

Charity Registration No. 20065133

Company Registration No. 432465 (Republic of Ireland)

**SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Directors</b>	Katie Cremin Paula Egan Fiona McLoughlin Healy Noel O'Driscoll Steven Phillips Maurice Kelly Aoife Lyons	(Appointed 7 June 2017)
<b>Secretary</b>	Maria McGough	
<b>Charity number</b>	20065133	
<b>Company number</b>	432465	
<b>Principal address</b>	Unit F2 Kildare Business Centre Kildare Town Co. Kildare	
<b>Registered office</b>	Unit F2 Kildare Business Centre Kildare Town Co. Kildare	
<b>Auditor</b>	S. C. Dunne & Co. Barrettstown Business Centre Barrettstown Newbridge Co. Kildare W12 NP63	
<b>Bankers</b>	Permanent TSB The Court Centre Newbridge Co. Kildare	
<b>Solicitors</b>	Reidy Stafford & Co Main Street Newbridge Co. Kildare	

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# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

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# **SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE**

## **DIRECTORS REPORT (INCLUDING DIRECTORS' REPORT)**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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The Directors present their report and accounts for the year ended 31 December 2016.

This is the first set of financial statements prepared by Sensational Kids Company Limited By Guarantee in accordance with accounting standards issued by the Financial Reporting Council, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015. Previously the company applied FRS 102 but did not apply the Statement of Recommended Practice "Accounting and Reporting by Charities" (FRS 102 Charities SORP). The charity has applied the Charities SORP on a voluntary basis as its application is not a requirement of the current regulations for charities registered in the Republic of Ireland however it is considered best practice.

### **Reference and Administrative Details**

The organisation is a charitable company with a registered office at Unit F2, Kildare Business Centre, Kildare Town, Co. Kildare. The Charity trades under the name Sensational Kids. The companies registered number is 432465.

The charity has been granted charitable tax status under Sections 207 and 208 of the Taxes Consolidation Act 1997, Charity No CHY 17477 and is registered with the Charities Regulatory Authority, registration number 20065133.

### **Objectives and activities**

The principal activity of the company is the provision of affordable child development services for children of all abilities which include occupational therapy, speech and language therapy, educational psychological assessments, play therapy and specialist reading tuition. There are also various group programmes for children. The subsidised services are funded through the following;

- Training workshops run during the year to provide high class training services for therapy professionals, teachers and parents
- A child development and learning store which stocks a range of skill building toys and therapy products and books. The shop is available both online and at its premises in Kildare Town
- Fundraising activities run directly through the charity and with the support of volunteers
- Contributions for clinical services
- Donations

All proceeds from its activities help towards providing its subsidised therapy services. Sensational Kids has provided assessment and early intervention services to over 4,000+ children from all over Ireland since it opened in 2009, which has saved families over €700,000 in therapy fees. Unlike other similar type charities Sensational Kids does not receive any state funding.

Sensational Kids vision is to be the leading innovative child development social enterprise in Ireland. Its mission, is to provide affordable and accessible family centred clinical and educational services and products to children of all abilities through therapy, training and professional support that directly impacts lives.

The Directors have paid due regard to guidance issued by the Charity Regulator in deciding what activities the charity should undertake.

# **SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE**

## **DIRECTORS REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 DECEMBER 2016**

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The main area of the company's charitable activity are:

- The provision of a child development centre where children and adolescents of all abilities and all ages can access assessment and early intervention services to help them reach their potential.
- Provision of clinical services to children of all abilities. During the year the charity provided services to 725 children and adolescents with additional needs, saving their families €102,623 in occupational therapy and speech & language therapy fees.
- Operation of a child development store to provide skill building and learning resources, the profits from which are used to fund the charitable activities. During the year 22,431 learning resources were delivered to families around Ireland and abroad.
- Provision of training workshops for those who work with and care for children with additional needs, the profits from which are used to fund the charitable activities. This year 503 healthcare professionals, educational professionals and carers were upskilled through these training events.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

#### **Achievements and performance**

The main achievements of the company during the year were:

- Winner of the GSK Ireland Impact Award
- Completion of the 2 year Social Entrepreneurs Ireland Impact Awards Programme
- An increase in the number of children who benefited from our early intervention and assessment services from 590 children in 2015 to 725 children in 2016, an increase of 23% which acts as evidence how the charity fulfils its objectives
- A 26% increase in the numbers who attended our training events with 503 people availing of training workshops in 2016 compared to 399 in 2015.
- A 28% increase in the number of educational and learning resources delivered by the child development shop from 17,524 in 2015 to 22,431 in 2016
- An increase in donations of an additional €20,301 in 2016 compared to 2015

#### **Financial review**

Against the backdrop of limited resources and insecurities over funding, it has continued to be difficult to plan or develop services. Nevertheless the charity, with the aid of sound financial management and the support of both its staff and volunteers generated a very positive financial outcome for the period. The retained surplus for the financial year amounted to €99,501(2015: €49,093) and this was transferred to reserves at the year end. The principal source of funding for the charity is the charity shop and generosity of the general public with donations. The company also receives a number of grants from Social Entrepreneurs Ireland, GSK Ireland, The Ireland Funds and HSE National Lottery. Grants of €76,870 were received in the current year

At the end of the year the company had gross assets of €198,053 (2015 €132,458) and liabilities of €98,515 (2015:€84,365). The net funds of the company have increased by €51,445 (2015: €15,656) and the directors are satisfied with the level of retained reserves at the year end. Included in the net funds of €99,538 at 31 December 2016 was €8,815 which is attributable to restricted funds.

The charity needs reserves to:

- Ensure the charity can continue to provide a stable service to those who need them.
- Meet contractual obligations as they fall due;
- Meet unexpected costs;
- Provide working capital when funding is paid in arrears;
- Meet the costs of winding up in the event that was necessary
- Be adequate to cover 2 months of current expenditure.

The Directors has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## DIRECTORS REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2016

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### Structure, governance and management

The organisation is a charitable company limited by guarantee. The company does not have a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding one Euro (€1).

The charity was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association and managed by a Board of Directors.

The Directors who served during the year were:

Katie Cremin

Paula Egan

Fiona McLoughlin Healy

Noel O'Driscoll

Steven Phillips

Maurice Kelly

Aoife Lyons

(Appointed 7 June 2017)

The Constitution provides for 7 members or more members and 9 Directors. The Directors of the company have the ability to admit new members to the company. The Directors of the company can appoint Directors to fill casual vacancies or as an addition to the existing Board. Such candidates are elected by resolution at the next scheduled Board Meeting, following due consideration of their expertise and potential value added. The Board of Directors have significant experience in a wide range of professional disciplines effecting the company including, but not limited to, finance, business, marketing and clinical expertise. None of the Directors has any beneficial interest in the company. None of the Directors are members of the company.

### Future Developments

The directors are not expecting to make any significant changes in the nature of the business in the near future.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

### Auditor

In accordance with the company's articles, a resolution proposing that S. C. Dunne & Co. be reappointed as auditor of the company will be put at a General Meeting.

The Directors report was approved by the Board of Directors.



**Katie Cremin**

Director

Dated: 22 August 2017



**Paula Egan**

Director

Dated: 22 August 2017

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## STATEMENT OF DIRECTORS RESPONSIBILITIES

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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The directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law and regulations.


Irish Company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with Companies Act 2014 and accounting standards issued by the Financial Reporting Council and promulgated by Chartered Accountants Ireland including FRS 102 The Financial Reporting Standard applicable in the UK and Ireland (Generally Accepted Accounting Practice in Ireland) as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as to the financial year end and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business .

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

On behalf of the board



Katie Cremin  
Director

Dated: 22 August 2017



Paula Egan  
Director

Dated: 22 August 2017

# **SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE**

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We have audited the financial statements of Sensational Kids Company Limited By Guarantee for the year ended 31 December 2016 which comprise, the Balance Sheet and the related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and promulgated by Chartered Accountants Ireland (Generally Accepted Accounting Practice in Ireland), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015.

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of Directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 15, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors including "APB Ethical Standard – Provisions Available for Small Entities (Revised)", in the circumstances set out in note to the financial statements.

#### **Scope of the audit of the accounts**

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Directors Annual Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on accounts.**

In our opinion the financial statements:

- give a true and fair view of the state of the assets, liabilities and financial position of the charity as at 31 December 2016 and of its profit for the year then ended; and
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and, in particular, the requirements of the Companies Act 2014.

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

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



# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

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#### Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Act 2014, which require us to report to you if, in our opinion the disclosures of directors' remuneration and transactions specified by law are not made.



Jacqueline Kelly

for and on behalf of S. C. Dunne & Co.

22 August 2017

Chartered Accountants  
Registered Auditors

Barrettstown Business Centre  
Barrettstown  
Newbridge  
Co. Kildare  
W12 NP63

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Unrestricted funds general €	Unrestricted funds designated €	Restricted funds €	Total 2016 €	Total 2015 €
<b>Income from:</b>						
Donations and collections	3	87,667	10,031	8,454	106,152	60,549
Trading activities	4	625,086	-	-	625,086	469,073
<b>Total income</b>		<u>712,753</u>	<u>10,031</u>	<u>8,454</u>	<u>731,238</u>	<u>529,622</u>
<b>Expenditure on:</b>						
Raising funds	5	670,166	7,149	2,515	679,830	513,966
<b>Total resources expended</b>		<u>670,166</u>	<u>7,149</u>	<u>2,515</u>	<u>679,830</u>	<u>513,966</u>
<b>Net income for the year/ Net movement in funds</b>		42,587	2,882	5,939	51,408	15,656
Fund balances at 1 January 2016		<u>48,217</u>	<u>-</u>	<u>(124)</u>	<u>48,093</u>	<u>32,437</u>
<b>Fund balances at 31 December 2016</b>		<u><u>90,804</u></u>	<u><u>2,882</u></u>	<u><u>5,815</u></u>	<u><u>99,501</u></u>	<u><u>48,093</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

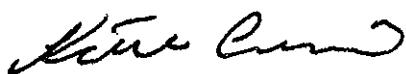
# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## BALANCE SHEET

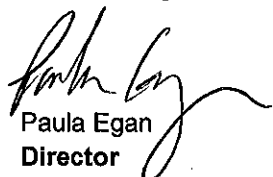
AS AT 31 DECEMBER 2016

	Notes	2016		2015	
		€	€	€	€
<b>Fixed assets</b>					
Intangible assets	10		21,339		10,085
Tangible assets	11		8,661		23,280
			<u>30,000</u>		<u>33,365</u>
<b>Current assets</b>					
Stocks	13	39,549		43,807	
Debtors	14	24,570		13,297	
Cash at bank and in hand		103,933		41,989	
		<u>168,052</u>		<u>99,093</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(98,551)</u>		<u>(84,365)</u>	
Net current assets			<u>69,501</u>		<u>14,728</u>
<b>Total assets less current liabilities</b>			<u><u>99,501</u></u>		<u><u>48,093</u></u>
<b>Income funds</b>					
Restricted funds			5,815		(124)
Unrestricted funds - designated			2,882		-
Unrestricted funds - general			90,804		48,217
			<u>99,501</u>		<u>48,093</u>

The accounts were approved by the board of Directors on 22 August 2017



Katie Cremin  
Director



Paula Egan  
Director

Company Registration No. 432465

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	2016 €	€	2015 €	€
<b>Cash flows from operating activities</b>					
Cash generated from operations			75,441		47,566
<b>Investing activities</b>					
Purchase of intangible assets		(12,862)		(10,977)	
Purchase of tangible fixed assets		(635)		(593)	
<b>Net cash used in investing activities</b>			(13,497)		(11,570)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			61,944		35,996
Cash and cash equivalents at beginning of year			41,989		5,993
<b>Cash and cash equivalents at end of year</b>			103,933		41,989

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

#### Charity information

Sensational Kids Company Limited By Guarantee is a private company limited by guarantee incorporated in Republic of Ireland. The registered office is Unit F2, Kildare Business Centre, Kildare Town, Co. Kildare.

#### 1.1 Accounting convention

This is the first set of financial statements prepared by OmniPro SORP Charity Company Limited by Guarantee in accordance with accounting standards issued by the Financial Reporting Council, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015. The charity has applied the Charities SORP on a voluntary basis as its application is not a requirement of the current regulations for charities registered in the Republic of Ireland however it is considered best practice. As noted below, the directors consider the adoption of the SORP requirements as the most appropriate accounting practice and presentation to properly reflect and disclose the activities of the organisation.

#### Currency

The accounts are prepared in euros, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest €.

#### Statement of Compliance

The Financial Statements are prepared on the going concern basis, under the historical cost convention, [as modified by the revaluation of certain tangible fixed assets] and comply with the financial reporting standards of the Financial Reporting Council and promulgated by Chartered Accountants Ireland as modified by the Statement of Recommended Practice "Accounting and Reporting by Charities" effective 1 January 2015 and the Companies Act 2014 except for the entity invoking the true and fair view override with regard to the profit and loss and balance sheet formats in Schedule 3 of the Companies Act 2014 as permitted in Section 3.4 of FRS 102 and Section 291(5) of the Companies Act 2014.

In order for the financial statements to show a true and fair view the directors have determined the profit and loss formats as required by Schedule 3 of Companies Act 2014 be adapted to present results in accordance with the formats provided by Charities SORP (FRS 102) which details the income and expenditure by nature. Given that the company is a company limited by guarantee, the capital and reserves section of the balance sheet has been adapted accordingly to reflect this fact. The directors consider that the layout adopted more correctly reflects the nature of the entity given that the entity is a not-for-profit organisation which is limited by guarantee. To use the formats set out in Schedule 3 of Companies Act 2014 and Section 4 and 5 of FRS 102 would not result in the financial statements showing information that would provide information relevant to the understanding of the directors and the performance and financial position of the Charity.

#### 1.2 Going concern

Given the level of net funds the company holds the directors/trustees consider that there are no material uncertainties about the company's ability to continue as a going concern

#### 1.3 Charitable funds

##### Unrestricted Funds

Unrestricted funds are available for use at the discretion of the Directors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

##### Designated Funds

Designated funds are unrestricted funds earmarked by the Directors/Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. The designations have an administrative purpose only and do not legally restrict the Board's discretion in applying the funds.

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

(Continued)

#### Restricted Funds

Restricted funds represent grants, donations and sponsorships received which can only be used for particular purposes specified by the donors or sponsorship programmes binding on the directors/trustees. Such purposes are within the overall aims of the charity.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

#### 1.5 Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of raising funds comprise the costs associated with attracting voluntary income, investment management costs and the costs of trading for fundraising purposes including the charity's shop.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees, costs of legal advice for trustees and costs linked to the strategic management of the charity including the cost of trustee meetings.

#### 1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software & Website	12.5% Straight Line
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# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

(Continued)

#### 1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	12.50% Straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### 1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

#### 1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### 1.10 Cash and cash equivalents

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

#### 1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### **1.12 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.



# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### (a) Establishing useful economic lives for depreciation purposes of property, plant and equipment

Long-lived assets, consisting primarily of property, plant and equipment, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual values. The directors regularly review these asset useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation and amortisation charges for the period. Detail of the useful economic lives is included in the accounting policies.

#### (b) Providing for doubtful debts

The company makes an estimate of the recoverable value of trade and other debtors. The company uses estimates based on historical experience in determining the level of debts, which the company believes, will not be collected. These estimates include such factors as the current credit rating of the debtor, the ageing profile of debtors and historical experience. Any significant reduction in the level of customers that default on payments or other significant improvements that resulted in a reduction in the level of bad debt provision would have a positive impact on the operating results. The level of provision required is reviewed on an ongoing basis. See note 22 for details of this provision.

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 3 Donations and collections

	Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total 2016	Total 2015
	€	€	€	€	€
Donations and gifts	19,565	10,031	-	29,596	29,549
Grant income	68,102	-	8,454	76,556	31,000
	<u>87,667</u>	<u>10,031</u>	<u>8,454</u>	<u>106,152</u>	<u>60,549</u>
<b>For the year ended 31 December 2015</b>	<u>54,549</u>	<u>-</u>	<u>6,000</u>		<u>60,549</u>
<b>Donations and gifts</b>					
Charitable Donations	19,565	-	-	19,565	29,549
Madeira Walk	-	10,031	-	10,031	-
	<u>19,565</u>	<u>10,031</u>	<u>-</u>	<u>29,596</u>	<u>29,549</u>

#### Un-Restricted Donation and gifts:

- **Donations and gifts:** income related to gifts and donations collected by the charity to assist with the general running and operation of the charity.

#### Designated Donations and gifts:

- **Maderia Walk:** funds raised from charitable walk in Madeira, these funds have been allocated by the directors to a proposed new psychology post.

#### Grants receivable for core activities

Social Entrepreneurs Ireland	58,102	-	-	58,102	25,000
GSK Grant	10,000	-	-	10,000	-
The Ireland Funds	-	-	5,000	5,000	6,000
HSE National Lottery Funding	-	-	3,454	3,454	-
	<u>68,102</u>	<u>-</u>	<u>8,454</u>	<u>76,556</u>	<u>31,000</u>

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 3 Donations and collections

(Continued)

Un-Restricted Grant Income consists of :

- **Social Entrepreneurs Ireland:** Impact award recognises projects at various stages of development and aim to support social entrepreneurs with the greatest potential to bring about positive change to Ireland's most pressing social and environmental challenges. The amount of such grants received in the year amounted to €58,102 (2015: €25,000)
- **GSK Ireland Impact Award:** a grant to recognise and reward community-based charities that are doing excellent work to improve peoples health and wellbeing within the Republic of Ireland. The amount of such grants received in the year amounted to €10,000 (2015: Nil).

Restricted Grant Income consists of performance related grant as follows:

- **The Ireland Funds:** a performance related grants made to fund the provision of specific charity services to the youths in the community to aid with transition to Secondary School. The amount of such grants received in the year amounted to €5,000 (2015: €6,000).
- **HSE National Lottery:** a performance grant to run the Parent Support Group and Transition to secondary school group. The amount of such grants received in the year amounted to €3,768 (2015: Nil).

### 4 Trading activities

	2016	2015
	€	€
Clinical Services	210,822	195,213
Training workshops	70,509	78,831
Fundraising events	77,570	-
Shop income	266,185	195,029
	<hr/>	<hr/>
Trading activities	625,086	469,073
	<hr/> <hr/>	<hr/> <hr/>

### 5 Raising funds

	Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total 2016	Total 2015
	€	€	€	€	€
<u>Fundraising and publicity</u>					
Staging fundraising events	78,309	7,149	-	85,458	-
Other fundraising costs	8,448	-	2,515	10,963	12,669
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Fundraising and publicity	86,757	7,149	2,515	96,421	12,669
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<u>Trading costs</u>					
Charity shops cost of sales	166,077	-	-	166,077	128,643
Clinical services provision costs	46,007	-	-	46,007	53,547
Clinical services assessment costs	19,107	-	-	19,107	19,795
Staff costs	228,635	-	-	228,635	206,681
Depreciation and impairment	16,862	-	-	16,862	14,214

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

5 Raising funds	(Continued)				
Support costs	106,721	-	-	106,721	78,417
Trading costs	476,688	-	-	476,688	422,880
<u>Investment management</u>	106,721	-	-	106,721	78,417
	<u>670,166</u>	<u>7,149</u>	<u>2,515</u>	<u>679,830</u>	<u>513,966</u>
<b>For the year ended 31 December 2015</b>					
Fundraising and publicity	6,545	-	6,124		12,669
Trading costs	422,880	-	-		422,880
Investment management	78,417	-	-		78,417
	<u>507,842</u>	<u>-</u>	<u>6,124</u>		<u>513,966</u>

## 6 Description of charitable activities

The company provides affordable child development services for children of all abilities which include occupational therapy, speech and language therapy, educational psychological assessments, play therapy and specialist reading tuition.

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

7	Support costs	Support costs	Governance costs	2016	2015	Basis of allocation
		€	€	€	€	
	Operating lease charges	6,000	-	6,000	4,588	
	Rent	23,415	-	23,415	23,415	Usage
	Light & Heat	8,295	-	8,295	9,105	Usage
	Repairs & Maintenance	8,629	-	8,629	5,053	Usage
	Insurance	6,520	-	6,520	6,258	Usage
	Travel expenses					Usage
		5,820	-	5,820	3,893	
	Bank fees	6,412	-	6,412	6,217	Usage
	Print, postage &	4,746	-	4,746	4,451	Usage
	Advertising	16,285	12,291	28,576	8,069	Usage
	Technology Costs	2,636	-	2,636	2,630	Usage
	Telecommunications	2,864	-	2,864	2,218	Usage
	Audit fees	-	1,600	1,600	1,601	Governance
	Accountancy	-	1,208	1,208	919	Governance
		<u>91,622</u>	<u>15,099</u>	<u>106,721</u>	<u>78,417</u>	
	Analysed between					
	Trading	<u>91,622</u>	<u>15,099</u>	<u>106,721</u>	<u>78,417</u>	

## 8 Directors

None of the Directors (or any persons connected with them) received any remuneration or benefits from the charity during the year.

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 9 Employees

#### Number of employees

	2016 Number	2015 Number
Full-time staff	4	4
Part-time staff	8	8
	<u>12</u>	<u>12</u>

#### Employment costs

	2016 €	2015 €
Wages and salaries	207,095	186,628
Social security costs	21,540	20,053
	<u>228,635</u>	<u>206,681</u>

There were no employees whose annual remuneration was €70,000 or more (2015: Nil).

### 10 Intangible fixed assets

#### Current financial year

#### Software & Website

	€
<b>Cost</b>	
At 1 January 2016	10,977
Additions - separately acquired	12,862
	<u>23,839</u>
<b>Amortisation and impairment</b>	
At 1 January 2016	892
Amortisation charged for the year	1,608
	<u>2,500</u>
<b>Carrying amount</b>	
At 31 December 2016	<u>21,339</u>
At 31 December 2015	<u>10,085</u>

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

<b>10</b>	<b>Intangible fixed assets</b>	<b>(Continued)</b>
	<i>Prior financial year</i>	<b>Software &amp; Website</b>
		€
	<b>Cost</b>	
	At 1 January 2015	-
	Additions - separately acquired	10,977
	At 31 December 2015	<u>10,977</u>
	<b>Amortisation and impairment</b>	
	At 1 January 2015	-
	Amortisation charged for the year	892
	At 31 December 2015	<u>892</u>
	<b>Carrying amount</b>	
	At 31 December 2015	<u><u>10,085</u></u>
<b>11</b>	<b>Tangible fixed assets</b>	
	<i>Current financial year</i>	<b>Fixtures and fittings</b>
		€
	<b>Cost</b>	
	At 1 January 2016	110,772
	Additions	635
	At 31 December 2016	<u>111,407</u>
	<b>Depreciation and impairment</b>	
	At 1 January 2016	87,491
	Depreciation charged in the year	15,255
	At 31 December 2016	<u>102,746</u>
	<b>Carrying amount</b>	
	At 31 December 2016	<u>8,661</u>
	At 31 December 2015	<u><u>23,280</u></u>

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

11	Tangible fixed assets	(Continued)	
	<i>Prior financial year</i>	Fixtures and fittings	
			€
	<b>Cost</b>		
	At 1 January 2015		110,178
	Additions		593
	At 31 December 2015		<u>110,771</u>
	<b>Depreciation and impairment</b>		
	At 1 January 2015		74,170
	Depreciation charged in the year		13,321
	At 31 December 2015		<u>87,491</u>
	<b>Carrying amount</b>		
	At 31 December 2015		<u>23,280</u>
	At 31 December 2014		<u><u>36,009</u></u>
<b>12</b>	<b>Financial instruments</b>	<b>2016</b>	<b>2015</b>
		€	€
	<b>Carrying amount of financial assets</b>		
	Debt instruments measured at amortised cost	15,972	2,791
		<u>15,972</u>	<u>2,791</u>
	<b>Carrying amount of financial liabilities</b>		
	Measured at amortised cost	69,701	63,955
		<u>69,701</u>	<u>63,955</u>
<b>13</b>	<b>Stocks</b>	<b>2016</b>	<b>2015</b>
		€	€
	Finished goods and goods for resale	39,549	43,807
		<u>39,549</u>	<u>43,807</u>
<b>14</b>	<b>Debtors</b>	<b>2016</b>	<b>2015</b>
	<b>Amounts falling due within one year:</b>	€	€
	Trade debtors	15,972	2,791
	Prepayments and accrued income	8,598	10,506
		<u>24,570</u>	<u>13,297</u>



# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 15 Creditors: amounts falling due within one year

	Notes	2016 €	2015 €
Other taxation and social security		23,695	16,443
Deferred income	16	5,155	3,967
Trade creditors		13,574	16,128
Other creditors		8,258	5,156
Accruals and deferred income		47,869	42,671
		<u>98,551</u>	<u>84,365</u>

### 16 Deferred income

	2016 €	2015 €
Other deferred income	5,155	3,967
	<u>5,155</u>	<u>3,967</u>

Deferred income is included in the financial statements relates to grants received but the performance conditions have not been met at the reporting date:

Source	Description	2016 €	2015 €
The Irelands Fund	Transaction to Secondary School 2017	3,435	3,768
HSE National Lottery	Parents Support Group	135	-
KBC Bank	Hippotherapy Equipment 2017	1,000	-
Sidney Cheu Workshop	Workshop March 2017	585	-
Conference Income	Conference income	-	199
		<u>5,155</u>	<u>3,967</u>

### 17 Analysis of net assets between funds

	Unrestricted funds general €	Unrestricted funds designated €	Restricted funds €	Total €
Fund balances at 31 December 2016 are represented by:				
Intangible fixed assets	21,339	-	-	21,339
Tangible assets	8,661	-	-	8,661
Current assets/(liabilities)	69,501	-	-	69,501
	<u>99,501</u>	<u>-</u>	<u>-</u>	<u>99,501</u>

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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### 18 Operating lease commitments

#### Lessee

Operating lease payments represent rentals payable by the company for a van. The operating lease was negotiated for an average term of 3 years and rentals are fixed for the term of the lease.

Amounts recognised in profit or loss as an expense during the period in respect of operating lease arrangements are as follows:

	2016	2015
	€	€
Within one year	6,000	6,000
Between two and five years	4,500	10,500
	<u>10,500</u>	<u>16,500</u>

### 19 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2016	2015
	€	€
Aggregate compensation	47,564	46,667
	<u>47,564</u>	<u>46,667</u>

### 20 Non-audit services provided by Auditor

In common with many businesses of our size and nature we use our auditor to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

### 21 Approval of financial statements

The directors approved the financial statements on the 22 August 2017.