LauraLynn
IRELAND'S CHILDREN'S HOSPICE

The Children's Sunshine Home
(a company limited by guarantee)

Also known as LauraLynn Children's Hospice

REPORT & CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2017

DIRECTORS AND OTHER INFORMATION

DIRECTORS

David Andrews
Frances Fletcher
Kevin Keating (Appointed 21st November 2017)
Angie Kinane
Patricia Lawler (Appointed 21st November 2017)
Denise McDonald
Niall McHugh (Chairman)
Tony McPoland
Michael O'Donoghue
Ann O'Driscoll
Sandra O'Malley (Appointed 21st November 2017)
Nicholas Quigley

SECRETARY

Kerry Mc Laverty
(Appointed 21st November 2017)

REGISTERED OFFICE

Leopardstown Road
Foxrock
Dublin 18

REGISTRATION NUMBER

Charity Tax Number: **CHY2633**

Charity Registration Number: **20003289**

Company Registration Number: **107248**

SOLICITORS

Hayes Solicitors
Lavery House
Earlsfort Terrace
Dublin 2

BANKERS

Allied Irish Bank plc
Sandyford
Dublin 18

Rabo Direct
Rabobank International Dublin Branch
Charlemont Place
Dublin 2

AUDITORS

Deloitte
Chartered Accountants and Statutory Audit Firm
Deloitte and Touche House
Earlsfort Terrace
Dublin 2

DIRECTORS' REPORT

The directors present herewith the audited consolidated financial statements for the financial year ended 31 December 2017. The company is a registered charity and presents its financial statements in compliance with the Companies Act 2014 and, although not obliged to, also with the Statements of Recommended Practice (SORP) FRS 102 – Accounting and Reporting for Charities.

STRUCTURE, OBJECTIVES AND ACTIVITIES

The Children's Sunshine Home and CSH Childcare Services are the two benefiting companies of grants from The Children's Sunshine Home Trust.

The Children's Sunshine Home Trust's (The Trust) was founded in 1925 and its primary objective was to provide care for sick children. Today it raises and invests funds, to enable the continued operation of the services of both these companies. The services provided by the two benefiting companies are as follows:

- CSH Childcare Services (The Hospice Service) provides appropriate high quality home support, short break stays, step-down/crisis care and end-of-life care to children, and families of children with life-limiting and life-threatening conditions.
- The Children's Sunshine Home (The Disability Service) provides care and support to children and adults with intellectual disabilities. It is also funded by the HSE under section 38 of the Health Act 2004.

CSH Childcare Services (The Hospice Service)

Following a strategic review in 2002-2004 in The Children's Sunshine Home Trust, which provides care and support to children and adults with intellectual disabilities on the campus in Leopardstown, it was decided to address the needs of children requiring palliative care, and the Children's Sunshine Home Hospice Project was established to fundraise for a children's hospice building. In 2005 it joined forces with The LauraLynn Foundation (which ceased trading on 15th June, 2005), which had been established by Jane and Brendan McKenna, who also saw the need for respite and specialist care for children with life-limiting conditions following their own personal experience with the deaths of their two daughters, Laura and Lynn.

CSH Childcare Services was established in 2011, and LauraLynn House was opened in September of that year in the Children's Sunshine Home campus. The service provides appropriate high quality home support, step-down/crisis care, short break stays, symptom management, and end of life care to children, and families of children with life-limiting and life-threatening conditions. It operates in tandem with The Children's Sunshine Home. Both legal entities use the operational name LauraLynn Children's Hospice, or LauraLynn. Both entities are governed by the same Board of Directors.

The Hospice service's philosophy of care is to treat each child as an individual with dignity and respect to enable them to enjoy an enhanced quality of life. The family unit is central to the care of their child.

The service supports children who have life-limiting conditions – in other words, children who will have a shortened lifespan and will have a high level of nursing and medical needs. It works closely in partnership with the families, and with a range of health professionals from acute hospitals, community teams and other primary care services to support children in all aspects of their care.

LauraLynn is committed to extending hospice services to more children who need specialised care and support. From an advocacy perspective, along with several key stakeholders, the service is actively engaged in ongoing discussions with the Health Service Executive (HSE) and the Department of Health to progress the children's palliative care agenda.

Today children as young as one week old are accessing the service, and the vision is that all children who need the service can access it.

With a growing population of teenage children with life-limiting conditions, the service is also developing a Transition Care Pathway for all children from the age of 12, ensuring that the delivery of palliative care extends seamlessly from children's services into adult services when they are discharged from the hospice at 18 years.

DIRECTORS' REPORT
(CONTINUED)

The Children's Sunshine Home (The Disability Service)

The Children's Sunshine Home also offers respite and residential services to children with complex disabilities in its Hazel House building, as well as residential care for 7 adults who have been in the care of The Children's Sunshine Home since they were children.

Both Services

Both The Children's Sunshine Home and CSH Childcare Services companies are limited by guarantee, and are registered charities operating under LauraLynn Ireland's Children's Hospice. Both services are run from the Trust's campus at Leopardstown Road, Foxrock, Dublin 18, and are also known as LauraLynn Children's Hospice.

The staffing complement consists of non-clinical management and administrators working alongside a range of nurses and health care assistants who deliver frontline care. In addition, as the needs of the service have grown, the range of allied health professionals continues to expand, and now includes physiotherapists, an occupational therapist, psychologist, social worker, music therapist, chaplain, play therapist and dietician.

ACHIEVEMENTS AND PERFORMANCE

During 2017, 176 families from across Ireland accessed LauraLynn services, the highest number to date. This is in addition to the more than 70 bereaved families who also received support. The service has had a total of 144 bereavements since opening in September 2011, 33 of which occurred in 2017. The vast majority of these bereavements have been supported for end of life care in the family home, as well as for memory making in hospital and in the hospice itself. Bereaved families are always welcome to attend the annual memorial service and avail of bereavement support from the bereavement team.

In 2017 the family support services were extended, with the introduction of their Autumn Leaves Programme and Saturday Club, which gave families more opportunities to enjoy precious time together.

Greater numbers meant that the Family Fun Day and Christmas Party events were again moved offsite to accommodate all families. Light Up LauraLynn was a spectacular occasion with families and guests enjoying a special surprise performance from Hozier. In addition, the service was privileged to welcome Her Royal Highness Princess Takamado of Japan, Taoiseach Enda Kenny, Ireland Football Manager Martin O'Neill and the cast of 'Once', who came to meet the families and to learn more about the vital work done on the Campus.

CSH Childcare Services benefitted from funds raised by the Trust for the benefit of the Hospice. The second Laura Lynn Oscar's event took place in April involving 7 families, and is scheduled to run again in 2018. LauraLynn hosted Children's Hospice Week in May and it was a big success, with TV3 partnering with LauraLynn for the third year in succession. This partnership saw TV3 air the first ever Children's Hospice Telethon across all daytime programming, raising vital funds and awareness. The second Heroes Ball also took place in May 2017 in the glamorous Intercontinental Hotel, celebrating the little heroes that require our care.

In September, LauraLynn received the exciting news that they had been chosen as the charity partner for a reimaging of U2's iconic Joshua Tree album 'New Roots', produced by 2FM and Universal Music. The 2FM Roadcaster visited LauraLynn in October for the launch, with special guest appearances from artists.

2017 was a year of recognition for LauraLynn and the staff were honoured to receive four different award nominations. As well as being nominated in two categories at the recent Charity Impact Awards, the Quality Risk and Safety and Education Teams were commended at the Irish Healthcare Awards for their implementation of the Schwartz Rounds Forum. The Schwartz Rounds provide an opportunity for staff from all disciplines in the organisation to reflect on the emotional aspects of their work.

2018 will be a busy year for LauraLynn as more families continue to avail of the services. The increased demand for services will also bring challenges for funding. However the Board continue to be humbled by the tireless efforts of the many supporters and volunteers who give so generously to support the service.

DIRECTORS' REPORT
(CONTINUED)

FINANCIAL REVIEW

The consolidated statement of financial activities for the financial year ended 31 December 2017 and the consolidated balance sheet at that date are set out on pages 19 and 20. The net income for the financial year amounted to €41,058 (2016: €198,431). The service is exempt from taxation.

The two main sources of income were a grant from the HSE for €3,681,161 for The Children's Sunshine Home, and €3,612,885 for CSH Childcare Services from the Trustees of the Children's Sunshine Home.

The Health Service Executive (HSE) grant is provided to fund the disability service for young adults and the children who avail of the respite services. The Trustees of the Children's Sunshine Home rely totally on fundraising from the general public, to enable them to make grants available for the Hospice service.

In 2017 the HSE recognised that due to the essential nature of the Hospice service, some of the nursing and direct care disability resources could be applied to support that service. The HSE have also indicated their commitment to assisting in identifying and securing a more sustainable source of funding for the Hospice service.

LauraLynn recognises that the on-going support of the HSE and the goodwill of the general public are essential to maintaining its services. The Directors are ever mindful of the trust that the general public place on them and are committed to ensure the governance and practices remain of the highest standards possible.

With the continued support of the Trustees of the Children's Sunshine Home, the Board are confident that they can continue in operation into the foreseeable future. The Board is confident that with cash reserves of €214,736, total reserves of €252,161 and the continued streams of funding the service can continue in operation into the foreseeable future.

SUBSIDIARY

CSH Childcare Services, a company limited by guarantee, was incorporated on 13 October 2011. The company was incorporated to provide nursing and other services to the Laura Lynn Children's Hospice and to seek additional funding from the Health Service Executive (HSE). CSH Childcare Services is accounted for as a subsidiary of The Children's Sunshine Home who controls the composition of its Board of directors. This information is provided in note 10 to the financial statements.

GOING CONCERN

In assessing that the financial statements are prepared on a going concern basis, the directors have given due consideration to further cost savings and fund raising initiatives. In addition, there are regular discussions with the Health Service Executive regarding funding for both CSH Childcare Services and the level of funding being provided to The Children's Sunshine Home.

The company is dependent on voluntary contributions from the Trustees of The Children's Sunshine Home (a Trust established in 1925), for the continued funding of CSH Childcare Services. The Trustees have indicated their willingness to continue to support the service.

FUTURE DEVELOPMENTS

The service will continue to further develop home support, respite and residential services to children and adults with life limiting and life threatening conditions.

SUSBSEQUENT EVENTS

There have been no significant events affecting the company since the financial year end.

DIRECTORS' REPORT
(CONTINUED)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk.

The directors consider that the following are the principal risk factors that could materially and adversely affect the company's future surplus or financial position:

- The company is dependent on voluntary contributions from the Trustees of The Children's Sunshine Home (a Trust established in 1925), for the continued funding of CSH Childcare Services. The Trustees have indicated their willingness to continue to support the service.
- In turn the Trustees are very much dependent on the generosity of businesses and the public. They remain vigilant with regards to the management and governance of both Trust assets and funds, and the management and use of the grants made by it.
- There is a dependence on the HSE for short, medium and long term funding. There is a reasonable expectation that such funding will continue.
- The company has controls in place to limit potential exposures and management and the directors regularly review, reassess and proactively limit the associated risks. The sub-committee structure of the Board facilitates management and review of the various aspects of the service under clearly defined terms of reference.

DIRECTORS' REPORT (CONTINUED)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Both the Children's Sunshine Home and CSH Childcare Services are governed by the same Board of Directors.

All Directors are non-executive, receive no remuneration for their services, are drawn from diverse backgrounds, and possess a wide range of skills and experience.

They give their time and advice freely, and although they are entitled to reimbursement for vouched expenses, no such claims have been made in 2017 or prior years. Each Director is appointed for a period of three years having being recommended by the Nominations, Remuneration & Corporate Governance Committee and is eligible for re-appointment for two further consecutive three year periods.

The Board is ultimately responsible for the governance, strategic direction, ethos and values. Additionally, The Board is responsible for ensuring that the organisation operates an appropriate system of financial control and complies with relevant laws and regulations.

The Trustees of the Children's Sunshine Home Trust provides all the funding to CSH Childcare Services. The Trustees meet three times a year. All Trustees are also non-executive. The Trustees are also Board members of the parent company and this company. Similar to the directors of the group, the Trustees receive no remuneration or reimbursed expenses. The Trustees have no beneficial interest in either CSH Childcare Service or The Children's Sunshine Home.

In 2017 the Board of Directors met six times and The Trustees met four times.

DIRECTORS, SECRETARY AND CHIEF EXECUTIVE OFFICER

The directors and secretary, who served at any time during the financial year except as noted, were as follows:

DIRECTORS:	ATTENDANCE AT MEETINGS
Niall McHugh (Chairman)	6/6
David Andrews	6/6
Frances Fletcher	6/6
Michael O'Donoghue	5/6
Nicholas Quigley	6/6
Angie Kinane	5/6
Ann O'Driscoll	5/6
Tony McPoland	6/6
Denise Mc Donald	5/6
Kevin Keating (Appointed 21st November 2017)	1/1

Also Mary Ainscough (Resigned 31/1/2017)

SECRETARY:	
Michael Higgins (Resigned 21st November 2017)	2/5
Kerry Mc Laverty (Appointed 21st November 2017)	1/1

The current directors and secretary are set out on page 2.

DIRECTORS' REPORT
(CONTINUED)

All new Board Members are inducted into the organisation, receiving a Code of Conduct for Board Members Booklet with includes a Conflict of Interest Policy. Every Board Meeting commences with a request for expression of conflict of interest.

The Board delegates the day-to-day management of the organisation to the Executive Management Team that comprises the Chief Executive Officer and Executive Management Team.

The Board is supported by a Board Committee structure that deals effectively with specific aspects of the organisation's business and is chaired by a Director. Each committee has clearly defined terms of reference.

Members of the Executive Team attend the sub-committee meetings as required and report on their areas of expertise.

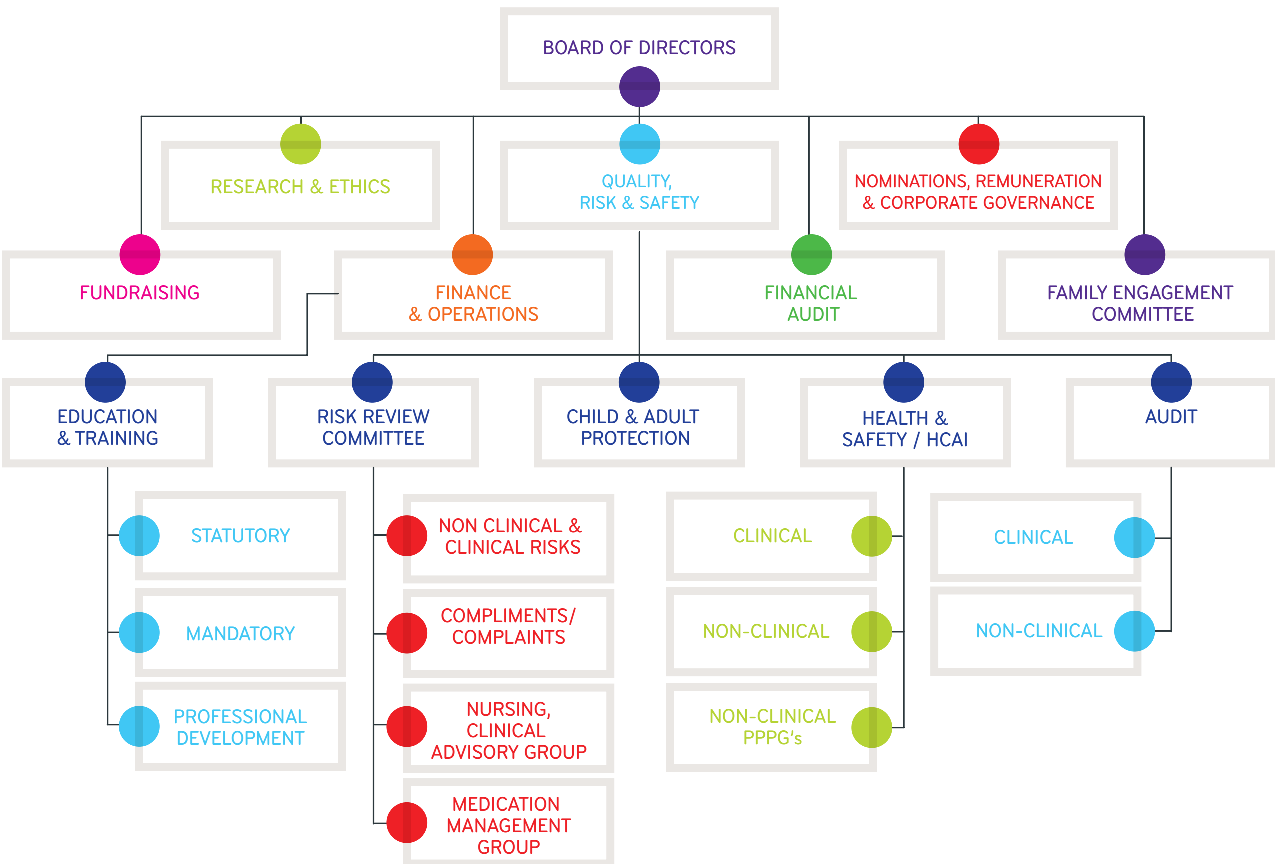
The Board Committees are as follows:

- The Finance and Operations Sub-Committee is responsible for ensuring that the organisation is meeting its operational and financial targets as determined by the Board. It oversees the plans and budgets of the various operational divisions of the service. At least one member of this committee will have relevant accounting or related financial experience. In 2017 it met eight times.
  Chairperson: **Nicholas Quigley (Board Member)**
- The Research and Ethics Sub-Committee ensures that research is conducted according to best practice and maintains ethical standards of practice in research. It protects and preserves the subject's rights and ensures that the practice of fully informed consent is observed. It provides reassurance to the public and outside bodies that high ethical standards are maintained. It meets depending on receipt of applications.
  Chairperson: **Michael O'Donoghue (Board Member)**
- The Financial Audit Sub-Committee remit is to assist the Board in discharging it's responsibility in ensuring the organisation adopts, maintains and applies appropriate and accurate accounting and financial reporting processes and procedures. It facilitates the independence of the external audit process and addresses issues arising from the internal and external audit process. It ensures that the organisation maintains effective risk management processes relating to the organisation's management of financial risks, prevention of corruption and waste, and the system of internal control. In 2017 the Financial Audit Sub-Committee met twice.
  Chairperson: **Tony McPoland (Board Member)**
- The Quality, Risk and Safety Sub-Committee oversees key aspects of the risk management process to ensure that the organisation adheres to policies and procedures governing care delivery. It has stringent procedures in place for the recruitment of staff and volunteers. It audits clinical practice to ensure compliance with processes and oversees the work of the Child Protection and Vulnerable Audit Team who are dedicated to managing any reported issues and implementation of policies. It investigates and resolves issues which arise from the Complaints, Compliments and Feedback Team. In 2017 it met six times.
  Chairperson: **Ann O'Driscoll (Board Member)**

DIRECTORS' REPORT
(CONTINUED)

The Board Committees continued:

- The Nominations, Remuneration and Corporate Governance Sub-Committee monitors and reviews the structure and composition of the Board and the Senior Management Team. It deals with matters of Board and Senior Management succession, disciplinary issues at a senior executive level of the organisation, ensuring that remuneration for employees is in keeping with the service's Finance Management Policy and the requirements under HSE Compliance and good corporate Governance on behalf of the Board. It consists of people who are experts in these areas, and have relevant qualifications and experience. In 2017 it met four times.
  Chairperson: **Tony McPoland (Board Member)**
- The Family Engagement Sub-Committee was established to provide an effective representative body for families, guardians and carers to communicate effectively with the Board of Directors and Staff. Having regard to the best interests of children, young adults and families in each strand of the organisation, this Sub-Committee strengthens communications between the Board of Directors, staff and families. It aims to develop and foster communications within the 'Family Groups' and to articulate and put forward suggestions, issues, concerns etc. for the improvement of the service in an open and constructive forum. In 2017 it met five times.
  Chairperson: **Frances Fletcher (Board Member)**
- The Fundraising Sub-Committee agree and action key elements of the organisation's fundraising and marketing strategy. The committee ensures compliance by the staff and volunteers to the Guidelines for charitable organisations on fundraising from the public and regularly review the procedures and controls in place. In 2017 it met four times.
  Chairperson: **David Andrews (Board Member)**



DIRECTORS' REPORT
(CONTINUED)

CHIEF EXECUTIVE OFFICER:

In December 2017, following three years of exceptional leadership at LauraLynn, Sharon Morrow the CEO resigned from her position with the service. The directors would like to thank Sharon for her dedication and accomplishments. They wish her all the best in her future endeavours. Following a transparent and competitive recruitment process LauraLynn is delighted to welcome the new CEO, Orla O' Brien, in April 2018.

TRANSPARENCY AND ACCOUNTABILITY:

In The Children's Sunshine Home, accountability and transparency are vitally important.

The Children's Sunshine Home and CSH Childcare Services are registered with the Charities Regulatory Authority and are a 'Triple Lock Member' of Charities Institute Ireland. 'Triple Lock Membership' provides assurances with regard to ethical fundraising, transparent reporting under Charity SORP (Standard of Reporting Practice under FRS 102) and the principles of good governance.

Both companies are also compliant, where required, with the HSE Annual Compliance Statement and The Governance Code for Community, Voluntary and Charitable Organisations, and are signed up to the ICTR regulations and adhere to the data protection laws. They are also fully compliant with the obligations of the Vetting Bureau (Children and Vulnerable Adults) Act 2012 and have child protection policies and practices in place that are in line with Children First 2011.

In addition to the annual statutory audit provided by Deloitte, the Financial Audit Committee appointed an internal audit consultant to provide further independent and objective assurance of the financial procedures and practices of the organisation. The Board are satisfied that no incidence of fraud or financial mismanagement has occurred and remain vigilant with regard to this.

In addition to publishing the financial statements under SORP both organisations comply with The Governance Code for the Community, Voluntary and Charitable Sector in Ireland and review this annually in order to ensure compliance.

The Board does not receive any remuneration in respect of their services to the charity and no top up payments are made to any of the company's employees. There are no additional benefits, bonus or personal expenses paid to the CEO or any other member of staff.

PUBLIC BENEFIT

LauraLynn is Ireland's only Children's Hospice. It provides palliative care to children with life-limiting

conditions and support to their families. With a focus on enhancing quality of life, LauraLynn provides support from diagnosis to end of life, and throughout bereavement, with a range of practical, emotional and medical care for the whole family.

LauraLynn takes a holistic approach to palliative care for children and young persons with life-limiting conditions and their families. Care is provided by the interdisciplinary team in partnership with other healthcare providers and specialists. It includes a range of services to meet the child and family needs – physical, emotional, social and spiritual.

Additionally there is a commitment to provide a 'home' for children and young adults with profound intellectual disabilities. New referrals for the adult residential care service are no longer accepted but the board is committed to caring for those already resident in the service, and supporting them to realise their ambitions, and have dignity in their lives.

DIRECTORS' REPORT
(CONTINUED)

INFORMATION RELEVANT TO ENVIRONMENTAL MATTERS

The Company is committed to protecting the environment and has an active programme in place to minimise adverse environmental impacts.

INFORMATION RELEVANT TO EMPLOYEE MATTERS

The well-being of the Company's employees is safeguarded through strict adherence to employment legislation and health and safety standards. The Company has taken the necessary action to ensure compliance with the health and safety standards, including the adoption of a safety statement.

The Company communicates regularly with all employees on matters relating to its performance. Employees are encouraged to contribute to the decision making process through regular meetings, staff surveys and suggestion media.

The Company's Human Resources policies ensure that:

- Staff receive induction and training in relation to safe work practices, infection control, bullying and harassment (Dignity at Work), child protection, medication storage and administration, reporting of incidents, accidents and near misses.
- A system is in place to ensure that personnel carrying out home visits have mobile phone contact with the service and that they log visits to families in advance. The manager on duty knows where staff are on any given day.
- External Occupational Health supports are engaged as required and a Staff Support Person is appointed as part of their wider brief.
- Staffs are debriefed following a traumatic incident or where staff are exposed to a stressful situation.
- All Staff are paid in accordance with HSE pay scales with the exception of Fundraising, Marketing and Communication Staff who are paid in line with current market rates.

POLITICAL CONTRIBUTIONS

There were no political contributions made by the company during the year.

ACCOUNTING RECORDS

The measures that the directors have taken to secure compliance with the requirements of sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records are the employment of

appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at Leopardstown Road, Foxrock, Dublin 18.

DIRECTORS' REPORT
(CONTINUED)

DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each of the persons who are directors at the time the directors' report and financial statements are approved:

A) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and

B) each director has taken all steps that ought to have been taken by the director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the Board and signed on its behalf by:

Niall Mc Hugh
Chairman

Nicholas Quigley
Director

17th April 2018

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the directors' report and the financial statements in accordance with the Companies Act 2014 and the applicable 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("relevant financial reporting framework"). 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 at the financial year end date and of the surplus or deficit of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies for the Parent Company and the Group Financial Statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the 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 surplus or deficit 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHILDREN'S SUNSHINE HOME
(A COMPANY LIMITED BY GUARANTEE)

Report on the audit of the financial statements

Opinion on the financial statements of The Children's Sunshine Home ("the company")

In our opinion the group and parent company financial statements:

- give a true and fair view of the assets, liabilities and financial position of the group and parent company as at 31 December 2017 and of the net movement in funds of the group and parent company for the financial year then ended; and
- have been properly prepared in accordance with the relevant financial reporting framework and, in particular, with the requirements of the Small Companies regime of the Companies Act 2014.

The financial statements we have audited comprise:
the group financial statements:

- the Consolidated Statement of Financial Activities;
- the Consolidated Balance Sheet; and
- the related notes 1 to 21, including a summary of significant accounting policies as set out in note 1.

the parent company financial statements:

- the Statement of Financial Activities;
- the Balance Sheet; and
- the related notes 1 to 21, including a summary of significant accounting policies as set out in note 1.

The relevant financial framework that has been applied in their preparation is the requirements of the Small Companies Regime of the Companies Act 2014 and Section 1A of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("the relevant financial reporting framework").

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 described below in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, 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 ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in 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 group and parent company'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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHILDREN'S SUNSHINE HOME

(A COMPANY LIMITED BY GUARANTEE)

Report on the audit of the financial statements

Other information

The directors are responsible for the other information. The other information comprises the information included in the Reports and Consolidated Financial Statements for the financial year ended 31 December 2017, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 group and parent company 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, 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, 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 group and parent company'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 group and parent 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.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHILDREN'S SUNSHINE HOME
(A COMPANY LIMITED BY GUARANTEE)

Report on the audit of the financial statements

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the business activities within the group to express an opinion on the (consolidated) financial statements. The group auditor is responsible for the direction, supervision and performance of the group audit. The group auditor remains solely responsible for the audit opinion.

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

This report is made solely to the company's directors, 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.

Report on other legal and regulatory requirements
Opinion on other matters prescribed by the Companies Act 2014

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

- 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 parent company were sufficient to permit the financial statements to be readily and properly audited.
- The parent company 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 and the directors' report has been prepared in accordance with the Companies Act 2014.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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.

Deloitte
Chartered Accountants and Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin 2

17 May 2018

COMPANY STATEMENT OF FINANCIAL ACTIVITIES

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

	NOTES	2017 Restricted Funds €	2017 Unrestricted Funds €	2017 Total €	2016 Restricted Funds €	2016 Unrestricted Funds €	2016 Total €
INCOME FROM							
Grant from the Health Service Executive	4	3,681,161	–	3,681,161	3,785,028	–	3,785,028
Other income	5	689,998	33,270	723,268	713,299	31,099	744,398
Total Income		4,371,159	33,270	4,404,429	4,498,327	31,099	4,529,426
EXPENDITURE ON							
Charitable activities	6	4,338,339	33,270	4,371,609	4,291,098	31,099	4,322,197
Total Expenditure		4,338,339	33,270	4,371,609	4,291,098	31,099	4,322,197
Net income before depreciation		32,820	–	32,820	207,229	–	207,229
Depreciation	11	(1,402)	–	(1,402)	–	–	–
Net movement in Funds		31,418	–	31,418	207,229	–	207,229
Reconciliation of funds:							
Total funds / (deficit) brought forward	16	182,509	–	182,509	(24,720)	–	(24,720)
Total funds carried forward	16	213,927	–	213,927	182,509	–	182,509

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

	NOTES	2017 Restricted Funds €	2017 Unrestricted Funds €	2017 Total €	2016 Restricted Funds €	2016 Unrestricted Funds €	2016 Total €
INCOME FROM							
Grant from the Health Service Executive	4	**3,681,161**	**–**	**3,681,161**	3,785,028	–	3,785,028
Donation from The Children's Sunshine Home Trust		**3,612,885**	**–**	**3,612,885**	3,279,287	–	3,279,287
Other income	5	**689,998**	**57,787**	**747,785**	1,126,679	55,977	1,182,656
Capital grant	13	**18,438**	**–**	**18,438**	–	–	–
Value of gifts in kind received	12	**235,586**	**–**	**235,586**	256,120	–	256,120
Total Income	4	**8,238,068**	**57,787**	**8,295,855**	8,447,114	55,977	8,503,091
EXPENDITURE ON							
Charitable activities	6	**7,951,224**	**57,787**	**8,009,011**	7,983,765	55,977	8,039,742
Value of gifts in kind expended	12	**235,586**	**–**	**235,586**	256,120	–	256,120
Total Expenditure		**8,186,810**	**57,787**	**8,244,597**	8,239,885	55,977	8,295,862
Net income before depreciation		**51,258**	**–**	**51,258**	207,229	–	207,229
Depreciation	11	**(10,200)**	**–**	**(10,200)**	(8,798)	–	(8,798)
Net movement in Funds		**41,058**	**–**	**41,058**	198,431	–	198,431
Reconciliation of funds:							
Total funds / (deficit) brought forward	16	**211,103**	**–**	**211,103**	12,672	–	12,672
Total funds carried forward	16	**252,161**	**–**	**252,161**	211,103	–	211,103

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2017

	NOTES	2017 €	2016 €
FIXED ASSETS			
Tangible Assets	**11**	**43,843**	28,594
		28,594	37,392
CURRENT ASSETS			
Debtors	**14**	**750,209**	612,049
Cash at bank and in hand		**214,736**	145,283
		964,945	757,332
CREDITORS:			
Creditors: Amounts falling due within one year	**15**	**(756,627)**	(574,823)
Net current assets		**208,318**	182,509
Net Assets		**252,161**	211,103
FUNDS OF THE CHARITY:			
Restricted funds	**13/16**	**252,161**	211,103
Unrestricted funds	**16**	**–**	–
Total Charity Funds		**252,161**	211,103

The statutory financial statements have been prepared in accordance with the Small Companies Regime and were approved and authorised for issue by the Board of Directors on 17th April 2018 and signed on its behalf by:

Nial Mc Hugh
Chairman

Nicholas Quigley
Director

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2017

	NOTES	2017 €	2016 €
FIXED ASSETS			
Tangible Assets	**11**	**5,609**	–
CURRENT ASSETS			
Debtors	**14**	**706,778**	560,531
Cash at bank and in hand		**149,030**	92,018
		855,808	652,549
CREDITORS:			
Creditors: Amounts falling due within one year	**15**	**(647,490)**	(470,040)
Net current assets		**208,318**	182,509
Net Assets		**213,927**	182,509
FUNDS OF THE CHARITY:			
Restricted funds	**16**	**213,927**	182,509
Unrestricted funds	**16**	**–**	–
Total Charity Funds		**213,927**	182,509

The statutory financial statements have been prepared in accordance with the Small Companies Regime and were approved and authorised for issue by the Board of Directors on 17th April 2018 and signed on its behalf by:

Nial Mc Hugh
Chairman

Nicholas Quigley
Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding year.

General Information and Basis of Accounting

The Children's Sunshine Home is a company incorporated in Ireland under the Companies Act 2014. The address of the registered office is Leopardstown Road, Foxrock, Dublin 18. The nature of The Children's Sunshine Home's operations and it's principal activities are set out in the directors' report on pages 3 to 12.

In accordance with Section 1180(8) of the Companies Act 2014, the company is exempt from including the word "Limited" in its name. The company is limited by guarantee and has no share capital.

In order to provide information relevant to understanding the stewardship of the directors and the performance and financial position of the charity, The Children's Sunshine Home has prepared its financial statements in accordance with the formats provided for in the Statement of Recommended Practice (SORP 2015) "Accounting and Reporting by Charities" in accordance with the Financial Reporting Standard applicable in the UK (which has been recognised as best practice for financial reporting by charities in Ireland) and the Companies Act 2014, Small Companies Regime and Sector 1A of FRS102 The Financial Standard applicable in the UK and the Republic of Ireland.

The functional currency of The Children's Sunshine Home is considered to be Euro because that is the currency of the primary economic environment in which The Children's Sunshine Home operates.

Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the company and its subsidiary undertaking for the financial year ended 31 December 2017. CSH Childcare Services is accounted for as a subsidiary of The Children's Sunshine Home who controls the composition of its Board of directors.

Company Status

The company is limited by guarantee and does not have a share capital. Every member of the

company undertakes to contribute to the assets of the company in the event of a company being wound up while he/she is a member, or within one year after he/she ceases to be a member, for payment of the debts and liabilities of the company contracted before he/she ceases to be a member and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributors among themselves, such amounts as may be required not exceeding €1.27.

Going Concern

The organisation's forecast and projections, taking account of reasonable possible changes in performance, show that the organisation will be able to operate within the level of its current cash and investment resources. The Board have a reasonable expectation that the organisation has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements. Accordingly, these financial statements do not include any adjustments to the carrying amount and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

The HSE has informed the Board that funding will be allocated to both services for the foreseeable future.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

Incoming Resources

(i) Revenue grants from the Health Service Executive (HSE) and in-patient maintenance income are accounted for on a receivable basis.

(ii) Donations, legacies and income from fundraising events organised by the company are included when there is entitlement, receipt is probable and can be measured.

Other sources of income and fundraising events held by external third parties are accounted for on a cash receipts basis.

As with many similar charitable organisations, independent groups from time to time organise fundraising activities in the name of The Children's Sunshine Home. However, as amounts collected in this way are outside the control of the Home, they are not included in the financial statements until received by the Home.

(iii) Hospital services maintenance comprises income from patients directly, and from the HSE, and is recognised on a receivable basis.

(iv) Gifts in kind which are received from donors and used in the service are included in the financial statements in the period in which they are received.

(v) Capital grants received are credited to restricted income and released to the unrestricted reserve as the related depreciation on the capital item is incurred.

(vi) Investment income is accounted for on a receivable basis.

Expenditure

Expenditure is recognised when a liability is incurred. Contractual arrangements are recognised as goods or services are supplied.

The salaries of staff involved in charitable activities, fundraising activities, management and administration and governance activities were apportioned across the three activities of the company on a reasonable justified and consistent basis.

Governance costs are defined as costs related to the general running of The Children's Sunshine Home as an entity as opposed to the direct management functions inherent in generating funds, and include audit and accountancy, legal and professional fees.

Funds Accounting

The company maintains the following funds:

Restricted Funds

Restricted Funds represent donations, fundraising events income, legacies and other income received, which can only be used for these purposed that have been specified by the donor.

Unrestricted General Funds

Unrestricted Funds represent amounts which are expendable at the discretion of the Board of Directors in furtherance of the objectives of the charity.

Foreign Currency

Transactions in foreign currency are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

Tangible Fixed Assets
Tangible fixed assets are stated at cost or valuation, net of depreciation and any allowance for impairment. Depreciation is provided on all tangible fixed assets, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Motor Vehicles	5 Years
Equipment	5 Years

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Impairment of Assets
Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced to below its carrying amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial Investments
Investments are recorded at cost less provision for impairments in value.

Pensions
The company make contributions to pension plans selected by relevant employees and administers contributions made by (and on behalf) of employees invested in PRSAs.

Financial Instruments
Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Financial assets and liabilities
All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial assets expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise the ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

Financial assets and liabilities (continued)
Balances that are classified as payable or receivable within one year on initial recognition are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Pension Costs
The company operates a defined benefit pension scheme in respect of employees eligible for inclusion under the Voluntary Hospitals Superannuation Scheme and Spouses and Children's Pension Scheme (VHSS). The scheme is administered, funded and underwritten by the Department of Health and Children.

The company acts as an agent in the operation of the scheme and does not contribute financially to the scheme. Contributions are received from eligible employees only. By agreement with the HSE and the Department of Health and Children, pension contributions received may be offset against pension payments made and the surplus or deficit each financial year forms part of the funding for the company. Costs arising from the payment of entitlements under the scheme as well as refunds to former employees are treated as expenses in the financial statements. The directors are advised that the company has no responsibility for any liability that falls due as a result of any potential under-funding of the scheme.

Refunds of contributions paid are charged to the income and expenditure account when notification is received from the Department of Health and Children to make a payment to an employee who is leaving the scheme.

The subsidiary company has established a defined contribution pension scheme and the assets of the scheme are held separately from those of the company in an independently administered fund.

The Single Public Service Pension Scheme (SPSPS) applies to all employees who are joining the public sector as new entrants after January 2013. In line with the guidance of this scheme, all employee contributions are paid over to the state pension account and not included in the income and expenditure account. The Department of Public Expenditure and Reform ('DPER') is responsible for the SPSPS and under the Public Service Pensions (Single Scheme and Other Provisions) Act 2012, Section 44(1) (b), payments arising under this Single Scheme to retiring employees shall be paid from funds provided by the Oireachtas for that purpose.

Taxation
The company has been granted charitable tax exempt status by the Revenue Commissioners under CHY number 2633 and therefore no provision for Corporation tax is required.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements and estimates in applying the Company's accounting policies

The following are the critical judgements and estimates that the directors have made in the process of applying the accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

(i) Pensions

Certain employees participate in the VHSS operated by the HSE. The VHSS is an unfunded scheme underwritten by the Minister for Health and Children. In the judgement of the directors the funds required to pay current pension liabilities, under the VHSS, as they arise will continue to be provided by the Department of Health and Children. Therefore, they believe that it is not necessary for the financial statements to make provision for the net assets/liabilities at the balance sheet date in respect of pension entitlements accrued to that date by the employees of the company, nor the disclosure requirements of FRS102. See note 17 for further details.

The VHSS closed to new members with effect from 31 December 2012. With effect from 1 January 2013 a new scheme – the Single Public Service Pension Scheme (SPSPS) commenced. Pension contributions under this scheme are remitted to the Department of Public Expenditure and Reform. The directors are advised that the Department of Public Expenditure and Reform ("DPER") is responsible for this Single Scheme and payments arising under this scheme to retiring employees are payable by the state. They also believe that it is not necessary for the financial statements to make provision for the net assets/liabilities at the balance sheet date in respect of pension entitlements accrued to that date by the employees of the company nor the disclosure requirements of FRS102.

(ii) Useful economic lives

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. Determination of appropriate useful economic lives is a key judgement and the useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

3. GOING CONCERN

The financial statements have been prepared on the going concern basis. The group is dependent on the Health Services Executive (HSE) to provide adequate funding to enable it to fund its services. The HSE has informed the Board that funding will be allocated to both services for the foreseeable future.

Its subsidiary, CSH Childcare Services, is currently dependent on voluntary donations to the Trustees of The Children's Sunshine Home, who in turn fund the activities of CSH Childcare Services. The Trustees have advised the Board that they intend to continue to support the service for the foreseeable future.

The on-going support of the HSE and the continued support of the general public with fundraising is fundamental to the continuation of the level of service provided.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

4. TOTAL INCOME

All income, including the Health Service Executive grant, arises from monies received in the Republic of Ireland.

5. OTHER INCOME

COMPANY	2017 Restricted €	2017 Unrestricted €	2017 Total €	2016 Total €
Hospital services maintenance income	485,606	—	485,606	490,816
Superannuation deductions	204,392	—	204,392	221,993
Miscellaneous income	—	33,270	33,270	31,589
	689,998	33,270	723,268	744,398

GROUP	2017 Restricted €	2017 Unrestricted €	2017 Total €	2016 Total €
Hospital services maintenance income	485,606	—	485,606	892,926
Superannuation deductions	204,392	—	204,392	221,993
Miscellaneous income	—	57,787	57,787	67,737
	689,998	57,787	747,785	1,182,656

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

6 EXPENDITURE ON CHARITABLE ACTIVITIES

COMPANY	Direct Care Pay Costs €	Support Costs €	2017 Total €	2016 Total €
Adult Disability Services	**772,023**	**604,678**	**1,376,701**	1,309,748
Children's Disability Services	**993,250**	**847,850**	**1,841,100**	1,690,844
Children's Palliative Care	**977,449**	**176,359**	**1,153,808**	1,321,605
	2,742,722	**1,628,887**	**4,371,609**	4,322,197

ANALYSIS OF SUPPORT COSTS	Adult Disability Services €	Children's Disability Services €	Children's Palliative Care €	2017 Total €	2016 Total €
Pay Costs:					
Management and Administration Pay	**86,954**	**173,908**	**176,123**	**436,985**	442,201
Support Pay	**106,569**	**154,075**	**236**	**260,880**	367,147
Retired employees	**46,533**	**94,476**	**–**	**141,009**	160,440
Non-Pay Costs:					
Governance and Overhead Costs	**227,107**	**264,959**	**–**	**492,066**	469,206
Drugs and Medical Equipment	**66,193**	**77,224**	**–**	**143,417**	133,194
Catering and Catering Supplies	**33,314**	**38,866**	**–**	**72,180**	71,037
Education and Training	**13,929**	**16,250**	**–**	**30,179**	31,401
Maintenance	**24,079**	**28,092**	**–**	**52,171**	50,487
	604,678	**847,850**	**176,359**	**1,628,887**	1,725,113

Where costs are not directly attributable to an individual service, the shared cost is allocated between the activities on the basis of the time spent for pay costs and the utilisation of maintenance and overhead related expenditure by activities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

6 EXPENDITURE ON CHARITABLE ACTIVITIES (Continued)

GROUP	Direct Care Pay Costs €	Support Costs €	2017 Total €	2016 Total €
Adult Disability Services	**936,224**	**741,494**	**1,677,718**	1,759,741
Children's Disability Services	**1,100,018**	**1,106,273**	**2,206,291**	2,260,268
Children's Palliative Care	**2,412,945**	**1,712,057**	**4,125,002**	4,019,733
	4,449,187	**3,559,824**	**8,009,011**	8,039,742

ANALYSIS OF SUPPORT COSTS	Adult Disability Services €	Children's Disability Services €	Children's Palliative Care €	2017 Total €	2016 Total €
Pay Costs:					
Management and Administration Pay	**222,968**	**433,133**	**1,106,984**	**1,763,085**	1,584,926
Support Pay	**106,569**	**154,074**	**161,565**	**422,208**	480,686
Retired employees	**46,533**	**94,476**	**-**	**141,009**	160,440
Non-Pay Costs:					
Governance and Overhead Costs	**227,109**	**264,959**	**274,513**	**766,581**	872,605
Drugs and Medical Equipment	**66,993**	**76,424**	**63,924**	**207,341**	208,780
Catering and Catering Supplies	**33,314**	**38,865**	**52,744**	**124,923**	127,651
Education and Training	**13,929**	**16,250**	**34,776**	**64,955**	91,762
Maintenance	**24,079**	**28,092**	**17,551**	**69,722**	66,566
	741,492	**1,106,273**	**1,712,057**	**3,559,824**	3,593,416

Where costs are not directly attributable to an individual service, the shared cost is allocated between the activities on the basis of the time spent for pay costs and the utilisation of maintenance and overhead related expenditure by activities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

7. EMPLOYEES AND REMUNERATION

The average number of persons employed by the group during the financial year was 146 (2016: 143) and is analysed into the following categories:

	2017 €	2016 €
Management	**21**	20
Clinical	**95**	95
Support	**4**	4
Fundraising	**11**	9
Pensioners	**15**	15
	146	143

EMPLOYEE REMUNERATION EXCEEDING €60,000
(includes Salary, employer's PRSI and pension costs)

	2017 €	2016 €
Between €60,001 and €70,000	**15**	12
Between €70,001 and €80,000	**7**	6
Between €80,001 and €90,000	**2**	3
Between €90,001 and €100,000	**1**	0
Between €100,001 and €110,000	**2**	2

Key management compensation

The total remuneration for key management personnel including pension contributions and employer's PRSI for the financial year amounted to €782,717 (2016: €781,326).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

8. NET INCOME

	2017 €	2016 €
The net income for financial year is stated after charging the following:		
Directors' remuneration	**–**	–
Depreciation	**10,200**	8,798
Auditor's Remuneration	**29,454**	26,397

The land and buildings remain outside of the company in the ownership of The Children's Sunshine Home Trust (a Trust established in 1925).

9. TAXATION
There is no taxation arising on the result for the financial year as a result of the company's charitable status.

10. FINANCIAL ASSET

Company
The company's financial asset comprises its investment in CSH Childcare Services, a company limited by guarantee not having a share capital, incorporated on 13 October 2011. CSH Childcare Services is accounted for as a subsidiary undertaking as the Board of The Children's Sunshine Home has the power to appoint and control the Board of CSH Childcare Services.

Details in respect of CSH Childcare Services are set out below:

Name of registered office	Country of Incorporation	Principal Activity
CSH Childcare Services	Ireland	Operation of a Children's Hospice

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

11. FIXED ASSETS

GROUP AND COMPANY	CSH Childcare Services (Subsidiary) Motor Vehicles €	Children's Sunshine Home (Company) Equipment €	Group Total €
Cost:			
At 1 January 2017	43,991	–	43,991
Additions	18,438	7,011	25,449
At 31 December 2017	**62,429**	**7,011**	**69,440**
Depreciation:			
At 1 January 2017	15,397	–	15,397
Charge for financial year	8,798	1,402	10,200
At 31 December 2017	**24,195**	**1,402**	**25,597**
Net Book Value: At 31 December 2017	**38,234**	**5,609**	**43,843**
Net Book Value: At 31 December 2016	**28,594**	**–**	**28,594**

The motor vehicles were donated to the organisation and were initially capitalised in the financial statements at market value.

12. GIFTS IN KIND

When the company receives goods and services free of charge they are valued at the cost the company would be reasonably expected to pay in an arm's length transaction in the period in which they are received or when the service is performed.

13 CAPITAL GRANTS

	2017 €	2016 €
At 1 January	**28,594**	37,392
Received during the financial year	**18,438**	–
Amortisation	**(8,798)**	(8,798)
	38,234	28,594

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

14. DEBTORS

AMOUNTS FALLING DUE WITHIN ONE YEAR:	Group 2017 €	Group 2016 €	Company 2017 €	Company 2016l €
Recoverable from the HSE	**188,649**	189,252	**188,649**	189,252
Due from The Children's Sunshine Home Trust	**514,433**	313,924	**493,250**	264,233
Prepayments	**9,718**	59,731	**9,718**	59,731
Debtors	**37,409**	49,142	**15,161**	47,315
	750,209	612,049	**706,778**	560,531

15. CREDITORS

AMOUNTS FALLING DUE WITHIN ONE YEAR:	Group 2017 €	Group 2016 €	Company 2017 €	Company 2016l €
Creditors	**310,829**	182,489	**310,829**	182,489
Accruals	**299,348**	244,434	**260,344**	201,774
PAYE / PRSI	**146,450**	147,900	**76,317**	85,777
	756,627	574,823	**647,490**	470,040

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

16. FUNDS OF THE CHARITY

	Opening balance 1 January 2017 €	Income €	Expenditure €	Closing balance 31 December 2017 €
RESTRICTED				
Adult Disability Services	168,945	1,685,581	(1,662,205)	192,321
Children's Disability Services	13,564	2,197,979	(2,189,937)	21,606
Children's Palliative Care	–	4,100,484	(4,100,484)	–
Gifts in kind	–	235,586	(235,586)	–
Capital Grant	28,594	18,438	(8,798)	38,234
	211,103	**8,238,068**	**(8,197,010)**	**252,161**
UNRESTRICTED				
General fund	–	57,787	(57,787)	–
Total	**211,103**	**8,295,855**	**(8,254,797)**	**252,161**

The Service Level Agreement contracted with the HSE is for the provision of services to persons with a disability. While the utilisation of those funds for the operation of the Hospice Service is outside the scope of the agreement, the HSE have confirmed that due to the essential nature of the service provided to children with a life-limiting condition, it is prepared to support the interim use of some of those funds for the Hospice Service until a more sustainable source of funds from other divisions within the HSE can be secured.

17. PENSION SCHEMES

The company employees are members of a defined benefit pension scheme in respect of employees eligible for inclusion under the Voluntary Hospitals Superannuation Scheme and Spouses' and Children's Pension Scheme. The Scheme is administered, funded and underwritten by the Department of Health and Children. The company acts as agent in the operation of the Scheme and does not make any contribution to the scheme. Contributions are received from eligible employees only.

By agreement with the HSE and the Department of Health and Children the pension contributions received may be offset against pension payments made and the surplus or deficit of contributions each financial year forms part of the funding of the company. The directors are advised that the company has no responsibility for any liability that falls due as a result of any potential under-funding of the Scheme.

For the financial year ended 31 December 2017 €204,391 (2016: €221,993) was retained and treated as income and €141,008 (2016: €160,441) was paid to pensioners.

The Single Public Service Pension Scheme (SPSPS) applies to all employees who are joining the public sector as new entrants after January 2013. In line with the guidance of this scheme, all employee contributions are paid over to the state pension account and not included in the income and expenditure account. The Department of Public Expenditure and Reform ('DPER') is responsible for the SPSPS and under the Public Service Pensions (Single Scheme and Other Provisions) Act 2012, Section 44(1) (b), payments arising under this Single Scheme to retiring employees shall be paid from funds provided by the Oireachtas for that purpose.

The subsidiary company has established a defined contribution pension scheme and the assets of the scheme are held separately from those of the company in an independently administered fund. The contributions paid by the company during the financial year amounted to €161,952 (2016: €136,898). There were no amounts payable at financial year end (2016: €Nil)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

18. CONTINGENT LIABILITY

A contingent liability of €424,434 (2016: €463,019) exists in respect of the Pobal Grant which becomes repayable if certain conditions, as set out in the agreements, are not adhered to. The most significant of these conditions relates to cessation of services by The Children's Sunshine Home. Services must be maintained and protected for a period of at least seventeen years after the date of payment of the grant, failing which all grant monies or part thereof may be repayable. The contingency period reduces each year by 1/17 of the total amount received. The total amount of the grant and the related expenditure has been credited and debited, respectively, to the income and expenditure account in the year of receipt.

19. STATEMENTS OF CASH FLOWS

	2017 €	2016 €
Reconciliation of net income to cash generated by charitable activities		
GROUP		
Net income for the financial year	**41,058**	198,431
Depreciation	**10,200**	8,798
Increase in debtors	**(138,159)**	(1,532)
Increase / (Decrease) in creditors	**181,803**	(98,935)
Net cash flow from charitable activities	**94,902**	106,762
COMPANY		
Net income for the financial year	**31,417**	207,229
Depreciation	**1,402**	–
Increase in debtors	**(146,246)**	(43,656)
Increase / (Decrease) in creditors	**177,450**	(90,825)
Net cash flow from charitable activities	**64,023**	72,748

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017

20. RELATED PARTY TRANSACTIONS

The Children's Sunshine Home (a Trust established in 1925) was established to support the development of facilities at The Children's Sunshine Home and subsequently CSH Childcare Services Leopardstown Road, Foxrock. In order to meet the demand for the level of services provided by the Company, financial support for the provision of the Hospice services is provided by the Trust with the support of donors and volunteers.

The four Trustees of the Trust are also directors of the The Children's Sunshine Home and CSH Childcare Services. They have no beneficial interest in either of the companies, and receive no remuneration.

In 2017 the Trust transferred net funds of €3,612,885 (2016: €3,279,287) to CSH Childcare Services.

CSH Childcare Services is a wholly owned subsidiary of The Children's Sunshine Home and during the financial year funds are initially transferred to The Children's Sunshine Home for CSH Childcare Services.

Balances at the year-end represent expenses paid or payable by the Trust not yet transferred to CSH Childcare Services. The amount due to CSH Childcare Services from the Trust was €21,183 (2016: €49,691), and the amount due to The Children's Sunshine Home was €493,250 (2016: €264,233).

21. FINANCIAL INSTRUMENTS

	Group 2017 €	Group 2016 €	**Company 2017 €**	Company 2016l €
FINANCIAL ASSETS				
Measured as undiscounted amounts receivable				
Recoverable from the HSE (Note 14)	**188,649**	189,252	**188,649**	189,252
Due from The Children's Sunshine				
Home Trust (Note 14)	**514,433**	313,924	**493,250**	264,233
Debtors (Note 14)	**37,409**	49,142	**15,161**	47,315
	740,491	552,318	**697,060**	500,800

	Group 2017 €	Group 2016 €	**Company 2017 €**	Company 2016l €
FINANCIAL LIABILITIES				
Measured and undiscounted amounts payable				
Creditors and Other Creditors (Note 15)	**310,829**	182,489	**310,829**	182,489