

The Children's Sunshine Home Trust
(a Trust established in 1925)



Also known as LauraLynn Ireland's Children's Hospice

Reports and Financial Statements

for the financial year ended 31 December 2018

2018



LauraLynn

IRELAND'S CHILDREN'S HOSPICE



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Trustees and Other Information

TRUSTEES

Niall McHugh
Nicholas Quigley
Frances Fletcher
Tony McPoland

OFFICE

Leopardstown Road
Foxrock
Dublin 18

REGISTRATION NUMBERS

Charity Tax Number: CHY21947
Charity Registration Number: 20154844

SOLICITORS

Hayes Solicitors
Lavery House
Earlsfort Terrace
Dublin 2

BANKERS

Allied Irish Bank plc
Sandyford
Dublin 18

Permanent TSB
11 Upper Georges Street
Dun Laoghaire
Co. Dublin

Permanent TSB Corporate
56-59 St Stephen's Green
Dublin 2

KBC Bank Ireland Plc
Corporate Treasury
Sandwith Street
Dublin 2

AUDITORS

Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Centre, Block 3
Harcourt Road
Dublin 2

Trustees' Report

The trustees present this report together with the audited financial statements for the year ended 31 December 2018. The Trust presents its financial statements in compliance with the Statement of Recommended Practice (SORP) FRS 102 – Accounting and Reporting for Charities, although not obliged to do so.

Objectives and activities

The Children's Sunshine Home Trust, The Children's Sunshine Home and CSH Childcare Services are known collectively as 'LauraLynn Ireland's Children's Hospice' (LauraLynn).

The Children's Sunshine Home Trust (the 'Trust') was founded in 1925 and its primary objective was to provide care for sick children. Today, the trustees act as guardians of the organisation's assets and are entrusted with the land and buildings on its campus on Leopardstown Road, Foxrock, Dublin 18. In carrying out its function, the Trust raises and invests funds to enable the continued operation of the services of The Children's Sunshine Home and CSH Childcare Services.

The services provided by The Children's Sunshine Home and CSH Childcare Services (the 'Group') are run from the Trust's campus in Leopardstown. Details of these services are as follows:

The Children's Sunshine Home (Disability Service)

- The Children's Sunshine Home provides care and support to children and adults with intellectual disabilities. This was originally overseen by the Trust until the establishment of The Children's Sunshine Home in 1985. Today, The Children's Sunshine Home offers respite and residential services to children with complex disabilities, as well as residential care for 7 adults with profound disabilities who have been in the care of The Children's Sunshine Home since they were children.
- The service is provided under a Section 38 Service Agreement with the Health Service Executive (HSE). Consequently, the main source of funding for this service is provided by the HSE.

CSH Childcare Services (Hospice Service)

- CSH Childcare Services 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. Care is evidence-based, and provided by an interdisciplinary team of health and social care professionals in the hospice, the family home, hospital or community setting, depending on the family's preference and medical needs of the child. All of the care is provided free of charge to families.
- CSH Childcare Services is accounted for as a subsidiary of The Children's Sunshine Home who controls the composition of its Board of Directors.
- The main source of funding for this service is provided by The Children's Sunshine Home Trust.

Further information regarding The Children's Sunshine Home and CSH Childcare Services is included in the respective Reports and Financial Statements of these companies.

Achievements and Financial Performance

The Statement of Financial Activities for the financial year ended 31 December 2018 and the Balance Sheet at that date are set out on pages 12 and 13. After depreciation, the net income for the financial year amounted to €1,283,164 (2017: net expenditure (€1,144,704)).

Trustees' Report

Income

The main sources of income are from donations, bequests, legacies and from fundraising activities.

During 2018, the Trust raised €6,122,451 in donations from the public and businesses. This represents an increase of 74% on 2017 and was mainly due to funding of €2,400,000 from the Immigrant Investment Programme

(IIP) operated by the Department of Justice and Equality's Irish Naturalisation and Immigration Service.

Excluding the €2,400,000 IIP funding, donations were up over 6% in 2018, showing continued support from the public for the service that LauraLynn provides.

Table 1 below provides details of total income received by the Trust since 2014.

Table 1 Trust Income since 2014

	2014	2015	2016	2017	2018
	€	€	€	€	€
Donations, bequests and legacies	2,426,746	1,892,606	2,310,218	2,221,691	2,145,244
Donations: IIP funding	—	—	—	—	2,400,000
Donations: fundraising activities	1,052,196	1,006,373	1,060,573	1,287,482	1,577,207
Investment income	191,581	133,229	65,998	31,370	16,768
Miscellaneous income	1,474	2,252	2,697	—	—
Total Income	3,671,997	3,034,460	3,439,486	3,540,543	6,139,219

Expenditure

The table below shows that since 2014 funding from the Trust to CSH Childcare Services, to run the hospice service, has increased significantly from €2,707,192 in 2014 to €4,029,782 in 2018. This is a reflection of the

increased level of investment required to support the volume of services that need to be provided. Table 2 below provides details of total expenditure incurred by the Trust since 2014.

Table 2 Trust Expenditure since 2014

	2014	2015	2016	2017	2018
	€	€	€	€	€
Funds transferred to CSH Childcare Services:					
Charitable activities	2,292,570	2,629,518	2,781,945	2,961,248	3,314,326
Fundraising services*	414,622	405,931	497,342	651,637	715,456
Subtotal	2,707,192	3,035,449	3,279,287	3,612,885	4,029,782
Fundraising events & merchandise	262,925**	271,694	322,963	546,567	285,267
Overheads & indirect expenditure		112,451	118,873	130,185	142,329
Depreciation	358,450	382,723	384,063	395,610	398,677
Total Expenditure	3,328,567	3,802,317	4,105,186	4,685,247	4,856,055

*Includes the cost of Fundraising, Marketing and Communication staff employed by CSH Childcare Services

**Prior to 2015, 'Expenditure on raising funds' was not split.

Although the Trust does not employ any employees directly, the charitable activities funding it provides facilitate a staffing complement which consists of non-clinical management and administrators, working alongside a range of nurses and health care assistants who deliver frontline care.

The Children’s Sunshine Home (disability service) is currently fully funded under a Section 38 Service Agreement of the Health Act 2004 and it has not required any further funding from the Trust.

Reserves – Funds Employed

It is the Trust’s policy to retain sufficient funds to safeguard the continuity of both the hospice and disability services, to enable LauraLynn to deliver its Strategy 2019-2023 and to also ensure that it can manage financial, governance and operational risk.

Total funds of €25,665,093 at 31 December 2018 falls into two categories:

1) Restricted funds

Of the available resources, €464,890 (2017: €628,793) is held in restricted funds. Restricted funds represent income received that can only be used for particular purposes which are within the overall aims of LauraLynn. It is the Trust’s policy to fully apply such funds for the purposes for which they were donated as quickly as possible

2) Unrestricted funds

Of the available resources, €25,200,203 (2017: €23,753,136) is held in unrestricted funds. Unrestricted funds are funds that have no specific restrictions attached to them but are categorised as follows:

- *Unrestricted general funds* are funds for use at the discretion of the Trust in furtherance of the objectives of the charity. The main objective is to support the care of sick children and adults with life limiting conditions and their families by the provision of funding to The Children’s Sunshine Home and CSH Childcare Services

If funding from the HSE and donations to the Trust were to cease, the unrestricted general funds of €10,579,800 would enable both the disability and hospice services to continue for over one year at the current level of spend.

The trustees therefore consider the amount held in unrestricted general funds to be appropriate.

- *Designated funds* represent amounts that the trustees may, at their discretion and/or with the agreement of the original donors, set aside for specific purposes in the furtherance of the charity’s objects, which would otherwise form part of the unrestricted funds of the charity.

The Trust reviews the level of funds held periodically. The last review was carried out in December 2018 in conjunction with the approval of the 2019 budget and LauraLynn Strategy 2019-2023. At that time it was agreed that the level of funds held was appropriate to ensure continuity of the services.

Investment Policy

The Trust seeks to produce the best financial return within an acceptable level of risk. As assets are expected to be spent over the next three to five years, capital preservation is of paramount importance. The primary mechanism for meeting this objective is to invest in fixed interest deposit accounts, spreading the total invested and limiting the amount invested with any individual financial institution. These financial institutions are reviewed by the trustees on a periodic basis.

The levels of these deposits are monitored to ensure that the Trust has sufficient liquid funds to meet operational cash flow and planned capital expenditure requirements. The investment return in the current year was in line with expectations having factored in the rates currently offered in the market. The Investment Policy is reviewed annually by the Trustees.

2018 Accounts	Restricted €	Unrestricted €	Total €
Cash and bank	€449,882	€10,579,800	€11,029,682

Trustees' Report

Going Concern

At the balance sheet date the Trust had net current assets of €10,576,198 (2017: €8,956,852).

Based on the results for the year, the year-end financial position and the approved 2019 budget, the trustees believe that The Children's Sunshine Home Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the trustees continue to adopt the 'going concern' basis in preparing the financial statements. Additional information is provided in the accounting policies, note 1, in the financial statements.

Subsequent Events After the Balance Sheet Date

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

Risk Management

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

Financial risk

- There is a dependence on the HSE for short, medium and long term funding for the disability service. If this funding was to cease it would severely impact on the Trust's ability to continue funding both services in the medium and long term. There is a reasonable expectation that such funding will continue.
- The Trust is also dependent on voluntary contributions from the public for the continued funding of CSH Childcare Services for the hospice service. The

trustees are very much aware of maintaining the trust of the public, and so remain vigilant with regards to the management and governance of both Trust assets and funds, and the management and use of the funding it provides.

- If the above mentioned streams of funding were to be withdrawn, the current unrestricted cash reserves (€10,579,800) would enable both services to continue for over one year at the current level of spend.

Reputational Risk

- As is the case with many other charities, LauraLynn's principal risk is reputational damage. Failure to comply with applicable legislation, regulations and standards across a wide range of compliance areas could result in penalties, reputational harm and damage to relationships with clients, funders and donors.
- To mitigate this risk The Children's Sunshine Home, CSH Childcare Services and The Children's Sunshine Home Trust are 'Triple Lock Members' 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.

Governance

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

Only members of the Board may be appointed as trustees. Trustees are selected by the Board with regard to the skills, knowledge and experience needed for the effective administration of the Charity.

The trustees have no beneficial interest in either The Children's Sunshine Home or its subsidiary, CSH Childcare Services.

The trustees, who served at any time during the financial year except as noted for appointments and resignations, were as follows:

Trustees:

Niall McHugh (Chair)

Nicholas Quigley

Frances Fletcher (appointed 17th July 2018)

Tony McPoland (appointed 17th July 2018)

David Andrews (resigned 12th June 2018)

Michael O'Donoghue (resigned 12th June 2018)

Trustee Meetings

The trustees met on three occasions in 2018.

Attendance by each trustee at these meetings is set out below.

	Trustee Meetings
Number of Meetings	3
Niall McHugh (Chair)	2 (3)
Nicholas Quigley	3 (3)
Frances Fletcher	2 (2)
Tony McPoland	2 (2)
Michael O'Donoghue	1 (1)
David Andrews	0 (1)

Remuneration of Trustees

All trustees 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, as volunteers, and although they are entitled to reimbursement for vouched expenses, no such claims have been made in 2018.

Transparency and Accountability

In LauraLynn, credibility depends on public trust, so it is important that the commitment and trust of donors, funders and the public is taken very seriously and business is conducted with the highest levels of accountability and transparency.

The Children's Sunshine Home Trust, along with 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.

Additionally, all entities are also compliant, where required and practicable, with the HSE Annual Compliance Statement and the Governance Code for Community, Voluntary and Charitable Organisations. They will be compliant with the 2018 new Charities Governance Code when reporting commences in 2020. They are signed up to the Guidelines for Charitable Organisations Fundraising from the Public issued by the Charities Regulator and adhere to the data protection laws including the General Data Protection Regulations (GDPR).

In addition to the annual statutory audit provided by Mazars, the Financial Audit Board Sub-Committee appointed an internal audit consultant to provide further independent and objective assurance of the financial procedures and practices of LauraLynn.

Trustees' Report

Public Benefit

In December 2018, the Board of Directors of LauraLynn approved the new strategic plan for the organisation from 2019–2023 which is focussed on 'Growing a Community of Care' and the provision of high-quality, clinical and social care services, in an inclusive environment that promotes the principle of making the most of every moment.

LauraLynn's mission is to provide a community of care that delivers:

- Evidence-based, personalised services to children with palliative care needs, complex care needs and complex disabilities;
- related family support services; and
- a home to our residents where quality-of-life is paramount.

Ultimately, the funding provided by the Trust enables the benefiting companies to provide a broad range of services including hospice, palliative, complex and disability care, and bereavement services to children and their families.

Information Relevant to Environmental Matters

LauraLynn is committed to protecting the environment and has an active programme in place to minimise adverse environmental impacts. Included in the programme is the following:

- **WEEE Ireland Partnership**
WEEE Ireland have launched a new campaign with LauraLynn, 'Small Things Matter' to drive home the message that every small piece of e-waste can easily be recycled at recycling centres and participating electrical retailers.
- **Environmental Upgrade Project – LauraLynn Campus**
Supporting Partners are working together to assist LauraLynn to reduce the carbon footprint for the organisation. This will be by way of installation of:
 - New photo-voltaic solar panels across the campus.
 - Electric vehicle charging points, including infrastructure for additional future demand.
 - LED lighting upgrades.

Political Contributions

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

Accounting Records

The Trust's accounting records are maintained at the Trust's registered office at Leopardstown Road, Foxrock, Dublin 18.

Disclosure of Information to Auditors

In the case of each of the persons who are trustees, at the time the Trustees' Report and financial statements are approved:

- a So far as the trustees are aware, there is no relevant audit information of which the Trust's auditors are unaware; and
- b Each trustee has taken all steps that ought to have been taken by the trustee in order to make themselves aware of any relevant audit information, and to establish that the Trust's auditors are aware of that information.

Auditors

The auditors, Mazars, Chartered Accountants and Statutory Audit Firm, who were appointed during the year, will continue in office.

Signed on behalf of the trustees:

Tony McPoland
Trustee

Nicholas Quigley
Trustee

Date: 16th April 2019

Trustees' Responsibilities Statement

The trustees are required to prepare financial statements of the Trust for each financial year which give a true and fair view of the state of the affairs of the Trust, and of the income and expenditure of the Trust for that year. In preparing those financial statements the trustees are required to:

- Select suitable accounting policies for the Trust financial statements and then to apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The trustees are responsible for keeping proper books of account which disclose with reasonable accuracy the financial position of the Trust, and to enable them to ensure that the financial statements are prepared in accordance with the accounting policies. They are also responsible for safeguarding the assets of the Trust and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

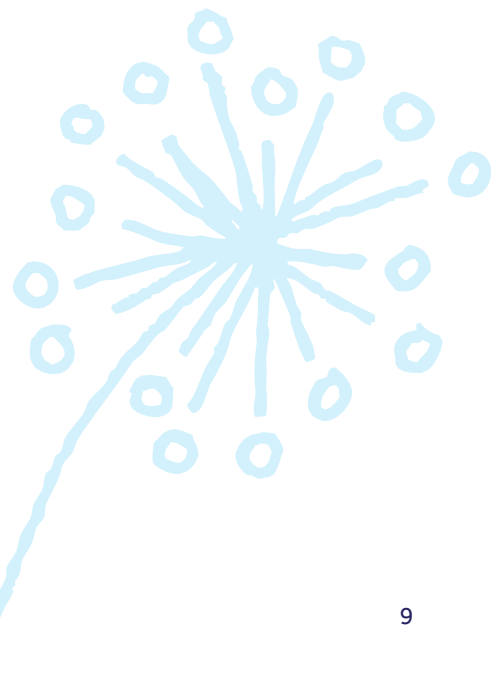
The trustees are also obliged to ensure that a financial and activity report is filed annually with the Charities Regulator, and that all letterheads, stationery leaflets, brochures, website and other media display the Registered Charity Number (RCN).

Signed on behalf of the trustees:

Tony McPoland
Trustee

Nicholas Quigley
Trustee

Date: 16th April 2019



Independent Auditor's Report

to the Members of The Children's Sunshine Home Trust

Report on the audit of the financial statements

Opinion

We have audited the financial statements of The Children's Sunshine Home Trust (the 'charity') for the year ended 31 December 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom & Ireland Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2018 and of its results for the year then ended; and
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Trust in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees 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 Trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees 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 Trustees 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 Trustees 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 Trustees either intend to liquidate the charity 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's website at http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

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

This report is made solely to the Trustees, as a body, in accordance with our engagement letter. Our audit work has been undertaken so that we might state to the Trustees 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 Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Aedín Morkan

for and on behalf of Mazars

Chartered Accountants & Statutory Audit Firm

Harcourt Centre, Block 3

Harcourt Road

Dublin 2

Date: 16th April 2019

Statement of Financial Activities

(Including an Income and Expenditure Account)

For The Financial Year Ended 31 December 2018

	Notes	2018 Restricted Funds €	2018 Unrestricted Funds €	2018 Total €	2017 Restricted Funds €	2017 Unrestricted Funds €	2017 Total €
Income from:							
Donations and legacies	3	145,747	5,976,704	6,122,451	245,336	3,263,837	3,509,173
Investment income		—	16,768	16,768	—	31,370	31,370
Total Income		145,747	5,993,472	6,139,219	245,336	3,295,207	3,540,543
Expenditure on:							
Raising funds	4	14,600	811,673	826,273	14,600	1,057,762	1,072,362
Charitable activities	5	295,050	3,734,732	4,029,782	174,408	3,438,477	3,612,885
Total Expenditure		309,650	4,546,405	4,856,055	189,008	4,496,239	4,685,247
Net movement in funds		(163,903)	1,447,067	1,283,164	56,328	(1,201,032)	(1,144,704)
Reconciliation of Funds:							
Total funds brought forward		628,793	23,753,136	24,381,929	572,465	24,954,168	25,526,633
Total funds carried forward	11	464,890	25,200,203	25,665,093	628,793	23,753,136	24,381,929

There are no other recognised gains or losses other than those listed above.

All income and expenditure derives from continuing activities.

The notes on pages 16 to 25 form part of these financial statements.

Balance Sheet

As at 31 December 2018

	Notes	2018 €	2017 €
Fixed Assets			
Tangible assets	8	15,088,895	15,425,077
Current Assets			
Debtors	9	3,513	1,426
Cash at bank and in hand		11,029,682	9,469,859
		11,033,195	9,471,285
Creditors: Amounts falling due within one year	10	(456,997)	(514,433)
Net Current Assets		10,576,198	8,956,852
Net Assets		25,665,093	24,381,929
Represented By :			
Restricted funds	11/12	464,890	628,793
Unrestricted funds – LauraLynn Hospice and Community Programme*	11	25,200,203	23,753,136
Total Charity Funds		25,665,093	24,381,929

*Certain prior year amounts have been re-classified on the same basis as those applying in the current year. This has no effect on the total charity funds balance for 2017 previously reported. Please see note 11 'Restricted and Unrestricted Trust Funds' for further information.

The notes on pages 16 to 25 form part of these financial statements.

The financial statements were approved and authorised for issue by the trustees and signed on its behalf by:

Tony McPoland
Director

Nicholas Quigley
Director

Date: 16th April 2019

Statement of Cash Flows

For the Financial Year Ended 31 December 2018

	Notes	2018 €	2017 €
Net cast flow from operating activities	13	1,622,318	(577,637)
Cash flows from investing activities			
Purchase of fixed assets	8	(62,495)	(59,340)
Change in cash and cash equivalents in the year		1,559,823	(636,977)
Cash and cash equivalents at beginning of financial year		9,469,859	10,106,836
Cash and cash equivalents at end of financial year		11,029,682	9,469,859

Statement of Changes in Reserves

For the Financial Year Ended 31 December 2018

	Restricted Funds €	Unrestricted Funds* €	Total €
At 1 January 2017	572,465	24,954,168	25,526,633
Net expenditure before depreciation	70,928	(820,022)	(749,094)
Depreciation	(14,600)	(381,010)	(395,610)
At 31 December 2017	628,793	23,753,136	24,381,929
Net (expenditure)/income before depreciation	(149,303)	1,831,144	1,681,841
Depreciation	(14,600)	(384,077)	(398,677)
At 31 December 2018	464,890	25,200,203	25,665,093

*Certain prior year amounts have been re-classified on the same basis as those applying in the current year. This has no effect on the total charity funds balance for 2017 previously reported. Please see note 11 'Restricted and Unrestricted Trust Funds' for further information.

Notes to the Financial Statements

For the financial year ended 31 December 2018

1. Accounting Policies

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

General Information

The Children's Sunshine Home Trust (the 'Trust') is a public benefit entity. It 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 The Children's Sunshine Home and CSH Childcare Services. Along with the Trust, these are collectively known as LauraLynn, Ireland's Children's Hospice ('LauraLynn').

The address of the registered office is Leopardstown Road, Foxrock, Dublin 18.

The objectives of the Trust are charitable in nature. It has been granted charitable tax exemption by the Revenue Commissioners (Charity number CHY 21947) and is registered with the Charities Regulatory Authority (CRA number 20154844). The nature of the Trust's operations and its principal activities are set out in the Trustees' Report on pages 3 to 8.

Basis of Preparation

The financial statements have been prepared on an accruals basis, in accordance with the historical cost convention and in accordance with the formats provided for in the Statement of Recommended Practice (SORP 2015, which has been recognised as best practice for financial reporting by charities in Ireland) 'Accounting and Reporting by Charities' and in accordance with the Financial Reporting Standard applicable in the Republic of Ireland (FRS 102), issued by the Financial Reporting Council.

The financial statements are presented in euro.

Statement of Compliance

The Children's Sunshine Home Trust has adopted Irish and UK Generally Accepted Accounting Principles (GAAP), FRS 102, in accordance with accounting standards issued by the Financial Reporting Council. The financial statements have also been prepared in accordance with the Statement of Recommended Practice (SORP) (Revised 2015) 'Accounting and Reporting by Charities'.

Going Concern

The financial statements have been prepared on the going concern basis.

Forecasts and projections, taking account of reasonable possible changes in performance, show that the Trust will be able to operate within the level of its current cash and investment resources. The trustees have a reasonable expectation that the Trust 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 Trust was unable to continue as a going concern.

Income Recognition

Income

Income is recognised in the Statement of Financial Activities in accordance with SORP rules which is based on three criteria being met which are entitlement, measurement and probability.

- i Donations - public donations and similar income arising from fundraising events are accounted for when received. As with many similar charitable organisations, independent groups from time to time organise fundraising activities in the name of LauraLynn. However, as amounts collected in this way are outside the control of the Trust, they are not included in the financial statements until received by the Trust.
- ii Donations received from individuals and companies using online fundraising platforms to raise funds are recognised when the funds are received.
- iii Legacy income is recognised (a) in the period that it is received or (b) where it is probable that the legacy will be received and the value of the legacy can be measured with sufficient accuracy.
- iv Interest income is recognised in the period in which it is earned.
- v Capital Grants received are recognised as restricted income in the financial year and the depreciation on the related capital asset is charged against the restricted capital fund.
- vi Revenue Grants received are recognised when the company has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.
- vii Income from all other sources is recognised when received.

Expenditure

Expenditure is recognised when there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

- i Expenditure is analysed between raising funds and charitable activities (activities in furtherance of the charity's objects).
- ii Expenditure is recognised in the period to which it relates. Expenditure incurred but unpaid at the balance sheet date is included in accruals and other creditors.
Charitable expenditure comprises all expenditure incurred by the charity in meeting its charitable objectives as opposed to the costs of raising funds to finance these activities.
- iii Expenditure in support of CSH Childcare Services is recognised as charitable expenditure in the period in which it occurs.

Support Costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office and governance costs which support the charity's programmes and activities.

Governance costs are included within 'overhead and indirect costs' and are the costs associated with the stewardship arrangements of the Trust. They comprise of costs arising from constitutional and statutory obligations, as well as costs associated with the strategic management of the Trust's activities. Typical costs would be internal and external audit costs.

Notes to the Financial Statements

For the financial year ended 31 December 2018

Foreign Currency

The functional currency of the Children's Sunshine Home Trust is considered to be euro (€) because that is the currency of the primary economic environment in which the organisation operates.

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.

Funds of the Charity

All transactions of the company have been recorded and reported as income into or expenditure from funds of the charity which are designated as 'restricted' or 'unrestricted'.

Restricted Funds

Income is restricted where the donor or grant making institution has specified that it may be used for a particular purpose or where it has been raised for a particular purpose. All other income is treated as unrestricted. Expenditure is treated as being made out of restricted funds to the extent that it meets the criteria specified by the donor or grant making institution.

Restricted donations or grants may become repayable in the event that the conditions of the related agreements are not adhered to.

Unrestricted Funds

All other income is treated as unrestricted. Unrestricted funds represent amounts which are expendable at the discretion of the Trust in furtherance of the objects of the charity. Such funds may be held in order to finance working capital or capital investment.

Designated Funds

Designated funds represent funds that the trustees may at their discretion and/or with the agreement of the original donors of the funds, set aside funds for specific purposes in the furtherance of the charity's objects, which would otherwise form part of the unrestricted funds of the Trust.

Tangible Fixed Assets

Freehold buildings are stated at deemed cost or valuation, less accumulated depreciation. The Trust properties, excluding LauraLynn House, were professionally valued at 1 June 2012 and are carried at this amount less accumulated depreciation. Fixed asset additions after that date are reflected at cost, less accumulated depreciation. Depreciation of fixed assets is charged on a straight line basis over their expected useful lives as follows:

Buildings	— 50 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 the Statement of Financial Activities 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 Instruments

The company only holds basic financial instruments and has chosen to adopt Section 11 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the Trust 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 Trust transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Trust, 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.

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.

Taxation

The Trust has been granted charitable tax exempt status by the Revenue Commissioners under CHY number 21947 and therefore no provision for Corporation tax is required.

Notes to the Financial Statements

For the financial year ended 31 December 2018

2. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Trust's accounting policies, which are described in note 1, the trustees 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 estimates in applying the Trust's accounting policies

The following are the critical estimates that the trustees 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) 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 estimate 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. Donations and Legacies

	2018 Restricted €	2018 Unrestricted €	2018 Total €
Donations	145,747	4,209,981	4,355,728
Fundraising activities	—	1,577,207	1,577,207
Bequests and legacies	—	11,046	11,046
Other	—	178,470	178,470
	145,747	5,976,704	6,122,451

Prior year

	2017 Restricted €	2017 Unrestricted €	2017 Total €
Donations	236,655	1,852,044	2,088,699
Fundraising activities	8,681	1,278,801	1,287,482
Bequests and legacies	—	16,313	16,313
Other	—	116,679	116,679
	245,336	3,263,837	3,509,173

4. Expenditure on Raising Funds

	Activities undertaken directly	Support Costs €	2018 Total €
€			
Fundraising events & merchandise	89,390	195,877	285,267
Overheads & indirect expenditure	—	142,329	142,329
Depreciation	—	398,677	398,677
	89,390	736,883	826,273

Prior Year

	Activities undertaken directly €	Support Costs €	2017 Total €
Fundraising events & merchandise	80,076	466,491	546,567
Overheads & indirect expenditure	—	130,185	130,185
Depreciation	—	395,610	395,610
	80,076	992,286	1,072,362

5. Expenditure on Charitable Activities

Expenditure on charitable activities relates to funds transferred to CSH Childcare Services, for the operation of the hospice service, and is broken down as follows:

	Restricted €	Unrestricted €	2018 Total €
Charitable activities	295,050	3,019,276	3,314,326
Fundraising services	—	715,456	715,456
	295,050	3,734,732	4,029,782

Prior Year

	Restricted €	Unrestricted €	2017 Total €
Charitable activities	174,408	2,786,840	2,961,248
Fundraising services	—	651,637	651,637
	174,408	3,438,477	3,612,885

Notes to the Financial Statements

For the financial year ended 31 December 2018

6. Remuneration and Employees

The trustees do not receive any remuneration for their services. They give their time and advice freely and although they are entitled to reimbursement for vouched expenses no such claims have been made in 2018 or prior years.

There are no employees of the Trust.

7. Net Income / (Expenditure)

	2018 €	2017 €
Total net income/ (expenditure) for the financial year is stated after charging the following:		
Depreciation (note 8)	398,677	395,610
Auditor's remuneration for audit of financial statements	5,000	5,916

8. Tangible Assets

	Buildings €	Equipment €	Total €
Cost:			
At 1 January 2018	17,232,286	264,175	17,496,461
Additions	-	62,495	62,495
At 31 December 2018	17,232,286	326,670	17,558,956
Depreciation:			
At 1 January 2018	1,911,512	159,872	2,071,384
Charge for financial year	344,645	54,032	398,677
At 31 December 2018	2,256,157	213,904	2,470,061
Net Book Value: At 31 December 2018	14,976,129	112,766	15,088,895
Net Book Value: At 31 December 2017	15,320,774	104,302	15,425,077

The Trust properties, excluding LauraLynn House, were valued at €11,980,000 on 1 June 2012 by Independent Chartered Surveyors O'Malley and Associates. This valuation less accumulated depreciation to date of transition was deemed cost on transition to FRS 102. LauraLynn House is included at its construction cost. The trustees are satisfied that the carrying value of buildings is not impaired.

9. Debtors

	2018 €	2017 €
Amounts falling due within one year:		
Other debtors	3,513	1,426

All debtors are due within one year. All trade debtors are due within the company's normal terms, which is 30 days. Trade debtors are shown net of impairment in respect of doubtful debts.

10. Creditors

	2018 €	2017 €
Amounts falling due within one year:		
Due to CSH Childcare Services (note 14)	14,853	21,183
Due to The Children's Sunshine Home (note 14)	442,144	493,250
	456,997	514,433

All debtors are due within one year. All trade debtors are due within the company's normal terms, which is 30 days. Trade debtors are shown net of impairment in respect of doubtful debts.

11. Restricted and Unrestricted Trust Funds

	Restricted Funds (Note 12) 2018	Unrestricted Funds LauraLynn Hospice and Community Programme 2018	Total Restricted and Unrestricted Funds 2018	Total Restricted and Unrestricted Funds** 2017
Fund balances at 1 January	628,793	23,753,136	24,381,929	25,526,663
Net income/(expenditure)	(149,303)	1,831,144	1,681,841	(749,094)
Depreciation	(14,600)	(384,077)	(398,677)	(395,610)
Fund balances at 31 December	464,890	25,200,203	25,665,093	24,381,929

Analysis of Trust net assets between funds:

	Restricted Funds (Note 12) 2018	Unrestricted Funds LauraLynn Hospice and Community Programme 2018	Total Restricted and Unrestricted Funds 2018	Total Restricted and Unrestricted Funds** 2017
Tangible fixed assets	15,008	15,073,887	15,088,895	15,425,077
Cash*	449,882	10,579,800	11,029,682	9,469,859
Net current assets	—	(453,484)	(453,484)	(513,007)
Fund balances at 31 December	464,890	25,200,203	25,665,093	24,381,929

* The cash reserve of €11,029,682 represents 2.7 times the 2018 funding to the LauraLynn hospice service. The trustees are satisfied that this represents sufficient funding in the medium term to support the service.

**Prior Period Adjustment

The Trust properties, excluding LauraLynn House, were valued at €11,980,000 on 1 June 2012 by Independent Chartered Surveyors O'Malley and Associates. The valuation less accumulated depreciation of these tangible fixed assets, was presented in previous periods in a valuation reserve. This treatment has been revised in 2018, to a more appropriate fund classification and is now presented within 'Unrestricted Funds LauraLynn Hospice and Community Programme'. This has no effect on the total funds balance for 2017 previously reported.

12. Restricted Funds

	2018 €	2017 €
Capital Grants		
At 1 January	29,608	44,208
Depreciation in the year	(14,600)	(14,600)
	15,008	29,608
Donor Restricted Funds	449,882	599,185
Total Restricted Funds	464,890	628,793

13. Statement of Cash Flows

	2018 €	2017 €
Reconciliation of net expenditure to cash generated by charitable activities:		
Net income/ (expenditure)	1,283,164	(1,144,704)
Depreciation	398,677	395,610
(Increase)/ decrease in debtors	(2,087)	14,261
(Decrease)/ increase in creditors	(57,436)	157,196
Net cash flow from charitable activities	1,622,318	(577,637)

14. Related Party Transactions

The Children's Sunshine Home Trust (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 The Children's Sunshine Home and CSH Childcare Services (the 'Group').

In order to meet the demand for the level of services provided by the Group, 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 Children's Sunshine Home and CSH Childcare Services. They have no beneficial interest in either of the companies, and receive no remuneration.

In 2018, the trustees transferred funds of €4,029,782 (2017: €3,612,885) to cover the costs of CSH Childcare Services and fundraising costs on behalf of the Trust.

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 year end represent expenses paid or payable by the Trust not yet transferred to CSH Childcare Services. At the year end, the amount due from the trust to CSH Childcare Services was €14,853 (2017: €21,183), and to The Children's Sunshine Home was €442,144 (2017: €493,250).

15. Financial Instruments

	2018 €	2017 €
Financial assets		
<i>Measured as undiscounted amounts receivable</i>		
Other debtors (note 9)	3,512	1,426
Financial liabilities		
<i>Measured as undiscounted amounts payable</i>		
Due to CSH Childcare Services (note 10)	14,853	21,183
Due to The Children's Sunshine Home (note 10)	442,144	493,250
	456,997	514,433

16. Post Balance Sheet Events

No circumstances have arisen or events occurred, between the balance sheet date and the date of approval of the financial statements by the trustees, which would require adjustment or disclosure in the financial statements.

17. Approval of The Financial Statements

The financial statements were approved by the trustees on 16th April 2019.

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Registered Charity No. 20154844

Revenue No. CHY21947

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IRELAND'S CHILDREN'S HOSPICE