

Annual Report **Part 2**



2019

Corporate Governance and Financial Statements

—
**Research.
Evidence.
Action.**

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Contents

Bankers, Solicitors, Auditors	2
Governance Statement and Board Members' Report	4
Statement on Internal Financial Control	12
Report of the Comptroller and Auditor General	16
Statement of Income and Expenditure and Retained Revenue Reserves	19
Statement of Capital Income and Expenditure	20
Statement of Financial Position	21
Statement of Cash Flows	22
Notes to the Financial Statements	23

1



Bankers, Solicitors, Auditors

Bankers

Bank of Ireland
Lower Baggot Street
Dublin 2

Solicitors

Ballagh Solicitors
28 Lower Baggot Street
Dublin 2

Auditors

Comptroller and Auditor General
3A Mayor Street Upper
Dublin 1

2



Governance Statement and Board Members' Report

Governance

The Board of the Health Research Board (HRB) was established under The Health Research Board (Establishment) Order 1986 (S.I. NO.279 of 1986) as amended.

The functions of the HRB are set out in Article 4 of this statutory instrument. The Board is accountable to the Minister for Health and is responsible for ensuring good governance and performs this task by setting strategic objectives and targets and taking strategic decisions on all key issues.

The regular day to day management control and direction of the HRB are the responsibility of the Chief Executive Officer (CEO) and the Executive Team. The CEO and Executive Team must follow the broad strategic direction set by the Board and must ensure that all Board members have a clear understanding of the key activities and decisions related to the entity, and any of the significant risks likely to arise. The CEO acts as a direct liaison between the Board and the management of the HRB.

Board Responsibilities

The work and responsibilities of the Board are set out in the HRB's Governance Handbook, which also contain the matters specifically reserved for Board decisions. Standing items considered by the Board include:

- Declarations of interests
- New calls for research award schemes
- Approval of selection panel recommendations on awards
- Reviews of major awards
- Statistical publications and evidence reviews
- Review of progress on strategy implementation
- Reports from committees.

Article 27 of The Health Research Board (Establishment) Order 1986 (S.I. NO.279 of 1986) as amended requires the Board of the HRB to keep, in such form as may be approved by the Minister for Health with the consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of money received and expended by it.

In preparing these Financial Statements, the Board of the HRB is required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that it will continue in operation, and

- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements.

The Board is responsible for keeping adequate accounting records which disclose, with reasonable accuracy at any time, its financial position and enables it to ensure that the Financial Statements comply with Article 27 of the Health Research Board (Establishment) Order 1986 (S.I. NO.279 of 1986) as amended. The maintenance and integrity of the corporate and financial information on the HRB's website is the responsibility of the Board.

The Board is responsible for approving the annual plan and budget. An evaluation of the performance of the HRB by reference to the annual plan and budget was carried out at the meeting of the Board on 14 February 2020.

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

The Board considers that the Financial Statements of the HRB give a true and fair view of the financial performance and the financial position of the HRB at 31 December 2019.

Board Structure

The Board consists of a Chairperson, and nine ordinary members, all of whom are appointed by the Minister for Health. The members of the Board are appointed for a period of five years and meet approximately seven times each year. The table below details the appointment period for current members:

Board Member	Role	Date Appointed
Professor Jane Grimson *	Chairperson	5 November 2015
Dr Tracy Cunningham	Ordinary Member	15 July 2019
Professor Seamas Donnelly	Ordinary Member	15 July 2019
Professor Tom Fahey	Ordinary Member	18 January 2018
Professor Bernadette Hannigan	Ordinary Member	5 November 2015
Dr Mairead Harding	Ordinary Member	18 January 2018
Mr John McCormack	Ordinary Member	12 June 2015
Professor Charles Normand	Ordinary Member	5 November 2015
Dr Marion Rowland	Ordinary Member	12 June 2015
Dr Susan Steele	Ordinary Member	18 January 2018

*Professor Jane Grimson was appointed Chairperson with effect from 5 February 2018.

The Board has established two committees as follows:

1. **Audit and Risk Committee** which, during 2019, was comprised of five Board members. The role of the Audit and Risk Committee (ARC) is to support the Board in relation to its responsibilities for issues of risk, control and governance and associated assurance. The ARC is independent from the financial management of the organisation. In particular the Committee ensures that the internal control systems including audit activities are monitored actively and independently. The ARC reports to the Board after each meeting, and formally in writing annually.

The members of the Audit and Risk Committee during 2019 were Professor Charles Normand (chairperson); Dr Barry Cullen (until 24th May 2019); Professor Jane Grimson; Dr Mairead Harding; Dr Susan Steele and Martin Higgins (External). There were five meetings of the ARC in 2019.

2. **The Management Development and Remuneration Committee (MDRC)**. The role of the committee is to oversee the recruitment, selection, remuneration and performance appraisal of the CEO. The Committee also acts as a consultative group to the Chief Executive in relation to the review of the performance and development of the Executive Team and planning for management succession in the organisation.

The members of the Committee during 2019 were Professor Jane Grimson (Chairperson); Professor Tom Fahey; Professor Bernadette Hannigan; Mr John McCormack; Dr Marion Rowland. The Committee met three times during 2019.

Schedule of Attendance, Fees and Expenses

A schedule of attendance at the Board and Committee meetings for 2019 is set out below including the fees and expenses received by each member:

	Board	Audit & Risk Committee	Management Development & Remuneration Committee	Fees 2019 €	Expenses 2019 €
Number of Meetings	7	5	3	–	–
Professor Jane Grimson	6	4	3	€13,011	–
Dr Barry Cullen*	2	1	–	–	–
Dr Tracy Cunningham**	2	–	–	–	–
Professor Seamas Donnelly**	2	–	–	–	–
Professor Tom Fahey	4	–	0	–	–
Professor Bernadette Hannigan	7	–	3	€7,695	€407
Dr Mairead Harding	7	5	–	–	€646
Mr John McCormack	7	–	3	€7,695	€47
Professor Charles Normand	6	5	–	–	–
Dr Marion Rowland	6	–	2	–	–
Dr Susan Steele	4	2	–	–	–

* Dr Cullen retired by rotation on 25th May 2019

** Dr Cunningham and Professor Donnelly were appointed to the Board on 15th July 2019

Key Personnel Changes

Professor Jane Grimson was appointed Chairperson on 5 February 2019. Dr Darrin Morrissey resigned from the post of Chief Executive Officer effective 31 May 2020.

Disclosures Required by the Code of Practice for the Governance of State Bodies (2016)

The Board is responsible for ensuring that the HRB has complied with the requirements of the Code of Practice for the Governance of State Bodies (“the Code”), as published by the Department of Public Expenditure and Reform in August 2016. The following disclosures are required by the Code.

Employee Short-Term Benefits Breakdown

Range		Number of Employees	
From	To	2019	2018
€60,000	- €69,999	10	9
€70,000	- €79,999	2	1
€80,000	- €89,999	10	9
€90,000	- €99,999	6	5
€100,000	- €109,999	2	2
€130,000	- €139,999	-	1
€140,000	- €149,999	1	0

Consultancy Costs

Consultancy costs include the cost of external advice to management and exclude outsourced ‘business-as-usual’ functions.

	2019 €	2018 €
Legal advice	96,625	59,843
Financial advice	22,177	9,653
Human resources	29,865	22,342
Strategy costs	103,358	-
Business improvement – Unconscious bias	-	3,070
Other	9,061	2,915
Total consultancy costs	261,086	97,823
Consultancy costs capitalised	-	-
Consultancy costs charged to the Income and Expenditure and Retained Revenue Reserves	261,086	97,823
Total	261,086	97,823

Legal Costs and Settlements

The HRB did not incur any costs in 2019 or 2018 in relation to legal costs, settlements and conciliation and arbitration proceedings relating to contracts with third parties. Expenditure incurred in relation to general legal advice received by the HRB is disclosed in consultancy costs.

Travel and Subsistence Expenditure

Travel and subsistence expenditure is categorised as follows:	2019 €	2018 €
Domestic		
- Board*	1,756	3,309
- Employees	28,201	17,705
International		
- Board	-	-
- Employees	33,863	42,087
Total	63,820	63,101

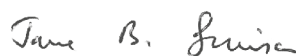
*includes travel and subsistence of €1,099 paid directly to Board members in 2019 (2018: €2,222). The balance of €657 (2018: €1,087) relates to expenditure paid by the HRB on behalf of Board members.

Hospitality Expenditure

The Income and Expenditure Account includes the following hospitality expenditure for staff, Board members, selection and review panels €37,142 (2018: €29,514)

Statement of Compliance

The Board has adopted the Code of Practice for the Governance of State Bodies (2016) and has put in place procedures to ensure compliance with the Code. The HRB was in full compliance with the Code of Practice for the Governance of State Bodies for 2019.



Professor Jane Grimson
Chairperson
21 October 2020

3



Statement on Internal Financial Control

Statement on Internal Control

Scope of Responsibility

On behalf of the Health Research Board I acknowledge the Board's responsibility for ensuring that an effective system of internal control is maintained and operated. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore only provide reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or detected in a timely way.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform has been in place in the Health Research Board for the year ended 31 December 2019 and up to the date of approval of the Financial Statements.

Capacity to Handle Risk

During 2019 the Health Research Board had an Audit and Risk Committee (ARC) comprising of five Board members, one of whom is the Chair. The ARC met five times in 2019. An external member, with financial and audit expertise, took up office at the meeting of the Committee on 29th March 2019.

The Health Research Board has also established an internal audit function which is adequately resourced and conducts a programme of work agreed with the ARC.

The ARC has developed a risk management policy which sets out its risk appetite, the risk management processes in place and details the roles and responsibilities of staff in relation to risk. The policy has been issued to all staff who are expected to work within the Health Research Board's risk management policies, to alert management on emerging risks and control weaknesses and assume responsibility for risks and controls within their own area of work.

Risk and Control Framework

The Health Research Board has implemented a risk management system which identifies and reports key risks and the management actions being taken to address and, to the extent possible, to mitigate those risks.

A risk register is in place which identifies the key risks facing the Health Research Board and these have been identified, evaluated and graded according to their significance. The register is reviewed by the ARC at each meeting. The outcome of these assessments is used to plan and allocate resources to ensure risks are managed to an acceptable level.

The risk register details the controls and actions needed to mitigate risks and responsibility for operation of controls assigned to specific staff. I confirm that a control environment containing the following elements is in place:

- Procedures for all key business processes have been documented
- Financial responsibilities have been assigned at management level with corresponding accountability
- There is an appropriate budgeting system with an annual budget which is kept under review by senior management

- There are systems aimed at ensuring the security of the information and communication technology systems,
- There are systems in place to safeguard the assets, and
- Control procedures over grant funding to outside agencies ensure adequate control over approval of grants and monitoring and review of grantees to ensure grant funding has been applied for the purpose intended.

Ongoing Monitoring and Review

Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the Board, where relevant, in a timely way. I confirm that the following ongoing monitoring systems are in place:

- Key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned, and
- There are regular reviews by senior management of periodic and annual performance and financial reports which indicate performance against budgets/ forecasts.

Procurement

I confirm that the Health Research Board has procedures in place to ensure compliance with current procurement rules and guidelines and that during 2019 the Health Research Board complied with those procedures.

Review of Effectiveness

I confirm that the Health Research Board has procedures to monitor the effectiveness of its risk management and control procedures. The Health Research Board's monitoring and review of the effectiveness of the system of internal financial control is informed by the work of the internal and external auditors, the Audit and Risk Committee which oversees their work, and the senior management within the Health Research Board are responsible for the development and maintenance of the internal financial control framework.

I confirm that the Board conducted an annual review of the effectiveness of the internal controls for 2019.

Internal Control Issues

Provision of Grant Funding

The provision of funds to the grantee before expenditure has been incurred requires the prior sanction of the Department of Public Expenditure and Reform (DPER). The Health Research Board did not have sanction in place for 2019. The Health Research Board is liaising with the Department of Health so as to ensure compliance going forward.

No other weaknesses in internal control were identified in relation to 2019 that require disclosure in the Financial Statements.

Jane B. Lewis

Chairperson

21 October 2020



Ard Reachtaire Cuntas agus Ciste
Comptroller and Auditor General

Report of the Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

Health Research Board

Qualified opinion on the financial statements

I have audited the financial statements of the Health Research Board for the year ended 31 December 2019 as required under the provisions of section 5 of the Comptroller and Auditor General (Amendment) Act 1993. The financial statements comprise

- the statement of income and expenditure and retained revenue reserves
- the statement of capital income and expenditure
- the statement of financial position
- the statement of cash flows and
- the related notes, including a summary of significant accounting policies.

In my opinion, except for the non-compliance with the requirements of FRS 102 in relation to retirement benefit entitlements referred to below, the financial statements give a true and fair view of the assets, liabilities and financial position of the Health Research Board at 31 December 2019 and of its income and expenditure for 2019 in accordance with FRS 102.

Basis for qualified opinion

In compliance with the directions of the Minister for Health, the Health Research Board accounts for the costs of retirement benefit entitlements only as they become payable. This does not comply with FRS 102 which requires that the financial statements recognise the full cost of retirement benefit entitlements earned in the period and the accrued liability at the reporting date. The effect of the non-compliance on the Health Research Board's financial statements for 2019 has not been quantified.

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Health Research Board and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on information other than the financial statements, and on other matters

The Health Research Board has presented certain other information together with the financial statements. This comprises the annual report including the governance statement and Board members' report and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

Andrew Harkness
For and on behalf of the
Comptroller and Auditor General
29 October 2020

Appendix to the report

Responsibilities of Board members

As detailed in the governance statement and Board members' report, the Board members are responsible for

- the preparation of financial statements in the form prescribed under article 21 of the Health Research Board (Establishment) Order 1986
- ensuring that the financial statements give a true and fair view in accordance with FRS102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- 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.

Responsibilities of the Comptroller and Auditor General

I am required under section 5 of the Comptroller and Auditor General (Amendment) Act 1993 to audit the financial statements of the Health Research Board and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs 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.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.

- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Board to cease to continue as a going concern.
- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I also report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

4



Financial Statements 2019

Statement of Income and Expenditure and Retained Revenue Reserves for the year ended 31 December 2019

	Notes	2019 €	2018 €
INCOME			
Department of Health Revenue Grant (Vote 38 B.1)		35,732,042	35,714,579
Other Research Funding	2	2,943,571	2,432,802
Other Income		13,894	2,455
		38,689,506	38,149,836
EXPENDITURE			
Addressing major health challenges	3	12,897,898	9,052,132
Supporting healthcare interventions	4	8,965,588	6,561,464
Addressing the research needs of the Irish health and social care system	5	7,102,326	11,793,709
Supporting exceptional researchers and leaders	6	4,019,533	4,387,872
Building a strong enabling environment	7	1,825,956	2,887,813
Enhancing organisational performance	8	3,950,420	3,270,095
	9	38,761,722	37,953,084
SURPLUS/(DEFICIT) FOR THE YEAR		(72,215)	196,751
Revenue Reserves at 1 January		(443,732)	(640,483)
REVENUE RESERVES AT 31 DECEMBER		(515,947)	(443,732)

The Board has no recognised gains or losses other than those dealt with in the revenue and capital statements of income and expenditure. The Statement of Cashflows and notes 1 to 30 form part of these Financial Statements.



Professor Jane Grimson
Chairperson
21 October 2020



Professor Charles Normand
Board Member

Statement of Capital Income and Expenditure for the year ended 31 December 2019

	Notes	2019 €	2018 €
INCOME			
Department of Health capital grant (Vote 38 B.1)		8,647,443	10,098,789
Amortisation of capital reserve account		152,337	165,953
		8,799,780	10,264,742
EXPENDITURE			
Supporting healthcare interventions	14	1,696,980	3,069,170
Addressing the research needs of the Irish health and social care system	15	1,064,370	1,282,213
Supporting exceptional researchers and leaders	16	3,431,300	4,162,650
Building a strong enabling environment	17	2,383,085	1,492,029
Enhancing organisational performance	18	44,046	66,565
Additions to fixed assets		27,663	26,162
Depreciation	19	152,758	166,051
Loss on disposal of fixed assets		(422)	(98)
		8,799,780	10,264,742
SURPLUS/(DEFICIT) FOR THE YEAR		-	-

The Statement of Cashflows and notes 1 to 30 form part of these Financial Statements.



Professor Jane Grimson
Chairperson
21 October 2020



Professor Charles Normand
Board Member

Statement of Financial Position for the year ended 31 December 2019

	Notes	2019 €	2018 €
FIXED ASSETS			
Property, Plant & Equipment	19	158,609	257,764
CURRENT ASSETS			
Receivables	20	1,052,847	894,276
Investments	21	641	641
Cash at bank and on hand		119,686	381,939
		1,173,174	1,276,856
CURRENT LIABILITIES			
Amounts falling due within one year:			
Payables	22	1,219,523	1,305,101
		1,219,523	1,305,101
NET CURRENT ASSETS/(LIABILITIES)		(46,349)	(28,245)
LONG TERM LIABILITIES			
Amounts falling due after one year:			
Payables	23	469,079	415,389
		469,079	415,389
TOTAL NET ASSETS		(356,819)	(185,870)
REPRESENTING			
Retained Revenue Reserves		(515,947)	(443,732)
Capital Reserve	24	159,128	257,862
		(356,819)	(185,870)

The Statement of Cashflows and notes 1 to 30 form part of these Financial Statements.

Jane B. Grimson

Professor Jane Grimson
Chairperson
21 October 2020

C.A. Normand

Professor Charles Normand
Board Member

Statement of Cash Flows

for the year ended 31 December 2019

	Notes	2019 €	2018 €
CASH FLOW FROM OPERATING ACTIVITIES			
(Deficit)/Surplus for the year		(72,215)	196,751
Adjustment to Deficit figure for Depreciation		152,758	166,051
(Increase)/Decrease in Receivables		(158,571)	251,463
Increase/(Decrease) in Payables		(31,888)	(973,556)
Amortisation of Capital Reserves		(152,758)	(166,051)
Amount Allocated to Fund Fixed Asset Additions		54,023	28,713
Bank Interest Received		-	-
NET CASH FLOW FROM OPERATING ACTIVITIES		(208,651)	(496,629)
CASH FLOW FROM INVESTING ACTIVITIES			
Amount Allocated to Fund Fixed Asset Additions		(53,603)	(28,615)
NET CASH FLOW FROM INVESTING ACTIVITIES		(53,603)	(28,615)
CASH FLOW FROM FINANCING ACTIVITIES			
Bank Interest Received		-	-
NET CASH FLOW FROM FINANCING ACTIVITIES		-	-
NET DECREASE IN CASH AND CASH EQUIVALENTS		(262,253)	(525,244)
RECONCILIATION OF OPENING TO CLOSING CASH AND CASH EQUIVALENTS			
Cash at bank at 1 January		381,939	907,183
Cash at bank at 31 December		119,686	381,939
MOVEMENT IN CASH FOR THE YEAR	25	(262,253)	(525,244)

Notes to the Financial Statements for the year ended 31 December 2019

1. Accounting Policies

The basis of accounting and significant accounting policies adopted by the Health Research Board are set out below. They have been applied consistently throughout the year and for the preceding year.

a. General Information

The Minister for Health, in exercise of the powers conferred on him by section 3 of the Health (Corporate Bodies) Act, 1961 (No.279 of 1961) established the Health Research Board under an establishment order in 1986.

The Health Research Board's primary objectives as set out in part four of the Statutory Instrument No.297 are as follows:

- To promote, assist, commission or conduct health research to improve health and increase the effectiveness of the health services
- To maintain, develop or support health information systems for the purposes of research and to provide the evidence for health policy and services
- To liaise and co-operate with other research bodies in the State and outside the State in the promotion, commissioning or conduct of relevant research and
- To liaise with other health information bodies in the State and, where appropriate, outside the State in the development and support of health information systems.

b. Statement of Compliance

The Financial Statements of the Health Research Board for the year ended 31 December 2019 have been prepared in accordance with FRS102, the financial reporting standard applicable in the UK and Ireland and issued by the Financial Reporting Council (FRC).

c. Basis of Preparation

The Financial Statements are prepared under the historical cost convention and in accordance with standards laid down by the Minister for Health. By direction of the Minister no provision has been made in respect of benefits payable under the Local Government Superannuation Scheme operated by the HRB. Expenditure is accounted for on the basis of strategic focus areas, enablers and objectives.

d. Revenue - Income recognition

The Department of Health Revenue Grant is credited to the Statement of Income and Expenditure and Retained Revenue Reserves on a cash receipts basis. Capital Grants are accounted on an accruals basis. All other research funding is recognised as income when it is used to offset matching expenditure. Such funding includes a contribution towards the administration costs of the Board. Interest income is recognised on an accruals basis. Other revenue is recognised on an accruals basis.

Notes to the Financial Statements for the year ended 31 December 2019

e. Expenditure Recognition

Funding for research awards is recognised as expenditure in the period in which it is due for payment to the award holder under the terms of the contract. Grant refunds are netted against grant expenditure in the year of receipt. All other expenditure is recognised on an accruals basis.

An award is a contractual commitment between the Health Research Board and an approved Host Institution for the provision of funding for a specified grant funded programme of research or development of a key research asset. Amounts payable in future years in respect of contractual commitments on existing research awards is disclosed in note 27.

Expenditure is analysed in accordance with the focus areas and enablers set out in the HRB Strategy 2016 – 2020 Research. Evidence. Action.

The HRB's financial records have been restructured to reflect the HRB Strategy 2016 – 2020. Expenditure, including funding for research awards, is charged to the relevant strategic area when the expenditure is incurred. General overhead costs are accounted for under strategic Enabler C: Enhancing organisational performance.

f. Property, Plant & Equipment

Tangible fixed assets are stated at cost less accumulated depreciation. The charge for depreciation is calculated to write down the cost of the tangible fixed assets to their estimated residual values, by annual instalments over their expected useful lives on the following basis:

- Premises – 4%
- Computer Equipment – 25%
- Office Furniture and Equipment – 15%

Tangible fixed assets costing less than €650 are not capitalised.

If there is objective evidence of impairment of the value of an asset, an impairment loss is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves in the year.

g. Receivables

Receivables are recognised at fair value, less a provision for doubtful debts. The provision for doubtful debts is a specific provision and is established when there is objective evidence that the Health Research Board will not be able to collect all amounts owed to it. All movements in the provision for doubtful debts are recognised in the Statement of Income and Expenditure and Retained Revenue Reserves.

Notes to the Financial Statements for the year ended 31 December 2019

h. Pensions

By direction of the Minister for Health no provision has been made in the Financial Statements for future pension liabilities. Contributions from employees who are members of the scheme are credited to the Statement of Income and Expenditure and Retained Revenue Reserves when received. Pension payments under the scheme are charged to the Statement of Income and Expenditure and Retained Revenue Reserves when paid. The Health Research Board also operates the Single Public Services Pension Scheme which is a defined benefit scheme for pensionable public servants appointed on or after 1 January 2013. Single Scheme members' contributions are paid over to the Department of Public Expenditure and Reform (DPER).

i. Operating Leases

Rental expenditure under operating leases is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves over the life of the lease. Expenditure is recognised on a straight-line basis over the lease period, except where there are rental increases linked to the expected rate of inflation, in which case these increases are recognised when incurred. Any lease incentives received are recognised over the life of the lease.

j. Employee Benefits - Short term benefits

Short term benefits such as annual leave are recognised as an expense in the year, and benefits that are accrued at year-end are included in the payables figure in the Statement of Financial Position.

k. Critical Accounting Judgements and Estimates

The preparation of the Financial Statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of Financial Position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the Financial Statements.

l. Impairment of Fixtures and Fittings and Equipment

Assets that are subject to amortisation were reviewed for impairment and no impairment was recognised in 2019.

Notes to the Financial Statements for the year ended 31 December 2019

2. OTHER RESEARCH FUNDING		2019 €	2018 €
Addressing major health challenges			
Science Foundation Ireland (SFI)	HRB/SFI/Wellcome Trust Research Career Development Fellowships	-	88,500
Science Foundation Ireland (SFI)	HRB/SFI/Wellcome Trust - Sir Henry Wellcome Fellowship	-	4,660
Science Foundation Ireland (SFI)	HRB/SFI/Wellcome Trust - Investigator Awards	505,000	296,051
Science Foundation Ireland (SFI)	HRB/SFI/Wellcome Trust - Seed Awards	20,000	48,199
Science Foundation Ireland (SFI)	HRB/SFI Translational Research Awards	183,892	245,128
Science Foundation Ireland (SFI)	HRB/SFI/Wellcome Trust - Phd Clinician Awards	-	33,212
Science Foundation Ireland (SFI)	Institutional Strategic Support Fund	125,000	71,640
Istituto Superiore di Sanita	Lear Project - To Reach	7,411	-
National Children's Hospital	National Children's Hospital Foundation - HRB Funding Scheme 2017	326,628	199,220
US Ireland	US Ireland R&D Partnership	275,759	115,533
Medical Council of Ireland	Patrick Quinn Awards for Parkinson's Research	128,021	-
Inserm	European Joint Program	1,456	-
		1,573,166	1,102,143
Supporting healthcare intervention			
HSC Public Health Agency (Northern Ireland)	Opportunity Led Funding	130,852	-
		130,852	-

Notes to the Financial Statements for the year ended 31 December 2019

Note 2 continued		2019 €	2018 €
Addressing the research needs of the Irish health and social care system			
Atlantic Philanthropies	Dementia Research Programme	239,460	448,317
Health Services Executive (HSE)	Prevalence Expert	11,465	11,465
HSC Public Health Agency (Northern Ireland)	Palliative Care Research Network	35,000	35,000
HSC Public Health Agency (Northern Ireland)	Capacity Building for Evidence Synthesis	172,891	159,126
Department of Justice and Equality	National Drug Related Deaths Index	97,024	86,839
European Monitoring Centre for Drugs and Drug Addiction (EMCDDA)	Contribution to Drug Misuse Research	79,590	79,590
Health Services Executive (HSE)	HSE Suicide Review	98,350	116,069
Health Services Executive (HSE)	Research Collaborative in Quality and Patient Safety (RCQPS)	303,215	265,600
EU Joint Action	ERA Net Personalised Medicine	992	9,000
		1,037,986	1,211,006
Supporting exceptional researchers and leaders			
Atlantic Philanthropies	Dementia Research Programme	-	79,463
Irish Cancer Society	Cancer Prevention Fellowships	11,552	-
		11,552	79,463
Building a strong enabling environment			
Irish Research Council	PPI Ignite Income	190,015	40,190
		190,015	40,190
		2,943,571	2,432,802

Notes to the Financial Statements for the year ended 31 December 2019

3. ADDRESSING MAJOR HEALTH CHALLENGES		2019 €	2018 €
Supporting high-quality, investigator led internationally competitive research			
	HRB Health Research Awards	2,463,722	3,676,340
	Medical Research Charities Group/HRB Joint funding scheme	1,006,393	947,519
	HRB/SFI Translational Research Awards	315,569	457,831
	Investigator Lead Projects	4,876,649	401,162
	National Children's Hospital Foundation	326,628	199,220
	Collaborative Doctoral Awards	-	952,787
Research awards	Irish Research Nurses Network	34,523	103,319
	Patrick Quinn Awards for Parkinson's Research	128,021	-
		9,151,504	6,738,178
	Programme management	244,922	129,629
		9,396,427	6,867,807
Developing and implementing co-funding opportunities with international agencies and institutions			
	EU Joint Programming Initiative - Neurodegenerative Diseases (JPND)	463,980	148,943
	EU Joint Programming Initiative - Determinants of Diet and Physical Activity (DEDIPAC)	-	(972)
	EU Joint Programming Initiative - Healthy Diet for a Healthy Life (HDHL)	220,000	20,000
	EU Joint Programming Initiative - Anti Microbial Resistance (AMR)	366,212	286,690
	HRB-IRC GenderNet Plus 2018 Award	168,666	168,668
Research awards	HRB/SFI/Wellcome Trust - Research Career Development Fellowships	-	177,002
	HRB/SFI/Wellcome Trust - Sir Henry Wellcome Fellowship	-	9,320
	HRB/SFI/Wellcome Trust - Investigator Awards	1,010,000	592,101
	HRB/SFI/Wellcome Trust - Seed Awards	40,000	96,398
	HRB Wellcome Trust - Phd Clinician Awards	-	66,424
	US Ireland Research & Development Partnership	678,714	379,415
	HRB/SFI/Wellcome Trust - Institutional Strategic Support Fund	250,000	143,281
	HRB/Wellcome Trust - Irish Clinical Academic Training Programme	250,000	-
		3,447,572	2,087,270
	Programme management	53,899	97,055
		3,501,471	2,184,325
		12,897,898	9,052,132

Notes to the Financial Statements for the year ended 31 December 2019

4. SUPPORTING HEALTHCARE INTERVENTIONS		2019	2018
		€	€
Supporting the design, conduct and evaluation of intervention studies			
Research awards	Irish Clinical Oncology Research Group (ICORG)	3,143,057	2,998,400
	Statistics and Data Management Services for ICORG	418,564	446,031
	Clinical Trials Research Networks - submission costs	272,921	111,315
	HRB Health Research Awards	-	(222,294)
		3,834,542	3,333,452
Programme management		245,216	254,865
		4,079,758	3,588,317
Facilitating co-ordination, enabling mechanisms and national and international collaborations that improve the volume, quality, relevance and impact of trials and intervention studies in Ireland			
Research awards	HRB Trials Methodology Research Network	72,685	495,516
	HRB Clinical Research Coordination Ireland (CRCI)	(268,016)	-
	HRB Health Research Awards	964,101	1,580,331
	Definitive Intervention and Feasibility Awards	3,709,101	777,370
	European Clinical Research Infrastructure Network	189,683	95,661
	Opportunity Led Funding	204,984	-
		4,872,538	2,948,878
Programme management		13,292	24,269
		4,885,830	2,973,147
		8,965,588	6,561,464

Notes to the Financial Statements for the year ended 31 December 2019

5. ADDRESSING THE RESEARCH NEEDS OF THE IRISH HEALTH AND SOCIAL CARE SYSTEM

2019
€

2018
€

Supporting research that addresses questions of national relevance for clinical and population health practice and for health services management, and translation of the research results into policy and/or practice

Research awards	Research Collaborative for Quality & Patient Safety	501,899	536,864
	Collaborative Applied Research Grants	114,490	634,199
	HRB Health Research Awards	226,538	411,918
	Applied Research Projects in Dementia	101,639	287,698
	All Ireland Institute of Hospice and Palliative Care Structured Research Network	70,000	51,980
	Applied Partnership Awards	1,277,278	824,527
	Evaluation of the Pilot Implementation of the Framework for Safe Nurse Staffing and Skill Mix	291,653	292,566
	Knowledge Exchange Dissemination Scheme	(70,003)	1,424,284
	Health Research Centres	(54,540)	-
	The Irish Longitudinal Study of Ageing	-	2,823,428
Dementia and Neurodegeneration Network Ireland	71,670	-	
	2,530,624	7,287,464	
Programme management	167,418	147,372	
	2,698,042	7,434,836	

Providing high quality, timely and relevant data for policy, service planning and research through the HRB'S national health information systems

National Drug-Related Deaths Index	166,090	164,402
National Drug Treatment Reporting System	381,127	353,729
National Psychiatric Inpatient Reporting System	165,026	159,458
National Disabilities Database	309,036	356,301
National Database Development Project	323,333	308,992
National Office for Suicide Prevention	131,208	131,615
	1,475,820	1,474,497
Programme management	120,574	117,331
	1,596,393	1,591,828

Notes to the Financial Statements for the year ended 31 December 2019

Note 5 continued		2019 €	2018 €
Promoting and supporting evidence synthesis and knowledge translation activities in order to help policy-makers, service planners and providers make evidence-based decisions			
	HRB Evidence Generation Service	873,259	774,671
	HRB National Drugs Library	251,568	271,905
	DrugNet Ireland	95,149	68,023
	European Monitoring System for Drugs and Drug Addiction European focal point activities	175,027	184,371
	Drug & Alcohol Strategy	253,439	400,000
	Cochrane UK Centre contribution	-	57,906
	Cochrane training	-	1,026
Research awards	Capacity Building for Evidence Synthesis	691,563	636,503
	HRB Collaboration in Ireland for Clinical Effectiveness Reviews	502,886	199,377
	Cochrane Training Fellowships	(107,023)	92,747
		2,735,868	2,686,529
	Programme management	72,022	80,516
		2,807,890	2,767,045
		7,102,326	11,793,709

Notes to the Financial Statements for the year ended 31 December 2019

6. SUPPORTING EXCEPTIONAL RESEARCHERS AND LEADERS		2019 €	2018 €
Attracting the best people into health research by supporting excellent Ph.D. training programmes			
Research awards	Irish Network for Research in Dementia	-	64,546
	National Specialist Registrar/Senior Registrar Fellowship Academic Programme	5,063	61,684
	Health Professional Fellowships	549,152	833,744
	Phd Scholars Programmes	(138,691)	(39,295)
		415,524	920,679
Programme management		60,489	23,043
		476,013	943,722
Providing opportunities for career development for postdoctoral researchers and emerging investigators			
Research awards	Cancer Nursing Research - Project Development Grant	10,000	(2,261)
	Interdisciplinary Capacity Enhancement Awards	474,570	774,688
	Applying Research into Policy & Practice Postdoctoral Fellowships	355,422	246,715
	Emerging Investigator Awards for Health	2,106,400	1,209,726
		2,946,392	2,228,868
Programme management		96,496	106,827
		3,042,889	2,335,695

Notes to the Financial Statements for the year ended 31 December 2019

Note 6 continued		2019 €	2018 €
Working with higher education institutions, hospital groups and the Health Service Executive to identify, develop and support leaders in health research			
Research awards	Research Leader Social Benefit Payment	22,106	8,286
	Research Leader Award in Dementia	-	418,771
	HRB Clinician Scientist Awards	(3,236)	-
		18,870	427,057
Programme management		97,201	81,453
		116,071	508,510
Working with national and international partners to facilitate training and exchange opportunities that address skills gaps.			
Research awards	NCI Summer Curriculum in Cancer Prevention	23,695	27,521
	Summer Student Scholarships	187,200	152,203
	HRB/NCI Cancer Prevention Fellowship Programme	23,104	72,205
	HRB Internship Programme	86,679	241,975
	Fulbright Commission Training Grant	30,000	30,000
	IRC Ulysses 2018 Scheme	10,000	5,000
	National Cancer Control Programme CDSMC Training	8,322	19,173
		369,000	548,077
Programme management		15,561	51,868
		384,561	599,945
		4,019,533	4,387,872

Notes to the Financial Statements for the year ended 31 December 2019

7. BUILDING A STRONG ENABLING ENVIRONMENT		2019 €	2018 €
Working with the Department of Health and key stakeholders to shape the national research agenda in relation to health and social care.			
Programme management		531,996	214,641
Providing leadership to shape the review, conduct and governance of research			
Research award	Public Patient Involvement-Ignite Award	235,571	100,476
		235,571	100,476
Programme management		648,430	655,736
		884,001	756,212
Contributing to, and benefitting from, international developments in policy, regulation and legislation relevant to health research and healthcare in Ireland.			
Programme management		65,498	46,603
Investing in research infrastructure to promote excellence, critical mass and coordination, in order to support HRB strategic focus areas and the wider health community.			
Research awards	Irish Platform for Patient Organisations, Science and Industry	75,000	75,000
	HRB Clinical Research Facilities	-	1,544,688
		75,000	1,619,688
Programme management		181,607	158,481
		256,607	1,778,169
Supporting Irish health researchers to participate in Horizon 2020 and other European research programmes.			
Programme management		87,855	92,188
		1,825,956	2,887,813

Notes to the Financial Statements for the year ended 31 December 2019

8. ENHANCING ORGANISATIONAL PERFORMANCE	2019 €	2018 €
Ensuring a high performing working environment built on innovation, adaptability and teamwork.		
Programme management and administration	303,275	403,089
Enabling transparent and accountable decision-making based on the best possible information.		
Programme management and administration	431,023	264,229
Ensuring that HRB systems and processes are robust, flexible and scalable.		
Programme management and administration	2,687,380	2,137,136
Enhancing recognition of the value of health research and the HRB's role nationally and internationally.		
Programme management and administration	528,742	465,641
	3,950,420	3,270,095

Notes to the Financial Statements for the year ended 31 December 2019

9. EXPENDITURE (RESTATED)	2019 €	2018 €
Advertising	-	1,377
Audit Fees	22,399	22,029
Audit Services - Internal Audit and Audit of Host Institutions	160,896	13,995
Bank Charges	13,710	14,838
Board Expenses	1,756	3,309
Board Fees	28,401	27,120
Books and Journals (Incl Online Databases)	205,887	207,886
Building Management Fees	93,935	80,083
Building Running Charges	266,462	191,260
Cochrane Contribution	-	57,906
Commissioned Research	256,145	476,915
Computers - Annual Licences	172,279	129,654
Computers - ICT Equipment and Running Costs	146,119	137,336
Computers - Software Support, Maintenance and Development	241,073	267,070
Contracted Services	205,383	180,660
Corporate Publications	47,371	54,791
Hospitality	37,142	29,814
Insurance, Rent and Rates	776,259	483,236
Launches and Events	182,760	144,550
Managed Service - GEMS	105,780	108,486
Managed Service - ICT Support	178,685	177,068
Managed Service - Legal Fees	96,625	59,843
Managed Service - Media Monitoring	17,540	15,146
Managed Service - Payroll Processing	15,758	15,047
Memberships	23,505	44,642
Organisation Courses	73,389	54,792
Other Employee Costs	61,342	44,755
Panel Costs and Associated Award Costs	237,145	127,007
Pension Contributions	(288,250)	(273,476)

Notes to the Financial Statements for the year ended 31 December 2019

Note 9 continued	2019 €	2018 €
Pension Payments	277,962	373,722
Recruitment Costs	768	16,782
Reports (Incl Forms and Newsletters)	98,531	102,697
Salaries - Agency Staff	1,095,887	961,068
Salaries - HRB Staff	4,565,774	4,193,417
Sponsorship	111,007	129,082
Strategy Costs	148,722	5,576
Travel - Domestic	28,201	17,705
Travel - Foreign	33,863	42,087
Website Costs	36,944	45,095
	9,777,158	8,784,370
Research Awards	28,984,564	29,168,715
	38,761,722	37,953,085

A number of 2018 figures have been restated in line with the reclassification of 2019 expenditure.

Notes to the Financial Statements for the year ended 31 December 2019

10. PENSIONS PAID TO RETIRED MEMBERS OF STAFF	2019 €	2018 €
Pension Payments	277,962	373,722
Less: Contributions from Current Staff	(244,164)	(229,955)
Contributions in respect of Seconded Staff	(44,086)	(43,521)
	(10,287)	100,246

11. EMPLOYEE COSTS	2019	2018
Remuneration and other pay costs (€)	4,565,774	4,193,417
Numbers of staff employed at 31 December (whole time equivalent)	68.2	65

€196,894 of pension levy was deducted (2018: €203,130) and paid over to the Department of Health.

Range of Total Employee Benefits		Number of Employees	
From	To	2019	2018
€60,000	- €69,999	10	9
€70,000	- €79,999	2	1
€80,000	- €89,999	10	9
€90,000	- €99,999	6	5
€100,000	- €109,999	2	2
€130,000	- €139,999	-	1
€140,000	- €149,999	1	-

Notes to the Financial Statements for the year ended 31 December 2019

12. EMOLUMENTS OF CHIEF EXECUTIVE	2019 €	2018 €
Dr Darrin Morrissey	154,607	65,207
Dr Mairead O'Driscoll (Acting Chief Executive)	-	75,067
	154,607	140,274

No bonus payments or awards were made to the incumbents of the posts of Chief Executive in 2019 or 2018. Travel and subsistence expenses paid to Dr Darrin Morrissey in 2019 were €2,676 (2018 €2,586) and to Dr Mairead O'Driscoll as Acting CEO in 2018 were €0 (2018 €3,126).

13. BOARD MEMBERS FEES	2019 €	2018 €
Dr Jane Grimson (Chairperson)	13,011	11,730
Mr. John McCormack	7,695	7,695
Prof. Bernadette Hannigan	7,695	7,695
	28,401	27,120

Board Members expenses in 2019 amounted to €1,796 (€3,309 in 2018).

14. SUPPORTING HEALTHCARE INTERVENTIONS	2019 €	2018 €
Supporting the design, conduct and evaluation of intervention studies.		
Clinical Research Co-ordination Ireland	427,559	1,335,520
Facilitate co-ordination, enabling mechanisms and national and international collaborations that improve the volume, quality, relevance and impact of trials and intervention studies in Ireland.		
Clinical Trials Research Networks	1,269,421	1,733,650
	1,696,980	3,069,170

Notes to the Financial Statements for the year ended 31 December 2019

15. ADDRESSING THE RESEARCH NEEDS OF THE IRISH HEALTH AND SOCIAL CARE SYSTEM	2019 €	2018 €
Supporting research that addresses questions of national relevance for clinical and population health practice and for health services management, and translation of the research results into policy and/or practice.		
HRB Health Research Centres	576,183	1,100,000
The Irish Longitudinal Study on Ageing: Intellectual Disability Supplement	478,266	159,992
	1,054,449	1,259,992
Providing high quality, timely and relevant data for policy, service planning and research through the HRB'S national health information systems (NHIS).		
National Database Project	9,921	22,221
	1,064,370	1,282,213
16. SUPPORTING EXCEPTIONAL RESEARCHERS AND LEADERS	2019 €	2018 €
Attracting the best people into health research by supporting excellent Ph.D. training programmes.		
Structured Population & Health Research Education (SPHeRE)	1,348,552	1,277,712
	1,348,552	1,277,712
Working with higher education institutions, hospital groups and the Health Service Executive to identify, develop and support leaders in health research.		
HRB Clinician Scientist Awards	-	84,946
HRB Research Leaders Awards	2,082,748	2,799,992
	2,082,748	2,884,938
	3,431,300	4,162,650

Notes to the Financial Statements for the year ended 31 December 2019

17. BUILDING A STRONG ENABLING ENVIRONMENT	2019	2018
	€	€

Invest in research infrastructure to promote excellence, critical mass and coordination, in order to support HRB strategic focus areas and the wider health community.

HRB/Wellcome Trust Clinical Research Facility - Phase II Dublin, Cork, Galway	2,198,669	1,050,000
HRB/Wellcome Trust Clinical Research Facility - Dublin	-	442,029
Proof of Concept Technical Model for Data Access, Storage, Sharing and Linkage Award 2019	184,416	-
	2,383,085	1,492,029

18. ENHANCE ORGANISATIONAL PERFORMANCE	2019	2018
	€	€

Ensuring that HRB systems and processes are robust, flexible and scalable.

Software development	35,117	47,293
Computer hardware	8,929	19,272
	44,046	66,565

Notes to the Financial Statements for the year ended 31 December 2019

19. FIXED ASSETS

	Premises*	Office Furniture & Equipment	Computers	Total
	€	€	€	€
Cost				
At Beginning of Year	384,785	871,833	223,800	1,480,418
Additions	-	26,361	27,663	54,023
Disposals	-	(1,683)	(2,220)	(3,902)
At End of Year	384,785	896,511	249,243	1,530,539
Depreciation				
At Beginning of Year	384,785	644,420	193,449	1,222,654
Charge for Year	-	133,848	18,910	152,758
Disposals	-	(1,262)	(2,220)	(3,482)
At End of Year	384,785	777,007	210,139	1,371,930
Net Book Value				
At 31 December 2019	-	119,505	39,104	158,609
At 31 December 2018	-	227,413	30,351	257,764

* The Health Research Board vacated a premises which it owns at 73 Lower Baggot St. in July 2014 when all its staff relocated to a new leased premises at 67-72 Lower Mount St. The HRB granted the building to the Office of Public Works by a licence from 25 November 2014 for a cost of €1 and is now used by the Mothers and Babies Commission.

Notes to the Financial Statements for the year ended 31 December 2019

20. RECEIVABLES	2019 €	2018 €
Debtors	1,028,999	835,853
Prepayments and Sundry Debtors	23,848	58,423
	1,052,847	894,276
21. INVESTMENTS	2019 €	2018 €
Prize Bonds (at cost)	641	641
22. PAYABLES	2019 €	2018 €
<i>Amounts falling due within one year:</i>		
Other Creditors and Accruals	1,112,805	958,923
Deferred Income - Atlantic Philanthropies	106,718	346,178
	1,219,523	1,305,101
23. PAYABLES	2019 €	2018 €
<i>Amounts falling due greater than one year:</i>		
Deferred Benefit from Rent Free Period		
Opening Balance at 1 January 2019	415,389	454,687
Increase in Deferred Benefit in the Period	92,989	-
Release of Deferred Benefit Relating to the Current Year	(39,298)	(39,298)
Closing Balance 31 December 2019	469,079	415,389
Deferred Income - Atlantic Philanthropies	-	-
	469,079	415,389

Notes to the Financial Statements for the year ended 31 December 2019

24. CAPITAL RESERVE	2019 €	2018 €
At the Beginning of the Year	257,862	395,200
Expenditure from Capital Account to Fund Fixed Assets	27,663	26,162
Transfer from Revenue Account to Fund Fixed Assets	26,361	2,551
Amortisation Charge for the year	(152,758)	(166,051)
At the End of the Year	159,127	257,862

25. ANALYSIS OF CASH AND CASH EQUIVALENTS	2019 €	2018 €
At the Beginning of the Year	381,939	907,183
Cash Flow (movement in the year)	(262,253)	(525,244)
At the End of the Year	119,686	381,939

26. OPERATING LEASES	2019 €	2018 €
During 2019 the Health Research Board held two property leases in respect of which it has the following commitments:		
Payable within One Year	954,492	416,100
Payable within Two to Five Years	3,817,969	1,664,400
Payable after Five Years	9,059,723	2,291,305
	13,832,184	4,371,805

Operating lease payments recognised as an expense in 2019 were €660,628 (2018: €376,802).

This property at Grattan House, 67-72 Lower Mount Street, Dublin 2 was originally held by way of a 15 year lease commencing on 4th July 2014. The lease is subject to a review every five years, the initial rent being €416,100 per annum. The first 17 months of the lease were rent free and the first rental payment amounting to €31,920 was made in December 2015. The benefit of the rent free period has been spread over the life of the lease. At the time of the first rent review in June 2019 the lease was extended to include the third floor of Grattan House and the annual rent was increased to €954,492 per annum. The term of the lease was extended up to 27th June 2034. The first five months of the lease for the third floor only were rent free. The benefit of the rent free period has been spread over the life of the lease.

Notes to the Financial Statements for the year ended 31 December 2019

27. GRANT COMMITMENTS	2019	2018
GRANT COMMITMENTS CHANGES DURING THE YEAR	€	€
Opening Balance	117,880,917	111,648,201
Grants/Social Costs Granted During the Year	30,365,496	49,430,127
Grants/Social Costs Decommitted During the Year	(1,355,183)	(2,884,953)
Payments on Awards During the Year	(38,838,164)	(40,312,458)
Outstanding Grant Commitments at 31 December	108,053,066	117,880,917

28. BOARD MEMBERS' INTERESTS

Grants are, from time to time, made to bodies with which members are connected whether through employment or otherwise. The Board has procedures for dealing with conflicts of interest in accordance with the terms of section 13 of the Board's statutory instrument.

Please refer to Note 12 for a breakdown of the remuneration and benefits paid to key management.

29. COMPARATIVE FIGURES

Expenditure was re-classified in 2016 in order to align with the focus areas and enablers set out in the HRB Strategy 2016 – 2020 *Research. Evidence. Action.*

30. BOARD APPROVAL

The Financial Statements were approved by the Board on 21 October 2020.

Notes



Notes



Notes



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