

Charity Registration No. 20065133

Company Registration No. 432465 (Ireland)

**SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Directors</b>	Katie Cremin Paula Egan Fiona McLoughlin Healy 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>	SCD Accountants Ltd 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 2-3 Moorefield Terrace Newbridge Co. Kildare W12 XY13	

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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 2017**

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The Directors present their report and financial statements for the year ended 31 December 2017.

This is the second 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.

The Company is on its journey for compliance with the Guidelines for Charitable Organisations on Fundraising from the Public.

#### **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 4,700 children from all over Ireland since it opened in 2009, which has saved families over €800,000 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. The company's 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 2017**

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The main areas 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 693 children and adolescents with additional needs, saving their families €119,946 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 26,495 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 601 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:

- The number of children that benefited from our early intervention and assessment services was 693 (2016: 590), which acts as evidence how the charity fulfils its objectives.
- A 20% increase in the numbers who attended our training events with 601 people availing of training workshops in 2017 compared to 503 in 2016.
- An 18% increase in the number of educational and learning resources delivered by the child development shop from 22,431 in 2016 to 26,495 in 2017.
- In 2017 we saw significant success in securing funding to enable us to grow and scale our social impact nationally, this included:
  - €45,000 in restricted funding secured from The Dormant Accounts Fund to purchase specialist equipment to open a new Sensational Kids Development Centre in the South West of Ireland.
  - €60,428 in restricted funding secured via a donor advised grant from The Community Foundation for Ireland to enable the purchase of specialist equipment to open a new Sensational Kids Centre in Connacht.

#### **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, has generated a very positive financial outcome for the period. The retained surplus for the financial year amounted to €84,944 (2016: €48,093) and this was transferred to reserves at the year end. The principal source of funding for the charity is the charity shop and the generosity of the general public with donations. The company also receives a number of grants from The Ireland Funds, The Dormant Accounts Fund and The Community Foundation for Ireland.

At the end of the year the company had gross assets of €255,843 (2016: €168,052) and liabilities of €106,056 (2016: €98,551). The net funds of the company have increased by €84,944 (2016: €51,445) and the directors are satisfied with the level of retained reserves at the year end. Included in the net funds of €184,445 at 31 December 2017 was €113,427 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.

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

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

### FOR THE YEAR ENDED 31 DECEMBER 2017

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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 these risks.

#### 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 and up to the date of signature of the financial statements were:

Katie Cremin

Paula Egan

Fiona McLoughlin Healy

Noel O'Driscoll

(Resigned 31 August 2018)

Steven Phillips

Maurice Kelly

Aoife Lyons

(Appointed 7 June 2017)

The Constitution provides for 7 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 have 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.

With thanks to grants from The Dormant Accounts Fund & The Community Foundation for Ireland, Sensational Kids will grow and scale its social impact in 2018 by opening two new development centres in Munster and Connacht.

In June 2018 the Company entered into a loan agreement with Community Finance (Ireland) to avail of a loan facility of €130,000. In July 2018 the Company entered into a bridging loan facility agreement with Clann Credo in the amount of €10,484

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.

#### Auditor

In accordance with the company's articles, a resolution proposing that SCD Accountants Ltd 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: 19 September 2018



**Paula Egan**

Director

Dated: 19 September 2018

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## STATEMENT OF DIRECTORS RESPONSIBILITIES

**FOR THE YEAR ENDED 31 DECEMBER 2017**

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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: 19 September 2018



Paula Egan  
Director

Dated: 19 September 2018

# **SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE**

## **INDEPENDENT AUDITOR'S REPORT**

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

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#### **Opinion**

We have audited the financial statements of Sensational Kids Company Limited By Guarantee (the 'charity') for the year ended 31 December 2017 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is Irish law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland

In our opinion, the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2017 and of its profit/loss for the year then ended;
- have been properly prepared in accordance with FRS 102 the Financial Reporting Standard applicable in the UK and the Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2014

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 20 to the accounts, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (Ireland) require us to report to you where:

- the Directors use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2014**

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014

We have obtained all the information and explanations which we consider necessary for the purpose of our audit



# 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**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Directors report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosure of the directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

#### **Responsibilities of Directors**

As explained more fully in the statement of Directors responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

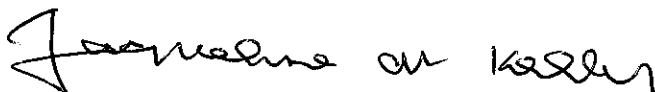
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee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

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at: [http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf).

This description forms part of our audit report.

#### **The purpose of our audit work and to whom we owe our responsibilities**

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 that we are required to state to them in the audit 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 or the company's members as a body for our audit work, for this report, or for the opinions we have formed.



Jacqueline Kelly (Statutory Auditor)  
for and on behalf of SCD Accountants Ltd

19 September 2018

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 2017

	Notes	Unrestricted funds general €	Unrestricted funds designated €	Restricted funds €	Total 2017 €	Total 2016 €
<b>Income from:</b>						
Donations and collections	3	33,378	-	114,135	147,513	106,152
Trading activities	4	727,335	-	-	727,335	625,086
<b>Total income</b>		<b>760,713</b>	<b>-</b>	<b>114,135</b>	<b>874,848</b>	<b>731,238</b>
<b>Expenditure on:</b>						
Raising funds	5	787,943	-	1,961	789,904	679,830
<b>Total resources expended</b>		<b>787,943</b>	<b>-</b>	<b>1,961</b>	<b>789,904</b>	<b>679,830</b>
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(27,230)</b>	<b>-</b>	<b>112,174</b>	<b>84,944</b>	<b>51,408</b>
Gross transfers between funds		7,444	(2,882)	(4,562)	-	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(19,786)</b>	<b>(2,882)</b>	<b>107,612</b>	<b>84,944</b>	<b>51,408</b>
Fund balances at 1 January 2017		90,804	2,882	5,815	99,501	48,093
<b>Fund balances at 31 December 2017</b>		<b>71,018</b>	<b>-</b>	<b>113,427</b>	<b>184,445</b>	<b>99,501</b>

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 2017

	Notes	2017		2016	
		€	€	€	€
<b>Fixed assets</b>					
Intangible assets	11		26,431		21,339
Tangible assets	12		8,226		8,661
			<u>34,657</u>		<u>30,000</u>
<b>Current assets</b>					
Stocks	14	50,032		39,549	
Debtors	15	18,808		24,570	
Cash at bank and in hand		187,004		103,933	
		<u>255,844</u>		<u>168,052</u>	
<b>Creditors: amounts falling due within one year</b>	16	(106,056)		(98,551)	
Net current assets			<u>149,788</u>		<u>69,501</u>
<b>Total assets less current liabilities</b>			<u>184,445</u>		<u>99,501</u>
<b>Income funds</b>					
Restricted funds			113,427		5,815
Unrestricted funds - designated			-		2,882
Unrestricted funds - general			71,018		90,804
			<u>184,445</u>		<u>99,501</u>

The accounts were approved by the board of Directors on 19 September 2018



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 2017

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	Notes	2017 €	€	2016 €	€
<b>Cash flows from operating activities</b>					
Cash generated from operations			96,140		75,441
<b>Investing activities</b>					
Purchase of intangible assets		(7,657)		(12,862)	
Purchase of tangible fixed assets		(5,412)		(635)	
<b>Net cash used in investing activities</b>			(13,069)		(13,497)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			83,071		61,944
Cash and cash equivalents at beginning of year			103,933		41,989
<b>Cash and cash equivalents at end of year</b>			187,004		103,933
Short term deposits included in current asset investments			-		-
Bank overdrafts included in creditors payable within one year			-		-

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# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2017

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#### 1 Accounting policies

##### Charity information

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

#### 1.1 Accounting convention

These financial statements have been prepared 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.

##### 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 2017

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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 where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost or value of the asset 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 2017

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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 2017

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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 2017

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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.

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 3 Donations and collections

	Note	Unrestricted funds general €	Unrestricted funds designated €	Restricted funds €	Total 2017 €	Total 2016 €
Donations and gifts	A	33,062	-	-	33,062	29,596
Grant income	B	316	-	114,135	114,451	76,556
		<u>33,378</u>	<u>-</u>	<u>114,135</u>	<u>147,513</u>	<u>106,152</u>
<b>For the year ended 31 December 2016</b>		<u>87,667</u>	<u>10,031</u>	<u>8,454</u>		<u>106,152</u>

#### Note A - Donations and gifts

	Unrestricted funds general €	Unrestricted funds designated €	Restricted funds €	Total 2017 €	Total 2016 €
<b>Donations and gifts</b>					
Chairtable Donations	33,062	-	-	33,062	19,565
Madeira Walk	-	-	-	-	10,031
	<u>33,062</u>	<u>-</u>	<u>-</u>	<u>33,062</u>	<u>29,596</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.

#### Note B - Grant Income

	Unrestricted funds general €	Unrestricted funds designated €	Restricted funds €	Total 2017 €	Total 2016 €
<b>Grants receivable for core activities</b>					
Social Entrepreneurs Ireland	-	-	-	-	58,102
GSK Grant	-	-	-	-	10,000
The Ireland Funds	-	-	3,435	3,435	5,000
HSE National Lottery Funding	-	-	4,000	4,000	3,454
Pobal	-	-	40,500	40,500	-
The Ireland Funds America	-	-	4,772	4,772	-
KBC Equine Grant	-	-	1,000	1,000	-
The Community Foundation for Ireland	-	-	60,428	60,428	-
Co- Op Training	6,952	-	-	6,952	-
Other	(6,636)	-	-	(6,636)	-

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 3 Donations and collections

(Continued)

316	-	114,135	114,451	76,556
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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 the grant received in the year amounted to €0 (2016: €58,102)
- **GSK Ireland Impact Award:** a grant to recognise and reward community-based charities that are doing excellent work to improve people's health and wellbeing within the Republic of Ireland. The amount of the grant received in the year amounted to €0 (2016: €10,000).

Restricted Grant Income consists of performance related grant as follows:

- **The Ireland Funds:** This is a performance related grant 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 the grant received in the year amounted to €3,435 (2016: €5,000).
- **HSE National Lottery:** This is a performance grant to run the Parent Support Group and Transition to secondary school group. The amount of the grant received in the year amounted to €4,000 (2016: €3,454).
- **Pobal (Sponsoring Government Department: Department of Arts, Heritage, Regional, Rural and Gaeltacht Affairs): Dormant Account Fund Programme:** This is a capital grant, it is a grant to fund the purchase of specialised equipment to allow the opening of a new Child Development Centre in Munster. This grant is restricted to this use. The term of the grant is from 6 June 2017 to 31 December 2018. The amount of the grant received in the year amounted to €40,500 (2016: nil).
- **The Ireland Funds America grant:** This is a performance related grant 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 the grant received in the year amounted to €4,772 (2016: nil).
- **KBC Bank Equine grant:** This is a capital grant. This is grant to support community based activities. The grant is restricted to the purchase of hippotherapy project equipment. The amount of the grant received in the year amounted to €1,000 (2016: nil). Expenditure in 2017 totalled €957 (2016: Nil)
- **The Community Foundation for Ireland:** This is a capital Grant, a grant to fund the purchase of specialised equipment to allow the opening of a new Child Development Centre in Connacht. This grant is restricted to this use. The grant term runs to 31 October 2018 when a final outcome and financial Report is due. The amount of the grant received in the year amounted to €60,428 (2016: nil).

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 4 Trading activities

	2017	2016
	€	€
Clinical Services	307,488	210,822
Training workshops	82,725	70,509
Fundraising events	22,515	77,570
Shop income	314,607	266,185
	<hr/>	<hr/>
Trading activities	727,335	625,086
	<hr/> <hr/>	<hr/> <hr/>

### 5 Raising funds

	Unrestricted funds general €	Unrestricted funds designated €	Restricted funds €	Total 2017 €	Total 2016 €
<u>Fundraising and publicity</u>					
Staging fundraising events	(180)	-	-	(180)	85,458
Other fundraising costs	13,947	-	-	13,947	10,963
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Fundraising and publicity	13,767	-	-	13,767	96,421
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<u>Trading costs</u>					
Charity shops cost of sales	196,511	-	-	196,511	166,077
Clinical services provision costs	117,459	-	1,004	118,463	46,007
Clinical services assessment costs	21,535	-	957	22,492	19,107
Staff costs	309,278	-	-	309,278	228,635
Depreciation and impairment	8,411	-	-	8,411	16,862
Support costs	120,982	-	-	120,982	106,721
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Trading costs	774,176	-	1,961	776,137	583,409
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	787,943	-	1,961	789,904	679,830
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>For the year ended 31 December 2016</b>					
Fundraising and publicity	86,757	7,149	2,515		96,421
Trading costs	583,409	-	-		583,409
	<hr/>	<hr/>	<hr/>		<hr/>
	670,166	7,149	2,515		679,830
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>		<hr/> <hr/>

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 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.

### 7 Support costs

	Support costs	Governance costs	2017	2016	Basis of allocation
	€	€	€	€	
Operating lease charges	6,000	-	6,000	6,000	Usage
Rent	30,107	-	30,107	23,415	Usage
Light & Heat	8,251	-	8,251	8,295	Usage
Repairs & Maintenance	8,239	-	8,239	8,629	Usage
Insurance	6,660	-	6,660	6,520	Usage
Travel expenses	8,877	-	8,877	5,820	Usage
Bank fees	7,417	-	7,417	6,412	Usage
Print, postage & Advertising	8,495	-	8,495	4,746	Usage
Technology Costs	6,250	17,319	23,569	28,576	Usage
Telecommunications	6,499	-	6,499	2,636	Usage
	3,483	-	3,483	2,864	Usage
Audit fees	-	1,900	1,900	1,600	Governance
Accountancy	-	1,485	1,485	1,208	Governance
	<u>100,278</u>	<u>20,704</u>	<u>120,982</u>	<u>106,721</u>	
Analysed between					
Trading	<u>100,278</u>	<u>20,704</u>	<u>120,982</u>	<u>106,721</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 2017

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### 9 Employees

#### Number of employees

	2017 Number	2016 Number
Full-time staff	5	4
Part-time staff	9	8
	<u>14</u>	<u>12</u>

#### Employment costs

	2017 €	2016 €
Wages and salaries	279,701	207,095
Social security costs	29,577	21,540
	<u>309,278</u>	<u>228,635</u>

There were no employees whose annual remuneration was €60,000 or more (2016: Nil).

### 10 Taxation

The company has availed of charity exemption for corporation tax purposes under section 207 and 208 of the Taxes Consolidation Act 1997. (Charity Number :20065133). The Company is Compliant with relevant Circulars, including Circular 44/2006, "Tax Clearance Procedures Grants, Subsidies and Similar Type Payments

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2017

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<b>11 Intangible fixed assets</b>	
<i>Current financial year</i>	<b>Software &amp; Website</b>
	€
<b>Cost</b>	
At 1 January 2017	23,839
Additions - separately acquired	7,657
	<hr/>
At 31 December 2017	31,496
	<hr/>
<b>Amortisation and impairment</b>	
At 1 January 2017	2,500
Amortisation charged for the year	2,565
	<hr/>
At 31 December 2017	5,065
	<hr/>
<b>Carrying amount</b>	
At 31 December 2017	26,431
	<hr/> <hr/>
At 31 December 2016	21,339
	<hr/> <hr/>
 <i>Prior financial year</i>	 <b>Software &amp; Website</b>
	€
<b>Cost</b>	
At 1 January 2016	10,977
Additions - separately acquired	12,862
	<hr/>
At 31 December 2016	23,839
	<hr/>
<b>Amortisation and impairment</b>	
At 1 January 2016	892
Amortisation charged for the year	1,608
	<hr/>
At 31 December 2016	2,500
	<hr/>
<b>Carrying amount</b>	
At 31 December 2016	21,339
	<hr/> <hr/>
At 31 December 2015	10,085
	<hr/> <hr/>

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# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

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12 Tangible fixed assets	Fixtures and fittings
<i>Current financial year</i>	€
<b>Cost</b>	
At 1 January 2017	111,406
Additions	5,412
	<hr/>
At 31 December 2017	116,818
	<hr/>
<b>Depreciation and impairment</b>	
At 1 January 2017	102,746
Depreciation charged in the year	5,846
	<hr/>
At 31 December 2017	108,592
	<hr/>
<b>Carrying amount</b>	
At 31 December 2017	8,226
	<hr/>
At 31 December 2016	8,661
	<hr/> <hr/>



# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

12 Tangible fixed assets	(Continued)	
<i>Prior financial year</i>		Fixtures and fittings
		€
<b>Cost</b>		
At 1 January 2016		110,772
Additions		635
		<u>111,407</u>
At 31 December 2016		111,407
<b>Depreciation and impairment</b>		
At 1 January 2016		87,491
Depreciation charged in the year		15,255
		<u>102,746</u>
At 31 December 2016		102,746
<b>Carrying amount</b>		
At 31 December 2016		8,661
		<u>23,280</u>
At 31 December 2015		<u>23,280</u>
<b>13 Financial instruments</b>	<b>2017</b>	<b>2016</b>
	€	€
<b>Carrying amount of financial assets</b>		
Cash and debt instruments measured at amortised cost	194,142	119,905
	<u>194,142</u>	<u>119,905</u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	80,905	69,701
	<u>80,905</u>	<u>69,701</u>
<b>14 Stocks</b>	<b>2017</b>	<b>2016</b>
	€	€
Finished goods and goods for resale	50,032	39,549
	<u>50,032</u>	<u>39,549</u>
<b>15 Debtors</b>	<b>2017</b>	<b>2016</b>
<b>Amounts falling due within one year:</b>	<b>€</b>	<b>€</b>
Trade debtors	7,138	15,972
Prepayments and accrued income	11,670	8,598
	<u>18,808</u>	<u>24,570</u>

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2017

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

	Notes	2017 €	2016 €
Other taxation and social security		25,151	23,695
Deferred income	17	-	5,155
Trade creditors		37,020	13,574
Other creditors		15,212	8,258
Accruals and deferred income		28,673	47,869
		<u>106,056</u>	<u>98,551</u>

#### 17 Deferred income

	2017 €	2016 €
Other deferred income	-	5,155
	<u>-</u>	<u>5,155</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	2017 €	2016 €
The Irelands Fund	Transaction to Secondary School 2017	-	3,435
HSE National Lottery	Parents Support Group	-	135
KBC Bank	Hippotherapy Equipment 2017	-	1,000
Sidney Cheu Workshop	Workshop March 2017	-	585
		<u>-</u>	<u>5,155</u>

#### 18 Analysis of net assets between funds

	Unrestricted funds general €	Unrestricted funds designated €	Restricted funds €	Total €
Fund balances at 31 December 2017 are represented by:				
Intangible fixed assets	26,431	-	-	26,431
Tangible assets	8,226	-	-	8,226
Current assets/(liabilities)	149,788	-	-	149,788
	<u>184,445</u>	<u>-</u>	<u>-</u>	<u>184,445</u>

# SENSATIONAL KIDS COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

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### 19 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:

	2017	2016
	€	€
Within one year	4,500	6,000
Between two and five years	-	4,500
	<u>4,500</u>	<u>10,500</u>

### 20 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2017	2016
	€	€
Aggregate compensation	46,667	47,564
	<u>46,667</u>	<u>47,564</u>

### 21 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.

### 22 Approval of financial statements

The directors approved the financial statements on the 19 September 2018.