and increasing life expectancy are contributing to a higher incidence of age-related conditions, resulting in sustained growth in patient volumes. In addition, advances in medical science and technology mean that conditions which would previously have gone untreated are now treatable, further increasing demand for specialist services. As a national specialist provider, the Hospital's continued development and success has further increased demand, placing significant pressure on existing clinical and support infrastructure.

The Hospital's city centre location provides a key strategic advantage, supporting accessibility for patients, staff and stakeholders, and aligning with national and local policy objectives relating to sustainable transport, urban accessibility and the regeneration of healthcare infrastructure within Dublin. However, the Hospital's ability to expand and modernise its facilities is dependent on the availability of funding and the securing of the necessary approvals to progress redevelopment plans and meet current and future service demand.

In this context, the Hospital has identified the need to transform and modernise its facilities to support the continued delivery of safe, high-quality patient care and to accommodate future growth.

Over recent years, the Council has progressed the development of a strategic capital proposal to modernise and expand the Hospital campus in order to meet increasing patient demand and evolving models of care.

While the HSE continues to support routine repairs and renewal of the existing estate, the Council has undertaken planning, stakeholder engagement and preparatory work to develop a long-term redevelopment vision for the campus.

The redevelopment proposal has been referenced within the HSE Capital Plan 2026, which indicates that the HSE intends to progress the design of a phased redevelopment of the Royal Victoria Eye & Ear Hospital in line with the Hospital's Development Control Plan.

To date, the HSE has provided €246,000 in funding to support initial scoping and preparatory work associated with the proposed redevelopment programme.

Further capital funding for the redevelopment project will be subject to approval through the established public capital approval processes. Accordingly, no capital expenditure for future redevelopment has been formally committed at this stage.

The proposed redevelopment is intended to enhance clinical capacity, improve patient pathways and address infrastructure risks identified within the Hospital's risk management framework.

Staff

Despite sustained service pressures and resource constraints, staff demonstrated sustained commitment in maintaining patient access, safety and quality standards. The Council wishes to thank all staff for their dedication and contribution during the year.

In 2025, the Hospital made key appointments to strengthen specialist services. An additional ocular oncology consultant was appointed in January 2025 to support increased oncology activity; the organisation remains the only unit nationally providing ocular oncology services. A further neuro-ophthalmology consultant was appointed in July 2025 to support the management of complex cases.

The Council receives management information through the Executive Report at each meeting, and an extract of that information is presented here through the lens of the Hospital's strategic priorities.

Strategic Objective	Key Activity / Output	2025 Outcome	2024 Comparison / Comment
Excellence in Patient Care And Advancing National Specialities	Outpatient attendances	86,000	+3% vs 2024; improved throughput.
	Emergency Department Attendances	26,555	Stable; busiest ophthalmic casualty nationally.
	Inpatient / day-case treatments	27,861	+2%; higher-complexity case mix.

	Outpatient waiting-time reduction	Ophthalmology -Waiting list reduction from 8.9 months to 8.6 Months. ENT-Waiting list reduction from 7.1 months to 6.7 Months	First sustained reduction since 2021.
	Ongoing work on policies procedures and standards to maintain JCI Accreditation	JCI Accredited	JCI Accredited
Advancing Education, Specialist Training and Organisational Capability	Undergraduate / postgraduate learners supported	>200 medical + 90 nursing & allied health professionals and students.	Activity maintained despite accommodation constraints.
	Specialist training posts (Training Body-accredited)	Specialist Training Posts (accredited) : 30 posts Standalone posts (unaccredited): 12 posts	100% fill rate achieved.
Undertaking Impactful Research Innovation, and Adoption of Advanced Treatments	Active clinical research collaborations	6 national + 3 international 2 patients treated with innovative Genetic Eye treatment	Increased partnership activity via TCD.
Expanding Integrated and Community-Based Care	Development of integrated care pathways and community-based service delivery	Advanced planning for future community-based initiatives, with continued engagement with community and primary care stakeholders	Progress maintained, with further alignment to national integrated care initiatives
Driving Sustainable and Responsible Business Practice and Supporting Infrastructure development	Environmental sustainability, carbon reduction and responsible business practice.	Progressed carbon reduction and energy efficiency initiatives, including biodigester installation, window replacement and commenced heat decarbonisation projects. Small financial surplus achieved, substantially offsetting the 2023 funding shortfall. Progress maintained on Hospital Redevelopment Plan.	Progress maintained, with planning for 2025 and 2026 energy upgrade initiatives progressed in 2024

Despite sectoral resource constraints, the Hospital achieved strong progress across all five strategic pillars, maintaining national leadership in specialist care while advancing sustainability, education, and research priorities. All of this was achieved within the financial parameters agreed with the HSE. These outcomes demonstrate improved access to specialist care, reduced waiting times, and more efficient use of public resources.

3. RISKS AND UNCERTAINTIES

As a specialist provider, the Hospital is reliant on the State for funding under the provisions of its service level agreement with the HSE, and it operates in a complex healthcare and economic environment that gives rise to a range of operational and financial risks. Key challenges include inflationary pressures (including energy costs) on the cost base, increasing demand for healthcare services and ongoing workforce recruitment and retention pressures. Broader inflationary pressures are also likely to impact procurement costs, including drugs, consumables and essential supplies.

The Council is responsible for setting an appropriate risk appetite, recognising the importance of a balanced and well-managed approach to advancing clinical practice.

The Council considers these risks to be material but appropriately managed through established governance, financial oversight and engagement with the HSE. Risks are formally identified, assessed and monitored through the Hospital's risk register, which is reviewed regularly by management and overseen by the Council. The Council is satisfied that appropriate actions are in place to safeguard operations and ensure continuity of patient care.

Principal risks and mitigation

The principal risks identified by management and overseen by the Council include the following:

Financial Sustainability and Funding Dependence

The Hospital is dependent on HSE funding. Risks related to demand, cost inflation and timing of HSE funding are closely monitored. While NTPF income supports performance, it is not guaranteed. Financial performance is regularly reviewed to maintain a sustainable position.

Workforce Capacity and Recruitment

Shortages of healthcare professionals impact the ability to recruit and retain staff, affecting service capacity. Workforce planning and recruitment remain a priority.

Service Capacity and Patient Access

Demand for outpatient and elective services exceed available clinical capacity in certain areas. Workforce constraints, including the availability of specialist staff, together with operational pressures, may impact throughput, delay treatment, and limit further reductions in waiting times.

Infrastructure and Facility Capacity

The size and configuration of the Hospital's buildings and facilities place constraints on service delivery, particularly in high-demand areas such as Theatre and Outpatient capacity and clinical space. These physical limitations restrict the ability to expand activity and accommodate growing demand. Ongoing capital planning and engagement with the HSE are focused on addressing these constraints and supporting future service development.

4. INTERNAL AUDIT

The Hospital maintains an internal audit function, which is delivered by an external provider, to provide independent assurance on the effectiveness of its risk management, internal control and governance processes.

The internal audit programme is developed on a risk-based basis in conjunction with management and is approved by the Audit and Risk Committee, which oversees the function and receives reports on its findings.

During 2025, three internal audit reviews were completed, covering Payroll, the Risk Management Framework and ICT security. The results of these reviews were reported to the Audit & Risk Committee, and no material issues were identified

The Hospital is committed to high standards of governance and has completed its Annual Compliance Statement in line with HSE Section 38 requirements. The Council has reviewed overall compliance with governance, financial, risk management and internal control requirements and is satisfied that appropriate arrangements are in place.

5. FINANCIAL REVIEW & RESERVES POLICY

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Total income	63,592,640
Total Expenditure	62,278,542
Surplus on core trading activities	<u>1,314,098</u>

The surplus generated from core operating activities makes a material contribution towards reducing the deficit carried forward from the previous year, which arose primarily in 2023.

Incoming Resources

The Hospital's income primarily comprises funding received from the Health Service Executive (HSE) under its service arrangement, together with income from National Treatment Purchase Fund (NTPF) activity and private patient services.

The Hospital also generates a small level of ancillary income from non-clinical activities, including canteen and car park services. The Hospital does not engage in public fundraising activities and, accordingly, no material income from donations or fundraising was recognised in the current or prior year.

Total income for 2025 amounted to €63.59 million (2024: €56.56 million), an increase of €7.03 million (12%) year-on-year.

Income earned from Hospital (charitable) activities totalled €63.25 million (2024: €56.15 million). HSE funding of €56.64 million (2024: €49.48 million) represented approximately 89% of total income and comprised €54.9 million in revenue allocations and €1.74 million in capital allocations.

NTPF income amounted to €4.12 million (2024: €3.97 million), representing approximately 6% of total income.

Private and semi-private patient income totalled €2.49 million (2024: €2.69 million), representing 4% of total income. The year-on-year reduction reflects the continued implementation of the new public-only consultant contract in line with national policy, and it is expected that this income stream will continue to reduce as a proportion of total income over time.

Income from other activities amounted to €0.25 million (2024: €0.26 million), with pension levy income of €0.10 million (2024: €0.15 million).

Expenditure on Charitable Activities

Expenditure on charitable activities in 2025 amounted to €62.3m, an increase of €5.7m compared with 2024 (€56.6m).

Pay costs increased by €1.7m to €35.9m (2024: €34.2m), reflecting pay awards, agency utilisation arising from recruitment challenges, and higher pension and retirement-related costs.

Non-pay expenditure increased by €4m to €26.4m (2024: €22.4m). The increase was primarily driven by higher expenditure on medicines and medical and surgical supplies associated with increased clinical activity and case complexity, including approximately €1.0m relating to Luxturna gene therapy treatments delivered during the year. ICT and cyber resilience expenditure increased by approximately €0.9m, and depreciation increased by approximately €0.5m following recent capital investment. Comparative non-pay expenditure in 2024 was lower due to the capitalisation of certain ICT and infrastructure project costs in that year.

Reserves Policy

The Council has considered the Hospital's requirement for financial reserves, having regard to principles of good governance, statutory obligations, and the Hospital's funding and operating framework.

The Hospital is primarily funded by the Health Service Executive through approved allocations to support the delivery of essential clinical services. As a publicly funded specialist institution operating within defined budgetary parameters and funded to meet ongoing cash and service requirements, the Hospital does not maintain free reserves and does not hold unrestricted funds for general purposes. All available funds are applied to support the delivery of services in line with its HSE funding arrangements.

On 31 December 2025, the Hospital held no unrestricted funds available for general use. All funds were either restricted for specific purposes or required to support the ongoing delivery of services. The Council takes assurance from the continuing financial support of the HSE, and the Hospital's demonstrated ability to operate within approved funding limits. On this basis, and as outlined in the going concern note, the Council is satisfied that the Hospital remains a going concern.

Investment Policy

The Hospital does not hold investment assets and does not operate an investment policy.

6. GOING CONCERN

The financial statements have been prepared on the going concern basis which assumes that the Hospital will be able to continue in operational existence for the foreseeable future. New financial control limits introduced by the HSE in 2024 have brought more certainty to funding and 2025 resulted in a surplus of €1,314,098 (2024 deficit: €38,992).

In addition to the operating deficit, the Hospital has net current Liabilities of €1,334,385 at 31 December 2025 (2024: €2,753,712) and total net liabilities of €151,707 in 2025; (2024: €1,465,805). Cash and cash equivalents at the end of the year showed a net cash position of €534,500 (2024 Overdraft €564,360).

Net current liabilities include €2,356,442 (2024: €2,757,307) of deferred income liabilities relating to grants from the HSE, which have no associated cash outflow.

Based on the initial 2026 allocation from the HSE the Hospital is expecting to generate a deficit of €2.03m in 2026. It is noted that this allocation represents an initial funding position, and historically, additional funding has been secured over the course of the financial year. The projected deficit is driven largely by the commencement of Saturday working clinics and increased patient volumes due to demographic change. In addition, the Hospital is currently forecasting a contribution margin reduction of €0.37m due to a decrease in patient income, together with as yet unfunded, union-agreed payroll increases of €0.23m.

Constructive engagement is ongoing with senior HSE representatives in relation to funding these additional costs, and the Hospital expects that an agreement will be reached. The Hospital also retains the ability to scale back activity levels, if required, to align expenditure with available funding.

The Hospital continues to proactively undertake measures towards enhancing financial viability by implementing cost containment measures aimed at optimising operational efficiency and resource allocation.

The Hospital is also confident that measures will be taken by the HSE to provide additional funding and/or cash advances as needed to assist them in coping with any ongoing funding pressures as it did in 2025.

The Hospital is dependent on the HSE to fund its activities and the ongoing support of the HSE at an appropriate level is fundamental to the Hospital's ability to continue as a going concern. The HSE has not given any indication that it will withdraw its financial support from the Hospital in the foreseeable future.

The Council is therefore satisfied that appropriate measures can be taken to ensure the Hospital has adequate resources to continue in operational existence for the foreseeable future. After making enquiries, and having considered the Hospital's forecasts and planned actions, the Council has a reasonable expectation that the Hospital has adequate resources to continue in operational existence for the foreseeable future. Therefore, these financial statements have been prepared on a going concern basis.

7 STRUCTURE, GOVERNANCE AND MANAGEMENT

7.1 Governance Framework

The governance of the Royal Victoria Eye and Ear Hospital (the “Hospital”) is vested in a voluntary Council, The Council acts as the Charity Trustees of the Hospital for the purposes of the Charities Act 2009. The Council confirms compliance with the Charities Regulator Governance Code.

The Council has established several Sub-Committees to assist it in the discharge of its responsibilities. Each Committee operates under formal terms of reference approved by the Council and reports as required to the Council. The following sub committees support the governance process

- **Finance Committee** – Oversees financial performance, budgets and strategic financial matters, and advises the Council accordingly.
- **Audit & Risk Committee** – Provides assurance on internal controls, risk management and governance, including oversight of internal audit.
- **Nominations Committee** – Oversees Council composition, succession planning and the nomination of candidates for Council and senior roles.
- **Medical Board** – Represents the consultant body and provides clinical input into service delivery.
- **Ethics and Medical Research Committee** – Provides guidance on clinical ethics and oversees ethical standards in research.
- **Quality & Patient Safety Committee** – Oversees quality, patient safety and clinical governance, and provides assurance on care standards.
- **Strategic Research Committee** – Oversees the development and delivery of the Hospital’s research strategy.
- **Restoration and Redevelopment Committee** – Oversees the Hospital’s capital redevelopment programme.
- **Sustainability Committee** – Oversees the Hospital’s sustainability strategy and environmental objectives.
- **Remuneration Committee** – Oversees remuneration, terms and performance of senior management and advises the Council.

At the end of 2025, and assisted by a commissioned governance review, the Council commenced a review of its sub-committee structure with a view to rationalising and, where appropriate, consolidating certain committee functions.

7.2 Responsibilities of the Council and Management

The Council is responsible for the overall governance, strategic direction and stewardship of the Hospital, operating within its established governance framework and in accordance with the Hospital’s Service Arrangement with the Health Service Executive.

In accordance with that Service Arrangement, the Council designates an Accountable Officer responsible for ensuring compliance with statutory and contractual obligations and for reporting to the Council and the Health Service Executive.

Key management consists of the Hospital Management Group (HMG), which includes the Clinical Director (also the Hospital’s Accountable Officer), Finance Director, Human Resources Director, Information Technology Director and Director of Nursing. The HMG is responsible for the operational management of the Hospital.

During the year, the Hospital commenced a recruitment process for a Chief Executive Officer. In the interim, the Hospital retained the services of an advisor to support the Hospital Management Group.

The Hospital Management Group reports regularly to the Council and its committees, including the Audit & Risk Committee and Quality & Safety Committee, to support oversight of financial performance, patient safety, risk and service delivery.

The Council, as charity trustees, is collectively responsible for acting in good faith, with due care, skill and diligence, and in the best interests of the Hospital.

Individual Council Members are required to disclose any potential conflicts of interest. A repository of disclosures is maintained, and Council Members withdraw from discussions where a conflict arises.

7.3 Council Membership, Attendance & Committee Membership

Details of Council membership, attendance at Council meetings during 2025, and Council committee membership are set out in the table below.

Council Member	Appointed	Attendance	Committee Membership
<i>James O'Donoghue</i>	<i>Jul-22</i>	<i>7 out of 7</i>	<i>FC, MB, R&RC, REM</i>
<i>Tom Bean</i>	<i>Apr-23</i>	<i>5 out of 7</i>	<i>SUS</i>
<i>Donal Brosnahan</i>	<i>Sep-19</i>	<i>6 out of 6</i>	<i>FC, MB, R&RC</i>
<i>Jim Curley</i>	<i>Jun-25</i>	<i>4 out of 4</i>	<i>R&RC</i>
<i>Ashton Dallsingh</i>	<i>Mar-22</i>	<i>5 out of 7</i>	<i>FC, SUS</i>
<i>Derarca Dennis</i>	<i>May-24</i>	<i>4 out of 7</i>	<i>AR</i>
<i>Jane Farrar</i>	<i>Mar-21</i>	<i>5 out of 7</i>	<i>SRC</i>
<i>Frank Fenn</i>	<i>Mar-19</i>	<i>6 out of 7</i>	<i>FC</i>
<i>Natasha Fennell</i>	<i>Apr-23</i>	<i>3 out of 7</i>	<i>–</i>
<i>Eamonn Fitzgerald</i>	<i>Oct-25</i>	<i>1 out of 1</i>	<i>–</i>
<i>Leo Harmon</i>	<i>Mar-22</i>	<i>6 out of 7</i>	<i>R&RC, SUS</i>
<i>Stephen Hone</i>	<i>Mar-15</i>	<i>4 out of 7</i>	<i>MB, ETH</i>
<i>Ronan Killeen</i>	<i>Jan-25</i>	<i>0 out of 7</i>	<i>MB</i>
<i>Dara Kilmartin</i>	<i>Mar-12</i>	<i>4 out of 7</i>	<i>MB</i>
<i>Deirdre McCoy</i>	<i>Mar-22</i>	<i>5 out of 7</i>	<i>MB</i>
<i>Geraldine Murphy</i>	<i>Mar-22</i>	<i>6 out of 7</i>	<i>QS</i>
<i>Ger O'Flaherty</i>	<i>Jun-25</i>	<i>1 out of 4</i>	<i>AR</i>
<i>Shane O'Sullivan</i>	<i>Mar-22</i>	<i>6 out of 7</i>	<i>AR</i>
<i>Billy Power</i>	<i>Oct-25</i>	<i>1 out of 1</i>	<i>FC, MB, QS, R&RC</i>
<i>Piaras Power</i>	<i>Apr-23</i>	<i>6 out of 7</i>	<i>AR</i>
<i>Patricia Quinn</i>	<i>Apr-23</i>	<i>6 out of 7</i>	<i>–</i>
<i>Lord Mayor of Dublin*</i>	<i>Jun-25</i>	<i>0 out of 7</i>	<i>–</i>
<i>Cllr Danny Byrne</i>	<i>Jul-24</i>	<i>2 out of 7</i>	<i>–</i>

The Lord Mayor of Dublin serves as an ex-officio member of the Council during their term of office. Lord Mayor of Dublin Emma Blain was appointed December 2024 and her term ended in June 2025. Lord Mayor Ray McAdam was elected in June 2025.

Committee Key: FC (Finance Committee); AR (Audit & Risk Committee); MB (Medical Board); ETH (Ethics Committee); QS (Quality & Safety Committee); SRC (Strategic Research Committee); R&RC (Restoration & Redevelopment Committee); SUS (Sustainability Committee); REM (Remuneration Committee).

7.4 Council Committees

The Council has delegated specific responsibilities to its committees in accordance with approved terms of reference. Committee membership is reviewed periodically by the Council, having regard to members' skills, experience, independence, and availability, to support effective governance and oversight of the Hospital's activities. The Ethics Committee operates separately from the Council and reports to it in accordance with approved governance arrangements.

Committees met as required during the year, in line with the Council's direction.

7.5 Appointment and Tenure of Council Members

The normal term of service for Council Members is three years, with a maximum of three consecutive terms. In exceptional cases, the Council may approve an extension.

New Council Members are inducted and provided with essential briefing materials and meetings with senior management. Ongoing development is supported through regular governance discussions at Council and committee meetings, as well as occasional external presentations on relevant matters.

The Council, through its Nominations Committee, ensures orderly succession and an appropriate balance of skills and experience.

7.6 Access to Management and Hospital Engagement

The Council has access to the Accountable Officer, senior members of management and advisors. The Accountable Officer may invite key employees to attend Council meetings to provide updates on operational matters and areas of responsibility relevant to the Council's oversight role.

7.7 Employment and Human Resources

The Hospital is the employer of its staff and meets its legal and regulatory obligations by maintaining formal terms and conditions of employment and comprehensive human resource policies. These policies address recruitment and promotion, equality and diversity, anti-bullying and anti-harassment, disciplinary and grievance procedures, staff development, and health and safety.

These arrangements are designed to ensure that the Hospital:

- Complies with applicable employment legislation.
- Avoids discrimination against employees or prospective employees.
- Observes health and safety requirements; and
- Provides procedures whereby employees may raise concerns, in confidence, regarding possible irregularities in financial reporting or other matters, with appropriate investigation and follow-up in line with protected disclosures legislation.

7.8 Public Sector Pay Policy Compliance

The Council confirms that the Hospital has complied with applicable public sector pay policy requirements during the financial year, in accordance with the terms of its annual Service Arrangement with the Health Service Executive.

7.9 Remuneration of Council Members

Council members acting as charity trustees, serve in a voluntary capacity and are not entitled to receive remuneration or benefits in kind for their services as trustees. In accordance with the Hospital's policies, Council Members may be reimbursed for reasonable out-of-pocket expenses incurred in the performance of their duties. No remuneration, benefits in kind or reimbursed expenditure were paid to Council Members in 2025 (2024: nil).

8. REFERENCE AND ADMINISTRATIVE DETAILS

8.1 Charitable Status

The Charities Act 2009 establishes the legislative framework for the registration and regulation of charities in Ireland. The Royal Victoria Eye and Ear Hospital is registered as a charitable organisation under the Act. The Council acts as the charity trustee of the Hospital. The Hospital's Charity Registration Number is 20002374.

8.2 Legal Name

The Hospital's registered legal name is Royal Victoria Eye and Ear Hospital. It operates under this name for all purposes of governance, regulation, and trading.

8.3 Governance and Management

The Council is responsible for the overall governance of the Hospital. Clinical and operational management is delegated to the Hospital Management Group (HMG) operating within a framework of prudent and effective internal controls consistent with the Council's Code of Governance.

9. ACCOUNTING RECORDS

The measures taken by the Council (Charity Trustees) to ensure compliance with the Hospital's obligation to maintain adequate accounting records include the implementation of appropriate financial systems and procedures and the employment of suitably qualified personnel. The accounting records are maintained at Adelaide Road, Dublin 2.

Events Since the End of the Financial Year

There were no significant events occurring between 31 December 2025 and the date of approval of these financial statements. Refer to the Trustees' Report – Structure, Governance and Management for details of changes to Council membership and ex-officio appointments subsequent to the year end.

Political Donations

The Hospital did not make any political donations during the financial year.

Council Members' Interests

At 31 December 2025, certain Council Members are employed by the Hospital in a professional clinical capacity. These employment relationships are separate from their role as Council Members. Details of related transactions, including payments to consultants, are disclosed in Note 9 to the financial statements.

Auditors

The auditors, PricewaterhouseCoopers Ireland, have indicated their willingness to continue in office, and a resolution proposing their re-appointment will be brought before a meeting of the Council.

On behalf of the Council

Professor William Power
Accountable Officer



James O' Donoghue
Council President



21 MAY 2026

Independent auditors' report to the Council Members of Royal Victoria Eye and Ear Hospital

Report on the audit of the financial statements

Opinion

In our opinion, Royal Victoria Eye and Ear Hospital's non-statutory financial statements:

- give a true and fair view of the state of the hospital's affairs as at 31 December 2025 and of its surplus and cash flows for the year then ended; and
- have been properly prepared 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 "The Financial Reporting Standard applicable in the UK and Republic of Ireland").

We have audited the financial statements, which comprise:

- the balance sheet as at 31 December 2025;
 - the Statement of financial activities for the year then ended;
 - the statement of cash flow for the year then ended; and
 - the notes to the financial statements, which include a description of the significant accounting policies.
-

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)"). Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the hospital in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the hospital's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the council member's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the hospital's ability to continue as a going concern.

Our responsibilities and the responsibilities of the council member's with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Council Member's Report and Financial Statements other than the financial statements and our auditors' report thereon. The council member's are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the

financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the council members for the financial statements

As explained more fully in the statement of council members responsibilities set out on page 3, the council members are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The council members are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the council members are responsible for assessing the hospital's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the council members either intend to liquidate the hospital or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

This description forms part of our auditors' report.

Use of this report

This report, including the opinion, has been prepared for and only for the council members and for no other purpose. We do not, in giving this opinion, 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, including without limitation under any contractual obligations of the hospital, save where expressly agreed by our prior consent in writing.



PricewaterhouseCoopers
Chartered Accountants
Dublin, Ireland
21 May 2026

STATEMENT OF FINANCIAL ACTIVITIES
Financial Year Ended 31 December 2025

		2025			2024		
	Notes	Hospital/ Restricted Trading €	Hospital/ Restricted Capital €	Total €	Hospital/ Restricted Trading €	Hospital/ Restricted Capital €	Total €
Income and endowments from:							
Charitable activities	5	61,501,313	1,744,213	63,245,526	54,854,748	1,291,193	56,145,941
Other activities-Canteen	5	136,179	-	136,179	125,876	-	125,876
Other Activities-Car Park	5	33,953	-	33,953	32,710	-	32,710
Other Activities-lab Services	5	58,951	-	58,951	86,796	-	86,796
Other Activity-Sale of Medicines	5	19,087	-	19,087	18,507	-	18,507
Other income	5	98,944	-	98,944	153,310	-	153,310
Total		61,848,427	1,744,213	63,592,640	55,271,947	1,291,193	56,563,140
Expenditure on:							
Charitable activities – expenditure	6	60,533,874	1,744,213	62,278,087	55,308,035	1,291,193	56,599,228
Bank Interest		455		455	2,904	-	2,904
Total		60,534,329	1,744,213	62,278,542	55,310,939	1,291,193	56,602,132
Net income/(Expenditure)		1,314,098	0	1,314,098	(38,992)	0	(38,992)
Net movement in funds							
Total funds brought forward		(1,465,805)	-	(1,465,805)	(1,426,813)	-	(1,426,813)
Transfer in funds		1,314,098	-	1,314,098	(38,992)	-	(38,992)
Total funds carried forward		(151,707)	0	(151,707)	(1,465,805)	0	(1,465,805)

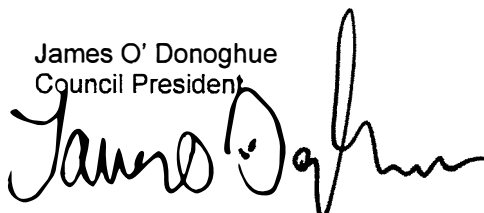
All income and expenditure relate to Hospital funds which, while not donor-imposed restricted funds, are treated as restricted in substance because their use is contractually limited to the delivery of Hospital services. The Hospital does not hold unrestricted or designated funds.

BALANCE SHEET
As at 31 December 2025

	Notes	2025 €	2024 €
Fixed assets			
Fixed assets	10	11,295,634	11,001,932
Current assets			
Stocks	11	419,049	628,384
Debtors	12	5,605,854	5,841,379
Bank & Cash	17	534,500	86,527
		6,559,403	6,556,290
Liabilities			
Creditors due within 12 months	13	(7,893,788)	(9,310,002)
Net current Liabilities		(1,334,385)	(2,753,712)
Total assets less current liabilities		9,961,249	8,248,220
Creditors-Amounts due after more than 1 year	15	(10,112,956)	(9,714,025)
Total Net Liabilities		(151,707)	(1,465,805)
The funds of the charity			
Hospital/restricted funds-Trading	16	(151,707)	(1,465,805)
Hospital Restricted Funds-Capital		-	-
Total charity funds		(151,707)	(1,465,805)

On behalf of the Council

James O' Donoghue
Council President



21 MAY 2026

Professor William Power
Accountable Officer



STATEMENT OF CASH FLOWS
Financial Year Ended 31 December 2025

	2025	2024
	€	€
<u>Cash flows from operating activities</u>		
Operating Surplus (Deficit) for the year	1,314,553	(36,088)
Adjustments for:		
Grant Income	3,035,917	5,364,814
Depreciation	2,951,445	2,369,772
Amortisation of deferred income	(2,773,251)	(2,191,577)
Decrease in stocks	209,336	32,612
(Increase)/Decrease in HSE revenue grants receivable	(758,494)	714,667
Decrease in debtors	928,437	522,122
Decrease in creditors and accrued expenses	(296,031)	(1,419,291)
Net cash provided by operating activities	4,611,912	5,357,031
<u>Cash flows from investing activities</u>		
Purchase of tangible fixed assets	(3,245,147)	(5,117,806)
Net cash used in investing activities	(3,245,147)	(5,117,806)
<u>Cash flows from financing activities</u>		
Loan Repayment	(267,450)	(2,850)
Interest paid	(455)	(2,904)
Net cash used in financing activities	(267,905)	(5,754)
Net increase in cash and cash equivalents	1,098,860	233,471
Cash and cash equivalents at beginning of year	(564,360)	(797,831)
Cash and cash equivalents at end of year	534,500	(564,360)

NOTES TO THE FINANCIAL STATEMENTS

1 General information

The Royal Victoria Eye and Ear Hospital is a national specialist hospital focused on the diagnosis and treatment of complex eye, ear, nose and throat conditions and serves as the main referral centre for ophthalmology and otolaryngology, providing both emergency and tertiary services.

These financial statements have been prepared in accordance with Financial Reporting Standard 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and Irish charity law.

While the Charities SORP (FRS 102) is not currently mandatory in the Republic of Ireland pending prescription by the Charities Regulator, the Council has elected to align the presentation and disclosures of these financial statements with the Charities SORP (FRS 102) on a transitional basis. Accordingly, the financial statements are presented as transition financial statements and do not claim full compliance with the Charities SORP (FRS 102). Full adoption of the Charities SORP is planned for the financial year ending 31 December 2026.

This alignment relates primarily to the structure and content of the Councils' (Charity Trustees') Report and enhanced disclosures in relation to public benefit, governance, risk management, reserve's policy and performance, together with the presentation of the Statement of Financial Activities and related fund disclosures. The underlying accounting policies, including the measurement and recognition of income, continue to follow the Hospital's existing FRS 102 policies and will be fully aligned with the Charities SORP (FRS 102) upon full adoption in the financial year ending 31 December 2026.

2 Statement of compliance

The financial statements have been prepared on a going concern basis in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), as described in Note 1.

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 significant accounting policies adopted by the Hospital are as follows:

(a) Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

(b) Going concern

The financial statements have been prepared on the going concern basis which assumes that the Hospital will be able to continue in operational existence for the foreseeable future. New financial control limits introduced by the HSE in 2024 have brought more certainty to funding and 2025 resulted in a surplus of €1,314,098 (2024 deficit: €38,992).

In addition to the operating deficit, the Hospital has net current Liabilities of €1,334,385 on 31 December 2025 (net current Liabilities 2024: €2,753,712) and total net liabilities of €151,707 in 2025; (2024: total net liabilities of €1,465,805). Cash and cash equivalents at the end of the year showed a net cash position of €534,500 (2024 Overdraft €564,360).

Net current liabilities include €2,356,442 (2024: €2,757,307) of deferred income liabilities relating to grants from the HSE, which have no associated cash outflow.

Based on the initial 2026 allocation from the HSE the Hospital is expecting to generate a deficit of €2.03m for 2026. It is noted that this allocation represents an initial funding position, and

historically, additional funding has been secured over the course of the financial year. The projected deficit is driven largely by the commencement of Saturday working clinics and increased patient volumes due to demographic change. In addition, the Hospital is currently forecasting a contribution margin reduction of €0.37m due to a decrease in patient income, together with yet unfunded, union-agreed payroll increases of €0.23m.

Constructive engagement is ongoing with senior HSE representatives in relation to funding these additional costs, and the Hospital expects that an agreement will be reached. The Hospital also retains the ability to scale back activity levels, if required, to align expenditure with available funding.

The Hospital continues to proactively undertake measures towards enhancing financial viability by implementing cost containment measures aimed at optimising operational efficiency and resource allocation.

The hospital is also confident that measures will be taken by the HSE to provide additional funding and/or cash advances as needed to assist them in coping with any ongoing funding pressures as it did in 2025.

The Hospital is dependent on the Health Service Executive (HSE) to fund its activities and the ongoing support of the HSE at an appropriate level is fundamental to the Hospital's ability to continue as a going concern. The HSE has not given any indication that it will withdraw its financial support from the Hospital in the foreseeable future.

The Council is therefore satisfied that appropriate measures can be taken to ensure the Hospital has adequate resources to continue in operational existence for the foreseeable future. After making enquiries, and having considered the Hospital's forecasts and planned actions, the Council has a reasonable expectation that the Hospital has adequate resources to continue in operational existence for the foreseeable future. Therefore, these financial statements have been prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(c) Accounting convention

The financial statements are prepared under the historical cost convention. The financial statements are presented in Euro (€).

d) Revenue recognition

Patient income (private and semi-private)

Earnings are recognised as the service is performed i.e. for each bed day utilised by a patient admitted to the Hospital. Revenue is calculated as the product of days utilised and a daily rate agreed with the funder.

Grant income

HSE: Allocations are received from the HSE towards the net annual running costs of the Hospital. This allocation may be less than, but may not exceed, the net annual running costs. The allocation is accounted for on a performance model basis to the extent that it has been confirmed as payable by the HSE in respect of the costs of the relevant year and to the extent that the conditions attaching to the grant have been fulfilled. Otherwise, it is accounted for as received.

Catering receipts/pharmacy receipts

Revenue is recognised on a cash receipts basis at the point when the goods or service are provided to the customer.

Insurer and NTPF income

Revenue is recognised on an invoice basis at the point when the goods or service are provided to the customer.

Pension levy income

Pension levy income related to the pension levy introduced by the government in 2010. Pension levy income is recognised as it is deducted from employees' pay.

VHSS income

Relates to income from the VHSS pension scheme. VHSS income relates to pension contributions which are deducted from employees' wages and retained by the Hospital as instructed by the HSE and recorded as income as instructed by the HSE.

Designated funds for capital projects

Relates to income generated from the use of designated hospital site and is accounted for on receipt.

(e) Funds

Hospital / Restricted funds comprise income received from the Health Service Executive (HSE) together with income from private and semi-private patient activity and other hospital-generated income, all of which may only be applied to the delivery of hospital services and related charitable activities.

In the context of the Hospital's funding and operating framework, these funds are treated as restricted in substance, as the Council does not have discretion to apply them for purposes other than the operation of the Hospital and the fulfilment of its charitable objectives, in accordance with agreed funding arrangements, statutory requirements and contractual conditions.

Expenditure is charged to Hospital / Restricted funds to the extent that it meets the criteria specified by the funder or arises in furtherance of the Hospital's charitable purposes.

The Hospital does not hold unrestricted or designated funds.

The Council's reserves policy, including confirmation that the Hospital does not hold free reserves, is set out in the Councils Report.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies - continued

(f) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Expenditure on Hospital activities comprises the costs of running the Hospital. The costs incurred in undertaking the various charitable activities which are performed for the benefit of The Royal Victoria Eye and Ear Hospital's beneficiaries, including those support costs and costs relating to the governance of the hospital apportioned to charitable activities.

Support costs are those costs that assist the delivery of the Hospital's charitable activities but do not directly relate to individual episodes of patient care. Support costs are limited to corporate support functions and include costs relating to human resources, finance, and information and communications technology. Support costs (HR, Finance and ICT) support all Hospital activities and are charged in full to charitable expenditure. These costs are not apportioned across individual services.

Governance costs are a category of support costs and comprise the costs associated with the governance of the Hospital. These include Board and committee costs, statutory audit fees, and professional fees incurred in relation to compliance, regulation, and the governance of the organisation. Governance costs do not include costs associated with the day-to-day management or administration of the Hospital.

Other expenditure represents those items not falling into any other heading.

(g) Employee benefits

Voluntary Hospitals Superannuation Scheme (VHSS)

The VHSS is administered, funded and underwritten by the HSE/Department of Health. The Hospital operates as an agent in respect of the scheme and is not exposed to actuarial risk.

Single Public Service Pension Scheme (SPSPS)

The SPSPS applies to most employees appointed from 1 January 2013. The Hospital is not responsible for the administration or funding of benefits under the scheme and has no liability in respect of pension payments.

Further details are provided in Note 9.

(h) Income tax

The entity has been granted charitable tax exemption by the Revenue Commissioners and is recognised as a charity under Section 207 of the Tax Consolidation Act 1997, registered number CHY1604.

(i) Tangible fixed assets

Tangible fixed assets are carried at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to the location and condition necessary for its intended use, applicable dismantling and removal and restoration costs.

(i) Land and buildings

Land and buildings are carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for its intended use.

(ii) Equipment

Equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS - continued

During the year, the Hospital reviewed the estimated useful lives of medical equipment and revised the useful life from three years to seven years. The revised estimate reflects the period over which such assets are expected to be available for use, based on observed usage patterns, maintenance history, and benchmarking against comparable specialist hospitals. The change represents a revision of an accounting estimate and has been applied prospectively. Accordingly, the impact of the change is reflected in depreciation charges in the current and future periods, with no adjustment made to prior periods. The effect of this change has been reflected in the depreciation charge for the current year.

The change resulted in a reduction in depreciation charge of €268,940 in the current year.

(iii) Depreciation and residual values

Land is not depreciated. Depreciation on other assets is calculated, using the straight-line method over their estimated useful lives, as follows:

Buildings	25 years
Equipment	7 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each financial year. The effect of any change in either residual values or useful lives is accounted for prospectively.

(iv) Derecognition

Tangible fixed assets are derecognised on disposal or transfer or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the statement of financial activities.

(j) Capital Grants

Capital grants received from the Health Service Executive and other state bodies are recognised as deferred income and released to income on a systematic basis over the expected useful lives of the related assets.

Grants received for the purchase or construction of fixed assets are credited to deferred income on receipt and are amortised to income in the Statement of Financial Activities over the same period as the depreciation of the related assets.

(k) Stocks

Stocks are valued at the lower of cost and net realisable value. Cost comprises cost of purchase including charges such as freight and duty where appropriate. Net realisable value comprises the actual or estimated disposal price (a return price to the supplier). Stock levels are tightly managed, and redundant or obsolete items are rare. Any stock items that have been identified as obsolete have been disposed of and are excluded from these figures. Accordingly, no formal provision for obsolescence is recognised.

(l) Cash at bank and in hand

Cash at bank and in hand include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities. Cash at bank and in hand are initially measured at transaction price and subsequently measured at amortised cost.

When the bank balance is in a negative position, this amount is shown on the balance sheet within creditors as a bank overdraft.

(m) Provisions and contingencies

Provisions are liabilities of uncertain timing or amount.

NOTES TO THE FINANCIAL STATEMENTS - continued

Provisions are recognised when the entity has a present legal or constructive obligation as a result of past events, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount of the obligation can be estimated reliably.

Contingent liabilities, arising as a result of past events, are not recognised as a liability because it is not probable that the entity will be required to transfer economic benefits in settlement of the obligation or the amount cannot be reliably measured at the end of the financial year. Possible but uncertain obligations are not recognised as liabilities but are contingent liabilities. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

(n) Financial instruments

The entity 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 and cash and cash equivalents 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. At the end of each financial year financial assets are assessed for objective evidence of impairment. If there is objective evidence that a financial asset 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. Therefore, known bad debts are written off, and a specific provision is made for those, the collection of which is considered doubtful.

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.

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.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors are initially recognised at transaction price, unless the arrangement constitutes a financing transaction. Where the arrangement constitutes a financing transaction the resulting financial liability is initially measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as due within one year

NOTES TO THE FINANCIAL STATEMENTS - continued

if payment is due within one year or less. If not, they are presented as falling due after more than one year.

NOTES TO THE FINANCIAL STATEMENTS - continued

3 Summary of significant accounting policies – continued

(o) Financial instruments

(i) Financial liabilities

Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

4 Critical accounting judgements and estimation uncertainty

Estimates and judgements made in the process of preparing the Hospital 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 trustees 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. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

(i) Impairment of debtors

The council makes an assessment at the end of each financial year of whether there is objective evidence that debtors are recoverable. When assessing impairment of such debtors, the council consider factors including the current credit rating of the debtor, the age profile of outstanding invoices, recent correspondence and historical experience of cash collections from the debtor. See note 12 for the net carrying amount of the debtors and the impairment loss recognised in the financial year.

(ii) Tangible fixed asset depreciation - useful economic lives

The annual depreciation on tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reviewed annually. They are amended when necessary to reflect the current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 10 for the carrying amount of the tangible assets, and note 3 for the useful economic lives for each class of tangible fixed assets.

(iii) Land and buildings valuation

Land and buildings include the hospital building, ancillary buildings and the land on the hospital site. Land and buildings are carried at historic cost less accumulated depreciation and impairment losses.

NOTES TO THE FINANCIAL STATEMENTS - continued

Incoming resources

	2025			2024		
	Hospital/ Restricted Trading €	Hospital/ Restricted Capital €	Total €	Hospital/ Restricted Trading €	Hospital/ Restricted Capital €	Total €
(a) Earned from Hospital (charitable) activities						
Private/semi private patients	2,485,930	-	2,485,930	2,691,887	-	2,691,887
HSE Capital allocation	-	1,744,213	1,744,213	-	1,291,193	1,291,193
NTPF Activities	4,119,446	-	4,119,446	3,970,019	-	3,970,019
Allocation from HSE	54,895,937	-	54,895,937	48,192,842	-	48,192,842
	61,501,313	1,744,213	63,245,526	54,854,748	1,291,193	56,145,941
(b) Earned from other activities						
Canteen receipts	136,179	-	136,179	125,876	-	125,876
Carpark Receipts	33,953	-	33,953	32,710	-	32,710
Sale of Medicines	19,087	-	19,087	18,507	-	18,507
laboratory Services	58,951	-	58,951	86,796	-	86,796
	248,170	-	248,170	263,889	-	263,889
(c) Other income						
Pension levy	98,944	-	98,944	153,310	-	153,310
	98,944	-	98,944	153,310	-	153,310
Total income	61,848,427	1,744,213	63,592,640	55,271,947	1,291,193	56,563,140

NOTES TO THE FINANCIAL STATEMENTS - continued

Expenditure

	2025	2024
	Total Hospital Restricted	Total Hospital Restricted
	€	€
(a) Hospital (charitable) activities		
<u>Salaries, wages and related costs</u>		
Administration	3,203,107	3,260,219
Medical	14,003,450	13,001,029
Nursing	11,431,235	10,982,275
Paramedical	1,693,562	1,764,613
Catering and housekeeping	2,073,917	1,984,785
Superannuation and termination benefits	3,346,426	3,127,756
Total salaries, wages and related costs	35,751,697	34,120,677
<u>Supplies and general charges</u>		
Medicines, bloods and gases	5,656,567	4,391,123
Medical and surgical Consumables	5,631,388	5,164,722
Medical equipment and repairs	811,163	669,992
Outsourced Clinical services	2,003,148	2,888,304
Professional Services & Agency fees	477,650	400,731
X - Ray expenses	543,572	528,626
Laboratory	782,205	672,806
Catering, provisions and equipment	254,812	251,099
Heating, power and lighting	454,026	441,469
Cleaning and washing	520,305	502,535
Bedding, clothing & Furniture	7,300	14,449
Maintenance & Security	748,431	(277,300)
Depreciation	2,951,445	2,408,313
Sundry expenses	365,060	253,718
Governance & Support Costs (see note 7)	5,319,318	4,167,964
Total Hospital (charitable) activities	26,526,390	22,478,551
Total expenditure	62,278,087	56,599,228

The 2024 comparative includes reclassification and capitalisation adjustments relating to infrastructure projects undertaken during that year

NOTES TO THE FINANCIAL STATEMENTS - continued

7 Governance and support costs

Year ended 31 December 2025

	Support costs – charitable activities	Governance costs	Total
	€	€	€
Pay - HR, Finance & IT	2,231,557	-	2,231,557
Computer Expenses Including Depreciation	1,099,599	-	1,099,599
Office Expenses, Rent, & Archiving	1,358,679	-	1,358,679
Professional services	550,274	-	550,274
Legal Fees	-	23,209	23,209
Auditors fee	-	56,000	56,000
	5,240,109	79,209	5,319,318

Year ended 31 December 2024
(comparative)

	Support costs – charitable activities	Governance costs	Total
	€	€	€
Pay - HR, Finance & IT	1,984,340	-	1,984,340
Computer Expenses Including Depreciation	188,606	-	188,606
Office expenses, Rent & Archiving	1,304,241	-	1,304,241
Professional services	585,225	-	585,225
Legal Fees	-	52,559	52,559
Auditor's fee	-	52,993	52,993
	4,062,412	105,552	4,167,964

The above support and governance costs represent a subset of expenditure included within charitable activities in the Statement of Financial Activities.

Support costs are those costs that assist the delivery of the Hospital's charitable activities but do not directly relate to individual episodes of patient care. These costs include central administrative and corporate support functions such as human resources, finance, information and communications technology and other shared services.

Governance costs comprise the costs associated with the governance of the Hospital. These include Council and committee costs, statutory audit fees and professional fees incurred in relation to compliance, regulation and the governance of the organisation. Governance costs do not include costs associated with the day-to-day management or administration of the Hospital.

Support and governance costs are directly attributable to the Hospital's charitable activities and are therefore charged in full to charitable activities without apportionment.

NOTES TO THE FINANCIAL STATEMENTS - continued

8 Taxation

The entity has been granted charitable tax exemption by the Revenue Commissioners and is recognised as a charity under Section 207 of the Taxes Consolidation Acts, 1997, under registration number CHY1604.

9 Trustees and employees

(i) *Employees*

The average number of persons employed by the entity during the financial year was 379 (2024: 380).

	2025	2024
	Number	Number
Clinical Administration	56	57
Medical	80	80
Support Staff	33	32
Nursing	154	156
Paramedical	20	20
Medical Support	36	35
	379	380

(ii) *Employees – Staff Costs*

Staff costs comprise:

	2025	2024
	€	€
Salaries, wages and agency costs	30,801,383	29,988,180
Employers PRSI	3,110,566	2,928,605
Superannuation	4,569,737	4,432,474
Retirement lump sum payments	687,199	515,027
Pension contributions	(1,933,016)	(1,891,931)
Total staff costs	<u>37,235,869</u>	<u>35,972,355</u>
Less: Paid on behalf and recharged to other hospitals	(2,171,572)	(2,490,873)
Plus: Paid and recharged by other hospitals	687,400	639,195
Total Salaries, Wages & Related Costs	<u>35,751,697</u>	<u>34,120,677</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

(i.ii) Employees – Salary Ranges

	2025 Number	2024 Number
Salary range		
340,000 - 349,999	1	-
330,000 - 339,999	-	1
280,000 - 289,999	5	-
270,000 - 279,999	-	3
250,000 - 259,999	6	
240,000 - 249,999	1	5
230,000 - 239,999	1	-
220,000 - 229,999	1	1
210,000 - 219,999	6	1
200,000 - 209,999	-	8
190,000 - 199,999	1	2
180,000 - 189,999	3	-
170,000 - 179,999	1	4
150,000 - 159,999	3	1
140,000 - 149,999	4	4
130,000 - 139,999	0	1
120,000 - 129,999	1	-
110,000 - 119,999	1	1
100,000 - 109,999	5	3
90,000 - 99,999	14	11
80,000 - 89,999	24	30
70,000 - 79,999	39	49
60,000 - 69,999	77	81
	<u>194</u>	<u>206</u>

For the purposes of the remuneration band disclosures presented in these financial statements, emoluments are taken to comprise gross salary earned during the year, together with overtime, allowances and other taxable adjustments paid through payroll.

Where staff are seconded to, or their costs are cross charged to, other hospitals or healthcare bodies, the full gross emoluments of those staff are included in the remuneration analysis as if wholly earned by The Royal Victoria Eye and Ear Hospital. This reflects the underlying employment.

(i) Employees - continued

In 2025, 194 staff earned in excess of €60,000 per annum (2024: 206). The salary bands above include 26 staff who are paid in full by the Hospital, but for which a subsequent re-charge is made by the Hospital to other hospitals for an element of their salaries. It does not include 9 staff who are paid in excess of €60,000 per annum who are paid by other hospitals and re-charged to the Royal Victoria Eye & Ear.

NOTES TO THE FINANCIAL STATEMENTS - continued

(ii) Trustees

Four Medical Consultants who are also Council Members received cumulative remuneration of €1,011,535 during the reporting period (2024: €937,606) in their capacity as Medical Consultants and employees of the Hospital.

This remuneration related solely to their employment as Medical Consultants and did not relate to their roles as Council Members (charity trustees).

No Council Members received any remuneration, fees, benefits in kind or expense reimbursements in their capacity as charity trustees during the year.

(iii) Key management compensation

Key management personnel comprise the Accountable Officer and the members of the Hospital Management Group, which is responsible for the operational management of the Hospital

	2025	2024
	€	€
Wages & Salaries	<u>762,455</u>	<u>684,187</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

10 Fixed assets

	Site	Building Improvements	Buildings	Casualty department	Medical equipment	Office equipment	Computer equipment & Software	Furnishings	Other Equipment	Total
	€	€	€	€	€	€	€	€	€	€
Cost										
At 1 January 2025	4,571	2,003,096	4,804,199	1,817,728	8,794,489	10,604	2,920,143	3,926	1,571,831	21,930,587
Additions	-	-	362,275	-	684,919	17,786	277,791	-	1,902,376	3,245,147
At 31 December 2025	4,571	2,003,096	5,166,474	1,817,728	9,479,408	28,390	3,197,934	3,926	3,474,207	25,175,734
Accumulated depreciation										
At 1 January 2025	-	1,435,608	589,887	128,175	6,626,128	10,604	1,875,803	879	261,571	10,928,655
Depreciation	-	184,631	248,088	39,200	1,162,599	5,929	664,116	-	646,882	2,951,445
At 31 December 2025	0	1,620,239	837,975	167,375	7,788,727	16,533	2,539,919	879	908,453	13,880,100
Net book value										
At 31 December 2025	4,571	382,856	4,328,499	1,650,353	1,690,680	11,857	658,015	3,047	2,565,755	11,295,634
At 31 December 2024	4,571	567,488	4,214,312	1,689,553	2,168,361	0	1,044,340	3,047	1,310,260	11,001,932

NOTES TO THE FINANCIAL STATEMENTS - continued

11 Stocks

	2025	2024
	€	€
Pharmacy	158,557	525,102
Medical and surgical supplies	260,492	103,282
	<u>419,049</u>	<u>628,384</u>

No impairment losses have been recognised in the statement of financial activities in relation to obsolete stocks. Stock levels are tightly managed and redundant or obsolete items are rare. Any stock items that have been identified as obsolete have been disposed of and are excluded from these figures. Accordingly, no formal provision for obsolescence is recognised

12 Debtors

	2025	2024
	€	€
Trade debtors	1,000,315	1,973,333
Prepayments	324,255	353,657
Sundry debtors	13,710	5,312
HSE Revenue Grants Receivable	4,267,574	3,509,077
	<u>5,605,854</u>	<u>5,841,379</u>

Trade debtors are after provision for impairment of €470,706 (2024: €457,088).

NOTES TO THE FINANCIAL STATEMENTS - continued

13 Creditors - due within 12 months

	2025	2024
	€	€
Bank overdrafts	-	650,887
Trade creditors	1,360,201	1,390,784
Paye/PRSI	1,123,237	1,144,779
Withholding Tax	52,838	161,912
VAT	59,353	53,123
Deferred Income	2,356,442	2,757,307
Accruals and Sundry Creditors	2,941,717	3,151,210
	<u>7,893,788</u>	<u>9,310,002</u>

Creditors for tax and social insurance are payable in the timeframe set down in the relevant legislation.

14 Deferred Grant Income

	2025	2024
	€	€
HSE revenue grant income attributable to capital items:		
At 1 January	2,941,705	1,670,956
Received during year	282,343	2,561,942
Amortised during year	(1,029,038)	(1,291,193)
At 31 December	<u>2,195,010</u>	<u>2,941,705</u>
HSE capital grant income attributable to capital items:		
At 1 January	7,933,226	6,030,738
Received during year	2,753,574	2,802,872
Amortised during year	(1,744,213)	(900,384)
At 31 December	<u>8,942,587</u>	<u>7,933,226</u>
Total grants	<u>11,137,597</u>	<u>10,874,931</u>
Disclosed in creditors as follows:		
Amounts falling due within one year	2,356,442	2,757,307
Amounts falling due after more than one year	8,781,155	8,117,624
At 31 December	<u>11,137,597</u>	<u>10,874,931</u>

NOTES TO THE FINANCIAL STATEMENTS - continued

15 Creditors-Amounts Due after more than 1 year

	2025	2054
	€	€
Loan (note 19)	728,161	992,761
Deferred income (note 14)	8,781,155	8,117,624
Building Fund	527,070	527,070
Bequest Fund	76,570	76,570
	<u>10,112,956</u>	<u>9,714,025</u>

16 Hospital funds

	Hospital Restricted	Hospital Restricted Capital	Total Restricted Funds
	€	€	€
Balance at 1 January 2024	(1,426,813)	-	(1,426,813)
Income	55,271,947	1,291,193	56,563,140
Expenditure	(55,310,939)	(1,291,193)	(56,602,132)
Balance at 31 December 2024	<u>(1,465,805)</u>	<u>0</u>	<u>(1,465,805)</u>
Balance at 1 January 2025	(1,465,805)	-	(1,465,805)
Income	61,848,427	1,744,213	63,592,640
Expenditure	(60,534,329)	(1,744,213)	(62,278,542)
Balance at 31 December 2025	<u>(151,707)</u>	<u>0</u>	<u>(151,707)</u>

Hospital/Restricted accumulated profit and loss

Surplus/(Deficit) between income from HSE Grants and Other Income less Expenditure to run the Hospital.

Hospital/Restricted capital account

Treatment of fixed asset purchases and depreciation under Department of Health Accounting Policies. Transferred to Profit & Loss Account under FRS 102

NOTES TO THE FINANCIAL STATEMENTS - continued

17 Analysis of cash and cash equivalents

	2025	2024
	€	€
<i>Bank balances</i>		
Cash at bank and in hand	534,500	86,527
Bank overdraft	0	(650,887)
	<u>534,500</u>	<u>(564,360)</u>

18 Post-employment benefits

The majority of staff employed by the Hospital are members of either the Voluntary Hospitals Superannuation Scheme (VHSS) or the Single Public Service Pension Scheme (SPSPS). Voluntary Hospitals Superannuation Scheme (VHSS).

The Voluntary Hospitals Superannuation Scheme is administered, funded and underwritten by the HSE / Department of Health. The Council of the Hospital considers that the Hospital operates as an agent in the administration of the scheme and does not make employer contributions to it.

The VHSS is a state plan as defined by FRS 102. Based on established practice, the Council believes that the liability in respect of pension benefits payable to employees who are members of the VHSS will be met in full by the Department of Health and that the Hospital is not exposed to the actuarial risks associated with the scheme. Accordingly, no pension liability is recognised in the financial statements in respect of benefits accrued under the VHSS.

Employee pension contributions deducted through payroll are administered by the Hospital and are recognised in income with corresponding pension payments, including retirement lump sum payments, recognised as expenditure as they become payable. Any surplus or deficit arising in respect of these transactions is managed through the annual HSE revenue allocation.

Single Public Service Pension Scheme (SPSPS)

With effect from 1 January 2013, most new employees are members of the Single Public Service Pension Scheme. Pension contributions in respect of the SPSPS are remitted to the Department of Public Expenditure and Reform, which is responsible for the administration of the scheme.

The SPSPS is also a state plan for the purposes of FRS 102. Based on established practice, the Council believes that the Department of Public Expenditure and Reform is responsible for the payment of pensions and retirement lump sums under the scheme without recourse to the Hospital. Accordingly, no pension liability is recognised in the financial statements in respect of benefits accrued under the SPSPS.

NOTES TO THE FINANCIAL STATEMENTS - continued

19 Financial instruments

	2025	2024
	€	€
The hospital has the following financial instruments:		
Financial assets measured at amortised cost:		
Trade debtors and prepayments	5,605,854	5,841,379
Cash at bank and in hand	534,500	(564,360)
Financial liabilities measured at amortised cost:		
Creditors & Accruals	5,537,346	5,901,808
Loan From Acuity Foundation	728,161	992,761

20 Capital commitments

	2025	2024
	€	€
<i>Capital commitments</i>		
Fire Safety Works	712,453	136,348
Energy Upgrades	46,165	22,140
Lift Replacement	55,522	-
Boiler and Decarbonisation	132,437	-
Minor Capital	28,482	-
ICT	38,958	-
NERP Equipment	58,376	-
Cataract Theatre & Basement Construction	-	178,709
Digester	-	91,318
	<u>1,072,393</u>	<u>428,515</u>

Funding in respect of the above capital commitments was received from HSE Estates during 2025. The related expenditure will be incurred and paid as works are completed and certified.

21 High-Cost Drug

During 2025, the Hospital administered gene therapy to two patients under an outcomes-based payment arrangement with a total cost of €676,500 (including VAT) per treatment, payable in three tranches. The initial tranche was recognised as expenditure on delivery of the treatment. The second tranche, totalling €405,900 for both, has been accrued as expenditure and recognised as a liability in the books of the Hospital at 31 December 2025 as the contractual outcome criteria were met during the year, creating a present obligation. The final tranche of €405,900, for both, is contingent on the achievement of specified 24-month clinical outcomes and has not been recognised as an expense or liability at the reporting date as the outcome criteria has not yet been met.

NOTES TO THE FINANCIAL STATEMENTS - continued

22 Related party & Other Relevant transactions

The Hospital has transactions with Acuity Foundation Ireland, a related party, and with the RVEEH Research Foundation, an independent charity with which it has operational interactions.

Acuity Foundation Ireland

Acuity Foundation Ireland (“AFI”) is a related charity established to support the development of the Royal Victoria Eye and Ear Hospital and related research and innovation activities. It is considered a related party of the Hospital due to the involvement of certain Council members.

The Hospital has an unsecured loan arrangement with AFI in respect of the funding of a cataract theatre. The balance outstanding at 31 December 2025 was €728,161 (2024: €992,761). The loan is being repaid at a rate of €75 per cataract procedure performed in the theatre, with repayments during the year of €264,600 (2024: €2,850). The facility has a maximum term to 2027.

Repayment is limited to income generated from cataract theatre activity, and AFI has confirmed that it will not seek repayment of any balance remaining outstanding at the end of the term.

RVEEH Research Foundation

The RVEEH Research Foundation is a separate registered charity established to support clinical and scientific research in ophthalmology and otolaryngology, including genetic research and testing services relevant to the Hospital’s clinical activities.

While the Hospital engages with the charity in the normal course of its activities, it is not considered a related party as the Hospital does not exercise control or significant influence over the entity.

During the year, the Hospital incurred costs of €373,334 (2024: €349,855) with the RVEEH Research Foundation in respect of genetic testing services.

23 Events since the end of the financial year

There were no significant events which occurred between 31 December 2025 and the date these financial statements were approved. Refer to the trustees’ report Structure, Governance and Management for changes to Council Members and ex-officio members appointed subsequent to the year end.

24 Approval of financial statements

The Council approved the financial statements on 21st May 2026.