Registered number: 371707
Charity number: CHY 10022, CRA 20025274

HEART CHILDREN IRELAND

(A company limited by guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2022

HEART CHILDREN IRELAND
(A company limited by guarantee)

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HEART CHILDREN IRELAND
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS DIRECTORS AND ADVISERS FOR THE YEAR ENDED 31 MAY 2022

Directors	Eamonn McQuaid Lesley Osborne Bernard Raftery Eileen Carruthers, Chair Michael Foley Michael Teehan John McGuckian Laura Heffernan
Company registered number	371707
Charity registered number	CHY 10022, CRA 20025274
Registered office	The Carmichael Centre North Brunswick Street Dublin 7
Company secretary	Eamonn McQuaid
Chief executive officer	Sheila Campbell
Independent auditors	Woods and Partners Limited Chartered Accountants and Registered Auditor The Taney Buildings 3 Eglinton Terrace Dundrum Dublin 14
Bankers	AIB 41 South Main Street Naas Co. Kildare
Solicitors	Matheson 70 Sir John Rogerson's Quay Dublin 2

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MAY 2022

The chairperson presents her statement for the year.

Heart Children Ireland went through a year of organisational change, with the appointment of a new CEO on the retirement of Margaret Rogers who had been in post for the previous twenty-one years. On behalf of the Board, I would like to thank Margaret for her service to Heart Children and wish her well in her retirement.

Deirdre O'Neill, the clinical psychologist who worked with Heart Children for ten years, left for pastures new at the end of February 2022 and, again, we thank her for her long service to the organisation. On her departure, we began working with a new clinical psychologist who delivers her service online and via phone and through pre-recorded webinar material. This method has delivered significant cost savings to the charity and effectively allows us to provide access to a clinical psychologist from anywhere in Ireland opening up the service to members countrywide. The organisation spent a total of €49,885 on psychology services in this period.

Our provision of direct funding to families continued with a spend of €30,600. €3,100 was provided to support parents of children who are long-term inpatients in CHI Crumlin experiencing financial difficulty and €27,500 was provided from the Blue Ribbon fund which supports families whose child is on the heart transplant journey to the UK.

As the ability to operate in-person services began to regularise again, the fundraising calendar project went ahead and our annual bereavement service took place. However, due to an upsurge in Covid cases at Christmas time, the Christmas parties did not go ahead for another year.

We rebranded the organisation and invested in the development of a new website to reinvigorate the brand and present the work of the organisation.

The Board was refreshed with the appointment of two near board members and the long serving secretary, Eamon McQuaid retired at the end of his term of service.

Income was down this year in comparison to 2021 as the Charity did not receive any government funding or significant grant funding other than a grant from the Hospital Saturday Fund for €3K. However, we were the beneficiary of the Galway Cycle Fundraising Cycle which generated €50K for Heart Children.

Taking a broad overview, there was a lot of work undertaken in the year to introduce change and update the work of the organisation in line with the newly developed, three-year strategic plan.

E McCarthers

Chairperson
Date:

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MAY 2022

The Directors present their annual report together with the audited financial statements of the Charity for the financial year 1 June 2021 to 31 May 2022. The Annual report serves the purposes of both a Directors' report and a directors' report under company law. The Directors confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

a. Policies and objectives

Heart Children is the national charity which supports people born with Congenital Heart Disease (CHD) and their families throughout their lifetime. All of our services are provided to our members free of charge.

Our mission is to support people of all ages with CHD and their families, to live confidently, stay well and enjoy life to its fullest.

The main objective of Heart Children Ireland as set out in its Constitution is to provide support, practical help and financial assistance and /or the provision of equipment within Ireland to:

- Children, adolescents and adults with congenital heart disease.
- Parents/guardians of children/adolescents/adults with congenital heart disease.
- Family members of children born with congenital heart disease.
- Children and the families of children who develop heart disease (e.g. cardiomyopathy).
- Hospitals whose functions include the provision of medical assistance to persons with congenital heart disease and to persons who develop heart disease.
- Bereaved families of children who have died from congenital heart disease.
- Member support groups in regional locations countrywide.

In setting objectives and planning for activities, the Directors have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

Heart Children does not receive annual government funding and relies on its fundraising initiatives and on the generosity of its members and supporters to generate the charity's income.

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

In the financial year, June 21 – May 22, the country was returning to normal operation after the Covid-19 pandemic. The organisation went through a year of considerable change. A new CEO was appointed in August and under her direction, the services offered by Heart Children diversified to broaden the reach of the charity's work and explore new projects that meet the organisation's mission statement.

The fundraising calendar was produced for 2022 and the organisation was selected to benefit from the funds raised through an event called the Galway Cycle.

Our Psychology Support Service continued to be provided online and over the phone and we began monthly support group webinars for parents and adults with CHD. We continued to support parents with financial assistance through the general fund and the Blue Ribbon Fund provided financial assistance to those on the transplant journey.

We held the annual bereavement service in November but the monthly coffee mornings in CHI Crumlin were not possible nor were the Christmas parties due to an upsurge in Covid cases at Christmas time.

d. Main activities undertaken to further the Charity's purposes for the public benefit

• CHD Awareness week in February to support advocacy and general public awareness of CHD;
• Sales of our Heart Children calendar which features images of 60 children with CHD and is sponsored by Chill Insurance.

Achievements and performance

a. Main achievements of the Charity

Since the organisation's establishment in 2003, Heart Children has donated over €3 million to the Children's Heart Centre in Crumlin to fund staff roles and the purchase of equipment used to improve the medical care of people with CHD.

Our Coaguchek programme provides self-testing medical devices to people with CHD on warfarin medication. These allow them to check their INR readings from home without the need to travel to hospital for testing which reduces the disruption to home, school, college and work life.

All pediatric heart transplant operations are carried out in the UK. Heart Children provides financial assistance through its Blue Ribbon Fund to cover transport and other support costs related to enabling families to remain in the UK while their child undergoes transplant.

Our busiest and most on-demand service is in providing psychological support to people with CHD and to their parents and siblings.

Financial review

a. Going concern

After making appropriate enquiries, the Directors have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies. Current net assets have increased to €335,451 (down €32,021 from 2021) and cash held at year end decreased to €343,231 (€380,734 in 2021).

b. 2022 performance

Total income at €218,437 reflects a decrease of €199,011 compared to the previous year. This decrease reflects a year without the support of government Covid funding (totaling €138,022 in 2021) and a once off large donation to the Blue Ribbon Fund of €138,730.

Our fundraising income returned to pre-Covid levels despite the many operational change that happened in the organisation in this period.

c. Reserves policy

Heart Children holds reserves of €64,329 as a contingency to cover six month operating costs to maintain the work of the Charity.

As at the year end, our restricted fund balance was €343,123 (€241,513 in 2021) with the unrestricted fund balance at (€7,672) (€125,959 in 2021).

d. Principal risks and uncertainties

The CEO in conjunction with the Board Directors conducts a review of the major risks to which the Charity is exposed. A risk register is maintained and is examined on a regular basis. The main risks are analysed under the following headings:

Covid-19 – The pandemic has caused widespread disruption and restriction of our business and has had a negative impact on fundraising activities.

Governance risks including maintenance of updated policies and procedures and appropriate levels of board engagement to ensure quality reporting and that Heart Children delivers effectively on its governance priorities.

Strategic risks to ensure that all decisions are made inline with the charity's key goals and objectives.

Operational risks that typically include dependence on a small number of key staff and contractors.

Regulatory risks that require us to understand and comply with the evolving regulatory environment and ensure that we fully comply with all our legal and reporting requirements.

Financial risks that require continued focus on the need to effectively generate income, manage our costs and maintain adequate levels of reserves to ensure that we maximise charitable donations for the benefit of our members.

Reputational risks that require the highest standards of integrity and transparency to maintain the support and trust of our members and supporters.

IT security to ensure protection of data and guard against third party data security breaches.

Structure, governance and management

a. Constitution

Heart Children Ireland is registered as a charitable company limited by guarantee and was set up by a Trust deed.

b. Methods of appointment or election of Directors

The management of the Charity is the responsibility of the Directors who are elected and co-opted under the terms of the Trust deed. Heart Children's Constitution determines that the maximum term of office for a Director/ Trustee is six years. Recruitment of Trustees to the Board is from the membership of the organisation and via Boardmatch and all new Trustees are required to make a formal application to the Board for their approval.

c. Volunteer activity

Heart Children requests volunteer support for its activities on an ad hoc basis as demand requires. However, there was no requirement for volunteer support in this period.

Statement of Directors' responsibilities

The Directors (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and Accounting Standards (Financial Reporting Standard 102).

Company law requires the Directors to prepare financial statements for each financial . 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 state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2014. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditor

The auditor, Woods and Partners Limited Chartered Accountants and Registered Auditor, have indicated their willingness to continue in office. The designated Directors will propose a motion reappointing the auditors at a meeting of the Directors.

Approved by order of the members of the Board of Directors and signed on their behalf by:

Eamonn McQuaid
Director

Eileen Carruthers
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEART CHILDREN IRELAND

Opinion

We have audited the financial statements of Heart Children Ireland (the 'charitable company') for the year ended 31 May 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable Irish law and Accounting and Reporting standards applicable to Charitiesthe Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of recommended Practice (SORP FRS 102).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 May 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with Charities SORP Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable 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 (IAASA), the provisions available for small entities, in the circumstances set out in note 3 to the financial statements, 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

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Directors are responsible for the other information contained within the Annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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:

- in our opinion, the information given in the Directors report is consistent with the financial statements; and
- in our opinion, the Directors' report has been prepared in accordance with applicable legal requirements.

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 Heart Children Ireland were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of Heart Children Ireland and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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

Responsibilities of Directors for the financial statements

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

In preparing the financial statements, the Directors are responsible for assessing the charitable 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 charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HEART CHILDREN IRELAND (CONTINUED)

Auditors' 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 Auditors' 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: https:www.iaasa.ie/Publications/ISA-700-(Ireland).

This description forms part of our Auditors' report.

Use of our report

This report is made solely to the charitable company's trustees, 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 charitable company's trustees those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Conor Woods
for and on behalf of
Woods and Partners Limited
Chartered Accountants and Registered Auditor
The Taney Buildings
3 Eglinton Terrace
Dundrum
Dublin 14

Date:

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MAY 2022

	Note	Restricted funds 2022 €	Unrestricted funds 2022 €	Total funds 2022 €	*Total funds 2021 €*
Income from:					
Corporate and grant funding	4	**10,470**	**32,357**	**42,827**	*170,455*
Fundraising events	5	**134,998**	**40,612**	**175,610**	*245,942*
Investments	6	**-**	**-**	**-**	*4*
Other income	7	**-**	**-**	**-**	*1,047*
Total income		**145,468**	**72,969**	**218,437**	*417,448*
Expenditure on:					
Support costs	8	**43,858**	**206,600**	**250,458**	*257,013*
Total expenditure		**43,858**	**206,600**	**250,458**	*257,013*
Net movement in funds		**101,610**	**(133,631)**	**(32,021)**	*160,435*
Reconciliation of funds:					
Total funds brought forward		**241,513**	**125,959**	**367,472**	*207,037*
Net movement in funds		**101,610**	**(133,631)**	**(32,021)**	*160,435*
Total funds carried forward		**343,123**	**(7,672)**	**335,451**	*367,472*

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

The notes on pages 14 to 25 form part of these financial statements.

HEART CHILDREN IRELAND
(A company limited by guarantee)
REGISTERED NUMBER: 371707

BALANCE SHEET
AS AT 31 MAY 2022

	Note		2022 €		2021 €
Tangible assets	12		5,794		-
			5,794		-
Current assets					
Debtors	13	2,122		2,815	
Cash at bank and in hand		343,231		380,734	
		345,353		383,549	
Creditors: amounts falling due within one year	14	(15,696)		(16,077)	
Net current assets			329,657		367,472
Total assets less current liabilities			335,451		367,472
Total net assets			335,451		367,472
Charity funds					
Restricted funds	15		343,123		241,513
Unrestricted funds	15		(7,672)		125,959
Total funds			335,451		367,472

The Charity's financial statements have been prepared in accordance with the Charities SORP Financial Reporting Standards 102; the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102").

The financial statements were approved and authorised for issue by the Directors on 14 April 2023 and signed on their behalf, by:

Eamonn McQuaid
Director

Eileen Carruthers
Director

The notes on pages 14 to 25 form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MAY 2022

	2022 €	*2021* *€*
Cash flows from operating activities		
Net cash used in operating activities	**(30,898)**	*163,129*
Cash flows from investing activities		
Purchase of tangible fixed assets	**(6,605)**	-
Net cash (used in)/provided by investing activities	**(6,605)**	**-**
Cash flows from financing activities		
Net cash provided by financing activities	**-**	**-**
Change in cash and cash equivalents in the year	**(37,503)**	**163,129**
Cash and cash equivalents at the beginning of the year	**380,734**	*217,605*
Cash and cash equivalents at the end of the year	**343,231**	*380,734*

The notes on pages 14 to 25 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition - October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2014.

Heart Children Ireland meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements have been presented in Euro (€) which is the functional currency of the Charity.

1.2 Going concern

Heart Children Ireland derives its principal funding from donations, fundraising events and grants. In the absence of this, Heart Children Ireland may not be able to continue as a going concern. The Directors are confident that they shall continue to generate funds which will allow Heart Children Ireland to continue to provide its services into the foreseeable future, and in this regard, have prepared the financial statements on the going concern basis.

1.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.4 Government grants

Grant income is recognised in accordance with the performance conditions pertaining to the individual grant. Grants are credited to the Statement of financial activities as the related expenditure is incurred if specific conditions are imposed in relation to the spend. Where there are no performance conditions in respect of a grant, it is recognised upon receipt.

The Employment Wage Subsidy Scheme (EWSS) is classified as a government grant. Amounts receivable under this scheme are recognised as other income in the period in which the relevant payroll is processed.

1. Accounting policies (continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

1.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by Heart Children Ireland; this is normally upon notification of the interest paid or payable by the bank.

1.7 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets costing €NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	20%
Office equipment	-	20%
Computer equipment	-	20%

1. Accounting policies (continued)

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

1.12 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1. Accounting policies (continued)

2. Critical accounting estimates and areas of judgment

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

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

Critical judgments

The directors are of the view that there are no judgments (apart from those involving estimates) in applying their accounting policies that have had a significant effect on amounts recognised in the financial statements.

3. Provisions available for audits of small entities

In common with many other charities of our size, we use our auditors to assist with the preparation of the financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

4. Income from donations and legacies

	Restricted funds 2022 €	Unrestricted funds 2022 €	Total funds 2022 €	*Total funds 2021 €*
Donations	2,020	32,357	**34,377**	*35,822*
Corporation and grant funding	-	-	**-**	*16,000*
EWSS	8,450	-	**8,450**	*32,433*
Covid Stability Fund	-	-	**-**	*86,200*
Total 2022	10,470	32,357	**42,827**	*170,455*
Total 2021	*32,433*	*138,022*	*170,455*	

5. Income from other trading activities

Income from fundraising events

	Restricted funds 2022 €	Unrestricted funds 2022 €	Total funds 2022 €	*Total funds 2021 €*
Mini-Marathon	134,998	-	**134,998**	*138,730*
Windmills	-	-	**-**	*1,147*
Oct Marathon	-	-	**-**	*3,894*
Fundraising - other	-	-	**-**	*53,456*
Christmas cards	-	1,011	**1,011**	*943*
Christmas calendar	-	39,601	**39,601**	*47,172*
T-Shirts	-	-	**-**	*600*
Total 2022	134,998	40,612	**175,610**	*245,942*
Total 2021	*151,106*	*94,836*	*245,942*	

6. Investment income

	Unrestricted funds 2022 €	Total funds 2022 €	*Total funds 2021 €*
Bank interest received	-	-	*4*
Total 2021	*4*	*4*	

7. Other incoming resources

	Restricted funds 2022 €	Total funds 2022 €	*Total funds 2021 €*
Miscellaneous income	-	-	*1,047*
Total 2021	*1,047*	*1,047*	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 €	Unrestricted funds 2022 €	Total 2022 €	*Total 2021 €*
Wages and salaries	-	95,281	**95,281**	*58,583*
Business expenditure	-	19,239	**19,239**	*6,110*
Staff training	-	7,611	**7,611**	*9,216*
Office costs	-	9,194	**9,194**	*8,097*
IT & communications	-	3,399	**3,399**	*5,430*
Printing, stationary and postage	-	4,335	**4,335**	*10,703*
Professional fees	423	10,914	**11,337**	*8,910*
Family supports	43,435	55,816	**99,251**	*149,964*
Depreciation	-	811	**811**	-
Total 2022	43,858	206,600	**250,458**	*257,013*
Total 2021	*76,642*	*180,371*	*257,013*	

9. Auditors' remuneration

	2022 €	*2021 €*
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	**3,690**	-

10. Staff costs

	2022 €	*2021 €*
Wages and salaries	**87,484**	*58,332*
Social security costs	**7,797**	*251*
	95,281	*58,583*

10. Staff costs (continued)

The average number of persons employed by the Charity during the year was as follows:

	2022 No.	*2021* *No.*
Administration	2	*2*

No employee received remuneration amounting to more than €60,000 in either year.

The total remuneration, comprising salary and employer pension contributions, paid in respect of key management personnel amounted to €77,193 (2021: €45,960).

11. Directors' remuneration and expenses

During the year, no Directors received any remuneration or other benefits *(2021 - €NIL)*.

During the year ended 31 May 2022, no Director expenses have been incurred *(2021 - €NIL)*.

12. Tangible fixed assets

	Fixtures and fittings €	Office equipment €	Computer equipment €	Total €
Cost or valuation				
Additions	1,043	1,420	4,142	6,605
At 31 May 2022	1,043	1,420	4,142	6,605
Depreciation				
Charge for the year	86	237	488	811
At 31 May 2022	86	237	488	811
Net book value				
At 31 May 2022	957	1,183	3,654	5,794
At 31 May 2021	-	-	-	-

13. Debtors

	2022 €	*2021* *€*
Due within one year		
Prepayments	**2,122**	*2,815*

14. Creditors: Amounts falling due within one year

	2022 €	*2021* *€*
Trade creditors	**-**	*10,021*
Taxation and social security	**5,332**	*1,179*
Other creditors	**25**	*865*
Accruals	**10,339**	*4,012*
	15,696	*16,077*

15. Statement of funds

Statement of funds - current year

	Balance at 1 June 2021 €	Income €	Expenditure €	Balance at 31 May 2022 €
Unrestricted funds				
General Funds - all funds	**125,959**	**72,969**	**(206,600)**	**(7,672)**
Restricted funds				
Restricted Funds - all funds	**241,513**	**145,468**	**(43,858)**	**343,123**
Total of funds	**367,472**	**218,437**	**(250,458)**	**335,451**

Statement of funds - prior year

	Balance at 1 June 2020 €	*Income* €	*Expenditure* €	*Balance at 31 May 2021* €
Unrestricted funds				
General Funds - all funds	*67,724*	*282,815*	*(224,580)*	*125,959*
Restricted funds				
Restricted Funds - all funds	*139,313*	*102,200*	-	*241,513*
Total of funds	*207,037*	*385,015*	*(224,580)*	*367,472*

16. Summary of funds

Summary of funds - current year

	Balance at 1 June 2021 €	Income €	Expenditure €	Balance at 31 May 2022 €
General funds	**125,959**	**72,969**	**(206,600)**	**(7,672)**
Restricted funds	**241,513**	**145,468**	**(43,858)**	**343,123**
	367,472	**218,437**	**(250,458)**	**335,451**

Summary of funds - prior year

	Balance at 1 June 2020 €	*Income €*	*Expenditure €*	*Balance at 31 May 2021 €*
General funds	*67,724*	*282,815*	*(224,580)*	*125,959*
Restricted funds	*139,313*	*102,200*	-	*241,513*
	207,037	*385,015*	*(224,580)*	*367,472*

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 €	Unrestricted funds 2022 €	Total funds 2022 €
Tangible fixed assets	-	5,794	**5,794**
Current assets	343,123	2,230	**345,353**
Creditors due within one year	-	(15,696)	**(15,696)**
Total	343,123	(7,672)	**335,451**

17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Restricted funds 2021 €	*Unrestricted funds 2021* €	*Total funds 2021* €
Current assets	*257,590*	*125,959*	*383,549*
Creditors due within one year	*(16,077)*	-	*(16,077)*
Total	*241,513*	*125,959*	*367,472*

18. Related party transactions

The Charity has not entered into any related party transactions during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 May 2022.

19. Post balance sheet events

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

20. Approval of financial statements

The financial statements were approved and authorised for issue by the Board of Directors on 14 April 2023.